UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

GRADY SCOTT WESTON, Individually and On Behalf of All Others Similarly Situated, Plaintiffs, v. RCS CAPITAL CORPORATION, RCAP HOLDINGS, LLC, RCAP EQUITY, LLC, NICHOLAS S. SCHORSCH, BRIAN S. BLOCK, EDWARD MICHAEL WEIL, WILLIAM M. KAHANE, BRIAN D. JONES, PETER M. BUDKO, MARK AUERBACH, JEFFREY BROWN, C. THOMAS MCMILLEN, and HOWELL WOOD, Defendants.	Civ. No. 1:14-CV-10136-GBD

JOINT DECLARATION OF DEBORAH CLARK-WEINTRAUB AND IRA A. SCHOCHET IN SUPPORT OF LEAD PLAINTIFFS' MOTION FOR FINAL APPROVAL OF PROPOSED CLASS ACTION SETTLEMENT AND PLAN OF ALLOCATION AND LEAD COUNSEL'S MOTION FOR AWARD OF ATTORNEYS' FEES AND PAYMENT OF LITIGATION EXPENSES

We, DEBORAH CLARK-WEINTRAUB and IRA A. SCHOCHET, declare as follows:

1. Deborah Clark-Weintraub is a partner of Scott+Scott, Attorneys at Law, LLP ("Scott+Scott") and Ira A. Schochet is a partner at Labaton Sucharow LLP ("Labaton Sucharow"). Scott+Scott and Labaton Sucharow ("Lead Counsel") represent Oklahoma Police Pension Fund and Retirement System ("Oklahoma") and the City of Providence, Rhode Island ("Providence," and collectively with Oklahoma, "Lead Plaintiffs") in this securities class action (the "Action"). We have personal knowledge of the matters set forth herein based on our active,

day-to-day supervision and participation in the prosecution and settlement of the claims asserted on behalf of Lead Plaintiffs and the putative Settlement Class, as defined below, in this Action.[1]

2. We respectfully submit this declaration in support of Lead Plaintiffs' motion for final approval of the proposed Settlement and approval of the proposed Plan of Allocation, as well as Lead Counsel's motion for an award of attorneys' fees, payment of Litigation Expenses, and payment to Lead Plaintiffs pursuant to the Private Securities Litigation Reform Act of 1995, 15 U.S.C. §78u-4(a)(4). Both motions have the support of Lead Plaintiffs–large and sophisticated institutional investors that supervised Lead Counsel, participated in all aspects of the litigation, and remained informed throughout the settlement negotiations. *See* Declaration of Jeffrey Dana, City Solicitor for the City of Providence, attached hereto as Exhibit 1, and Declaration of Steven K. Snyder, Executive Director, Chief Investment Officer and In-House Counsel for Oklahoma Police Pension & Retirement System, attached hereto as Exhibit 2.[2]

3. This declaration provides the Court with highlights of the litigation, the events leading to the Settlement, and the basis upon which Lead Plaintiffs and Lead Counsel recommend its approval and seek an award of attorneys' fees and payment of expenses.

I. PRELIMINARY STATEMENT

4. The Settlement benefits the Settlement Class by conferring a guaranteed and substantial benefit of $31,000,000 (the "Settlement Amount") and avoids the risks and expenses

[1] All terms with initial capitalization not otherwise defined herein have the meanings ascribed to them in the Stipulation and Agreement of Settlement dated June 2, 2017 ("Stipulation") (ECF No. 134-1).

[2] Citations to "Exhibit" or "Ex.___" herein refer to exhibits to this Joint Declaration. For clarity, exhibits that themselves have attached exhibits will be referenced as "Ex. __-__." The first numerical reference refers to the designation of the entire exhibit attached hereto and the second numerical reference refers to the exhibit designation within the exhibit itself.

of continued litigation, including the risk of recovering less than the Settlement Amount after substantial delay, or nothing at all.

5. In entering into the Settlement with Defendants,[3] Lead Plaintiffs and Lead Counsel were fully informed about the strengths and weaknesses of the case. The Parties reached an agreement in principle to settle the Action in June 2017—two-and-a-half years after the commencement of the Action—and only after extensive litigation before the Court in this Action and in the bankruptcy proceeding filed by Defendant RCAP in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"). As set forth more fully below, Lead Counsel (i) conducted a thorough pre-suit investigation; (ii) filed a comprehensive Corrected Amended Class Action Complaint for Violations of the Federal Securities Laws (the "Complaint") based on their investigation; (iii) opposed three separate motions to dismiss filed by Defendants; (iv) retained and worked with bankruptcy counsel to protect the interests of Settlement Class Members when Defendant RCAP filed for bankruptcy in January 2016; (iv) retained and worked with experts; and (v) engaged in mediation and extensive follow-on negotiations with Defendants in an effort to resolve the Action.

6. As discussed in further detail below, given the facts, the applicable law, and the risk and expense of continued litigation, Lead Plaintiffs and Lead Counsel submit that the proposed Settlement is fair, reasonable and adequate, represents an excellent result, and is in the best interests of the Settlement Class. Indeed, the Settlement recovers a significant amount of the Settlement Class's maximum estimated damages. Based on the estimates of Lead Plaintiffs' consulting damages expert, Chad Coffman of Global Economics Group, the Settlement

[3] The Defendants are RCS Capital Corporation ("RCAP"), RCAP Holdings, LLC ("RCAP Holdings"), RCAP Equity, LLC ("RCAP Equity"), Nicholas S. Schorsch, Brian S. Block, Edward M. Weil, Jr., William M. Kahane, Brian D. Jones, Peter M. Budko, Mark Auerbach, Jeffrey Brown, C. Thomas McMillen, and Howell Wood.

represents approximately 10% of maximum recoverable class-wide aggregate damages, an outstanding result particularly when compared to the risks that continued litigation might result in a vastly smaller recovery, or no recovery at all. *See* Declaration of Chad Coffman, CFA, dated August 11, 2017 ("Coffman Declaration"), Ex. 3 hereto.

7. In addition to seeking final approval of the Settlement, Lead Plaintiffs seek final approval of the proposed Plan of Allocation, which was prepared by Mr. Coffman, as fair and reasonable. As described below, the Plan of Allocation takes into account the estimated artificial inflation in RCAP's stock price, the timing of Settlement Class Members' transactions relative to the alleged corrective disclosures in this Action, and whether a Settlement Class Member purchased RCAP shares in or traceable to the Company's June 5, 2014 secondary offering and, therefore, has claims under Sections 11, 12(a)(2) and 15 of the Securities Act of 1933 (the "Securities Act"), in addition to claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 (the "Exchange Act"), and Rule 10b-5 promulgated thereunder. Under the proposed Plan of Allocation, the Settlement Amount (plus interest accrued and after deduction of Court-approved expenses and attorneys' fees) will be distributed on a *pro rata* basis to Members of the Settlement Class who submit timely and valid Claim Forms, based on their "Recognized Loss" amounts as calculated pursuant to the Plan of Allocation.

8. Additionally, Lead Counsel, on behalf of themselves and bankruptcy counsel Lowenstein Sandler LLP (collectively "Plaintiffs' Counsel"), request an award of attorneys' fees, payment of Litigation Expenses, and PSLRA reimbursement for the Lead Plaintiffs ("the Fee and Expense Application"). Specifically, Lead Counsel are applying for a fee award of $9,300,000 (*i.e.*, 30% of the Settlement Fund), and for payment of their Litigation Expenses in the amount of $174,333.68. Lead Plaintiffs are seeking $10,000, in the aggregate, pursuant to the PSLRA.

9. Lead Counsel respectfully submit that the request for attorneys' fees and expenses is justified in light of the significant benefits conferred on the Settlement Class, the substantial risks undertaken by Lead Counsel, the quality of representation, and the nature and extent of the legal services provided. As explained in the accompanying memorandum of law in support of Lead Counsel's requests, the requested fee of 30% of the Settlement Fund is consistent with amounts awarded in similar actions. Lead Plaintiffs support the Fee and Expense Request. *See* Ex. 1 ¶¶ 7-8; Ex. 2 ¶ 5.

II. HISTORY OF THE ACTION

A. Appointment of Lead Plaintiffs and the Amended Complaint

10. On December 29, 2014, a putative class action was commenced in the United States District Court for the Southern District of New York alleging that RCAP and certain of its officers and directors – Nicholas S. Schorsch ("Schorsch") and Edward M. Weil, Jr. William M. Kahane, and Brian D. Jones – violated Sections 10(b) and 20(a) of the Exchange Act, and Rule 10b-5 promulgated thereunder, by making false and misleading statements concerning RCAP's business when they knew, but failed to disclose, that Schorsch and others were directing an accounting fraud at RCAP affiliate American Realty Capital Partners, Inc. ("ARCP"), conduct that if publicly disclosed (as it eventually was) allegedly would, and allegedly did, jeopardize RCAP's business prospects. ECF No. 1.

11. On March 31, 2015, Oklahoma and Providence were appointed by the Court as Lead Plaintiffs pursuant to the provisions of the Private Securities Litigation Reform Act of 1995 ("PSLRA"), and Lead Plaintiffs' selection of Scott+Scott and Labaton Sucharow as co-lead counsel was approved. ECF No. 26.

12. Following their appointment, Lead Counsel conducted a comprehensive pre-suit investigation into the facts, circumstances and claims asserted in the initial complaint which included, among other things, a review and analysis of: (i) United States Securities and Exchange Commission ("SEC") filings by RCAP, ARCP, and their affiliates; (ii) the sworn/verified allegations in *McAlister v. American Realty Capital Properties, Inc., et al.*, Index No. 162499/2014 (Sup. Ct. N.Y. Cty.); (iii) the amended pleadings and other filings in *In re American Realty Capital Properties, Inc. Litigation*, Civil Action No. 1:15-mc-00040-AKH (S.D.N.Y); (iv) securities analysts' reports and advisories about the Company and ARCP; (v) press releases, investor presentations, and other public statements issued by the Company, ARCP, and their affiliates; (vi) transcripts of RCAP and ARCP conference calls; and (vii) media reports about RCAP, ARCP, and their affiliates. As part of their pre-suit investigation, Lead Counsel identified approximately 58 former employees of the Company and others with relevant knowledge and interviewed 13 of them (three of whom provided information as confidential witnesses). Based on this comprehensive investigation, Lead Counsel prepared the Complaint. ECF No. 49.

13. The Complaint, which was filed on June 30, 2015, added additional claims and Defendants. These new Defendants included (i) RCAP affiliates RCAP Holdings and RCAP Equity; (ii) additional Schorsch insiders Brian S. Block ("Block") and Peter M. Budko; and (iii) outside directors Mark Auerbach, Jeffrey Brown, C. Thomas McMillen, and Howell Wood. Further, in addition to claims for violations of Sections 10(b) and 20(a) of the Exchange Act and Rule 10b-5, the Complaint asserted claims for violations of Sections 11, 12(a)(2) and 15 of the Securities Act in connection with RCAP's secondary offering of common stock on June 5, 2014.

14. The Complaint alleged that Defendants made materially false and misleading statements concerning the then-current strength of RCAP's core wholesale distribution and investment banking businesses and their future prospects. Revenues from these business segments were largely dependent upon transactions with related Schorsch businesses, including (i) AR Capital, LLC ("AR Capital"), which sponsored the non-public REIT products sold by RCAP's wholesale distribution business, and (ii) ARCP, a publicly traded REIT that along with AR Capital, engaged in the transactions from which RCAP had earned investment banking fees.

15. Lead Plaintiffs alleged that during the Class Period, Defendants falsely characterized RCAP's business as experiencing "great demand," "a freight train that isn't going to slow for probably a decade," "poised to have significant growth" and having "a promising outlook" and "significant momentum" given its ability to "leverage" its relationship with AR Capital. In truth, however, at the time these statements were made, Defendants knew, but did not disclose, that there was a ticking time-bomb that Defendants knew would destroy RCAP's business if it became public – an ongoing scheme to falsify the financial statements of ARCP directed by ARCP senior management, including Defendants Schorsch and Block.[4]

16. As Defendants readily acknowledged during the Class Period,[5] credibility is paramount in the REIT industry in which RCAP operated because investors in non-traded REITS, such as those that were sponsored by AR Capital and sold by RCAP, are not provided with the same level of disclosure as investors in publicly traded securities. Thus, Defendants allegedly knew that RCAP's ability to generate revenue depended on, and would rise and fall with, the market's confidence in the sponsor of those REITs, AR Capital, and that given the

[4] On June 30, 2017, Block was convicted of knowingly and intentionally misleading investors by misstating a key non-GAAP financial metric reported by ARCP – adjusted funds from operations ("AFFO"). *See United States v. Block*, No. 16-CR-00595 (S.D.N.Y.).

[5] The Class Period is February 12, 2014 through December 18, 2014.

overlapping leadership across RCAP, ARCP, and AR Capital, the operations and business prospects of AR Capital and RCAP would be severely compromised by disclosure of the accounting fraud at ARCP.

17. The Complaint alleged that when the truth was slowly revealed in a series of partial corrective disclosures between October 29, 2014, when the accounting fraud at ARCP was disclosed, and December 18, 2014, when former ARCP Chief Accounting Officer Lisa McAlister filed a verified complaint in New York State Supreme Court fingering Schorsch and Block as the parties who orchestrated, directed, and covered the fraud up, the price of RCAP common stock declined precipitously as its revenues and business prospects evaporated.

B. Defendants' Motions to Dismiss

18. On September 11, 2015, Defendants filed three separate motions to dismiss the Complaint. ECF Nos. 65-68, 70-71. The motion filed on behalf of all Defendants other than Schorsch and Block (but joined by them) was comprehensive and urged dismissal of the Action on multiple grounds including Lead Plaintiffs' purported (i) failure to plead fraud in compliance with Fed. R. Civ. P. 9(b); (ii) failure to plead misstatements and omissions that were material; (iii) failure to plead material misstatements and omissions unprotected by the PSLRA safe harbor; (iv) failure to plead misstatements and omissions in accordance with the Supreme Court's decision in *Omnicare, Inc. v. Laborers Dist. Council Const. Indus. Pension Fund*, 135 S. Ct. 1318 (2015); (v) lack of standing; (vi) failure to plead statutory seller status under Section 12(a)(2) of the Securities Act with respect to any Defendant; (vii) failure to plead scienter and loss causation as required under Section 10(b) of the Exchange Act; and (viii) failure to plead control person liability under the Securities Act or the Exchange Act. ECF Nos. 65-66.

19. In addition to joining the foregoing motion, Defendants Schorsch and Block also each filed separate motions raising additional grounds for dismissal of the claims against them,

including that (i) they could not be held liable for most of the allegedly false and misleading statements because they did not "make" them under the principles of *Janus Capital Grp., Inc. v. First Derivatives Traders*, 131 S. Ct. 2296 (2011); (ii) with respect to statements they did make, Lead Plaintiffs had failed to allege facts demonstrating that those statements were false and misleading in any respect; and (iii) Lead Plaintiffs had failed to allege that they intended to defraud investors in RCAP, as opposed to ARCP. ECF Nos. 67-68, 70-71.

20. On October 27, 2015, Lead Plaintiffs filed a comprehensive 68-page opposition to the three motions to dismiss, rebutting each argument raised by Defendants. *See* ECF No. 80. Reply briefs were filed with respect to each of the motions on December 1, 2015. *See* ECF Nos. 85, 87, 89. Oral argument on the motions was scheduled for February 2, 2016.

C. RCAP Files for Bankruptcy

21. On January 4, 2016, RCAP announced that it intended to file a voluntary petition for a prearranged Chapter 11 bankruptcy in late January 2016. In advance of the filing, on January 27, 2016, Defendants sought a sixty-day adjournment of the hearing on Defendants' motions to dismiss on the grounds that when it occurred, RCAP's bankruptcy filing would automatically stay the litigation at least as against RCAP. ECF No. 90. Lead Plaintiffs opposed the request, contending that the requested adjournment would be unnecessary absent RCAP taking action in the Bankruptcy Court to extend the automatic stay to the non-Debtor Defendants in the Action. ECF No. 91.

22. On January 31, 2016, Defendant RCAP and certain of its affiliates (the "Debtors") filed its prearranged, voluntary petition under Chapter 11 of the Bankruptcy Code in the Bankruptcy Court, and docketed as Case No. 16-10223 (the "Bankruptcy Action"). *See* ECF No. 94. Accordingly, litigation against RCAP in this Action was stayed by virtue of the automatic stay provisions of the U.S. Bankruptcy Code. *Id.*

23. At a hearing on February 2, 2016, the Court adjourned oral argument on Defendants' motion to dismiss for 60 days to allow the Debtors to make a motion to extend the automatic stay to the non-Debtor Defendants in the Action if they so desired. However, the Court indicated that oral argument on the motions would proceed after the expiration of this sixty day period unless a ruling extending the automatic stay to the non-Debtor Defendants had been issued by the Bankruptcy Court.

24. Lead Counsel engaged experienced bankruptcy counsel, Michael Etkin of Lowenstein Sandler LLP ("Bankruptcy Counsel"), to represent Lead Plaintiffs and the putative class in the Bankruptcy Action, which moved quickly due to its pre-arranged nature. Lead Counsel and Bankruptcy Counsel focused their efforts in the Bankruptcy Action on (i) ensuring that RCAP's plan of reorganization did not release the claims of Lead Plaintiffs and the class against non-Debtor Defendants or RCAP (to the extent of its available insurance); and (ii) preserving the D&O liability insurance available to pay a judgment or settlement in this Action.

25. In this regard, Bankruptcy Counsel reviewed the Debtors' Disclosure Statement and Plan of Reorganization filed on February 5, 2016 and provided Debtors' counsel with proposed revisions to the salient portions of these documents. Following discussions, the Debtors agreed to include certain of the proposed revisions in the disclosure statement and Lead Plaintiffs filed a reservation of rights reserving the remaining issues for confirmation.

26. In addition, in connection with the Bankruptcy Action, Bankruptcy Counsel (i) filed a limited objection to the Debtors' Motion for Entry of an Order Allowing for the Advancement and Payment of Defense Costs Under Insurance Policies available to pay the securities claims asserted in this action; (ii) obtained and analyzed the Debtors' insurance policies; (iii) filed a motion requesting that the Bankruptcy Court enter an order generally

granting limited relief from the automatic bankruptcy stay pursuant to Section 326(d) of the Bankruptcy Code with respect to RCAP and permitting Lead Plaintiffs to prosecute and/or settle the claims asserted in the Action against RCAP; and (iv) negotiated appropriate changes to plan language prior to confirmation. Bankruptcy Counsel also prepared individual and class proof of claim forms for filing by the March 31, 2016 bar date.

27. On May 5, 2016, the Bankruptcy Court entered an order partially granting Lead Plaintiffs' motion to lift the automatic bankruptcy stay against RCAP. More specifically, the order lifted the stay and granted Lead Plaintiffs relief from the plan discharge and injunction provisions of a future confirmed chapter 11 plan, "solely to prosecute and/or settle the claims asserted in the Weston Securities Litigation against RCAP. . . solely from any insurance proceeds under any insurance policies that may provide coverage for any liability of RCAP in the Weston Securities Litigation, provided, however, that to the extent any settlement with or judgment against RCAP exceeds any funded insurance payments (an "Excess Claim"), this Court shall, unless hereafter otherwise ordered by this Court, retain jurisdiction with respect to the treatment of such Excess Claim . . . ." The order allowed the Court to consider the pending motion to dismiss filed by RCAP.

D. Oral Argument On Defendants' Motions To Dismiss

28. Since no motion to extend the automatic stay was ever made, a full-day hearing on Defendants' motions to dismiss was held on April 21, 2016. The Court thoroughly questioned both sides with respect to the legal issues raised in the motions, creating substantial uncertainty as to how the Court would ultimately rule.

E. RCAP's Bankruptcy Plan Is Confirmed

29. RCAP's bankruptcy plan was confirmed on May 19, 2016 and became effective on May 23, 2016. Pursuant to the Plan, most of RCAP's businesses were sold off, and secured

creditors received RCAP's remaining reorganized broker-dealer business. A Creditor Trust was established for the benefit of unsecured creditors owed more than $250 million and was assigned certain claims and causes of actions held by the Debtors or their estates. RCAP shareholders received nothing under the Plan.

30. On March 8, 2017, the Creditor Trust brought suit against Defendants Schorsch, Block, Weil, Kahane, Budko, RCAP Holdings and others in Delaware Chancery Court asserting claims for breach of fiduciary duty, unjust enrichment and constructive trust and alleging that the defendants had operated RCAP for the benefit of AR Capital rather than RCAP's shareholders.

III. SETTLEMENT NEGOTIATIONS

31. Following the hearing on Defendants' motions to dismiss, the Court entered a minute Order scheduling a settlement conference for June 30, 2016. ECF No. 106. In response, the Parties conferred concerning the prospects of engaging in settlement discussions and agreed to explore private mediation rather than burdening the Court.

32. In September 2016, the Parties retained Robert Meyer, a well-respected mediator with extensive complex mediation experience, to assist them in determining whether a resolution of the Action was possible.

33. On November 14, 2016, the Parties participated in a full-day mediation with Mr. Meyer in New York City. In anticipation of this mediation session, each side prepared and exchanged detailed written submissions addressing liability and damages for the mediator's review. Although the Parties remained too far apart in their respective positions to reach a resolution of the Action at the mediation, the discussions allowed each Party to better understand the other's position. The Parties thereafter continued settlement negotiations under the auspices of Mr. Meyer. On March 13, 2017, Mr. Meyer made a mediator's proposal to settle the Action for $31,000,000 which was accepted by all Parties on March 20, 2017.

34. Following further negotiations as to the non-monetary provisions of their agreement, the Parties entered into a Settlement Term Sheet for Securities Class Action on May 17, 2017 to memorialize the material terms of the Settlement, subject to the execution of a stipulation and agreement of settlement and related documents. The Stipulation was executed on June 2, 2017. Also on June 2, 2017, Lead Plaintiffs moved for preliminary approval of the Settlement. ECF No. 132. On June 20, 2017, the Court entered the Preliminary Approval Order, authorizing that notice of the Settlement be sent to Settlement Class Members and scheduling the Settlement Hearing for September 28, 2017 to consider whether to grant final approval to the Settlement. ECF No. 137.

IV. RISKS OF CONTINUED LITIGATION

35. Based on their experience and close knowledge of the facts and applicable laws, Lead Counsel and Lead Plaintiffs determined that the Settlement was in the best interests of the Settlement Class. As described herein, at the time of settlement, there were significant risks facing Lead Plaintiffs with respect to establishing both liability and damages. Further, there were serious limitations relating to RCAP's ability to pay had the litigation continued, given the Company's bankruptcy and that the Creditor Trust was a significant competing claimant to the proceeds of the D&O policies available to pay the claims of the Settlement Class.

A. Risks Concerning Liability

36. With respect to liability, Defendants strenuously argued that there was an insufficient and tenuous nexus between the allegedly criminal accounting manipulations at ARCP that were disclosed in October 2014, which resulted in several criminal investigations and criminal proceedings, including the recent conviction of Defendant Block, and the allegedly materially false and misleading misstatements and omissions that Defendants made concerning the business strength and prospects of RCAP. Defendants argued that ARCP and RCAP are

separate businesses with different management teams and distinct financial results. They also argued that while ARCP had accounted for a significant portion of RCAP's investment banking revenues in 2013 and the first six months of 2014, RCAP and ARCP had publicly announced, months before the ARCP accounting fraud was revealed, that they were terminating their investment banking relationship as of July 2014. Similarly, while the vast majority of the non-traded REITs for which RCAP acted as a wholesale distributor originated from AR Capital, Defendants argued that this entity was distinct from ARCP and RCAP as well, and had not experienced any accounting improprieties.

37. In short, Defendants' primary defense was that Lead Plaintiffs were impermissibly imputing an alleged fraud at one company (ARCP) to an entirely separate company with different investors (RCAP) – when the latter company had not restated its financial results and was not the subject of any investigations related to the ARCP fraud. Indeed, while Massachusetts' Secretary of the Commonwealth, William Galvin, commenced an investigation of RCAP's wholesale distribution business, which was reported on November 10, 2014, Defendants argued that nothing in the limited media coverage surrounding this investigation suggested that it had anything to do with the ARCP accounting fraud. At the conclusion of the investigation, the administrative complaint ultimately filed challenged proxy practices at Realty Capital Securities LLC (a RCAP subsidiary), a matter entirely unrelated to the ARCP fraud. The subsidiary and several brokers were fined, with the subsidiary closing operations in December 2015. *See, e.g.*, http://www.investmentnews.com/article/20160622/FREE/160629974/massachusetts-regulator-william-galvin-fines-seven-firms-238000-for, https://www.bizjournals.com/boston/news/2015/12/02/broker-dealer-to-lay-off-employees-shut-down.html.

1. Risks Concerning Establishing Falsity of Alleged Misstatements

38. Defendants argued that only one of the alleged misstatements mentions ARCP, and that statement, which is contained in the 2014 Second Quarter Form 10-Q, discloses that RCAP and ARCP have "mutually terminated our investment banking relationship in July of 2014" – which they argued was a true statement of historical fact. As to all of the remaining alleged misstatements, Defendants argued that they are, *inter alia*: (i) general statements of corporate optimism regarding RCAP's outlook; (ii) inactionable puffery or forward-looking statements that contained "cautionary language" in the offering materials that warned of the risk of negative consequences for RCAP based on unforeseen developments impacting AR Capital; and/or (iii) statements of historical fact/financial data that were not themselves challenged to be false. In addition, Defendants argued that statements about RCAP's relationship *with AR Capital* were not statements *about ARCP* and, therefore, none of the disclosures concerning ARCP's false financial reporting rendered Defendants' statements concerning the strength of RCAP's business and its ability to leverage its relationship with AR Capital materially false and misleading.

39. In response Lead Plaintiffs pointed out that the statement regarding the termination of RCAP's investment banking relationship with ARCP also highlighted that "we continue of course to be very close with that [ARCP] management team as well as Board of Directors" and "to the extent that there was something there, it doesn't prohibit us from working with [ARCP]." In addition, Lead Plaintiffs contended that Defendants' statements as to RCAP's present financial strength and future prospects did not have to mention ARCP to render them misleading. Given both the close association of all Schorsch-related entities – a critical factor to the retail brokers who purchased AR Capital-sponsored REITs from RCAP – and the significant investment banking and other business RCAP conducted with the other Schorsch-related entities,

there was a substantial undisclosed risk that RCAP's business could be destroyed upon disclosure of the fraud, a risk distinctly at odds with Defendants' glowing and optimistic statements regarding RCAP's prospects materially false and misleading. Indeed, when investors learned of the accounting fraud at ARCP, it was RCAP, not ARCP, which was driven into bankruptcy.

40. Accordingly, Lead Plaintiffs contended that Defendants' statements, including that RCAP's business was "a freight train that isn't going to slow for probably a decade" and that touted RCAP's "pipeline of activity" from other Schorsch-controlled entities, were materially false and misleading and actionable under the federal securities laws. However, Lead Plaintiffs well understood that these arguments were by no means guaranteed to succeed.

41. Defendants further asserted that Schorsch and Block were only alleged to have directly made certain of the alleged misstatements—*i.e.* misstatements appearing in the Company's 2013 Form 10-K (Complaint ¶¶ 85-93) that they each signed (Complaint ¶ 86), and oral misstatements during the February 12 and May 1, 2014 earnings conference calls that Schorsch made (Complaint ¶¶ 78, 95, 98-100, 102-03).[6] Thus, with respect to the other alleged misstatements, which were press releases, conference call statements, or SEC filings that the individuals did not sign, Defendants argued that Lead Counsel would need to overcome *Janus Capital Grp., Inc. v. First Derivative Traders*, 131 S. Ct. 2296 (2011), in which the Supreme Court held that Section 10(b) liability runs only as to the "maker" of a statement, throughout the course of the litigation. To do so, Lead Counsel would need to prove that Schorsch and Block were directly involved in creating the alleged misstatements, such that they should be found to be

[6] Neither RCAP nor RCAP Holdings disputed at the motion to dismiss stage that they were the makers of each of the alleged misstatements (*e.g.*, Complaint ¶¶ 76-83, 85-90, 94-103, 104-07, 122-34, 137-42, 163-66, 174, 176-77, 179- 80, 264-70).

speakers, which would be strenuously challenged by Defendants. For example, Block asserted at the motion to dismiss stage, and likely would continue to argue at summary judgment and trial, that he "had no management role at the Company during the class period" (ECF No. 68 at 3). Thus, *Janus* presented a significant hurdle to establishing liability for certain of the statements.

2. Risks in Proving Scienter

42. Establishing Defendants' scienter also posed very significant hurdles. Defendants argued that Lead Plaintiffs' allegations are based on an accounting fraud at *ARCP* and, therefore, Lead Plaintiffs could not prove an intent to deceive *RCAP investors*. In support, Defendants relied on the Second Circuit's holding in *ECA, Local 134 IBEW Joint Pension Trust of Chicago v. JP Morgan Chase Co*., 553 F.3d 187, 198 (2d Cir. 2009), which held that "the facts alleged must support an inference of an intent to defraud the plaintiffs rather than some other group." In response, Lead Counsel disputed the relevance of the *ECA* precedent given that the alleged false and misleading statements were indisputably made to RCAP investors. Although Lead Counsel were confident that they would be able to gather sufficient evidence to establish scienter, they recognized that to ultimately prove scienter they would have to overcome a number of obstacles raised by Defendants.

B. Risks of Establishing Loss Causation and Damages

43. Even assuming that Lead Plaintiffs overcame the above risks and successfully established liability, they faced serious risks in proving loss causation and damages. Lead Plaintiffs' consulting damages expert, Mr. Coffman, has estimated maximum aggregate class-wide damages of approximately $313 million in the Action, if all six allegedly corrective disclosures set forth in the Complaint were established at trial. This includes damages of approximately $311.5 million on the Rule 10b-5 claims and approximately $1.5 million in incremental Section 11 damages (the maximum stand-alone aggregate damages for just the

Securities Act claims are estimated at approximately $127.6 million).[7] *See* Ex. 3 ¶ 33. However, as explained below, Defendants would likely make several arguments that, if accepted, would have substantially reduced the damages recoverable by Settlement Class Members.

44. As an initial matter, there was a significant risk that Defendants would continue to advance their argument that all of the disclosures after the October 29, 2014 disclosure of the accounting fraud at ARCP were not "corrective" because, at that point, the truth of the alleged fraud had been fully disclosed. In other words, that the truth was fully revealed on the first corrective disclosure, which would eliminate the five subsequent alleged corrective disclosures.

45. Defendants would also likely argue that even if the October 29 disclosure was not fully corrective, some or all of the subsequent alleged corrective disclosures were unrelated to Defendants' alleged misstatements. Defendants would argue that of the six events alleged to be corrective disclosures, three do not even mention RCAP and the other alleged corrective disclosures did not correct any of the alleged misstatements.

46. Lead Plaintiffs believed that they had compelling responses to such arguments including that (1) the disclosures concerning Schorsch and Block's alleged accounting manipulations at ARCP revealed a serious threat to the prospects for RCAP's wholesale broker-dealer and investment banking business that were known to Defendants but concealed by their earlier positive statements about these business segments, and (2) the remaining disclosures of adverse events were as a result of the public revelation of that accounting scandal.

[7] A claimant can only recover damages under one of the two claims. In order to avoid double-counting, Mr. Coffman computed "incremental" Section 11 damages only for those shares not allegedly damaged under Rule 10b-5. *See* Ex. 3 n. 3.

47. Lead Plaintiffs would also argue that the October 29, 2014 disclosure did not reveal the full truth, in particular key parts of the alleged fraud that impacted RCAP, which were only revealed with the subsequent disclosures.

48. As explained in the Declaration of Chad Coffman, if Defendants were successful in establishing that all of the alleged corrective disclosures after October 29, 2014 should be excluded – based on their claim that the truth was fully disclosed as of that date – class-wide aggregate damages would be just $85.3 million. *See* Ex. 3 ¶ 8.

49. In addition, there are a number of possible intermediate outcomes between $85.3 million in damages and the maximum $313 million in damages if, in addition to the first corrective disclosure, one or more, but not all, of the remaining five corrective disclosures are ultimately included. For example, if, in addition to the first corrective disclosure, the only other corrective disclosure included in the case is the one that occurred on November 10, 2014, then class-wide aggregate damages would be approximately $106.3 million. There are many other potential intermediate outcomes. *See* Ex. 3 ¶ 9.

50. As the case proceeded, the Parties' respective damages experts would strongly disagree with each other's assumptions and their respective methodologies. Accordingly, the risk that the jury would credit Defendants' damages position over that of Lead Plaintiffs had considerable consequences in terms of the amount of recovery for the Settlement Class, even assuming liability was proven.

C. Risks Related to Dissipation of Available Insurance

51. There were serious limitations relating to RCAP's ability to pay, given the Company's bankruptcy. The order confirming the Company's chapter 11 plan granted Lead Plaintiffs relief from the discharge provisions, "solely to the extent of available insurance

coverage and any proceeds thereof. . . .” *See, e.g., In re RCS Capital Corp.*, No. 16-10223, ECF No. 769 (Bankr. D. Del. 2016).

52. The wasting insurance coverage, which had already been used for defense costs and other related litigation, would have continued to be depleted if the Action continued. The existence of the Creditor Trust as a competing claimant to RCAP’s D&O insurance threatened to dissipate the major asset available to satisfy the claims belonging to Lead Plaintiffs and the Settlement Class.

53. The Settlement eliminates the above litigation risks and threats to collectability and guarantees the Settlement Class a cash recovery. Further litigation would have required substantial additional expenditures of time and money, involving complex issues of law and fact, with a significant risk of a lower or no recovery. Lead Counsel firmly believe that settling the Action at this juncture and for the amount negotiated was and is in the best interests of the Settlement Class.

V. NOTICE TO THE SETTLEMENT CLASS MEETS THE REQUIREMENTS OF DUE PROCESS AND RULE 23 OF THE FEDERAL RULES OF CIVIL PROCEDURE

54. Pursuant to the Preliminary Approval Order entered on June 20, 2017, the Court (a) directed that notice be disseminated to the Settlement Class; (b) set August 29, 2017, as the deadline for receipt of requests for exclusion and objections to the Settlement, Plan of Allocation and/or the request for attorneys’ fees and expenses; and (c) set September 28, 2017, at 10:00 a.m. as the date and time for the Settlement Hearing. ECF No. 137.

55. In accordance with the Preliminary Approval Order, on July 5, 2017, Lead Counsel, through the Court-appointed Claims Administrator, A.B. Data, Ltd. (“A.B. Data”),

notified potential Settlement Class Members of the Settlement by mailing them a copy of the Notice.[8]

56. Since that time, A.B. Data has received additional requests for Notice Packets. As of August 11, 2017, A.B. Data has disseminated a total of 15,114 copies of the Notice Packet to potential Settlement Class Members and nominees. *See* Mailing Decl., ¶¶ 2-9.

57. Pursuant to the Preliminary Approval Order, A.B. Data arranged for the publication of the Summary Notice in *The Wall Street Journal* on July 19, 2017. A.B. Data also caused the Summary Notice to be released through the *PR Newswire* also on July 19, 2017. Mailing Decl., ¶ 10. Information regarding the Settlement, including downloadable copies of the Stipulation, Notice and Claim Form, was also posted on the website established by the Claims Administrator specifically for this Settlement, www.RCAPSecuritiesSettlement.com. *Id.* at ¶ 12.[9]

58. The foregoing methods of providing notice are appropriate because they direct notice in a "reasonable manner to all class members who would be bound by the propos[ed judgment]." Fed. R. Civ. P. 23(e)(1). The Notice complies with due process as it summarizes the claims asserted in the Action and further provides information regarding the Settlement Fund, the attorneys' fees and litigation expenses request, as well as the deadlines and procedures for objecting and seeking exclusion from the Class. It also sets forth information about the

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[8] *See* Declaration of Adam D. Walter Regarding: (A) Mailing of the Notice and Claim Form; (B) Publication of the Summary Notice; (C) Report on Requests for Exclusion and Objections; and (D) Volume of Claims Received to Date, dated August 11, 2017 ("Mailing Decl."), attached hereto as Exhibit 4.

[9] A.B. Data also established and maintains a toll-free telephone number for Settlement Class Members to call and obtain additional information regarding the Settlement. The toll-free number houses an interactive voice response ("IVR") system with information about the Settlement. In addition, callers have the option to be transferred to an operator during business hours or to leave voice messages with any questions. Mailing Decl., ¶ 11.

forthcoming Settlement Hearing and notifies Settlement Class Members of Lead Counsel's application for an award of attorneys' fees and payment of expenses. *See generally*, Mailing Decl., Ex. A.

59. Lead Plaintiffs and Lead Counsel respectfully submit that the Notice program constituted the best notice practicable under the circumstances and complied with the preliminary Approval Order (ECF No. 137), Federal Rule of Civil Procedure 23, and due process.

VI. PLAN OF ALLOCATION

60. Lead Plaintiffs have proposed a plan for allocating the proceeds of the Settlement among members of the Settlement Class who submit valid Claim Forms to the Claims Administrator that are approved for payment from the Net Settlement Fund ("Authorized Claimants"). *See* Ex. 4 - A, p. 10-12. The objective of the proposed Plan of Allocation ("Plan") is to equitably distribute the Settlement proceeds among Authorized Claimants who suffered economic losses as a result of Defendants' alleged wrongdoing. The Plan was prepared in consultation with Chad Coffman, Lead Plaintiffs' consulting damages expert, based upon, *inter alia*, his review of publicly available information regarding RCAP and statistical analysis of the price movements of RCAP publicly traded common stock and the price performance of relevant market and industry indices during the Class Period, as well as the statutory provisions for a claim for violations of Sections 11 and 12 of the Securities Act.

61. In this Action, Settlement Class members may have claims under Sections 11 and/or 12(a)(2) of the Securities Act and/or Section 10(b) of the Exchange Act. If a Claimant has claims under both the Securities Act and the Exchange Act for the same transaction in RCAP common stock, the claim that yields the largest loss will be used to calculate their Recognized Loss under the Plan of Allocation.

62. To have a claim under the Exchange Act, a Claimant must have purchased RCAP common stock during the Class Period and have held through at least one of the six alleged corrective disclosures. For RCAP shares sold prior to the first corrective disclosure on October 29, 2014, when the accounting fraud at ARCP was allegedly disclosed, the Recognized Loss will be zero. For RCAP shares sold between October 29, 2014 and December 18, 2014, the date of the last allegedly corrective disclosure, the Recognized Loss shall be the lesser of (i) the difference in the dollar amount of artificial inflation on the dates of purchase and sale as determined by Lead Plaintiffs' expert and reported in Table 1 of the Notice; or (ii) the Claimant's out of pocket loss (*i.e.*, purchase price less sales price). For RCAP shares sold after December 18, 2014 and prior to the close of trading on March 17, 2015 (the last day of the 90-day look back period), the Recognized Loss will be the lesser of (i) the dollar amount of artificial inflation on the date of purchase (reported in Table 1); or (ii) the purchase price minus the average closing price on the day of sale (reported in Table 2); or (iii) the Claimant's out of pocket loss. Finally, for RCAP shares held through the close of trading on March 17, 2015, the Recognized Loss will be the lesser of (i) the dollar amount of artificial inflation on the date of purchase (reported In Table 1); or (ii) the purchase price minus $10.84 (the average closing price of RCAP common stock between December 18, 2014, the last day of the Class Period, and March 17, 2015, the last day of the 90-day look back period). *See* Ex. 4 - A, p. 10-11.

63. To have a claim under the Securities Act, a Claimant must have purchased RCAP shares in or traceable to RCAP's June 5, 2014 secondary offering. For RCAP shares purchased in or traceable to the June 5, 2014 secondary offering, a Claimant's Recognized Loss will be (i) the purchase price (not to exceed the offering price) minus the sales price, if sold prior to June 1, 2015 (the day the Amended Complaint was filed since the initial complaint did not assert

Securities Act claims); (ii) the purchase price (not to exceed the offering price) minus the sales price (which cannot be less than $7.40, the closing price of RCAP common stock on June 1, 2015), if sold on or after June 1, 2015; or (iii) the purchase price (not to exceed the offering price) minus $7.40, if never sold. *See* Ex. 4 - A, p. 11.

64. Claimants' Recognized Losses will be calculated by the Claims Administrator. Authorized Claimants will share in the Net Settlement Fund *pro rata* based on the percentage their Recognized Loss bears to the total Recognized Loss for all valid claims.

65. Lead Counsel submit that the Plan of Allocation set forth in the Notice is fair and reasonable and should be approved together with the Settlement. In addition, in there have been no objections to date to the proposed Plan of Allocation.

VII. THE APPLICATION FOR ATTORNEYS' FEES AND EXPENSES

66. In addition to seeking final approval of the Settlement and Plan of Allocation, Lead Counsel are also applying to the Court for an award of attorneys' fees and expenses. Specifically, Lead Counsel are applying for a fee of 30% of the Settlement Fund, payment of $174,333.68 in Litigation Expenses, and $5,000 for each of the Lead Plaintiffs pursuant to the PSLRA.

67. The legal authorities supporting the requested fees are set forth in the accompanying Memorandum of Law in Support of Lead Counsel's Motion for an Award of Attorneys' Fees and Payment of Litigation Expenses (the "Fee Memorandum") filed contemporaneously herewith.

A. The Requested Fee of 30% of the Settlement Fund Is Fair and Reasonable

68. For their efforts on behalf of the Settlement Class, Lead Counsel are applying for compensation from the Settlement Fund on a percentage basis. As set forth in the accompanying Fee Memorandum, the percentage method is the appropriate method of fee recovery because it,

among other things, aligns the lawyers' interest in being paid a fair fee with the interest of the class in achieving the maximum recovery in the shortest amount of time required under the circumstances, is supported by public policy, has been recognized as appropriate by the United States Supreme Court for cases of this nature, and represents the overwhelming current trend in the Second Circuit and most other circuits.

69. Based on the result achieved for the Settlement Class, the extent and quality of work performed, the risks of the litigation and the contingent nature of the representation, Plaintiffs' Counsel submit that a 30% fee award is justified and should be approved.

1. The Time and Labor Expended by Counsel

70. The work undertaken by Plaintiffs' Counsel in prosecuting this case and arriving at this Settlement has been time consuming and challenging. From the outset, Plaintiffs' Counsel and Lead Plaintiffs appreciated the unique and significant risks inherent in this litigation. As a result, it was unclear at the time of the filing of the original complaint whether Lead Plaintiffs would overcome Defendants' anticipated motions to dismiss – much less obtain class certification, survive summary judgment, and prevail at trial and on any post-trial appeals.

71. As set forth in detail above, this Action settled only after Plaintiffs' Counsel conducted an extensive investigation; filed a comprehensive Complaint; engaged expert Bankruptcy Counsel and negotiated and litigated issues impacting the interests of Settlement Class members in RCAP's bankruptcy proceeding, succeeding in preserving a significant source of recovery; engaged and conferred with experts and consultants on issues such as damages and the REIT industry; researched the applicable law with respect to the claims of Lead Plaintiffs and the Settlement Class, as well as Defendants' potential defenses and other litigation issues; fully responded to the three motions to dismiss Defendants filed and participated in a hard-fought all-

day oral argument on those motions; and engaged in hard-fought settlement negotiations with experienced defense counsel for many months.

72. Listed in the accompanying declarations submitted on behalf of Plaintiffs' Counsel are summaries of Plaintiffs' Counsel's time in the case, as well as the expenses incurred by category (the "Fee and Expense Schedules"). The Fee and Expense Schedules indicate the amount of time spent by each attorney and other professionals employed by Plaintiffs' Counsel, and the lodestar calculations based on their hourly rates and titles. The Fee and Expense Schedules contained in these declarations were prepared from contemporaneous daily time records regularly prepared and maintained by the respective firms, which records are available at the request of the Court.

73. The hourly rates of Plaintiffs' Counsel here range from $725 to $985 for partners, $585 to $710 for of-counsel, and $395 to $725 for other attorneys. *See* Exs. 5 - A, 6 - A, 7 - A. It is respectfully submitted that the hourly rates for attorneys and professional support staff included in these schedules are reasonable and customary and have been accepted in other securities or shareholder litigation. For attorneys or other professionals who are no longer employed by Plaintiffs' Counsel, the lodestar calculations are based upon the rates for such person in his or her final year of employment. Exhibit 8, attached hereto, is a table of rates for defense firms compiled by Labaton Sucharow from fee applications submitted by such firms in bankruptcy proceedings nationwide in 2016. The analysis shows that across all types of attorneys, Plaintiffs' Counsel's rates here are consistent with, or lower than, the firms surveyed.

74. Plaintiffs' Counsel have collectively expended more than 5,798.50 hours in the prosecution and investigation of the Action. *See* Exs. 5 - A, 6 - A, 7 - A, Ex. 9 (Summary Table of Lodestars and Expenses). The resulting collective lodestar is $4,149,852.50. *Id.* Pursuant to

a lodestar "cross-check," the requested fee of 30% of the Settlement Fund ($9,300,000) results in a "multiplier"[10] of approximately 2.2 on counsel's lodestar, which does not include any time that will necessarily be spent from this date forward administering the Settlement.

2. Standing and Expertise of Lead Counsel

75. The expertise and experience of counsel are other important factors in setting a fair fee. As demonstrated by the firm résumés attached to their individual declarations, Lead Counsel are experienced and skilled class action securities litigators and have a successful track record in securities cases throughout the country – including within this Circuit. *See* Ex. 5 - C; Ex. 6 - C.

3. Standing and Caliber of Opposing Counsel

76. The quality of the work performed by Plaintiffs' Counsel in attaining the Settlement should also be evaluated in light of the quality of opposing counsel. Here, Defendants were represented by three of the preeminent defense firms in the country – Paul, Weiss, Rifkind, Wharton & Garrison LLP, Steptoe & Johnson, LLP, and Winston & Strawn, LLP. These counsel are highly skilled and experienced securities attorneys with vast resources. In the face of this knowledgeable and formidable defense, Plaintiffs' Counsel were nonetheless able to develop a case that was sufficiently strong to persuade Defendants to settle on terms that are favorable to the Settlement Class.

4. The Risks of Litigation and the Need to Ensure the Availability of Competent Counsel In High-Risk, Contingent Securities Cases

77. As noted above, the Action was undertaken on a wholly contingent basis. From the outset, Plaintiffs' Counsel understood that they were embarking on a complex and expensive

[10] The multiplier is calculated by dividing the $9,300,000 fee request by the $4,149,852.50 lodestar of Plaintiffs' Counsel.

litigation with no guarantee of compensation for the investment of time, money and effort that the case would require. In addition, Plaintiffs' Counsel understood that liability, damages and class certification would be heavily contested with no assurance of success.

78. In undertaking the responsibility for prosecuting the Action, Plaintiffs' Counsel took steps to ensure that sufficient attorney resources were dedicated to the investigation of the Settlement Class' claims against the Defendants and that sufficient funds were available to advance the expenses required to pursue and complete such complex litigation. As set forth below, Plaintiffs' Counsel received no compensation and, in total, incurred $174,333.68 in expenses in prosecuting this Action for the benefit of the Settlement Class.

79. Plaintiffs' Counsel also bore the risk that no recovery would be achieved. As discussed in detail herein, this case presented a number of risks concerning liability and uncertainties which could have prevented any recovery whatsoever. Despite the vigorous and competent efforts of Plaintiffs' Counsel, success in contingent-fee litigation, such as this, is never assured.

80. Lead Counsel firmly believe that the commencement of a securities class action does not guarantee a settlement. To the contrary, it takes hard work and diligence by skilled counsel to develop the facts and theories that are needed to sustain a complaint or win at trial, or to induce sophisticated defendants to engage in serious settlement negotiations.

5. The Reaction of the Settlement Class to Date

81. As set forth above, Notice has been disseminated to at least 15,000 potential Settlement Class Members and nominees. Mailing Decl., ¶ 9. In addition, the Summary Notice was published in the *Wall Street Journal* and transmitted over the *PR Newswire*. Mailing Decl., ¶ 10. Both the Notice and Summary Notice, among other documents related to the Settlement, were posted on a dedicated settlement website. *Id*. ¶ 12. The Notice explains the Settlement and

Lead Counsel's anticipated fee request. The deadline for receipt of objections to Lead Counsel's fee request is August 29, 2017. To date, no Settlement Class Member has objected to the Settlement or Plan of Allocation, and there have been no objections to Lead Counsel's request for attorneys' fees and payment of expenses.

82. In addition, the Notice informed Settlement Class Members that the deadline to request exclusion from the Settlement Class is August 29, 2017. To date, there have been no requests for exclusion. Mailing Decl., ¶ 13. The lack of objections and exclusions received from the Settlement Class to date further supports Lead Counsel's request.

83. In sum, given the complexity and magnitude of the Action; the responsibility undertaken by Plaintiffs' Counsel; the difficulty of proof with respect to liability and damages; the experience of Plaintiffs' Counsel and defense counsel; and the contingent nature of Plaintiffs' Counsel's agreement to prosecute this Action, Lead Counsel respectfully submit that the requested attorneys' fees are reasonable and should be approved.

B. Application for Payment of Expenses

84. Lead Counsel also seek payment of $174,333.68 in Litigation Expenses reasonably and actually incurred by Plaintiffs' Counsel in connection with commencing and prosecuting the claims against the Defendants over the course of the last two plus years. The Notice apprises potential Settlement Class Members that Lead Counsel intend to seek payment of expenses in an amount not to exceed $425,000. The amount of the unreimbursed Litigation Expenses actually requested is less than what was stated in the Notice and, to date, no objection has been raised to Lead Counsel's request for payment of Litigation Expenses. These expenses were all reasonably and necessarily incurred in connection with the prosecution of this Action on behalf of the Settlement Class.

85. As set forth in the Expense Schedules in the accompanying declarations, Plaintiffs' Counsel have incurred a total of $174,333.68 in expenses through July 31, 2017, in connection with the prosecution of this Action. *See* Exs. 5 – B & D, 6 - B, 7 - B, Ex. 9. The expenses are reflected on the books and records maintained by Plaintiffs' Counsel. These books and records are prepared from expense vouchers, check records and other source materials, and are an accurate record of the expenses incurred.

86. The Litigation Expenses for which Plaintiffs' Counsel seek payment were largely incurred for professional consulting expert and mediation fees, which total $120,640.16 or approximately 70% of the requested expenses.

87. The other expenses for which Plaintiffs' Counsel seek payment are also the types of expenses that are necessarily incurred in litigation and routinely charged to clients billed by the hour. These expenses include, among others, long distance telephone and facsimile charges, postage and delivery expenses, computerized research, service and filing fees, transcription fees, work-related travel costs, and duplicating.

88. All of the Litigation Expenses incurred were necessary to the successful prosecution and resolution of the claims against the Defendants. In view of the complex and novel nature of the Action, the expenses incurred were reasonable and necessary to pursue the interests of the Class. Accordingly, Plaintiffs' Counsel respectfully submit that the Litigation Expenses incurred by Plaintiffs' Counsel should be paid in full.

C. Reimbursement to Lead Plaintiffs Pursuant to the PSLRA

89. Additionally, in accordance with 15 U.S.C. §78u-4(a)(4), Lead Plaintiffs seek reimbursement in connection with their work representing the Settlement Class in the aggregate amount of $10,000. The amount of effort devoted to this Action by each of the Lead Plaintiffs is set forth in the accompanying Declarations of Jeffrey Dana and Steven Snyder, attached hereto

as Exhibits 1 & 2. Lead Counsel respectfully submit that the amounts requested are consistent with Congress's intent, as expressed in the PSLRA, of encouraging institutional investors to take an active role in commencing and supervising private securities litigation.

90. Lead Plaintiffs have been committed to pursuing the class's claims since they became involved in the litigation. As large institutional investors, Lead Plaintiffs have actively and effectively fulfilled their obligations as representatives of the class, complying with all of the demands placed upon them during the litigation and settlement of the Action, and providing valuable assistance to Lead Counsel. These efforts required employees of Lead Plaintiffs to dedicate time and resources to the Action that they would have otherwise devoted to their regular duties.

91. The efforts expended by Lead Plaintiffs during the course of the Action are the types of activities courts have found to support reimbursement to class representatives, and support Lead Plaintiffs' requests.

VIII. MISCELLANEOUS EXHIBITS

92. Attached hereto as Exhibit 10 is a true and copy of *Securities Class Action Settlements - 2016 Review and Analysis* (Cornerstone Research 2017), by Laarni T. Bulan, Ellen M. Ryan and Laura E. Simmons.

93. Attached hereto as Exhibit 11 is a true and correct copy of *Recent Trends in Securities Class Action Litigation: 2016 Full-Year Review* (NERA Jan. 23, 2017), by Svetlana Starykh and Stefan Boettrich.

94. Attached hereto as Exhibit 12 is a compendium of unreported cases, in alphabetical order, cited in the accompanying Fee Memorandum.

IX. CONCLUSION

95. In view of the very favorable recovery for the Settlement Class, the very substantial risks of this litigation, the efforts of Plaintiffs' Counsel, the quality of work performed, the contingent nature of the fee, the complexity of the case and the standing and experience of Plaintiffs' Counsel, Lead Plaintiffs and Lead Counsel respectfully submit that the Settlement should be approved as fair, reasonable and adequate; that the Plan of Allocation should be approved as fair and reasonable; that a fee in the amount of 30% of the Settlement Fund, plus interest at the same rate as earned by the Settlement Fund, be awarded to Plaintiffs' Counsel and that the requested expenses be paid in full.

I declare, under penalty of perjury, that the foregoing facts are true and correct.

Dated: August 14, 2017

Deborah Clark-Weintraub

Ira A. Schochet

IX. CONCLUSION

95. In view of the very favorable recovery for the Settlement Class, the very substantial risks of this litigation, the efforts of Plaintiffs' Counsel, the quality of work performed, the contingent nature of the fee, the complexity of the case and the standing and experience of Plaintiffs' Counsel, Lead Plaintiffs and Lead Counsel respectfully submit that the Settlement should be approved as fair, reasonable and adequate; that the Plan of Allocation should be approved as fair and reasonable; that a fee in the amount of 30% of the Settlement Fund, plus interest at the same rate as earned by the Settlement Fund, be awarded to Plaintiffs' Counsel and that the requested expenses be paid in full.

I declare, under penalty of perjury, that the foregoing facts are true and correct.

Dated: August 14, 2017

Deborah Clark-Weintraub

Ira A. Schochet

Exhibit 1

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

GRADY SCOTT WESTON, Individually and On Behalf of All Others Similarly Situated, Plaintiffs, v. RCS CAPITAL CORPORATION, RCAP HOLDINGS, LLC, RCAP EQUITY, LLC, NICHOLAS S. SCHORSCH, BRIAN S. BLOCK, EDWARD MICHAEL WEIL, WILLIAM M. KAHANE, BRIAN D. JONES, PETER M. BUDKO, MARK AUERBACH, JEFFREY BROWN, C. THOMAS MCMILLEN, and HOWELL WOOD, Defendants.	Civ. No. 1:14-CV-10136-GBD

DECLARATION OF JEFFREY DANA,
CITY SOLICITOR FOR THE CITY OF PROVIDENCE IN SUPPORT OF (I) LEAD PLAINTIFFS' MOTION FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT AND PLAN OF ALLOCATION AND (II) LEAD COUNSEL'S MOTION FOR AN AWARD OF ATTORNEYS' FEES AND PAYMENT OF LITIGATION EXPENSES

I, JEFFREY DANA, hereby declare under penalty of perjury as follows:

1. I am the City Solicitor for the City of Providence ("Providence"), a Court-appointed Lead Plaintiff in this securities class action (the "Action").[1] Providence manages approximately $400 million in retirement fund assets for its active and retired employees (or

[1] Unless otherwise defined herein, capitalized terms have the meanings ascribed to them in the Stipulation and Agreement of Settlement, dated as of June 2, 2017 (ECF No. 134-1).

beneficiaries of retired employees). Providence purchased more than 10,000 shares of RCS common stock during the Class Period.

2. I submit this declaration in support of (i) Lead Plaintiffs' motion for final approval of the proposed Settlement and approval of the proposed Plan of Allocation; and (ii) Lead Counsel's motion for an award of attorneys' fees and payment of Litigation Expenses. I have personal knowledge of the matters set forth in this Declaration and, if called upon, I could and would testify competently thereto.

I. Oversight of the Action

3. I am aware of and understand the requirements and responsibilities of a lead plaintiff in a securities class action, including those set forth in the Private Securities Litigation Reform Act of 1995. As the City Solicitor, I and others who work with me have overseen Providence's service as a lead plaintiff in this and other securities class actions.

4. In March 2015, Providence was appointed by the Court as one of the Lead Plaintiffs in this Action. On behalf of Providence I, and others in my office, had regular communications with Labaton Sucharow LLP ("Labaton Sucharow"), one of the Court-appointed Lead Counsel for the class, throughout the litigation. Providence, through our active involvement, closely supervised and monitored all material aspects of the prosecution and resolution of the Action. Providence received periodic status reports from Labaton Sucharow on case developments, and participated in regular discussions with attorneys from Labaton Sucharow concerning the prosecution of the Action, the strengths of and risks to the claims, and potential settlement. In particular, I and others in my office:

(i) communicated with Labaton Sucharow by email, telephone, and in-person meetings regarding the posture and progress of the case;

(ii) reviewed significant pleadings and briefs filed in the Action;

(iii) consulted with Labaton Sucharow regarding the settlement negotiations and I attended the November 2016 mediation; and

(iv) evaluated and approved the proposed Settlement.

II. Providence Endorses Approval of the Settlement

5. Providence was kept informed of the settlement negotiations as they progressed, including the mediation before Robert Meyer and subsequent discussions. Prior to and during the settlement negotiations and mediation process, I conferred with Labaton Sucharow regarding the parties' respective positions.

6. Based on my involvement during the prosecution and resolution of the claims, Providence believes that the proposed Settlement is fair, reasonable and adequate to the Settlement Class. The Settlement represents a favorable recovery, particularly in light of the substantial risks in Defendants' motions to dismiss and in continuing to prosecute the claims in this case. Therefore, Providence endorses approval of the Settlement by the Court.

III. Providence Supports Lead Counsel's Motion for an Award of Attorneys' Fees and Payment of Litigation Expenses

7. Providence believes that Lead Counsel's request for an award of attorneys' fees is fair and reasonable in light of the work that counsel performed on behalf of the Settlement Class. Providence takes seriously its role as a class representative to ensure that attorneys' fees are fair in light of the result achieved for the class and that they reasonably compensate plaintiffs' counsel for the work involved and the substantial risks they undertake in litigating an action. Providence has evaluated Lead Counsel's fee request in this Action by considering the work performed, the complexity of the case, and the recovery obtained for the Settlement Class.

8. Providence further believes that the Litigation Expenses being requested are reasonable, and represent costs and expenses necessary for the prosecution and resolution of the claims in the Action. Based on the foregoing, and consistent with the obligation to the

Settlement Class to obtain the best result at the most efficient cost, Providence supports Lead Counsel's motion for an award of attorneys' fees and payment of Litigation Expenses.

9. In addition, Providence also understands that reimbursement of a lead plaintiff's reasonable costs and expenses is authorized under the Private Securities Litigation Reform Act of 1995, 15 U.S.C. § 78u-4(a)(4). For this reason, in connection with Lead Counsel's request for payment of Litigation Expenses, Providence seeks reimbursement for costs in the amount of $5,000, which is a conservative estimate of the cost of the time that Providence devoted to supervising and participating in the litigation.

10. I was the primary point of contact between Providence and Lead Counsel Labaton Sucharow. Additionally, Megan Maciasz DiSanto, a Senior Assistant City Solicitor, and Natalya A. Buckler, an Associate City Solicitor, assisted with the oversight of the litigation on behalf of Providence.

11. The time that we devoted to the representation of the class in this Action was time that we otherwise would have expected to spend on other work for Providence and, thus, represented a cost to Providence. Providence seeks reimbursement in the amount of $5,000 for the time I, Ms. DiSanto, and Ms. Buckler spent on matters related to the litigation, which totaled at least 70 hours at effective hourly rates ranging from approximately $50 per hour to $100 per hour.[2]

[2] Effective hourly rates represent salary, benefits, and taxes.

Conclusion

12. In conclusion, Providence was closely involved throughout the prosecution and settlement of the claims in this Action, endorses the Settlement as fair, reasonable and adequate, and believes that it represents a significant recovery for the Settlement Class. Accordingly, Providence respectfully requests that the Court approve Lead Plaintiffs' motion for final approval of the proposed Settlement and Lead Counsel's motion for an award of attorneys' fees and payment of Litigation Expenses.

I declare under penalty of perjury under the laws of the United States of America that that the foregoing is true and correct, and that I have authority to execute this Declaration on behalf of the City of Providence.

Executed this 11th day of August, 2017

Jeffrey Dana (via email)

JEFFREY DANA

Exhibit 2

IN UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

GRADY SCOTT WESTON, Individually and On Behalf of All Others Similarly Situated, Plaintiffs, v. RCS CAPITAL CORPORATION, RCAP HOLDINGS, LLC, RCAP EQUITY, LLC, NICHOLAS S. SCHORSCH, BRIAN S. BLOCK, EDWARD MICHAEL WEIL, WILLIAM M. KAHANE, BRIAN D. JONES, PETER M. BUDKO, MARK AUERBACH, JEFFREY BROWN, C. THOMAS MCMILLEN, and HOWELL WOOD, Defendants.	Civ. No. 1:14-CV-10136-GBD

DECLARATION OF STEVEN K. SNYDER, EXECUTIVE DIRECTOR, CHIEF INVESTMENT OFFICER AND IN-HOUSE COUNSEL FOR THE OKLAHOMA POLICE PENSION AND RETIREMENT SYSTEM IN SUPPORT OF FINAL APPROVAL OF CLASS ACTION SETTLEMENT

STEVEN K. SNYDER, Esq., declares as follows pursuant to 28 U.S.C. §1746:

1. I am the Executive Director, Chief Investment Officer and In-House Counsel[1] for Oklahoma Police Pension and Retirement System ("Oklahoma Police"). I submit this declaration in support of Lead Plaintiffs' motion: (i) for final approval of the proposed Settlement and approval of the proposed Plan of Allocation; and (ii) for an award of attorneys' fees, payment of Litigation Expenses and for a Private Securities Litigation Reform Act of 1995 ("PSLRA") cost of service payment to the Oklahoma Police of $5,000.

[1] I am member of the bar of the State of Oklahoma.

A. Oversight of the Litigation

2. Oklahoma Police serves as one of the Co-Lead Plaintiffs in this Action and performed critical work on behalf of the Class. As the Co-Lead Plaintiff in this Action, Oklahoma Police has at all times understood that it was undertaking a fiduciary duty to protect the interests of the Class. Oklahoma Police also understands that it owes certain duties to all Class Members in this case, including a duty to act in the best interests of the Class throughout the litigation, which includes following the progress of the case, communicating with Co-Lead Counsel and testifying at trial, if needed, which Oklahoma Police has been and is prepared to do should the Court not approve the Settlement in this Action.

3. Oklahoma Police has faithfully exercised its fiduciary duty to the Class by monitoring and staying apprised of this litigation. Oklahoma Police has regularly communicated about the case with counsel by way of telephone calls, emails and in-person meetings. Oklahoma Police has also reviewed pleadings, including the operative complaint, discussed developments and case strategy with Co-Lead Counsel as the litigation progressed, was in contact with Co-Lead Counsel throughout the settlement negotiations and mediation process, and has been involved in reviewing and authorizing the key terms of the Settlement.

B. Oklahoma Police Strongly Supports the Proposed Settlement and Believes the Requested Attorneys' Fees and Expenses are Fair and Reasonable.

4. Based on my involvement during the prosecution and resolution of the claims, Oklahoma Police believes that the proposed Settlement is fair, reasonable and adequate to the Settlement Class. The Settlement represents an excellent recovery for the Class. Therefore, Oklahoma Police strongly endorses approval of the Settlement by the Court.

5. Oklahoma Police also believes that Co-Lead Counsel's request for an award of attorneys' fees is fair and reasonable in light of the work that counsel performed on behalf of the

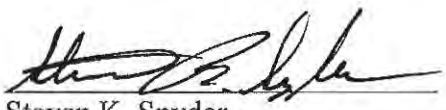
Settlement Class. Oklahoma Police further believes that the Litigation Expenses being requested are reasonable, and represent costs and expenses necessary for the prosecution and resolution of the claims in the Action.

C. Oklahoma Police Seeks a PSLRA Cost of Service Payment.

6. In addition, Oklahoma Police seeks a PSLRA cost of service payment of $5,000 to compensate it for the resources and time that Oklahoma Police devoted to supervising and participating in the litigation. My staff and I, including Oklahoma Police's Chief Financial Officer, spent at least 64 hours on matters directly related to this Action, at effective hourly rates ranging from $50 to $125 per hour.[2] The time we spent on representation of the Class is time that we could have spent on other work and, thus, represents a cost to Oklahoma Police.

7. In sum, Oklahoma Police has overseen all aspects of the litigation, from the filing of the complaint to the settlement negotiations, and it has invested significant time and resources pursuing this litigation and securing an excellent recovery for the Class. Accordingly, awarding Oklahoma Police a PSLRA cost of service payment of $5,000 to compensate it for the resources and time its staff devoted to this Action is reasonable and appropriate.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge. Executed on August 14, 2017.



Steven K. Snyder

[2] Effective hourly rates represent salary, benefits and taxes.

Exhibit 3

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

GRADY SCOTT WESTON, Individually and On Behalf of All Others Similarly Situated, Plaintiffs, vs. RCS CAPITAL CORPORATION, RCAP HOLDINGS, LLC, RCAP EQUITY, LLC, NICHOLAS S. SCHORSCH, BRIAN S. BLOCK, EDWARD MICHAEL WEIL, WILLIAM M. KAHANE, BRIAN D. JONES, PETER M. BUDKO, MARK AUERBACH, JEFFREY BROWN, C. THOMAS MCMILLEN, and HOWELL WOOD, Defendants.	Civil Action No. 1:14-CV-10136-GBD **CLASS ACTION** **JURY TRIAL DEMANDED**

DECLARATION OF CHAD COFFMAN, CFA

August 11, 2017

Pursuant to 28 U.S.C. § 1746, I, Chad Coffman declare as follows:

A. Qualifications

1. I hold a Bachelor's Degree in Economics with Honors from Knox College and a Master's of Public Policy from the University of Chicago. I am also a CFA charter-holder. The CFA, or Chartered Financial Analyst, designation is awarded to those who have sufficient practical experience and complete a rigorous series of three examinations over three years that cover a wide variety of financial topics, including financial statement analysis and valuation.

2. I, along with several others, founded Global Economics Group in March 2008.[1] Prior to starting Global Economics Group, I was employed by Chicago Partners LLC for over twelve years where I was responsible for conducting and managing analyses in a wide variety of areas, including securities valuation and damages, labor discrimination, and antitrust. I have been engaged numerous times as a valuation expert both within and outside the litigation context. My experience in class action securities cases includes work for plaintiffs, defendants, D&O insurers, and a prominent mediator (Retired Judge Daniel Weinstein) to provide economic analyses and opinions in dozens of securities class actions as well as other matters. As a result of my involvement in these cases, much of my career has been spent analyzing and making inferences about how quickly and reliably, and to what degree, new information impacts securities prices.

3. My qualifications are further detailed in my curriculum vitae, which is attached as **Appendix A**.

[1] Global Economics Group was formerly known as Winnemac Consulting, LLC.

4. Additionally, I am over the age of 18 years, have never been convicted of a felony, and am of sound mind. I have personal knowledge of the facts set forth in this declaration, and all of these facts are true.

B. Introduction and Summary of Opinions and Methodologies

5. I have been retained by Lead Counsel, Scott + Scott, Attorneys at Law, LLP and Labaton Sucharow LLP, on behalf of the Lead Plaintiffs in this Action to offer opinions on the maximum and possible recoverable class-wide aggregate damages suffered by: (i) investors who purchased or otherwise acquired RCS Capital Corporation ("RCS," "RCAP" or the "Company") common stock between February 12, 2014 and December 18, 2014, inclusive (the "Class Period"); and (ii) investors who purchased or otherwise acquired RCAP common stock traceable to the Company's June 5, 2014 secondary offering. My damage estimate assumes that Lead Plaintiffs' factual allegations, as set forth in the Corrected Amended Class Action Complaint for Violations of the Federal Securities Laws (the "Complaint"), are true and were proven at trial.[2]

6. My opinions are based on my professional experience, as well a review of the available evidence, including: (a) the Complaint; (b) public filings by RCAP with the United States Securities and Exchange Commission ("SEC"), including the prospectus for the June 5, 2015 secondary offering and filings on Forms 10-K and 10-Q; (c) Company press releases and conference call transcripts; (d) securities analyst reports regarding RCAP and its industry; (e) contemporaneous media reports regarding RCS and its industry; (f) price and volume data for RCS from Bloomberg; (g) articles and other relevant information cited in the text and footnotes to this Declaration.

[2] My analysis was conducted under these assumptions for the purposes of mediation only and does not reflect a loss causation opinion. I have assumed that the six alleged corrective disclosures are corrective and that they were established at trial.

7. If Lead Plaintiffs were able to recover on all six of the corrective disclosure dates alleged in the Complaint (*i.e.*, the October 29, 2014, November 3, 2014, November 4, 2014 November 10, 2014, December 15, 2014 and December 18, 2014 corrective disclosures), then I estimate that the maximum recoverable class-wide aggregate damages in this Action would be approximately **$313 million**. This includes the maximum recoverable damages of $311.5 million (41.2 million damaged shares) on the Rule 10b-5 claims and $1.5 million (4.1 million damaged shares) of the incremental Section 11 damages.[3]

8. If, however, Defendants were to prevail on their likely argument that all of the alleged corrective disclosures after October 29, 2014 should be excluded, based on their claim that the truth was fully disclosed as of that date – *i.e.*, that the truth was fully revealed on the first corrective disclosure – then class-wide aggregate damages decrease to approximately $85.3 million (35.2 million damaged shares). This includes possible recoverable damages of $83.9 million (31.1 million damaged shares) on the Rule 10b-5 claims and $1.5 million (4.1 million damaged shares) of the incremental Section 11 damages.[4]

9. Further, a trial of the Action could result in an intermediate result between $85.3 million and $313 million (assuming liability in which at least the full price decline on October 29, 2014 is corrective), if one or more, but not all, of the remaining five corrective disclosures are also included. Indeed, I understand that Defendants have raised specific arguments as to why they believe the various corrective disclosures were not in fact corrective. There are a number of possible intermediate results and it is possible to calculate the amount of damages resulting from

[3] A claimant can only recover damages under one of the two claims. In order to avoid double-counting, I compute "Incremental" Section 11 damages only for those shares not damaged under Rule 10b-5. Total Section 11 damages amount to $127.6 million (16.4 million damaged shares). In other words, I include Incremental Section 11 Damages for those shares that were bought in the IPO and sold before the first corrective disclosure.

[4] $85.33 = $83.85 + $1.48.

each potential permutation[5]. For example, if, in addition to first corrective disclosure, the only other corrective disclosure included in the case is the smallest corrective disclosure of November 10, 2014, then class wide aggregate damages would be approximately $106.3 million (38.9 million damaged shares). There are many other potential "intermediate" outcomes in which the class wide aggregate damages would be far below the maximum $313 million.

10. Damages in Rule 10b-5 class action securities matters such as this are limited to the amount of artificial inflation at the time of purchase less the artificial inflation at the time of sale.[6] To determine the degree of artificial inflation in the stock price of RCS, I conducted an event study to evaluate the price declines that occurred concurrently with the alleged corrective disclosures. I then assume the observed price declines that occurred concurrently with the corrective disclosures reflects the dollar value of artificial inflation present in the stock prior to those disclosures. Generally, a calculation of class-wide aggregate damages requires transactional data (the timing and quantity of buys and sales of the security at issue). Since class-wide transactional data is not available, aggregate damages must be estimated using a trading model. Using the publicly-reported daily trading volume and shares outstanding, I applied standard trading models in this context to estimate trading patterns of RCS Common Stock during the Class Period, as will be described below.

[5] For purposes of this discussion I exclude the further intermediate result that some proportion of one of the stock price declines associated with one of the corrective disclosures would be excluded due to confounding information released contemporaneously with the alleged corrective information.

[6] 10b-5 damages are also limited by the 90-day look-back rule. Specifically, the PSLRA states: "…in any private action arising under this title in which the plaintiff seeks to establish damages by reference to the market price of a security, the award of damages to the plaintiff shall not exceed the difference between the purchase or sale price paid or received, as appropriate, by the plaintiff for the subject security and the mean trading price of that security during the 90-day period beginning on the date on which the information correcting the misstatement or omission that is the basis for the action is disseminated to the market." *See*, Private Securities Litigation Reform Act of 1995, dated December 22, 1995, 737, 748-49.

11. Section 11 damages are subject to a statutory formula.[7] Section 11 damages only apply to the 24 million shares issued as a result of the secondary public offering on June 5, 2014. I again used a trading model to estimate the statutory Section 11 damages. By applying the statutory formula to the trading patterns, I arrive at Section 11 damages of $127.6 million. However, a claimant cannot recover more than the greater of the damages under the two relevant claims. In order to avoid exceeding this maximum, I compute "Incremental" Section 11 damages only for those shares not damaged under Rule 10b-5. The "Incremental" Section 11 damages are $1.5 million (on 4.1 million damages shares).

12. The following paragraphs describe in greater detail my assumptions and damages methodology.

C. Allegations

13. My understanding is that Lead Plaintiffs allege that Defendant Schorsch, among others who jointly managed and controlled RCS and its affiliates, made a number of misstatements regarding RCS – which are more fully described in the Complaint and the Memorandum of Law in Support of Final Approval of the Settlement.[8] Lead Plaintiffs claim that the Company concealed adverse information that led to the inflated value of the price of RCS securities over the relevant time period, and that investors who purchased at inflated prices were harmed as the truth was revealed.[9] In particular, the Complaint details the allegations as follows:

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[7] Specifically, Section 11(e) states the following: The suit authorized under subsection (a) of this section may be to recover such damages as shall represent the difference between the amount paid for the security (not exceeding the price at which the security was offered to the public) and (1) the value thereof as of the time such suit was brought, or (2) the price at which such security shall have been disposed of in the market before suit, or (3) the price at which such security shall have been disposed of after suit but before judgment if such damages shall be less than the damages representing the difference between the amount paid for the security (not exceeding the price at which the security was offered to the public) and the value thereof as of the time such suit was brought. 15 U.S.C. § 77k(e).

[8] Complaint ¶¶ 4-8.

[9] The relevant liability period is from February 12, 2014 through December 18, 2014. I understand plaintiffs will assert that the truth was revealed over time, but on at least the following corrective disclosures: October 29, 2014,

> The misstatements and omissions alleged herein primarily concerned statements by Schorsch and other RCAP executives touting the then-current strength of RCAP's core wholesale distribution and investment banking businesses and their prospects for success. Revenues from these business segments were largely dependent upon related-party transactions involving affiliated companies controlled by Schorsch, including American Realty Capital, which sponsored the REIT products sold by RCAP's wholesale brokerage operations and, along with ARCP, undertook the transactions through which RCAP earned investment banking fees.
>
> Unbeknownst to investors, however, throughout the Class Period, Schorsch, among others who jointly managed and controlled RCAP and its affiliates, including ARCP, during the Class Period, were causing fraudulent financial statements to be issued by ARCP. Because of the entanglement of RCAP, ARCP and American Reality Capital, and the fact that investors associated all of those entities with Schorsch, the accounting manipulations that occurred at ARCP undercut the credibility, reputation and business operations of RCAP as well as ARCP and rendered Defendants' statements concerning the strength of RCAP's wholesale distribution and investment banking businesses and its prospects for continued growth and success materially false and misleading. Because the bulk of RCAP's reported 2014 quarterly earnings for its core wholesale and investment banking platforms were attributable to transactions with American Realty, ARCP and other Schorsch-controlled affiliates, the corrupt practices at ARCP directly affected the business fundamentals of RCAP and that, when revealed, would result in lost revenues and a collapse in RCAP's stock price. Indeed, in the approximately five months since the revelation of the accounting manipulations at ARCP, RCAP's wholesale distribution and investment banking businesses have reported virtually no income, and its stock price has plummeted.[10]

14. **Exhibit 1** presents the historical price and volume of RCS common stock and the alleged corrective disclosure dates over the relevant period. The chart shows that the common stock price fell over the relevant liability period, in particular beginning April 9, 2014.

15. According to the Complaint, Lead Plaintiffs allege the following six corrective disclosures:

November 3, 2014, November 4, 2014, November 10, 2014, December 15, 2014, and December 18, 2014. I will describe in detail the events of each date in the sections that follow.

[10] Complaint ¶¶ 3-4.

Before the market opened on October 29, 2014, ARCP issued a release and filed a Form 8-K with the SEC revealing that the financial information contained in its 2013 Form 10-K and its previously issued financial statements and other financial information contained in the Company's 1Q14 Form 10-Q and 2Q14 Form 10-Q "should no longer be relied upon." The release also announced that "intentional" financial statement "errors" caused its previously disclosed net loss (on a GAAP basis) for the three and six months ended June 30, 2014 to be understated.[11]

On November 3, 2014, RCAP issued a press release announcing 'that it has terminated the previously disclosed definitive agreement to acquire Cole Capital Partners, LLC and Cole Capital Advisors, Inc.' On the same day, the press release was filed with the SEC as an exhibit to a Form 8-K.[12]

On November 4, 2014 LPL Financial Holdings Inc., the largest U.S. independent broker-dealer, announced that it was indefinitely suspending sales of American Realty, Cole Capital and RCAP investment products (and their related selling agreements with RCAP and Cole Capital). Numerous other broker dealers, including AIG Advisor Group, Securities America Inc. and National Planning Holding Inc., had previously announced such suspensions as well. Indeed, as the Wall Street Journal reported on November 4, 2014, even RCAP's own independent retail advice platform, Cetera Financial Group, instructed its 9,200 financial advisors to cease soliciting buy orders from clients for shares in RCAP and shares in American Realty Capital investment products.[13]

[A]fter the markets closed on Friday, November 7, 2014, the press reported that the Massachusetts Secretary of the Commonwealth, Securities Division (the "Division") had confirmed that it had issued subpoenas to RCAP in connection with its wholesale distribution business.[14]

On December 15, 2014, ARCP abruptly announced the resignations of Schorsch, then its Executive Chairman of the Board and until October 1, 2014, its CEO, David Kay ("Kay"), who had replaced Schorsch as CEO, and its Chief Operating Officer ("COO"), Lisa Beeson ("Beeson"), who had recently taken over as President.[15]

Then, on December 18, 2014, the market learned that, not only had Schorsch been aware of the previously undisclosed accounting manipulations that had occurred at ARCP for nearly a year (if not longer) before they had been

[11] Complaint ¶¶ 144-145.

[12] Complaint ¶ 163.

[13] Complaint ¶ 169.

[14] Complaint ¶ 7.

[15] Complaint ¶ 8.

> revealed on October 29, 2014, but that Schorsch and another RCAP executive, Brian S. Block ("Block"), had themselves participated in the scheme and attempted to cover it up. On December 18, 2014, ARCP's former CAO, Lisa McAlister ("McAlister"), filed a verified complaint against ARCP, alleging that Schorsch, along with other senior officers, had orchestrated and covered up ARCP's accounting fraud, and that she had been terminated for blowing the whistle.[16]

16. I assume for purposes of my analysis that, as alleged, these disclosures revealed the relevant truth concealed from the market by the alleged misrepresentation and omissions.

D. Event Study and Artificial Inflation

17. An event study is a well-accepted statistical method utilized to isolate the impact of information on market prices.[17] Event studies have now been used for over 30 years and appeared in hundreds if not thousands of academic articles as scientific evidence in evaluating how new information affects securities prices.[18] An event study is a technique used to measure the effect of new information on the market prices of a company's publicly traded securities. New information may include, for example, company press releases, earnings reports, SEC filings, and news reports or analyst reports. An event study begins by specifying a model of what price movements are "expected" based on outside market factors and then testing whether the deviation from expected price movements are sufficiently large that simple random movement can be rejected as the cause.

18. A well-accepted method for performing an event study is to estimate a regression model over some period of time to observe the typical relationship between the market price of the relevant security and broad market factors. I have performed such an analysis where I

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[16] Complaint ¶ 10.

[17] David I. Tabak and Frederick C. Dunbar, "Materiality and Magnitude: Event Studies in the Courtroom," Ch. 19, *Litigation Services Handbook, The Role of the Financial Expert*, Third Edition, 2001.

[18] John Binder, "The Event Study Methodology Since 1969," *Review of Quantitative Finance and Accounting* Vol. 11, 1998, pp. 111-137.

evaluate the relationship between RCS common stock daily returns (percentage change in price) and market and industry returns using the S&P 500 Total Return Index, to control for the broader market, and the S&P 1500 Investment Banking & Brokerage Index to control for the industry ("Industry Index"). For each alleged corrective disclosure, I constructed a regression using data from the prior 120 trading days.[19]

19. Based on the event study model described above, I have analyzed whether or not the price movements on the alleged corrective disclosure dates are statistically significant. As shown in **Exhibit 2**, I find statistically significant price movements on all six alleged corrective dates.[20] However, the event study and event analysis described above do not, in isolation, suggest how inflation evolved over the Class Period.

20. To determine the inflation per share throughout the Class Period, I implement a "constant dollar" inflation approach. This means that barring an intervening statistically significant event that is related to the fraud, the inflation per share on day *t-1* is the same as the inflation on day *t*. I note that the constant dollar methodology is used by a wide variety of experts in matters such as this and in my experience is often advocated by defense experts. In addition, a constant dollar methodology is reasonable in this matter because the nature of the misrepresented/omitted information did not change during the Class Period (i.e., the nature or existence of the fraudulent financial statements at a related company and the need to disclose the truth relating to them did not fundamentally change over the Class Period). Therefore, there is

[19] *See*, A. Craig MacKinlay, "Event Studies in Economics and Finance," *Journal of Economic Literature*, Vol. 35, No. 1, March 1997, pp. 13-39 ("For example, in an event study using daily data and the market model, the market model parameters could be estimated over the 120 days prior to the event.").

[20] Five of the six corrective disclosures are significant at the 99% confidence level. November 11, 2014 is statistically significant at the 95% confidence level.

no a priori economic reason to expect the market response to the information would have been different at an earlier point in time.

21. The table below provides an estimate of per share inflation at various points in the class period, which can be used to compute 10b-5 damages.

Figure 1 - Artificial Inflation per Share

Purchase or Sale Date	Inflation Per Share
February 12, 2014 - October 28, 2014	$12.17
October 29, 2014 - October 31, 2014	$9.48
November 3, 2014	$6.89
November 4, 2014 - November 7, 2014	$4.23
November 10, 2014 - December 12, 2014	$3.56
December 15, 2014 - December 18, 2014	$2.37

22. The 10b-5 damages caused by the alleged violations are the inflation per share at the time of purchase *minus* the inflation per share at the time of sale. [21]

E. Overview of Estimated Aggregate Damages

23. To calculate aggregate damages precisely, information on each investor's purchase and sale history is required. Typically, as in this case, experts calculating aggregate damages do not have access to the detailed trading records of class members. As a result, experts estimate trading activity based on publicly available information. I constructed two separate models of trading activity that are often relied upon in this context.

[21] If the security is not sold, the damage per share is calculated using the lesser of the inflation on the date of purchase, and the difference between the purchase price and the average closing price in the "90 days period beginning on the date on which the information correcting the misstatement or omission that is the basis for the action is disseminated to the market."15 U.S.C. §78u-4(e)(1). This is referred to as the "90 Day Lookback Price."

24. The first model, which I refer to as the "Proportional Two-Trader Model," uses publicly available daily trading volume data to construct trading activity during the class period. The Proportional Two-Trader Model assumes that 20% of the float is held by active traders and the remaining 80% is held by more passive investors. It further assumes that 80% of the volume is accounted for by the active traders and 20% of the volume is attributed to the more passive investors.[22]

25. As is standard practice, to calculate the float available to trade in the model, I started from the shares outstanding, added short interest, and subtracted insider holdings. This methodology is consistent with approaches described in literature on the topic of estimating aggregate damages in securities class actions.[23] I also reduced the reported daily volume of shares traded by 20% to account for market maker activity.[24]

26. The second model, which I refer to as the "Institutional and Proportional Two-Trader Model," is an extension of the Proportional Two-Trader Model described above. The Institutional and Proportional Two-Trader Model relies upon empirical holdings reported by large institutions and therefore provides reliable information about the general pattern of trading

[22] This model and its underlying assumptions are described in greater detail in Marcia Kramer Mayer, "Best-Fit Estimation of Damaged Volume in Shareholder Class Actions: The Multi-Sector, Multi-Trader Model of Investor Behavior," *National Economic Research Associates ("NERA")*, 2000.

[23] Nicholas I. Crew, Kevin L. Gold, and Mamie A. Moore, "Federal Securities Acts and Areas of Expert Analysis," Chapter 18 in Roman L. Weil, Peter B. Frank, Christian W. Hughes and Michael J. Wagner, eds., *Litigation Services Handbook*, Fourth Edition, The Role of the Financial Expert, 2007; Daniel R. Fischel, Michael A. Keable, and David J. Ross, "The Use of Trading Models To Estimate Aggregate Damages in Securities Fraud Litigation: An Update," *The National Legal Center for Public Interest*, Vol. 10, Number 3, March 2006; Marcia Kramer Mayer, "Best-Fit Estimation of Damaged Volume in Shareholder Class Actions: The Multi-Sector, Multi-Trader Model of Investor Behavior," *NERA*, 2000.

[24] Reported trading volume includes market specialist and member activity performed to facilitate investor trading and not to take speculative positions in securities. *See* John F. Gould and Allan W. Kleidon, "Market Maker Activity on Nasdaq: Implications for Trading Volume," *Stanford Journal of Law, Business, & Finance*, Vol. 1:11, 1994; and Marcia Kramer Mayer, "Best-Fit Estimation of Damaged Volume in Shareholder Class Actions: The Multi-Sector, Multi-Trader Model of Investor Behavior," *NERA*, p. 2 n.4, 2000.

for those shares. The Proportional Two-Trader Model methodology described above is applied to the remaining float that is unaccounted for by institutional holdings data.

27. I used the Institutional and Proportional Two-Trader Model to estimate the trading activity for 10b-5 damages and the Proportional Two-Trader Model to estimate the trading activity for Section 11 damages.[25]

a. 10b-5 Damages

28. Damages in 10b-5 class action securities matters such as this are limited to the amount of artificial inflation in the price caused by the alleged misrepresentations/omissions. The economic damages caused by the alleged violations are the inflation per share at the time of purchase *minus* the inflation per share at the time of sale. [26] For example, if an investor purchased a share of a company's common stock when some unrevealed fraud had falsely inflated the share price by five dollars, and subsequently sold the shares after the truth was revealed to the market and the stock price dropped by five dollars (inflation dropped to zero), then the investor suffered five dollars in damages due to the decrease in the stock price caused by the fraud. Alternatively, if during the period between the purchase and sale the inflation per share increased, then the investor benefited or gained from the fraudulent activities of the subject company.[27]

29. Artificial inflation for this matter is described in **Figure 1** above, and is based on the results of my event study. By applying the artificial inflation estimates to the modeled trading patterns, I arrive at (i) maximum 10b-5 damages of approximately $311.5 million using all six of

[25] I do not incorporate institutional data into my model of trading for Section 11 damages in this case because I was not provided with an allocation list of secondary offering shares acquired by specific institutions. As such, the aggregate Section 11 damages amount is computed solely with the Proportional Two-Trader Model.

[26] If the security is not sold, the inflation per share is calculated using the average closing price in the "90 days period beginning on the date on which the information correcting the misstatement or omission that is the basis for the action is disseminated to the market."15 U.S.C. §78u-4(e)(1). This is referred to as the "90 Day Lookback Price."

[27] My analysis did not reveal any such additional inflation-creating dates during the Class Period.

the alleged corrective disclosure dates set forth in the Complaint; and (ii) potential 10b-5 damages of approximately $83.9 million using only one alleged corrective disclosures date - October 29, 2014 - based on Defendants' anticipated argument that none of the alleged disclosures following October 29, 2014 would be proven.

b. Section 11 Damages

30. RCS held a secondary public offering ("SPO") on June 5, 2014.[28] I understand that for the purposes of Section 11 claims, only investors who purchased in the SPO and have shares directly traceable to this offering are eligible for Section 11 damages if liability is established. In addition, any investor who purchased RCS Common Stock in the secondary market, and not in the SPO, is not eligible for Section 11 damages, unless the investor can somehow provide proof of traceability to this specific offering. I now turn to a discussion of the methodology to be used to compute statutory Section 11 damages for eligible purchasers.

31. Section 11 damages calculations are based on Section 11(e) of the Securities Act which establishes the statutory formula by which damages for Section 11 claims are calculated. Specifically, Section 11(e) states the following:

> The suit authorized under subsection (a) of this section may be to recover such damages as shall represent the difference between the amount paid for the security (not exceeding the price at which the security was offered to the public) and (1) the value thereof as of the time such suit was brought, or (2) the price at which such security shall have been disposed of in the market before suit, or (3) the price at which such security shall have been disposed of after suit but before judgment if such damages shall be less than the damages representing the difference between the amount paid for the security (not exceeding the price at which the security was offered to the public) and the value thereof as of the time such suit was brought.[29]

[28] RCS Capital Corporation's Form 424(b)(4) Prospectus filed June 5, 2014. RCS offered 24 million shares at $20.25 per share.

[29] 15 U.S.C. § 77k(e).

32. Thus, the statute prescribes the methodology that will be used to calculate damages for all eligible securities. In order to estimate the transactions that are eligible for Section 11 damages, I used the "Proportional Two-Trader Model" described above, and apply the statutory formula to arrive at damages for each modeled transaction. By applying the statutory formula to the trading patterns, I arrive at total Section 11 damages of $127.6 million.

c. Aggregate Damages Summary

33. A claimant can only recover the maximum of the damages under the two relevant claims. Therefore, in order to avoid exceeding this maximum, I compute "Incremental" Section 11 damages only for those shares not damaged under Rule 10b-5. **Exhibit 3** shows the damages summary. The results of my analysis are as follows:

- In the event that all six corrective disclosures are found to be corrective, the class would have maximum aggregate economic damages of $313.0 million. This includes maximum recoverable damages of $311.5 million (41.2 million damaged shares) on the Rule 10b-5 claims and $1.5 million (4.1 million damaged shares) of incremental Section 11 damages.
- In the event that Defendants succeed on their likely argument that the truth was fully disclosed on the first corrective disclosure, October 29, 2014, the class would have aggregate economic damages of $85.3 million.
- A number of intermediate outcomes between $85.3 million and $313.0 million are also possible, if in addition to the first corrective disclosure being included in the case, one or more, but not all, of the remaining corrective disclosures are included. Indeed, Defendants have raised arguments attempting to exclude the various corrective disclosures and would likely continue to advance those arguments. There are a number of possible intermediate results and it is possible to calculate the amount of damages from

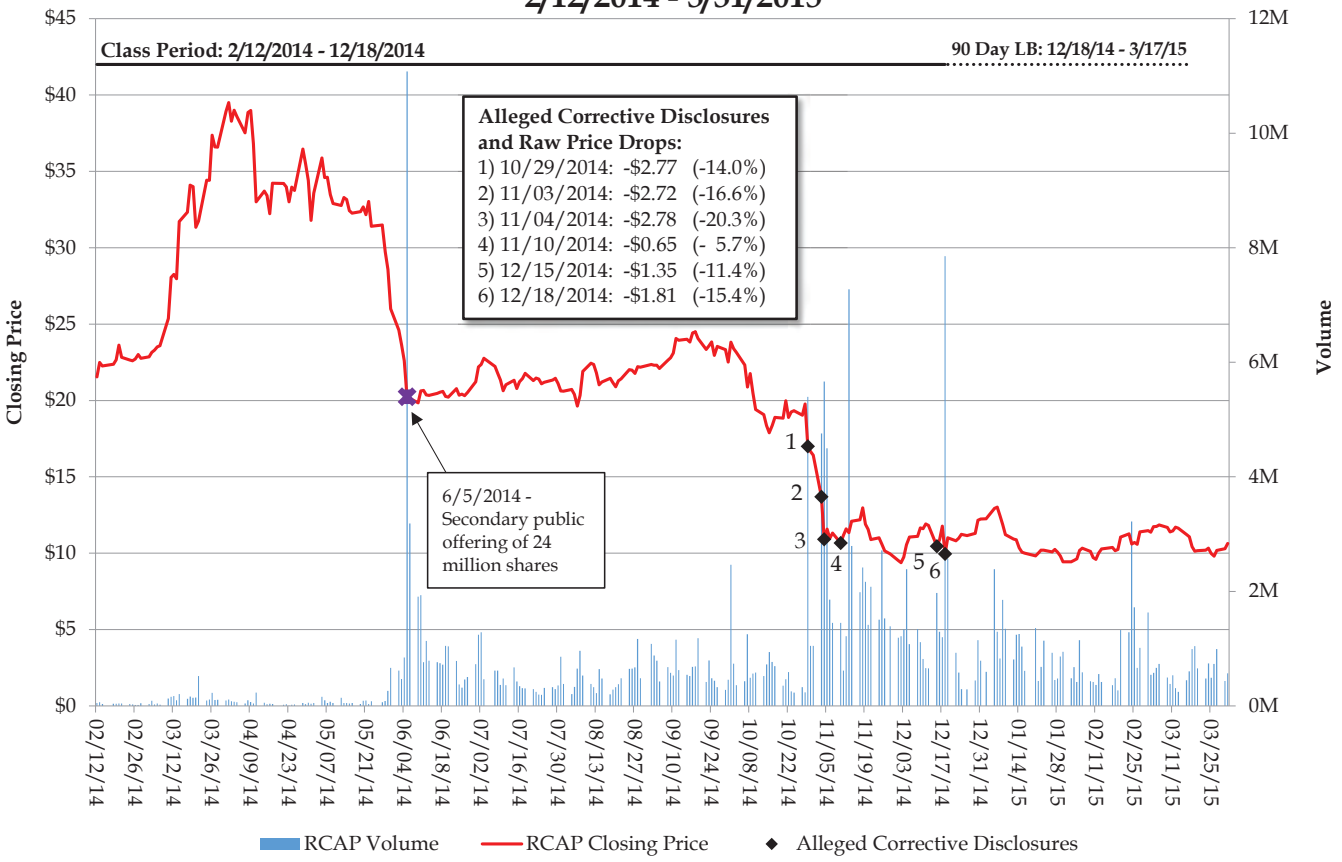
each potential permutation. For example, if, in addition to the first corrective disclosure, the only other corrective disclosure included in the case is the smallest corrective disclosure of November 10, 2014, then the class would have aggregate damages of approximately $106.3 million. There are many other potential outcomes in which the class wide aggregate damages would be far below the maximum $313.0 million.

I declare under the penalty of perjury that the foregoing is true and correct.

Executed on the 11th of August, 2017.

Chad Coffman

Exhibit 1
RCAP Class A Common Stock Price and Volume
2/12/2014 - 3/31/2015



Sources: Complaint and S&P Capital IQ.

Exhibit 2
Summary of Statistics for RCAP Class A Common Stock on Alleged Corrective Disclosure Dates

			RCAP Common Stock			Event Study Results [1]				
	Market Date	Day	RCAP Closing Price	RCAP Volume	RCAP Return	Abnormal Return	Abnormal Dollar Change	t-Statistic	Sig Level[2]	Excerpt from Complaint
1	10/29/14	Wed	$16.99	5,395,560	-14.02%	-13.64%	($2.70)	-5.45	***	"The October 29, 2014 disclosure of ARCP's accounting manipulations, and the following adverse consequences which stemmed from it, directly impacted RCAP… Just as the October 29 disclosure caused ARCP's stock price to drop from $12.38 per share on October 28, 2014 to $10 per share at closing on October 29, 2014 – representing a decline of more than 19% – it simultaneously caused RCAP's stock price to drop from $19.76 at closing on October 28, 2014 to $16.99 per share on October 29, 2014 – representing a decline of nearly 15%. Analysts and industry insiders have repeatedly recognized that the decline in RCAP's stock price was triggered by ARCP's October 29, 2014 announcement and the subsequent, related developments alleged herein." (Complaint ¶¶ 153-155)
2	11/3/14	Mon	$13.69	4,756,130	-16.58%	-15.75%	($2.58)	-6.26	***	"On November 3, 2014, RCAP issued a press release announcing 'that it has terminated the previously disclosed definitive agreement to acquire Cole Capital Partners, LLC and Cole Capital Advisors, Inc.' On the same day, the press release was filed with the SEC as an exhibit to a Form 8-K." (Complaint ¶ 163)
3	11/4/14	Tue	$10.91	5,661,990	-20.31%	-19.42%	($2.66)	-7.69	***	"On November 4, 2014 LPL Financial Holdings Inc., the largest U.S. independent broker-dealer, announced that it was indefinitely suspending sales of American Realty, Cole Capital and RCAP investment products (and their related selling agreements with RCAP and Cole Capital). Numerous other broker dealers, including AIG Advisor Group, Securities America Inc. and National Planning Holding Inc., had previously announced such suspensions as well. Indeed, as the Wall Street Journal reported on November 4, 2014, even RCAP's own independent retail advice platform, Cetera Financial Group, instructed its 9,200 financial advisors to cease soliciting buy orders from clients for shares in RCAP and shares in American Realty Capital investment products." (Complaint ¶ 169)
4	11/10/14	Mon	$10.67	1,448,980	-5.74%	-5.98%	($0.68)	-2.25	**	"... on November 10, 2014, it was reported that Massachusetts' Secretary of the Commonwealth, William Galvin, commenced an investigation of RCAP's wholesale distribution business. This caused RCAP's stock to close at $10.67 per share on November 10, declining $0.65 per share (or nearly 6%) compared to the closing price on November 7, 2014. (Complaint ¶ 175)
5	12/15/14	Mon	$10.46	1,972,360	-11.43%	-10.01%	($1.18)	-3.64	***	"On December 15, 2014, ARCP abruptly announced the resignations of Schorsch, then its Executive Chairman of the Board and until October 1, 2014, its CEO, David Kay ("Kay"), who had replaced Schorsch as CEO, and its Chief Operating Officer ("COO"), Lisa Beeson ("Beeson"), who had recently taken over as President." (Complaint ¶ 8)
6	12/18/14	Thu	$9.95	7,852,360	-15.39%	-20.18%	($2.37)	-7.09	***	"...the sharp decline in RCAP's stock price on December 18, 2014 was attributed to the filing of the Verified Complaint containing revelations regarding Schorsch and Block's role in directing the accounting manipulations at ARCP." (Complaint ¶ 231)

Total Abnormal Dollar Change for Alleged Corrective Disclosures ($12.17)

Sources: Complaint, S&P Capital IQ, and Thomson Reuters Eikon.

Notes:

(1) The results are based upon a regression model over the previous 120 trading days that controls for a broad market index (S&P 500 Total Return Index) and an Industry Index, the S&P 1500 Investment Banking & Brokerage Index. The returns of the Industry Index are net of the S&P 500. The S&P 1500 Investment Banking & Brokerage Index comprised the following companies during the Class Period: E*TRADE Financial Corporation, Evercore Partners Inc., FXCM Inc., Greenhill & Co., Inc., Investment Technology Group, Inc., Morgan Stanley, Piper Jaffray Companies, Raymond James Financial, Inc., Stifel Financial Corp., SWS Group, Inc., The Charles Schwab Corporation, and The Goldman Sachs Group, Inc. Alleged corrective disclosure events, earnings announcements, and 10/01/2014 (RCAP's announcement of acquiring Cole Capital) have been removed from estimation.

(2) "***" Denotes statistical significance at the 99% confidence level or greater and "**" denotes statistical significance at the 95% confidence level or greater.

Exhibit 3
RCAP Class A Common Stock Damages
Class Period: 2/12/2014 - 12/18/2014

	Maximum Artificial Inflation	Damaged Shares (millions)	Total Damages (millions)
10b-5 Damages	$12.17 Based on All Alleged Corrective Disclosures 10/29/14, 11/3/14, 11/4/14, 11/10/14, 12/15/14, and 12/18/14	41.2	$311.5
Section 11 Damages *Incremental*	N/A	4.1	$1.5
Section 11 Damages *Total*	N/A	16.4	$127.6
Total Damages *10b-5 and Incremental Section 11*		**45.3**	**$313.0**

Sources: Complaint, S&P Capital IQ, Thomson Reuters Eikon, RCS Capital Corporation's Form 424(b)(4) Prospectus filed June 5, 2014, and RCS Capital Corporation's Form 10-K filed March 11, 2015.

Notes:

(1) A claimant can only recover damages under one of the two claims. In order to avoid double counting damages, I calculate the "Incremental" Section 11 damages for those shares which were not damaged under Rule 10b-5.

(2) 10b-5 damages are estimated with an Institutional and Proportional Two Trader Model. The Institutional and Proportional Two Trader Model uses reported quarterly holdings data in SEC Form 13-F. Shares not accounted for by institutional trading are estimated with a two-trader model which assumes 80% of the volume is accounted for by traders that hold 20% of the float and the remaining 20% of volume is accounted for by traders that hold 80% of the float. Insider holdings obtained from S&P Capital IQ have been removed from the float.

(3) Damages were estimated for Luxor Capital Group, LP separately under Rule 10b-5 due to specific information regarding this institution's trading.

(4) Section 11 damages are estimated based on the Class Period of 6/5/2014 to 12/18/2014 for all 24,000,000 shares offered at $20.25 per share on 6/5/2014, assuming that shares purchased are not traceable to the offering and assuming no negative causation. Trading is modeled through 12/31/2015. Section 11 damages are estimated using a Proportional Two-Trader Model which assumes 80% of the volume is accounted for by traders that hold 20% of the float and the remaining 20% of volume is accounted for by traders that hold 80% of the float. Retained damaged under Section 11 are computed assuming a complaint date of 6/1/2015. The closing price for RCAP Class A Common Stock on 6/1/2015 was $7.40.

(5) A 20% reduction to volume is applied to account for market makers on the NYSE.

(6) Inflation was constructed based on a regression model over the previous 120 trading days that controls for a broad market index (S&P 500 Total Return Index) and an Industry Index, the S&P 1500 Investment Banking & Brokerage Index. The returns of the Industry Index are net of the S&P 500. The S&P 1500 Investment Banking & Brokerage Index comprised the following companies during the Class Period: E*TRADE Financial Corporation, Evercore Partners Inc., FXCM Inc., Greenhill & Co., Inc., Investment Technology Group, Inc., Morgan Stanley, Piper Jaffray Companies, Raymond James Financial, Inc., Stifel Financial Corp., SWS Group, Inc., The Charles Schwab Corporation, and The Goldman Sachs Group, Inc. Alleged corrective disclosure events, earnings announcements, and 10/01/2014 (RCAP's announcement of acquiring Cole Capital) have been removed from estimation.

(7) Estimation assumes no need to disaggregate abnormal returns on alleged corrective disclosure dates.

Appendix A

CHAD W. COFFMAN, MPP, CFA

Global Economics Group, LLC
140 South Dearborn Street, Suite 1000
Chicago, IL 60603
Office: (312) 470-6500
Mobile: (815) 382-0092
Email: ccoffman@globaleconomicsgroup.com

EMPLOYMENT:

Global Economics Group, LLC
President (2008 - Current)

Global Economics Group specializes in the application of economics, finance, statistics, and valuation principles to questions that arise in a variety of contexts, including litigation and policy matters throughout the world. With offices in Chicago, Boston, and New York, Principals of Global Economics Group have extensive experience in high-profile securities, antitrust, labor, and intellectual property matters.

Market Platform Dynamics, LLC
Chief Financial Officer & Chief Operating Officer (2010 – Current)

Market Platform Dynamics is a management consulting firm that specializes in assisting platform-based companies profit from industry disruption caused by the introduction of new technologies, new business models and/or new competitive threats. MPD's experts include economists, econometricians, product development specialists, strategic marketers and recognized thought leaders who apply cutting-edge research to the practical problems of building and running a profitable business.

Chicago Partners, LLC
Principal (2007 – 2008)
Vice President (2003 – 2007)
Director (2000 – 2003)
Senior Associate (1999 – 2000)
Associate (1997 – 1999)
Research Analyst (1995 – 1997)

EDUCATION:

CFA Chartered Financial Analyst, 2003

M.P.P. University of Chicago, 1997
Masters of Public Policy, with a focus in economics including coursework in Finance, Labor Economics, Econometrics, and Regulation

B.A. Knox College, 1995

Economics, Magna Cum Laude
Graduated with College Honors for Paper entitled "Increasing Efficiency in Water Supply Pricing: Using Galesburg, Illinois as a Case Study"
Dean's List Every Term
Phi Beta Kappa

PROFESSIONAL EXPERIENCE:

Securities, Valuation, and Market Manipulation Cases:

- Testifying Expert in numerous high-profile class action securities matters including, but not limited to:
    - In Re: Bank of America Corp. Securities, Derivative, and Employee Retirement Income Security Act (ERISA) Litigation. Parties settled for $2.4 billion in which I served as Plaintiffs' damages and loss causation expert.
    - In Re: Schering-Plough Corporation/ Enhance Securities Litigation. Parties settled for $473 million in which I served as Plaintiffs' damages and loss causation expert.
    - In Re: REFCO Inc. Securities Litigation. Parties settled for $367 million in which I served as Plaintiffs' damages and loss causation expert.
    - In Re: Computer Sciences Corporation Securities Litigation. Parties settled for $98 million in which I served as Plaintiffs' damages and loss causation expert.
    - Full list of testimonial experience is provided below

- Engaged several dozen times as a neutral expert by prominent mediators to evaluate economic analyses of other experts.

- Expert consultant for the American Stock Exchange (AMEX) where I evaluated issues related to multiple listing of options. Performed econometric analysis of various measures of option spread using tens of millions of trades.

- Performed detailed audit of CDO valuation models employed by a banking institution to satisfy regulators – non-litigation matter.

- Played significant role in highly-publicized internal accounting investigations of two Fortune 500 companies. One led to restatement of previously issued financial statements and both involved SEC investigations.

Testimony:

- Testifying expert in the matter of Kuo, Steven Wu v. Xceedium Inc, Supreme Court of New York, County of New York, Index No. 06-100836. Filed report re: the fair value of Mr. Kuo's shares. Case settled at trial.

- Testifying expert in the matter of Pallas, Dennis H. v. BPRS/Chestnut Venture Limited Partnership and Gerald Nudo, Circuit Court of Cook County, Illinois, County Department, Chancery Division. Filed report re: fair value of Pallas shares. Report: July 9, 2008. Deposition August 6, 2008. Court Testimony February 11, 2009.

- Testifying expert in Washington Mutual Securities Litigation, United States District Court, Western District of Washington, at Seattle, No. 2:08-md-1919 MJP, Lead Case No. C08-387 MJP. Filed declaration August 5, 2008 re: Plaintiffs' loss causation theory. Filed expert report April 30, 2010. Filed rebuttal expert report August 4, 2010. Filed declaration re: Plan of Allocation September 25, 2009**.**

- Testifying expert in DVI Securities Litigation, Case No. 2:03-CV-05336-LDD, United States District Court for the Eastern District of Pennsylvania. Filed expert report October 1, 2008 re: damages. Filed rebuttal expert report December 17, 2008. Deposition January 27, 2009. Filed rebuttal expert report June 24, 2013.

- Testifying expert in Syratech Corporation v. Lifetime Brands, Inc. and Syratech Acquisition Corporation, Supreme Court of the State of New York, Index No. 603568/2007. Filed expert report October 31, 2008.

- Expert declaration in Jacksonville Police and Fire Pension Fund, et al. v. AIG, Inc., et al., No. 08-CV-4772-LTS; James Connolly, et al. v. AIG, Inc., et al., No. 08-CV-5072-LTS; Maine Public Employees Retirement System, et al. v. AIG, Inc., et al., No. 08-CV-5464-LTS; and Ontario Teachers' Pension Plan Board, et al. v. AIG, Inc., et al., No. 08-CV-5560-LTS, United States District Court, Southern District of New York. Filed declaration February 18, 2009.

- Expert declaration in Connetics Securities Litigation, Case No. C 07-02940 SI, United States District Court for the Northern District of California, San Francisco Division. Filed expert report March 16, 2009. Filed declaration re: Plan of Allocation September 9, 2009**.**

- Testifying expert in Boston Scientific Securities Litigation, Master File No. 1:05-cv-11934 (DPW), United States District Court District of Massachusetts. Filed expert report August 6, 2009. Deposition October 6, 2009.

- Expert declaration in Louisiana Sheriffs' Pension and Relief Fund, et al. v. Merrill Lynch & Co, Inc., et al., Case Number 08-cv-09063, United States District Court, Southern District of New York. Filed declaration re: Plan of Allocation October, 2009.

- Testifying expert in Henry J. Wojtunik v. Joseph P. Kealy, John F. Kealy, Jerry A. Kleven, Richard J. Seminoff, John P. Stephen, C. James Jensen, John P. Morbeck, Terry W. Beiriger, and Anthony T. Baumann. Filed expert report January 25, 2010.

- Testifying expert in REFCO Inc. Securities Litigation, Case No. 05 Civ. 8626 (GEL), United States District Court for the Southern District of New York. Filed expert report February 2, 2010. Filed rebuttal expert report March 12, 2010. Deposition March 26, 2010.

- Expert declaration in New Century Securities Litigation, Case No. 07-cv-00931-DDP, United States District Court Central District of California. Filed declaration March 11, 2010.

- Testifying expert in Louisiana Municipal Police Employees' Retirement System, et al. v. Tilman J. Fertitta, Steven L. Scheinthal, Kenneth Brimmer, Michael S. Chadwick, Michael Richmond, Joe Max Taylor, Fertitta Holdings, Inc., Fertitta Acquisition Co., Richard Liem, Fertitta Group, Inc. and Fertitta Merger Co, C.A. No. 4339-VCL, Court of Chancery of the State of Delaware. Filed expert report April 23, 2010.

- Testifying expert in Edward E. Graham and William C. Nordlund, individually and d/b/a Silver King Capital Management v. Eton Park Capital Management, L.P., Eton Park Associates, L.P. and Eton Park Fund, L.P. Case No. 1:07-CV-8375-GBD, Circuit Court of Shelby County, Alabama. Filed rebuttal expert report July 8, 2010. Deposition September 1, 2010. Filed supplemental rebuttal expert report August 22, 2011.

- Testifying expert in Moody's Corporation Securities Litigation. Case No. 1:07-CV-8375-GBD), United States District Court for the Southern District of New York. Filed rebuttal expert report August 23, 2010. Deposition October 7, 2010. Filed rebuttal reply report November 5, 2010. Filed expert report May 25, 2012.

- Testifying expert in Minneapolis Firefighters' Relief Association v. Medtronic, Inc., et al. Civil No. 08-6324 (PAM/AJB), United States District Court, District of Minnesota. Filed expert report January 14, 2011.

- Testifying expert in Schering-Plough Corporation/ENHANCE Securities Litigation Case No.2:08-cv-00397 (DMC) (JAD), United States District Court, District of New Jersey. Filed declaration February 7, 2011. Filed expert report September 15, 2011. Filed rebuttal expert report October 28, 2011. Filed declaration January 30, 2012. Deposition November 15, 2011 and November 29, 2011.

- Testifying expert in Fannie Mae 2008 Securities Litigation, Master File No. 08 Civ. 7831 (PAC), United States District Court for the Southern District of New York. Filed expert report July 18, 2011.

- Testifying expert in Bank of America Corp. Securities, Derivative, and Employee Retirement Income Security Act (ERISA) Litigation, Master File No. 09 MDL 2058 (PKC), United States District Court for the Southern District of New York. Filed expert report August 29, 2011. Filed rebuttal expert report September 26, 2011. Filed expert report March 16, 2012. Filed rebuttal expert report April 9, 2012. Filed rebuttal expert report April 29, 2012. Deposition October 14, 2011 and May 24, 2012.

- Testifying expert in Toyota Motor Corporation Securities Litigation, Case No. 10-922 DSF (AJWx), United States District Court, Central District of California. Filed expert report February 17, 2012. Deposition March 28, 2012. Filed rebuttal expert report August 2, 2012. Filed declaration re: Plan of Allocation January 28, 2013.

- Testifying expert in The West Virginia Investment Management Board and the West Virginia Consolidated Public Retirement Board v. The Variable Annuity Life Insurance Company, Civil No. 09-C-2104, Circuit Court of Kanawha County, West Virginia. Filed expert report June 1, 2012. Depositions June 19, 2013 and December 11, 2015.

- Testifying expert in Aracruz Celulose S.A. Securities Litigation, Case No. 08-23317-CIV-LENARD, United States District Court, Southern District of Florida. Filed expert report July 20, 2012. Deposition September 14, 2012. Filed rebuttal expert report October 29, 2012. Filed declaration re: Plan of Allocation May 20, 2013.

- Testifying expert in In Re Computer Sciences Corporation Securities Litigation, CIV. A. No. 1:11-cv-610-TSE-IDD, United States District Court for the Eastern District of Virginia, Alexandria Division. Filed expert report November 9, 2012. Filed supplemental report February 18, 2013. Filed rebuttal expert report March 25, 2013. Deposition March 27, 2013. Filed declaration re: Plan of Allocation August 7, 2013.

- Testifying expert in In Re Weatherford International Securities Litigation, Case 1:11-cv-01646-LAK, United States District Court for the Southern District of New York. Filed declaration July 1, 2011. Filed expert report April 1, 2013. Deposition April 26, 2013.

- Testifying expert in In Re: Regions Morgan Keegan Closed-End Fund Litigation, Case 2:07-cv-02830-SHM-dkv, United States District Court for the Western District of Tennessee Western Division. Court testimony April 12, 2013.

- Testifying expert in City of Roseville Employees' Retirement System and Southeastern Pennsylvania Transportation Authority, derivatively on behalf of Oracle Corporation, Plaintiff, v. Lawrence J. Ellison, Jeffrey S. Berg, H. Raymond Bingham, Michael J. Boskin, Safra A. Catz, Bruce R. Chizen, George H. Conrades, Hector Garcia-Molina, Donald L. Lucas, and Naomi O. Seligman, Defendants, and Oracle Corporation, Nominal Defendant, C.A. No. 6900-CS, Court of Chancery of the State of Delaware. Filed expert report May 13, 2013. Filed rebuttal expert report June 21, 2013. Deposition July 17, 2013.

- Testifying expert in In Re BP plc Securities Litigation, No. 4:10-md-02185, Honorable Keith P. Ellison, United States District Court for the Southern District of Texas, Houston Division. Filed expert report June 14, 2013. Deposition July 25, 2013. Filed rebuttal expert report October 7, 2013. Filed declaration re: Plaintiff accounting losses November 17, 2013. Filed expert report January 6, 2014. Deposition January 22, 2014. Filed rebuttal expert report March 12, 2014. Filed expert report March 17, 2014. Hearing testimony April 21, 2014. Deposition June 3, 2014. Filed declaration re: damages June 3, 2014.

- Testifying expert in In Re Celestica Inc. Securities Litigation, Civil Action No. 07-CV-00312-GBD, United States District Court for the Southern District of New York. Filed expert report June 14, 2013. Filed rebuttal expert report September 10, 2013. Deposition September 24, 2013.

- Testifying expert in In Re Dendreon Corporation Class Action Litigation, Master Docket No. C11-01291JLR, United States District Court for the Western District of Washington at Seattle. Filed declaration re: Plan of Allocation June 14, 2013.

- Testifying expert in In Re Hill v. State Street Corporation, Master Docket No. 09-cv12146-GAO, United States District Court for the District of Massachusetts. Filed expert report October 28, 2013.

- Testifying expert in In Re BNP Paribas Mortgage Corporation and BNP Paribas v. Bank of America, N.A., Master Docket No. 09-cv-9783-RWS, United States District Court for the Southern District of New York. Filed expert report November 25, 2013. Filed rebuttal expert report March 17, 2014. Deposition June 26-27, 2014.

- Testifying expert in Stan Better and YRC Investors Group v. YRC Worldwide Inc., William D. Zollars, Michael Smid, Timothy A. Wicks and Stephen L. Bruffet, Civil Action No. 11-2072-KHV, United States District Court for the District of Kansas. Filed declaration re: Plan of Allocation February 5, 2014. Filed expert report May 29, 2015. Filed expert report February 5, 2016.

- Testifying expert in The Archdiocese of Milwaukee Supporting Fund v. Halliburton Company, et al., Civil Action No. 3:02-CV-1152-M, United States District Court for the Northern District of Texas, Dallas Division. Filed expert report October 30, 2014. Deposition November 11, 2014. Hearing testimony December 1, 2014. Filed expert report March 11, 2016. Filed expert report May 13, 2016. Deposition June 10, 2016.

- Testifying expert in In Re HP Securities Litigation, Master File No. 3:12-cv-05980-CRB, United States District Court for the Northern District of California, San Francisco Division. Filed expert report November 4, 2014. Deposition December 3, 2014. Filed rebuttal expert report January 26, 2015.

- Testifying expert in In Re MGM Mirage Securities, No. 2:09-cv-01558-GMN-VCF, United States District Court for the District of Nevada. Filed expert report November 12, 2014. Deposition January 6, 2015. Filed rebuttal expert report April 2, 2015.

- Testifying expert in Adam S. Levy v. Thomas Gutierrez, Richard J. Gaynor, Raja Bal, J. Michal Conaway, Kathleen A. Cote, Ernest L. Godshalk, Matthew E. Massengill, Mary Petrovich, Robert E. Switz, Noel G. Watson, Thomas Wroe, Jr., Morgan Stanley & Co. LLC, Goldman, Sachs & Co., and Canaccord Genuity Inc., No. 1:14-cv-00443-JL, United States District Court for the District of New Hampshire. Filed declaration January 7, 2015.

- Testifying expert in In Re Nu Skin Enterprises, Inc., Securities Litigation, Master File No. 2:14-cv-00033-DB, United States District Court for the District of Utah, Central Division. Filed expert report June 26, 2015. Deposition August 17, 2015.

- Testifying expert in In Re Intuitive Surgical Securities Litigation, Master File No. 5:13-cv-01920-EJD, United States District Court for the Northern District of California. Filed expert report September 1, 2015. Filed expert rebuttal report November 16, 2015. Filed expert report November 8, 2016. Filed expert report February 8, 2017.

- Testifying expert in Babak Hatamian, et al., v. Advanced Micro Devices, Inc., et al., No. 4:14-cv-00226-YGR, United States District Court for the Northern District of California, San Francisco Division. Filed expert report September 4, 2015. Filed rebuttal expert report December 7, 2015. Filed expert report November 18, 2016. Filed expert report January 17, 2017. Filed declaration March 6, 2017. Deposition March 7, 2017.

- Testifying expert in In Re NII Holdings, Inc. Securities Litigation, No. 1:14-cv-00227-LMB-JFA, United States District Court for the Eastern District of Virginia, Alexandria Division. Filed expert report September 11, 2015. Deposition September 17, 2015. Filed rebuttal expert report October 28, 2015. Filed expert report January 8, 2016.

- Testifying expert in In Re Barrick Gold Securities Litigation, No. 1:13-cv-03851-SAS, United States District Court for the Southern District of New York. Filed expert report September 15, 2015.

- Expert declaration in In Re Tower Group International, Ltd. Securities Litigation, Master Docket No. 1:13-cv-5852-AT, United States District Court, Southern District of New York. Filed declaration re: Plan of Allocation October 6, 2015.

- Testifying expert in Beaver County Employees' Retirement Fund et al. v. Tile Shop Holdings Inc. et al., No. 0:14-cv-00786-ADM-TNL, United States District Court for the District of Minnesota. Filed expert report December 1, 2015. Deposition March 15, 2016. Filed expert report July 1, 2016. Deposition July 26, 2016.

- Testifying expert in In Re Barclays Bank PLC Securities Litigation, Civil Action No. 1:09-cv-01989-PAC, United States District Court for the Southern District of New York. Filed expert report December 15, 2015. Filed rebuttal expert report February 2, 2016. Filed expert reply report March 18, 2016. Deposition April 21, 2016.

- Testifying expert in In Re Petrobras Securities Litigation, Civil Action No. 15-cv-03733-JSR, 15-cv-07615-JSR, 15-cv-6618-JSR, 15-cv-02192-JSR, United States District Court for the Southern District of New York. Filed expert report May 6, 2016. Filed expert report May 27, 2016. Filed expert report June 17, 2016. Deposition June 24, 2016.

- Testifying expert in Zubair Patel, Individually and on Behalf of All Others Similarly Situated, Plaintiff, vs. L-3 Communications Holdings, Inc., et al., Defendants, No. 1:14-cv-06038-VEC, United States District Court for the Southern District of New York. Filed expert report June 30, 2016. Deposition July 20, 2016. Filed expert report August 26, 2016.

- Testifying expert in Leonard Howard, Individually and on Behalf of All Others Similarly Situated, Plaintiff, vs. Liquidity Services, Inc., et al., Defendants, No. 1:14-cv-01183-BAH, United States District Court for the District of Columbia. Filed expert report September 2, 2016.

- Testifying expert in James Quinn, Derivatively on Behalf of Nominal Defendant Apple REIT Ten, Inc., Plaintiff, v. Glade M. Knight, Justin Knight, Kent W. Colton, R. Garnett Hall, Jr., David J.

Adams, Anthony F. Keating III, David Buckley, Kristian Gathright, David McKenney, Bryan Peery, and Apple Hospitality REIT, Inc., Defendants, and Apple REIT Ten, Inc., Nominal Defendant, No. 3:16-cv-610, United States District Court for the Eastern District of Virginia, Richmond Division. Filed expert report October 14, 2016. Deposition October 20, 2016.

- Testifying expert in Dr. Joseph F. Kasper, et al., Plaintiff, v. AAC Holdings, Inc., et al., Defendants, No. 3:15-cv-00923, United States District Court for the Middle District of Tennessee, Nashville Division. Filed expert report October 18, 2016. Deposition November 29, 2016. Filed expert report February 10, 2017.

- Testifying expert in KBC Asset Management NV, et al., Plaintiff, v. 3D Systems Corporation, Abraham N. Reichental, Damon J. Gregoire, and Ted Hull, Defendants, No. 15-cv-02393-MGL, United States District Court for the District of South Carolina, Rock Hill Division. Filed expert report October 31, 2016. Deposition January 5, 2017. Filed expert report April 21, 2017.

- Testifying expert in Arkansas Teacher Retirement System, et al., Plaintiff, v. Virtus Investment Partners, Inc., Defendants, No. 15-cv-1249-WHP, United States District Court for the Southern District of New York. Filed expert report November 7, 2016. Filed expert report February 17, 2017. Deposition February 28, 2017. Filed expert report June 16, 2017. Filed expert report July 26, 2017.

- Testifying expert in Laborers Pension Trust Fund – Detroit, Individually and on Behalf of All Others Similarly Situated, Plaintiffs, vs. Conn's, Inc., et al., Defendants, No. 4:14-cv-00548 (KPE), United States District Court for the Southern District of Texas, Houston Division. Filed expert report November 10, 2016. Deposition December 9, 2016. Filed expert report March 27, 2017.

- Testifying expert in Glen Hartsock, individually and on behalf of all others similarly situated Plaintiff, v. Spectrum Pharmaceuticals, Inc., and Rajesh C. Shrotriya, Defendants, No. 16-cv-02279-RFB-GWF and Olutayo Ayeni, individually and on behalf of all others similarly situated Plaintiff, v. Spectrum Pharmaceuticals, Inc., Rajesh C. Shrotriya, Kurt A. Gustafson, Joseph Turgeon, and Lee Allen, Defendants, No. 16-cv-02649-KJD-VCF, United States District Court for the District of Nevada. Filed declaration re: damages December 8, 2016.

- Testifying expert in In Re: ARIAD Pharmaceuticals, Inc. Securities Litigation, No. 1:13-cv-12544 (WGY), United States District Court District of Massachusetts. Filed expert report March 6, 2017.

- Testifying expert in Washtenaw County Employees' Retirement System, individually and on behalf of all others similarly situated, Plaintiff, v. Walgreen Co., Gregory D. Wasson, and Wade Miquelon, Defendants, No. 15-cv-3187, United States District Court for the Northern District of Illinois. Filed expert report April 21, 2017. Deposition June 15, 2017.

- Testifying expert in Lou Baker, individually and on behalf of all others similarly situated, Plaintiff, v. SeaWorld Entertainment, Inc., James Atchison, James M. Heaney, Marc Swanson, and The Blackstone Group L.P., Defendants, No. 3:14-cv-02129-MMA-KSC, United States District Court for the Southern District of California. Filed expert report May 19, 2017. Deposition July 20, 2017.

- Testifying expert in Benjamin Gross, individually and on behalf of all others similarly situated, Plaintiff, v. GFI Group, Inc., Colin Heffron, and Michael Gooch, Defendants, No. 3:14-cv-09438-WHP, United States District Court for the Southern District of New York. Filed expert report May 30, 2017.

Experience in Labor Economics and Discrimination-Related Cases:

- Expert consultant for Cargill in class action race discrimination matter in which class certification was defeated.
- Expert consultant for 3M in class action age discrimination matter.
- Expert consultant for Wal-Mart in class action race discrimination matter.
- Expert consultant on various other significant confidential labor economics matters in which there were class action allegations related to race, age and gender.
- Expert consultant for large insurance company related to litigation and potential regulation resulting from the use of credit scores in the insurance underwriting process.

Testimony:

- Testifying expert in Shirley Cohens v. William Henderson, Postmaster General, C.A 1:00CV-1834 (TFH) United States Postal Service. United States District Court for the District of Columbia.– Filed report re: lost wages and benefits.
- Testifying expert in Richard Akins v. NCR Corporation. Before the American Arbitration Association – Filed report re: lost wages.
- Testifying expert in Maureen Moriarty v. Dyson, Inc., Case No. 09 CV 2777, United States District Court for the Northern District of Illinois, Eastern Division. Filed expert report October 12, 2011. Deposition November 10, 2011.

Selected Experience in Antitrust, General Damages, and Other Matters:

- Expert consultant in high-profile antitrust matters in the computer and credit card industries.
- Expert consultant for plaintiffs in re: Brand Name Drugs Litigation. Responsible for managing, maintaining and analyzing data totaling over one billion records in one of the largest antitrust cases ever filed in the Federal Courts.
- Served as neutral expert for mediator (Judge Daniel Weinstein) in allocating a settlement in an antitrust matter.
- Expert consultant in Seminole County and Martin County absentee ballot litigation during disputed presidential election of 2000.

- Expert consultant for sub-prime lending institution to determine effect of alternative loan amortization and late fee policies on over 20,000 customers of a sub-prime lending institution. Case settled favorably at trial immediately after the testifying expert presented an analysis I developed showing fundamental flaws in opposing experts calculations.

TEACHING EXPERIENCE:

KNOX COLLEGE, Teaching Assistant - Statistics, (1995)
KNOX COLLEGE, Tutor in Mathematics, (1992 - 1993)

PUBLICATIONS:

Coffman, Chad and Mary Gregson, "Railroad Construction and Land Value." *Journal of Real Estate and Finance*, 16:2, pp. 191-204 (1998).

Coffman, Chad, Tara O'Neil, and Brian Starr, Ed. Richard D. Kahlenberg, "An Empirical Analysis of the Impact of Legacy Preferences on Alumni Giving at Top Universities," *Affirmative Action for the Rich: Legacy Preferences in College Admissions*; pp. 101-121 (2010).

PROFESSIONAL AFFILIATIONS:

Associate Member CFA Society of Chicago
Associate Member CFA Institute
Phi Beta Kappa

AWARDS:

1994 Ford Fellowship Recipient for Summer Research.
1993 Arnold Prize for Best Research Proposal.
1995 Knox College Economics Department Award.

PERSONAL ACTIVITIES:

- Pro bono consulting for Cook County State's Attorney's Office.
- Pro bono consulting for Cook County Health & Hospitals System – Developed method for hospital to assess real-time patient level costs to assist in improving care for Cook County residents and prepare for implementation of Affordable Care Act.
- Pro bono consulting for Chicago Park District to analyze economic impact of park district assets and assist in developing strategic framework for decision-making.

Exhibit 4

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

GRADY SCOTT WESTON, Individually And On Behalf Of All Others Similarly Situated, Plaintiffs, v. RCS CAPITAL CORPORATION, RCAP HOLDINGS, LLC, RCAP EQUITY, LLC, NICHOLAS S. SCHORSCH, BRIAN S. BLOCK, EDWARD MICHAEL WEIL, WILLIAM M. KAHANE, BRIAN D. JONES, PETER M. BUDKO, MARK AUERBACH, JEFFREY BROWN, C. THOMAS MCMILLEN, AND HOWELL WOOD, Defendants.	Civ. No. 1:14-CV-10136-GBD

DECLARATION OF ADAM D. WALTER REGARDING: (A) MAILING OF THE NOTICE AND CLAIM FORM; (B) PUBLICATION OF THE SUMMARY NOTICE; (C) REPORT ON REQUESTS FOR EXCLUSION AND OBJECTIONS; AND (D) VOLUME OF CLAIMS RECEIVED TO DATE

I, Adam D. Walter, declare as follows:

1. I am a Senior Project Manager of A.B. Data, Ltd.'s Class Action Administration Division ("A.B. Data"), whose Corporate Office is located in Milwaukee, Wisconsin. Pursuant to the Order Granting Preliminary Approval of Class Action Settlement, Approving Form and Manner of Notice, and Setting Date for Hearing on Final Approval of Settlement (the "Preliminary Approval Order"), A.B. Data was authorized to act as the Claims Administrator in connection with the Settlement in the above-captioned action. I am over 21 years of age and am not a party to this action. I have personal knowledge of the facts set forth herein and, if called as a witness, could and would testify competently thereto.

MAILING OF THE NOTICE AND PROOF OF CLAIM

2. Pursuant to the Preliminary Approval Order, A.B. Data mailed the Notice of Pendency of Class Action, Proposed Settlement, and Motion for Attorneys' Fees and Expenses (the "Notice") and the Proof of Claim and Release form (the "Proof of Claim" and collectively with the Notice (the "Notice Packet") to potential Settlement Class Members. A copy of the Notice Packet is attached hereto as Exhibit A.

3. On June 26, 2017, A.B. Data received 592 names and addresses of record holders from Lead Counsel, which I understand was provided by counsel for the Defendants. A.B. Data standardized and updated the mailing list addresses using NCOALink®, a national database of address changes that is compiled by the United States Postal Service. On July 5, 2017, A.B. Data caused Notice Packets to be mailed to these 592 record holders.

4. As in most class actions of this nature, the majority of potential Settlement Class Members are beneficial purchasers whose securities are held in "street name" –*i.e.*, the securities are purchased by brokerage firms, banks, institutions and other third-party nominees in the name of the nominee, on behalf of the beneficial purchasers. The names and addresses of these beneficial purchasers are known only to the nominees. A.B. Data maintains a proprietary database with names and addresses of the largest and most common banks, brokers, and other nominees. On July 5, 2017, A.B. Data caused Notice Packets to be mailed to the 5,067 mailing records contained in the A.B. Data record holder mailing database.

5. The Notice requested that nominees who purchased or otherwise acquired RCAP common stock during the Class Period for the beneficial interest of a person or entity other than themselves, within seven (7) days of receipt of the Notice, either: (a) provide to A.B. Data the name and last known address of each person or entity for whom or which they purchased or

otherwise acquired RCAP common stock during the Class Period; or (b) request additional copies of the Notice Packet from A.B. Data and within seven (7) days of receipt, mail the Notice Packet directly to all the beneficial owners of RCAP common stock. *See* Notice on page 12.

6. Additionally, A.B. Data submitted the Notice to the Depository Trust Company, which is the world's largest central securities depository, for posting on its Legal Notice System, which offers DTC member banks and brokers access to a comprehensive library of notices concerning DTC-eligible securities.

7. As of the date of this Declaration, A.B. Data has received an additional 5,005 names and addresses of potential Settlement Class Members from individuals or brokerage firms, banks, institutions and other nominees. A.B. Data has also received requests from brokers and other nominee holders for 4,390 Notice Packets, which the brokers and nominees are required to mail to their customers. All such mailing requests have been, and will continue to be, complied with and addressed by A.B. Data in a timely manner.

8. As of the date of this Declaration, 103 Notice Packets were returned by the United States Postal Service to A.B. Data as undeliverable as addressed ("UAA"). Of those returned UAA, 36 had forwarding addresses and were promptly re-mailed to the updated address. The remaining 67 UAAs were processed through LexisNexis to obtain an updated address. Of these, 24 new addresses were obtained and A.B. Data promptly re-mailed to these potential Settlement Class Members.

9. As of the date of this Declaration, a total of 15,114 Notice Packets have been mailed to potential Settlement Class Members and their nominees.

PUBLICATION OF THE SUMMARY NOTICE

10. In accordance with Paragraph 13 of the Preliminary Approval Order, on July 19, 2017, A.B. Data caused the Summary Notice of Pendency of Class Action, Proposed Settlement, and Motion for Attorneys' Fees and Expenses (the "Summary Notice") to be published in *The Wall Street Journal* and transmitted over *PR Newswire*. Proof of this publication of the Summary Notice is attached hereto as Exhibits B and C, respectively.

TELEPHONE HOTLINE

11. On or about July 5, 2017, a case-specific toll-free phone number, 866-778-9626, was established with an Interactive Voice Response system and live operators. An automated attendant answers all calls initially and presents callers with a series of choices to respond to basic questions. If callers need further help, they have the option to be transferred to an operator during business hours. From July 5, 2017 through the date of this Declaration, A.B. Data received 86 telephone calls.

WEBSITE

12. On or about July 5, 2017, A.B. Data established a case-specific website, www.RCAPSecuritiesSettlement.com, which includes general information regarding the case and its current status; downloadable copies of the Notice, Proof of Claim, Summary Notice, and other court documents, including the Stipulation and Agreement of Settlement; and online claim submission capability. The settlement website is accessible 24 hours a day, 7 days a week.

REPORT ON EXCLUSIONS AND OBJECTIONS

13. The Notice informed potential Settlement Class Members that written requests for exclusion are to be mailed to *RCAP Securities Litigation*, EXCLUSIONS, c/o A.B. Data, Ltd., P.O. Box 173001, Milwaukee, WI 53217 such that they are received no later than August 29,

2017. A.B. Data has been monitoring all mail delivered to the post office box. As of the date of this Declaration, A.B. Data has received no requests for exclusion.

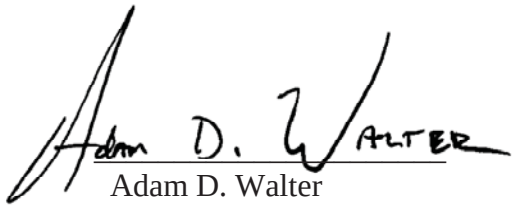
14. According to the Notice, any Settlement Class Member who does not request exclusion may object to the Settlement or any of its terms, the proposed Plan of Allocation of the Net Settlement Fund, and/or Lead Counsel's application for an award of attorneys' fees and Litigation Expenses. Anyone wishing to object was required to submit their objection in writing to the Court and mail copies to Lead Counsel and Defendants' Counsel such that the papers were received on or before August 29, 2017. As of the date of this Declaration, A.B. Data has not received any objections.

CLAIMS RECEIVED TO DATE

15. As of the date of this Declaration, A.B. Data has received 398 claims. Of these, approximately 85 claims were filed by or on behalf of institutions and approximately 313 claims were submitted by or on behalf of individuals. The claim filing deadline is November 2, 2017 and in A.B. Data's experience, a significant number of claims come in close to the claim filing deadline. In particular, the majority of institutional investors, brokers, and nominees typically file electronically at or near the claims deadline. We will provide additional claim-related information with our supplemental declaration, which will be filed with the Court on or before September 21, 2017.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed this 11th day of August, 2017.



Adam D. Walter

EXHIBIT A

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

GRADY SCOTT WESTON, Individually And On Behalf Of All Others Similarly Situated, Plaintiffs, v. RCS CAPITAL CORPORATION, RCAP HOLDINGS, LLC, RCAP EQUITY, LLC, NICHOLAS S. SCHORSCH, BRIAN S. BLOCK, EDWARD MICHAEL WEIL, WILLIAM M. KAHANE, BRIAN D. JONES, PETER M. BUDKO, MARK AUERBACH, JEFFREY BROWN, C. THOMAS MCMILLEN, and HOWELL WOOD, Defendants.	Civ. No. 1:14-CV-10136-GBD **NOTICE OF PENDENCY OF CLASS ACTION, PROPOSED SETTLEMENT, AND MOTION FOR ATTORNEYS' FEES AND EXPENSES**

If you purchased or otherwise acquired the common stock of RCS Capital Corporation during the period from February 12, 2014 to December 18, 2014, inclusive (the "Class Period"), and were allegedly damaged thereby, you may be entitled to a payment from a class action settlement.

A Federal Court authorized this Notice. This is not a solicitation from a lawyer.

- The purpose of this Notice is to inform you of: (i) the pendency of the above-captioned securities class action (the "Action"); (ii) the proposed settlement of the Action (the "Settlement") on the terms and conditions provided for in the Stipulation and Agreement of Settlement, dated June 2, 2017 (the "Stipulation");[1] and (iii) the hearing to be held by the Court (the "Settlement Hearing"). At the Settlement Hearing, the Court will consider: (i) whether the Settlement should be approved; (ii) whether the proposed plan for allocating the net proceeds of the Settlement to eligible members of the Settlement Class (the "Plan of Allocation") should be approved; (iii) Lead Counsel's application for attorneys' fees and expenses; and (iv) certain other matters. Please read this Notice carefully. This Notice describes important rights you may have and what steps you must take if you wish to participate in the Settlement or wish to be excluded from the Settlement Class.[2]
- If approved by the Court, the Settlement will create a $31 million cash fund, plus any interest earned thereon, for the benefit of eligible Settlement Class Members, less any attorneys' fees and expenses awarded by the Court, Notice and Administration Costs, and Taxes.
- The Settlement resolves claims by Court-appointed Lead Plaintiffs Oklahoma Police Pension Fund and Retirement System and City of Providence, Rhode Island (collectively, "Lead Plaintiffs") that have been asserted on behalf of the Settlement Class against RCS Capital Corporation ("RCAP" or the "Company"), RCAP Holdings, LLC ("RCAP Holdings"), RCAP Equity, LLC ("RCAP Equity"), Nicholas S. Schorsch, Brian S. Block, Edward M. Weil, Jr., William M. Kahane, Brian D. Jones, Peter M. Budko, Mark Auerbach, Jeffrey Brown, C. Thomas McMillen and Howell Wood (collectively, "Defendants"); avoids the costs and risks of continuing the litigation; pays money to eligible Settlement Class Members; and releases the Released Defendant Parties (defined below) from liability.

If you are a Settlement Class Member, your legal rights will be affected by this Settlement whether you act or do not act. Please read this Notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
SUBMIT A CLAIM FORM POSTMARKED OR RECEIVED NO LATER THAN NOVEMBER 2, 2017	The only way to be eligible to receive a payment from the Net Settlement Fund.
EXCLUDE YOURSELF BY SUBMITTING A WRITTEN REQUEST SO THAT IT IS RECEIVED NO LATER THAN AUGUST 29, 2017	If you exclude yourself from the Settlement Class, you will not be eligible to receive any payment from the Net Settlement Fund. This is the only option that, assuming your claim is timely brought, might allow you to ever bring or be part of any other lawsuit against Defendants and/or the other Released Defendant Parties concerning the Released Plaintiffs' Claims. *See* Questions 11-13 below for details.

[1] The Stipulation can be viewed at www.RCAPSecuritiesSettlement.com.
[2] All capitalized terms not otherwise defined in this Notice have the same meanings as defined in the Stipulation.

OBJECT TO THE SETTLEMENT BY SUBMITTING A WRITTEN OBJECTION SO THAT IT IS RECEIVED NO LATER THAN AUGUST 29, 2017	Write to the Court about why you do not like the Settlement, the Plan of Allocation, and/or Lead Counsel's motion for attorneys' fees and payment of Litigation Expenses. If you object, you will still be a member of the Settlement Class. *See* Question 16 below for details.
GO TO A HEARING ON SEPTEMBER 28, 2017 AND FILE A NOTICE OF INTENTION TO APPEAR SO THAT IT IS RECEIVED NO LATER THAN AUGUST 29, 2017	Ask to speak in Court about the Settlement. If you submit an objection, you may (but you do not have to) attend the hearing and, at the discretion of the Court, speak in Court about your objection. *See* Question 20 below for details.
DO NOTHING	You will not be eligible to receive a payment from the Net Settlement Fund, you will give up rights, and you will still be bound by the Settlement.

- These rights and options **— and the deadlines to exercise them —** are explained in this Notice.
- The Court in charge of this case still has to decide whether to approve the Settlement. Payments will be made to all Settlement Class Members who timely submit valid Claim Forms, if the Court approves the Settlement and after any appeals are resolved. Please be patient.

SUMMARY OF THE NOTICE

Statement of the Settlement Class's Recovery

1. Lead Plaintiffs have entered into the proposed Settlement with Defendants which, if approved by the Court, will resolve the Action in its entirety. Subject to Court approval, Lead Plaintiffs, on behalf of the Settlement Class, have agreed to settle the Action in exchange for a payment of $31,000,000 in cash (the "Settlement Amount") to be deposited into an interest-bearing Escrow Account (the "Settlement Fund"). The Net Settlement Fund (as defined below) will be distributed to Settlement Class Members according to a Court-approved plan of allocation. The proposed Plan of Allocation is set forth on pages 10-12 below.

Estimate of Average Amount of Recovery Per Share

2. Based on Lead Plaintiffs' damages expert's estimate of the number of shares of RCAP common stock eligible to participate in the Settlement, and assuming that all investors eligible to participate in the Settlement do so, Lead Plaintiffs estimate that the average recovery, before deduction of any Court-approved fees and expenses, such as attorneys' fees, Litigation Expenses, Taxes, and Notice and Administration Costs, would be approximately $0.68 per allegedly damaged share.[3] If the Court approves the attorneys' fees and Litigation Expenses requested by Lead Counsel (discussed below), the average recovery would be approximately $0.47 per allegedly damaged share. **Settlement Class Members should note, however, that the foregoing average recovery amounts are only estimates and Settlement Class Members may recover more or less than these estimated amounts.** An individual Settlement Class Member's actual recovery will depend on, for example: (i) the total number of claims submitted; (ii) the amount of the Net Settlement Fund; (iii) when the Settlement Class Member purchased or acquired RCAP common stock during the Class Period; and (iv) whether and when the Settlement Class Member sold RCAP common stock. *See* the Plan of Allocation beginning on page 10 for information on the calculation of your Recognized Claim.

Statement of Potential Outcome of Case

3. The Parties disagree about both liability and damages and do not agree on the damages that would be recoverable if Lead Plaintiffs were to prevail on each claim asserted against Defendants. The issues on which the Parties disagree include, for example: (i) whether Defendants made any statements or omitted any facts that were materially false or misleading, or otherwise actionable under the federal securities laws; (ii) whether any such allegedly materially false or misleading statements or omissions were made with the requisite level of intent or recklessness; (iii) the amounts by which the prices of RCAP common stock were allegedly artificially inflated, if at all, during the Class Period; and (iv) the extent to which external factors, such as general market, economic, and industry conditions, influenced the trading prices of RCAP common stock at various times during the Class Period.

4. Defendants have denied and continue to deny any wrongdoing, deny that they have committed any act or omission giving rise to any liability or violation of law, and deny that Lead Plaintiffs and the Settlement Class have suffered any loss attributable to Defendants' actions. While Lead Plaintiffs believe they have meritorious claims, they recognize that there are significant obstacles in the way to recovery.

Statement of Attorneys' Fees and Expenses Sought

5. Lead Counsel, on behalf of all Plaintiffs' Counsel, will apply to the Court for an award of attorneys' fees from the Settlement Fund in an amount not to exceed 30% of the Settlement Fund, which includes any accrued interest. Lead Counsel will also apply for payment of Litigation Expenses incurred by Plaintiffs' Counsel in prosecuting the Action in an amount not to exceed $425,000, plus accrued interest, which may include an application pursuant to the Private Securities Litigation Reform Act of 1995 ("PSLRA") for the reasonable costs and expenses (including lost wages) of Lead Plaintiffs directly related to their representation of the Settlement Class. If the Court approves Lead

[3] An allegedly damaged share might have been traded, and potentially damaged, more than once during the Class Period, and the average recovery indicated above represents the estimated average recovery for each share that allegedly incurred damages.

Counsel's attorneys' fees and expense application in full, the average amount of fees and expenses, assuming claims are filed for all shares eligible to participate in the Settlement, will be approximately $0.21 per allegedly damaged share of RCAP common stock.

Reasons for the Settlement

6. For Lead Plaintiffs, the principal reason for the Settlement is the guaranteed cash benefit to the Settlement Class. This benefit must be compared to the uncertainty of being able to prove the allegations in the Complaint; the risk that the Court may grant some or all of the anticipated dismissal motions to be filed by Defendants; the uncertainty of a greater recovery after a trial and appeals, given the bankruptcy of the Company and wasting insurance policies; the risks of litigation, especially in complex actions like this; as well as the difficulties and delays inherent in such litigation (including any trial and appeals).

7. For Defendants, who deny all allegations of wrongdoing or liability whatsoever and deny that Settlement Class Members were damaged, the principal reasons for entering into the Settlement are to end the burden, expense, uncertainty, and risk of further litigation.

Identification of Attorneys' Representatives

8. Lead Plaintiffs and the Settlement Class are represented by Lead Counsel, Ira A. Schochet, Esq., Labaton Sucharow LLP, 140 Broadway, New York, NY 10005, (888) 219-6877, www.labaton.com, settlementquestions@labaton.com, and Deborah Clark-Weintraub, Esq., Scott+Scott, Attorneys at Law, LLP, The Helmsley Building, 230 Park Avenue, 17th Floor, New York, New York 10169, (800) 404-7770, www.scott-scott.com.

9. Further information regarding the Action, the Settlement, and this Notice may be obtained by contacting the Claims Administrator: *RCAP Securities Litigation*, c/o A.B. Data, Ltd., P.O. Box 173040, Milwaukee, WI 53217, (866) 778-9626, www.RCAPSecuritiesSettlement.com, info@RCAPSecuritiesSettlement.com; or Lead Counsel.

Please Do Not Call the Court With Questions About the Settlement.

[END OF PSLRA COVER PAGE]

BASIC INFORMATION

1. WHY DID I GET THIS NOTICE?

10. The Court authorized that this Notice be sent to you because you or someone in your family or an investment account for which you serve as a custodian may have purchased or otherwise acquired the common stock of RCAP during the period from February 12, 2014 to December 18, 2014, inclusive. **Please note: Receipt of this Notice does not mean that you are a Member of the Settlement Class or that you will be entitled to receive a payment from the Settlement. If you are a Member of the Settlement Class and wish to be eligible for a payment, you are required to submit the Claim Form that is being distributed with this Notice and supporting documents, as explained in the Claim Form. *See* Question 8 below.**

11. The Court directed that this Notice be sent to Settlement Class Members because they have a right to know about the proposed Settlement of this class action lawsuit, and about all of their options, including whether or not to object or exclude themselves from the Settlement Class, before the Court decides whether to approve the Settlement. If the Court approves the Settlement, and after any objections and appeals are resolved, an administrator appointed by the Court will make the payments that the Settlement allows.

12. This Notice explains the Action, the Settlement, Settlement Class Members' legal rights, what benefits are available, who is eligible for them, and how to get them.

13. The Court in charge of the Action is the United States District Court for the Southern District of New York, and the case is known as *Weston v. RCS Capital Corporation, et al.*, No. 1:14-CV-10136-GBD. The Action is assigned to the Honorable George B. Daniels, United States District Judge.

2. WHAT IS THIS CASE ABOUT?

14. The Action arises from an alleged accounting fraud at American Realty Capital Properties, Inc. ("ARCP"), a public real estate investment trust that shared a number of directors with RCAP, which was allegedly perpetrated and concealed by Defendant Schorsch (co-founder of RCAP and Executive Chairman of RCAP's board of directors) and other senior management of ARCP. RCAP is a wholesale broker-dealer and investment banking and advisory business, with the majority of its revenues during the Class Period generated from services provided to AR Capital, LLC ("ARC"), a real estate management company that also shared a number of directors with RCS. Those services included the wholesale distribution of ARC's investment products. Throughout the Class Period, Defendants, among other things, allegedly made false and misleading statements and omissions regarding the strength of RCAP's business prospects, emphasizing RCAP's ability to leverage its relationship with Schorsch-related entities.

15. In December 2014, an initial securities class action complaint was filed in the United States District Court for the Southern District of New York (the "Court") on behalf of investors in RCAP. On March 31, 2015, the Court entered an Order appointing Oklahoma Police Pension Fund and Retirement System and the City of Providence, Rhode Island, as Lead Plaintiffs pursuant to the PSLRA. By the same Order, the Court approved Lead Plaintiffs' selection of Labaton Sucharow LLP and Scott+Scott, Attorneys at Law, LLP as Lead Counsel for the class.

16. On June 1, 2015, Lead Plaintiffs filed an Amended Class Action Complaint for Violations of Federal Securities Laws, and, on June 30, 2015, Lead Plaintiffs filed the operative Corrected Amended Class Action Complaint for Violations of Federal Securities Laws (the "Complaint"), asserting claims under Sections 11, 12(a)(2), and 15 of the Securities Act of 1933 (the "Securities Act") and Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 (the "Exchange Act") and Rule 10b-5 (17 C.F.R. §240.10b-5) promulgated thereunder. In general, the Complaint alleged that Defendants violated the federal securities laws by making materially false and misleading statements and omissions concerning the strength of RCAP's core wholesale distribution and investment banking business and its prospects for success. As alleged in the Complaint, because of the alleged entanglement of RCAP, ARCP, and ARC, and the fact that investors associated all of those entities with Defendant Schorsch, the alleged accounting manipulations that occurred at ARCP undercut the credibility, reputation, and business operations of RCAP, as well as ARCP, and rendered Defendants' statements concerning the strength of RCAP's wholesale distribution and investment banking business and its prospects for growth success, false and misleading. The Complaint further alleged that the price of RCAP common stock was artificially inflated as a result of Defendants' allegedly false and misleading statements, and declined when the truth was revealed.

17. On September 11, 2015, Defendants filed motions to dismiss the Complaint, which Lead Plaintiffs opposed on October 27, 2015. On December 1, 2015, Defendants filed reply papers in further support of their respective motions to dismiss. Oral argument on the motions was held before the Honorable George B. Daniels on April 21, 2016. Thereafter, in light of the scheduling of settlement conferences, the motions were deemed withdrawn without prejudice.

18. On January 31, 2016, voluntary petitions for relief under Chapter 11 of the Bankruptcy Code were filed by RCAP and its affiliated debtors (collectively, the "Debtors") in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"), and docketed as Case No. 16-10223 (the "Bankruptcy Action"). The Action was automatically stayed as to RCAP. On February 1, 2016, RCAP filed a Notice of Suggestion of Bankruptcy in the Action.

19. The Court converted the oral argument on Defendants' motions to dismiss scheduled for February 2, 2016 into a status conference at which Defendants updated the Court and Lead Plaintiffs regarding RCAP's bankruptcy petition, including whether it would move the Bankruptcy Court to extend the bankruptcy stay to any non-debtor Defendants. Following the February 2, 2016 status conference, oral argument on Defendants' motions to dismiss was adjourned to April 21, 2016 to afford Defendants (and the Debtors) the opportunity to determine whether to seek, and then pursue, such relief from the Bankruptcy Court.

20. After Defendants and the Debtors did not seek further relief from the Bankruptcy Court, a day-long hearing on the motions to dismiss was held on April 21, 2016. Immediately following the argument, the Court scheduled a settlement conference for June 30, 2016.

21. On April 25, 2016, Lead Plaintiffs filed a motion in the Bankruptcy Action requesting that the Bankruptcy Court enter an order generally granting limited relief from the automatic bankruptcy stay pursuant to section 326(d) of the Bankruptcy Code with respect to RCAP and permitting Lead Plaintiffs to prosecute and/or settle the claims asserted in the Action against RCAP.

22. On May 5, 2016, the Bankruptcy Court entered an order partially granting Lead Plaintiffs' motion to lift the automatic bankruptcy stay against RCAP. More specifically, the order lifted the stay and granted Lead Plaintiffs relief from the plan discharge and injunction provisions of a future confirmed chapter 11 plan, "solely to prosecute and/or settle the claims asserted in the Weston Securities Litigation against RCAP . . . solely from any insurance proceeds under any insurance policies that may provide coverage for any liability of RCAP in the Weston Securities Litigation, provided, however, that to the extent any settlement with or judgment against RCAP exceeds any funded insurance payments (an "Excess Claim"), this Court shall, unless hereafter otherwise ordered by this Court, retain jurisdiction with respect to the treatment of such Excess Claim . . . ." The order allowed the Court to consider the pending motion to dismiss filed by RCAP.

23. On May 19, 2016, the Bankruptcy Court entered an order, *inter alia*, confirming the "Fourth Amended Joint Plan Of Reorganization For RCS Capital Corporation And Its Affiliated Debtors Under Chapter 11 Of The Bankruptcy Code" and "Debtors' Second Amended Joint Prepackaged Plan Of Reorganization Under Chapter 11 Of The Bankruptcy Code," which, *inter alia*, permitted Lead Plaintiffs' claims against RCAP in the Action to proceed while limiting recovery for such claims to the proceeds available under RCAP's applicable insurance policies.

24. On June 27, 2016, the Parties informed the Court of their agreement to explore mediation and accordingly requested that the June 30, 2016 settlement conference be adjourned to allow the Parties to engage in settlement negotiations before a mediator.

25. In September 2016, the Parties engaged Mr. Robert A. Meyer, a well-respected and highly experienced mediator, to assist them in exploring a potential negotiated resolution of the claims in the Action. On November 14, 2016, the Parties participated in a full-day mediation session with Mr. Meyer in an attempt to reach a settlement. In advance of the mediation session, the Parties provided detailed mediation statements and exhibits to the Mediator which addressed the issues of both liability and damages. Following arm's-length and mediated negotiations under the auspices of Mr. Meyer, on March 20, 2017, the Parties reached an agreement-in-principle to settle the Action.

26. On June 2, 2017, the Parties executed the Stipulation, which sets forth the final terms and conditions of the Settlement.

27. Lead Plaintiffs, through Lead Counsel, have conducted a thorough investigation of the claims, defenses, and underlying events and transactions that are the subject of the Action. This process included reviewing and analyzing: (i) United States Securities and Exchange Commission ("SEC") filings by RCAP, ARCP, and their affiliates; (ii) the sworn/verified allegations in *McAlister v. American Realty Capital Properties, Inc., et al.*, Index No. 162499/2014 (Sup. Ct. N.Y. Cty.); (iii) other court filings related to RCAP and ARCP and the issues and events in question, including (a) the amended pleadings and other filings in *In re American Realty Capital Properties, Inc. Litigation*, Civil Action No. 1:15-mc-00040-AKH (S.D.N.Y); (b) the complaint filed in *RCS Creditor Trust* v. *Schorsch, et al.*, Case No. 2017-0178 (Del. Ch.); (c) filings in the Bankruptcy Action; and (d) filings in actions and other proceedings brought by the United States Department of Justice

("DOJ") and the SEC, including in the actions captioned (1) *U.S. v. Block*, Case No. 16-cr-00595-JPO (S.D.N.Y); (2) *U.S. v. McAlister*, Case No. 16-cr-653-AKH (S.D.N.Y); and (3) *S.E.C. v. Block et al.*, Case No. 16-cv-07003-LGS (S.D.N.Y); (iv) securities analysts' reports and advisories about the Company and ARCP; (v) press releases, investor presentations, and other public statements issued by the Company, ARCP, and their affiliates; (vi) transcripts of RCAP and ARCP conference calls; and (vii) media reports about RCAP, ARCP, and their affiliates. Lead Counsel also identified approximately 58 former RCAP employees and others with relevant knowledge and analyzed witness interviews from 13 former RCAP employees and others with relevant knowledge (three of whom have provided information as confidential witnesses) and consulted with experts on damages and loss causation issues.

3. WHY IS THIS A CLASS ACTION?

28. In a class action, one or more persons or entities (in this case, Lead Plaintiffs), sue on behalf of people and entities who have similar claims. Together, these people and entities are a "class," and each is a "class member." Bringing a case, such as this one, as a class action allows the adjudication of many individuals' similar claims that might be too small to bring economically as individual actions. One court resolves the issues for all class members at the same time, except for those who exclude themselves, or "opt-out," from the class. In this Action, the Court has appointed Oklahoma Police Pension Fund and Retirement System and City of Providence, Rhode Island to serve as Lead Plaintiffs and has appointed Labaton Sucharow LLP and Scott+Scott, Attorneys at Law, LLP to serve as Lead Counsel.

4. WHAT ARE THE REASONS FOR THE SETTLEMENT?

29. The Court did not finally decide in favor of Lead Plaintiffs or Defendants. Instead, both sides agreed to a settlement.

30. Lead Plaintiffs and Lead Counsel believe that the claims asserted in the Action have merit. Lead Plaintiffs and Lead Counsel recognize, however, the expense and length of continued proceedings necessary to pursue their claims in the Action through trial and appeals, as well as the difficulties in establishing liability. Lead Plaintiffs and Lead Counsel have considered the uncertain outcome and the risk of any litigation, especially in complex lawsuits like this one, as well as the difficulties and delays inherent in litigation. For example, Defendants have raised a number of arguments and defenses (which they would raise at summary judgment and trial) that they did not make false and misleading statements in violation of the Securities Act and the Exchange Act because, *inter alia*, the claims are based on inactionable statements of opinion or corporate optimism and protected by the PSLRA statutory safe harbor and, with respect to the Exchange Act claims only, that Lead Plaintiffs would not be able to establish that Defendants acted with the requisite intent given that the alleged accounting errors did not occur at Defendant RCAP, but at an affiliate, ARCP. Even assuming Lead Plaintiffs could establish liability, Defendants maintained that there was a disconnect between the alleged corrective disclosures and the alleged misstatements. Defendants also asserted certain standing arguments in connection with the Securities Act claims. In the absence of a settlement, the Parties would present factual and expert testimony on each of these issues, and there is a risk that the Court or jury would resolve these issues unfavorably against Lead Plaintiffs and the Settlement Class. There was also significant uncertainty concerning the Settlement Class's ability to recover more than the Settlement Amount after trial and the inevitable appeals, given the Company's bankruptcy filing and the potential unavailability of wasting insurance policies at the point of a non-appealable verdict. In light of the Settlement and the guaranteed cash recovery to the Settlement Class, Lead Plaintiffs and Lead Counsel believe that the proposed Settlement is fair, reasonable, and adequate, and in the best interests of the Settlement Class.

31. Defendants have denied and continue to deny any wrongdoing and deny that they have committed any act or omission giving rise to any liability or violation of law. Defendants deny the allegations that they knowingly, or otherwise, made any material misstatements or omissions; that any Member of the Settlement Class has suffered damages; that the prices of RCAP common stock were artificially inflated by reason of the alleged misrepresentations, omissions, or otherwise; or that Members of the Settlement Class were harmed by the conduct alleged in the Complaint. Nonetheless, Defendants have concluded that continuation of the Action would be protracted, time-consuming and expensive, and have taken into account the uncertainty and risks inherent in any litigation, especially a complex case like this Action, and believe that the Settlement is in the best interests of Defendants.

WHO IS IN THE SETTLEMENT

32. To be eligible for a payment from the proceeds of the Settlement, you must be a Settlement Class Member.

5. HOW DO I KNOW IF I AM PART OF THE SETTLEMENT CLASS?

33. The Court has directed, for the purposes of the proposed Settlement, that everyone who fits the following description is a Settlement Class Member and subject to the Settlement unless they are an excluded person (*see* Question 6 below) or take steps to exclude themselves from the Settlement Class (*see* Question 11 below):

> ***All investors that purchased or otherwise acquired the common stock of RCAP during the period from February 12, 2014 to December 18, 2014, inclusive, and were allegedly damaged thereby.***

34. If one of your mutual funds purchased RCAP common stock during the Class Period, that alone does not make you a Settlement Class Member. You are a Settlement Class Member only if you individually purchased or otherwise acquired RCAP common stock during the Class Period. Check your investment records or contact your broker to see if you have any eligible purchases or acquisitions.

6. ARE THERE EXCEPTIONS TO BEING INCLUDED?

35. Yes. There are some individuals and entities who are excluded from the Settlement Class by definition. Excluded from the Settlement Class are: Defendants; the officers and directors of RCAP, RCAP Holdings and RCAP Equity; members of the Immediate Families of any excluded person and their legal representatives, heirs, successors, affiliates, or assigns; and any entity in which Defendants have or had a controlling interest. Also excluded from the Settlement Class is anyone who timely and validly seeks exclusion from the Settlement Class in accordance with the procedures described in Question 11 below.

THE SETTLEMENT BENEFITS — WHAT YOU GET

7. WHAT DOES THE SETTLEMENT PROVIDE?

36. In exchange for the Settlement and the release of the Released Plaintiffs' Claims against the Released Defendant Parties (*see* Question 10 below), Defendants have agreed to cause a $31 million cash payment to be made, which, along with any interest earned on this amount, will be distributed after deduction of Court-awarded attorneys' fees and Litigation Expenses, Notice and Administration Costs, Taxes, and any other fees or expenses approved by the Court (the "Net Settlement Fund"), among all Settlement Class Members who submit valid Claim Forms and are found by the Court to be eligible to receive a distribution from the Net Settlement Fund ("Authorized Claimants").

8. HOW CAN I RECEIVE A PAYMENT?

37. To qualify for a payment from the Net Settlement Fund, you must submit a timely and valid Claim Form. A Claim Form is included with this Notice. If you did not receive a Claim Form, you can obtain one from the website dedicated to the Settlement: www.RCAPSecuritiesSettlement.com, or from Lead Counsel's websites: www.labaton.com and www.scott-scott.com. You can also request that a Claim Form be mailed to you by calling the Claims Administrator toll-free at (866) 778-9626.

38. Please read the instructions contained in the Claim Form carefully, fill out the Claim Form, include all the documents the form requests, sign it, and mail or submit it to the Claims Administrator so that it is **postmarked or received no later than November 2, 2017.** The Claim Form may also be submitted online at www.RCAPSecuritiesSettlement.com.

9. WHEN WILL I RECEIVE MY PAYMENT?

39. The Court will hold a Settlement Hearing on **September 28, 2017** to decide, among other things, whether to finally approve the Settlement. Even if the Court approves the Settlement, there may be appeals which can take time to resolve, perhaps more than a year. It also takes a long time for all of the Claim Forms to be accurately reviewed and processed. Please be patient.

10. WHAT AM I GIVING UP TO RECEIVE A PAYMENT OR STAY IN THE SETTLEMENT CLASS?

40. If you are a Settlement Class Member and do not timely and validly exclude yourself from the Settlement Class, you will remain in the Settlement Class and that means that, upon the "Effective Date" of the Settlement, you will release all "Released Plaintiffs' Claims" against the "Released Defendant Parties."

(a) **"Released Plaintiffs' Claims"** means any and all claims, demands, losses, rights, and causes of action of any nature whatsoever, known or Unknown, whether arising under federal, state, common, or foreign law, whether brought directly or indirectly, that (a) were asserted in this Action or that could have been asserted in the Action, or in any other action or forum, whether foreign or domestic, and (b) arise out of, are based upon, or relate in any way to both (i) the purchase, sale or acquisition of RCAP common stock during the Class Period and (ii) any of the allegations, acts, transactions, facts, events, matters, occurrences, representations or omissions involved, set forth, alleged or referred to, in the Action. For the avoidance of doubt, the Settlement does not affect: (i) the pending claims asserted by the Securities and Exchange Commission in *SEC v. Brian S. Block and Lisa Pavelka McAlister*, 1:16-cv-07003 (S.D.N.Y.), or by the Department of Justice in *United States v. Lisa McAlister*, 16-cr-00653 (S.D.N.Y.) and *United States v. Brian Block*, 16-cr-00595 (S.D.N.Y.); or (ii) any claims for losses allegedly incurred in connection with the purchase, sale, acquisition or holding of the securities of American Realty Capital Properties, Inc., as asserted in *In re American Realty Capital Properties, Inc. Litigation*, Case No. 1:15-mc-00040-AKH (S.D.N.Y.) (including *Teachers Insurance and Annuity Assoc. of America, et al. v. American Realty Capital Properties, Inc., et al.*, Case No. 15-cv-00421 (S.D.N.Y.) and all other cases consolidated therein or designated as related thereto).

(b) **"Released Defendant Parties"** means Defendants and their respective present and former parents, subsidiaries, divisions, affiliates, present and former employees, members, general and limited partners and partnerships, principals, officers, directors, attorneys, advisors (including, but not limited to, financial advisors), accountants, auditors, and insurers of each of them; and the predecessors, successors, estates, heirs, executors, trusts, trustees, administrators, agents, representatives and assigns of each of them, in their capacity as such.

(c) **"Unknown Claims"** means any Released Claims which Lead Plaintiffs or any other Settlement Class Member, Defendants, or any of the other Releasees does not know or suspect to exist in his, her or its favor at the time of the release of such claims, which, if known by him, her or it, might have affected his, her, or its decision(s) with respect to the Settlement, including the decision to object to the terms of the Settlement or to exclude himself, herself, or itself from the Settlement Class. With respect to any and all

Released Claims, the Parties stipulate and agree that, upon the Effective Date of the Settlement, Lead Plaintiffs and Defendants shall expressly waive, and each of the other Settlement Class Members and each of the other Releasees shall be deemed to have waived, and by operation of the Judgment shall have expressly waived, any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States or principle of common law, that is similar, comparable, or equivalent to Cal. Civ. Code § 1542, which provides:

> **A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.**

Lead Plaintiffs, other Settlement Class Members, or Defendants, and their respective Releasees may hereafter discover facts, legal theories, or authorities in addition to or different from those which any of them now knows or believes to be true with respect to the subject matter of the Released Claims, but the Parties stipulate and agree that, upon the Effective Date of the Settlement, Lead Plaintiffs and Defendants shall expressly waive, and each of the other Settlement Class Members and Releasees shall be deemed to have waived, and by operation of the Judgement, or if applicable, the Alternative Judgment, shall have expressly waived any and all Released Claims without regard to subsequent discovery or existence of such different or additional facts. Lead Plaintiffs and Defendants acknowledge, and each of the other Settlement Class Members and each of the other Releasees shall be deemed by operation of law to have acknowledged, that the inclusion of "Unknown Claims" in the definition of Released Plaintiffs' Claims and Released Defendants' Claims was separately bargained for and is a key element of the Settlement.

41. The "Effective Date" will occur when an Order entered by the Court approving the Settlement becomes Final and not subject to appeal. If you remain a member of the Settlement Class, all of the Court's orders, whether favorable or unfavorable, will apply to you and legally bind you.

42. Upon the "Effective Date," Defendants will also provide a release of any claims against Lead Plaintiffs and the Settlement Class arising out of or related to the institution, prosecution, or settlement of the claims in the Action.

EXCLUDING YOURSELF FROM THE SETTLEMENT CLASS

43. If you do not want to be eligible to receive a payment from the Settlement, and you want to keep any right you may have to sue or continue to sue Defendants and the other Released Defendant Parties on your own concerning the Released Plaintiffs' Claims, then you must take steps to remove yourself from the Settlement Class. This is called excluding yourself or "opting out." **Please note:** If you decide to exclude yourself from the Settlement Class, there is a risk that any lawsuit you may file to pursue claims alleged in the Action may be dismissed, including because the suit is not filed within the applicable time periods required for filing suit.

11. HOW DO I EXCLUDE MYSELF FROM THE SETTLEMENT CLASS?

44. To exclude yourself from the Settlement Class, you must mail a signed letter stating that you "request to be excluded from the Settlement Class in *Weston v. RCS Capital Corporation*, No. 1:14-CV-10136 (S.D.N.Y.)." You cannot exclude yourself by telephone or email. Each request for exclusion must also: (i) state the name, address, email, and telephone number of the person or entity requesting exclusion, and in the case of entities, the name and telephone number of the appropriate contact person for the entity; (ii) state the number of shares of RCAP common stock purchased, acquired, and/or sold during the Class Period, as well as the date, number of shares and price per share of each such purchase, acquisition, and/or sale; and (iii) be signed by the person or entity requesting exclusion or an authorized representative. A request for exclusion must be submitted so that it is **received no later than August 29, 2017** to:

RCAP Securities Litigation
EXCLUSIONS
c/o A.B. Data, Ltd.
P.O. Box 173001
Milwaukee, WI 53217

45. Your exclusion request must comply with these requirements in order to be valid. If you ask to be excluded, do not submit a Claim Form because you cannot receive any payment from the Net Settlement Fund. Also, you cannot object to the Settlement because you will not be a Settlement Class Member. However, if you submit a valid exclusion request, you will not be legally bound by anything that happens in the Action, and you may be able to sue (or continue to sue) Defendants and the other Released Defendant Parties in the future.

12. IF I DO NOT EXCLUDE MYSELF, CAN I SUE DEFENDANTS AND THE OTHER RELEASED DEFENDANT PARTIES FOR THE SAME THING LATER?

46. No. Unless you properly exclude yourself, you will remain in the Settlement Class and you will give up any rights to sue Defendants and the other Released Defendant Parties for any and all Released Plaintiffs' Claims. If you have a pending lawsuit against any of the Released Defendant Parties, **speak to your lawyer in that case immediately**. You must exclude yourself from this Settlement Class to continue your own lawsuit. Remember, the exclusion deadline is **August 29, 2017.**

13. IF I EXCLUDE MYSELF, CAN I GET MONEY FROM THE PROPOSED SETTLEMENT?

47. No. If you exclude yourself, do not send in a Claim Form to ask for any money. But, you may exercise any right you may have to sue, continue to sue, or be part of a different lawsuit against Defendants and the other Released Defendant Parties.

THE LAWYERS REPRESENTING YOU

14. DO I HAVE A LAWYER IN THIS CASE?

48. The Court appointed the law firms of Labaton Sucharow LLP and Scott+Scott, Attorneys at Law, LLP to represent all Settlement Class Members. These lawyers are called "Lead Counsel." You will not be separately charged for these lawyers. The Court will determine the amount of Plaintiffs' Counsel's fees and expenses, which will be paid from the Settlement Fund. If you want to be represented by your own lawyer, you may hire one at your own expense.

15. HOW WILL THE LAWYERS BE PAID?

49. Plaintiffs' Counsel have been prosecuting the Action on a contingent basis and have not been paid for any of their work. Lead Counsel will ask the Court to award Plaintiffs' Counsel attorneys' fees of no more than 30% of the Settlement Fund, which will include any accrued interest. Lead Counsel will also seek payment of Litigation Expenses incurred by Plaintiffs' Counsel in the prosecution of the Action of no more than $425,000, plus accrued interest, which may include an application in accordance with the PSLRA for the reasonable costs and expenses (including lost wages) of Lead Plaintiffs directly related to their representation of the Settlement Class. As explained above, any attorneys' fees and expenses awarded by the Court will be paid from the Settlement Fund. Settlement Class Members are not personally liable for any such fees or expenses.

OBJECTING TO THE SETTLEMENT, THE PLAN OF ALLOCATION, OR THE FEE AND EXPENSE APPLICATION

16. HOW DO I TELL THE COURT THAT I DO NOT LIKE SOMETHING ABOUT THE PROPOSED SETTLEMENT?

50. If you are a Settlement Class Member, you can object to the Settlement or any of its terms, the proposed Plan of Allocation of the Net Settlement Fund, and/or Lead Counsel's application for an award of attorneys' fees and Litigation Expenses. You may give reasons why you think the Court should not approve any or all of the Settlement terms or related relief. If you would like the Court to consider your views, you must file a proper objection within the deadline, and according to the following procedures.

51. To object, you must send a signed letter stating that you object to the proposed Settlement in "*Weston v. RCS Capital Corporation*, No. 1:14-CV-10136 (S.D.N.Y.)." The objection must: (i) state the name, address, telephone number, and email address of the person or entity objecting and must be signed by the objector; (ii) contain a statement of the Settlement Class Member's objection or objections and the specific reasons for each objection, including any legal and evidentiary support (including witnesses) the Settlement Class Member wishes to bring to the Court's attention; and (iii) include documents sufficient to prove membership in the Settlement Class, including the number of shares of RCAP common stock purchased, acquired, and/or sold during the Class Period, as well as the date, number of shares, and price per share of each such purchase, acquisition, and/or sale. Unless otherwise ordered by the Court, any Settlement Class Member who does not object in the manner described in this Notice will be deemed to have waived any objection and will be forever foreclosed from making any objection to the proposed Settlement, the Plan of Allocation, and/or Lead Counsel's application for attorneys' fees and Litigation Expenses. Your objection must be filed with the Court **no later than August 29, 2017 and** mailed or delivered to the following counsel so that it is **received no later than August 29, 2017:**

Court

Clerk of the Court
United States District Court
Southern District of New York
Daniel Patrick Moynihan U.S. Courthouse
500 Pearl Street
New York, NY 10007

Lead Counsel

Labaton Sucharow LLP
Ira A. Schochet, Esq.
140 Broadway
New York, NY 10005

Scott+Scott, Attorneys at Law, LLP
Deborah Clark-Weintraub, Esq.
The Helmsley Building
230 Park Avenue, 17th Floor
New York, NY 10169

Defendants' Counsel Representative

Paul, Weiss, Rifkind, Wharton & Garrison LLP
Audra J. Soloway, Esq.
1285 Avenue of the Americas
New York, NY 10019

52. You do not need to attend the Settlement Hearing to have your written objection considered by the Court. However, any Settlement Class Member who has not submitted a request for exclusion and who has complied with the procedures described in this Question 16 and below in Question 20 may appear at the Settlement Hearing and be heard, to the extent allowed by the Court, about their objection. An objector may appear in person or arrange, at his, her, or its own expense, for a lawyer to represent him, her, or it at the Settlement Hearing.

17. WHAT IS THE DIFFERENCE BETWEEN OBJECTING AND SEEKING EXCLUSION?

53. Objecting is telling the Court that you do not like something about the proposed Settlement, Plan of Allocation, or Lead Counsel's application for attorneys' fees and Litigation Expenses. You can still recover money from the Settlement. You can object *only* if you stay in the Settlement Class. Excluding yourself is telling the Court that you do not want to be part of the Settlement Class. If you exclude yourself from the Settlement Class, you have no basis to object because the Settlement and the Action no longer affect you.

THE SETTLEMENT HEARING

18. WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE PROPOSED SETTLEMENT?

54. The Court will hold the Settlement Hearing on **September 28, 2017 at 10:00 a.m.**, in Courtroom 11A at the United States District Court for the Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, NY 10007.

55. At this hearing, the Court will consider, among other things, whether: (i) the Settlement is fair, reasonable, and adequate, and should be finally approved; (ii) the Plan of Allocation is fair and reasonable, and should be approved; and (iii) the application of Lead Counsel for an award of attorneys' fees and payment of Litigation Expenses, including those of Lead Plaintiffs, is reasonable and should be approved. The Court will take into consideration any written objections filed in accordance with the instructions in Question 16 above. We do not know how long it will take the Court to make these decisions.

56. You should be aware that the Court may change the date and time of the Settlement Hearing without another notice being sent to Settlement Class Members. If you want to attend the hearing, you should check with Lead Counsel or visit the settlement website, www.RCAPSecuritiesSettlement.com, beforehand to be sure that the hearing date and/or time has not changed.

19. DO I HAVE TO COME TO THE SETTLEMENT HEARING?

57. No. Lead Counsel will answer any questions the Court may have. But, you are welcome to attend at your own expense. If you submit a valid and timely objection, the Court will consider it and you do not have to come to Court to discuss it. You may have your own lawyer attend (at your own expense), but it is not required. If you do hire your own lawyer, he or she must file and serve a Notice of Appearance in the manner described in the answer to Question 20 below **no later than August 29, 2017**.

20. MAY I SPEAK AT THE SETTLEMENT HEARING?

58. You may ask the Court for permission to speak at the Settlement Hearing. To do so, you must include with your objection (*see* Question 16), **no later than August 29, 2017,** a statement that you, or your attorney, intend to appear in "*Weston v. RCS Capital Corporation*, No. 1:14-CV-10136 (S.D.N.Y.)." Persons who intend to present evidence at the Settlement Hearing must also include in their objections (prepared and submitted in accordance with the answer to Question 16 above) the identities of any witnesses they may wish to call to testify and any exhibits they intend to introduce into evidence at the Settlement Hearing. You may not speak at the Settlement Hearing if you exclude yourself from the Settlement Class or if you have not provided written notice of your objection and intention to speak at the Settlement Hearing in accordance with the procedures described in this Question 20 and Question 16 above.

IF YOU DO NOTHING

21. WHAT HAPPENS IF I DO NOTHING AT ALL?

59. If you do nothing and you are a member of the Settlement Class, you will receive no money from the Settlement and you will be precluded from starting a lawsuit, continuing with a lawsuit, or being part of any other lawsuit against Defendants and the other Released Defendant Parties concerning the Released Plaintiffs' Claims. To share in the Net Settlement Fund, you must submit a Claim Form (*see* Question 8 above). To start, continue, or be a part of any other lawsuit against Defendants and the other Released Defendant Parties concerning the Released Plaintiffs' Claims, you must exclude yourself from the Settlement Class (*see* Question 11 above).

GETTING MORE INFORMATION

22. ARE THERE MORE DETAILS ABOUT THE SETTLEMENT?

60. This Notice summarizes the proposed Settlement. More details are contained in the Stipulation. You may review the Stipulation filed with the Court or other documents in the case during business hours at the Office of the Clerk of the United States District Court, Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, NY 10007. Subscribers to PACER, a fee-based service, can also view the papers filed publicly in the Action through the Court's online Case Management/Electronic Case Files System at https://www.pacer.gov.

61. You can also get a copy of the Stipulation, and other documents related to the Settlement, as well as additional information about the Settlement by visiting the website dedicated to the Settlement, www.RCAPSecuritiesSettlement.com, where you will find answers to common questions about the Settlement and can download copies of the Stipulation or Claim Form. You may also call the Claims

Administrator toll-free at (866) 778-9626 or write to the Claims Administrator at *RCAP Securities Litigation*, c/o A.B. Data, Ltd., P.O. Box 173040, Milwaukee, WI 53217. **Please do not call the Court with questions about the Settlement.**

PLAN OF ALLOCATION OF THE NET SETTLEMENT FUND

23. HOW WILL MY CLAIM BE CALCULATED?

62. As discussed above, the Settlement provides $31 million in cash for the benefit of the Settlement Class. The Settlement Amount and any interest it earns constitute the Settlement Fund. The Settlement Fund, after deduction of Court-approved attorneys' fees and Litigation Expenses, Notice and Administration Costs, Taxes, and any other fees or expenses approved by the Court, is the Net Settlement Fund. If the Settlement is approved by the Court, the Net Settlement Fund will be distributed to eligible Authorized Claimants – *i.e.*, members of the Settlement Class who timely submit valid Claim Forms that are accepted for payment by the Court – in accordance with this proposed Plan of Allocation or such other plan of allocation as the Court may approve. Settlement Class Members who do not timely submit valid Claim Forms will not share in the Net Settlement Fund, but will otherwise be bound by the Settlement. The Court may approve this proposed Plan of Allocation, or modify it, without additional notice to the Settlement Class. Any order modifying the Plan of Allocation will be posted on the settlement website, www.RCAPSecuritiesSettlement.com.

63. The objective of the Plan of Allocation is to distribute the Net Settlement Fund equitably among those Settlement Class Members who suffered economic losses as a proximate result of the alleged wrongdoing. The Plan of Allocation reflects Lead Plaintiffs' damages expert's analysis undertaken to that end, including a review of publicly available information regarding RCAP and statistical analysis of the price movements of RCAP publicly traded common stock and the price performance of relevant market and industry indices during the Class Period, as well as the statutory provisions for a claim for violations of Sections 11 and 12 of the Securities Act. The Plan of Allocation, however, is not a formal damage analysis, and the calculations made in accordance with the Plan of Allocation are not intended to be estimates of, or indicative of, the amounts that Settlement Class Members might have been able to recover after a trial. Nor are the calculations intended to be estimates of the amounts that will be paid to Authorized Claimants. The computations under the Plan of Allocation are only a method to weigh, in a fair and equitable manner, the claims of Authorized Claimants against one another for the purpose of making pro rata allocations of the Net Settlement Fund.

CALCULATION OF RECOGNIZED LOSS AMOUNTS

64. In this Action, Class Members may have claims under Sections 11 and/or 12(a)(2) of the Securities Act and/or Section 10(b) of the Exchange Act. Pursuant to the Plan of Allocation, if a Claimant has a claim under **both the Securities Act and the Exchange Act for the same transaction in RCAP common stock**, the claim will be calculated under the section of the Plan of Allocation (*i.e.*, Section I or Section II below) that yields the largest loss.

65. For purposes of determining whether a Claimant has a "Recognized Claim" (defined below), the respective purchases, acquisitions, and sales of RCAP common stock will first be matched on a First In/First Out ("FIFO") basis. If a Settlement Class Member has more than one purchase/acquisition or sale of RCAP common stock during the Class Period, the Class Period sales will be matched first against any holdings at the beginning of the Class Period, and then against purchases/acquisitions in chronological order, beginning with the earliest purchase/acquisition made during the Class Period.

66. A "Recognized Loss Amount" will be calculated as set forth below for each share of RCAP common stock purchased or otherwise acquired during the Class Period that is listed in the Claim Form and for which adequate documentation is provided. To the extent that the calculation of a Claimant's Recognized Loss Amount results in a negative number (a gain), that number shall be set to zero.

67. A Claimant's "Recognized Claim" under the Plan of Allocation shall be the sum of his, her or its Recognized Loss Amounts as calculated under the Plan of Allocation.

I. EXCHANGE ACT RECOGNIZED LOSS AMOUNT CALCULATIONS

68. In order to have recoverable damages pursuant to the Exchange Act, disclosure of the alleged misrepresentations or omissions must be the cause of the decline in the price of securities. In the Action, Lead Plaintiffs alleged that Defendants made false statements and omitted material facts during the Class Period (February 12, 2014 through and including December 18, 2014), which allegedly had the effect of artificially inflating the price of RCAP common stock. In addition, Lead Plaintiffs alleged that partially corrective disclosures occurred over a series of days, beginning on October 29, 2014 and ending on December 18, 2014.[4] Accordingly, in order to have an Exchange Act Recognized Loss Amount with respect to any given purchase or acquisition, the RCAP common stock must have been purchased/acquired between February 12, 2014 and December 18, 2014, inclusive, and held through at least one of the alleged corrective disclosures.

69. For each share of RCAP common stock purchased or otherwise acquired during the Class Period and sold on or before March 17, 2015,[5] an "Out of Pocket Loss" will be calculated. Out of Pocket Loss is defined as the purchase/acquisition price (excluding all fees, taxes, and commissions) *minus* the sale price (excluding all fees, taxes, and commissions). To the extent that the calculation of the Out of Pocket Loss results in a negative number thereby reflecting a gain on the transaction, that number shall be set to zero.

[4] The disclosures allegedly resulted in changes in the market price of RCAP common stock on October 29, 2014, November 3, 2014, November 4, 2014, November 10, 2014, December 15, 2014, and December 18, 2014.

[5] March 17, 2015 represents the last day of the 90-day period subsequent to the Class Period (the "90-day look back period").

70. For each share of RCAP common stock purchased or otherwise acquired from February 12, 2014 through and including December 18, 2014, and:

(a) Sold prior to October 29, 2014 (the date of the first alleged corrective disclosure), the Exchange Act Recognized Loss Amount shall be zero.

(b) Sold between October 29, 2014 and December 18, 2014 (the date of the last corrective disclosure), inclusive, the Exchange Act Recognized Loss Amount for each share shall be the ***lesser of***:

(i) the dollar amount of artificial inflation applicable to each share on the date of purchase/acquisition as set forth in **Table 1** below ***minus*** the dollar amount of artificial inflation applicable to each share on the date of sale as set forth in **Table 1** below; or

(ii) the Out of Pocket Loss.

(c) Sold after December 18, 2014, and prior to the close of trading on March 17, 2015,[6] the Exchange Act Recognized Loss Amount for each share shall be ***the least of***:

(i) the dollar amount of artificial inflation applicable to each share on the date of purchase/acquisition as set forth in **Table 1** below;

(ii) the purchase/acquisition price of each share (excluding all fees, taxes, and commissions) ***minus*** the average closing price of each share as set forth in **Table 2** below on the date of sale; or

(iii) the Out of Pocket Loss.

(d) Held through the close of trading on March 17, 2015, the Exchange Act Recognized Loss Amount for each share shall be ***the lesser of***:

(i) the dollar amount of artificial inflation applicable to each share on the date of purchase/acquisition as set forth in **Table 1** below; or

(ii) the actual purchase/acquisition price of each share (excluding all fees, taxes, and commissions) ***minus*** $10.84 (the average closing price of RCAP common stock between December 18, 2014, and March 17, 2015, as set forth on the last line of **Table 2** below).

II. SECURITIES ACT RECOGNIZED LOSS AMOUNT CALCULATIONS

71. Investors who purchase securities in an offering pursuant or traceable to a registration statement that contained material misrepresentations or omissions have a right to assert a claim under Sections 11 and/or 12 of the Securities Act. The following section of the Plan of Allocation measures the amount of alleged loss that a Settlement Class Member can claim under applicable provisions of the Securities Act for RCAP common stock purchased or otherwise acquired pursuant to the prospectus and registration statement issued in connection with RCAP's secondary public offering of common stock on June 5, 2014. For the calculation of a claim under the Securities Act, the "value" of the stock on the date on which a complaint was first filed is relevant for purposes of calculating damages for securities still held as of that date. Thus, under certain conditions, "value" may be measured here by the closing price on June 1, 2015, which is the date the first such complaint was filed in the Action.

72. For each share of RCAP common stock purchased or otherwise acquired pursuant to the Company's June 5, 2014 secondary public offering and:

(a) Sold before June 1, 2015, the Securities Act Recognized Loss Amount shall be the purchase/acquisition price per share (not to exceed the issue price at the offering of $20.25) ***minus*** the sale price per share; or

(b) Sold on or after June 1, 2015, the Securities Act Recognized Loss Amount shall be the purchase/acquisition price per share (not to exceed the issue price at the offering of $20.25) ***minus*** the sale price per share (not to be less than $7.40, the closing price of RCAP common stock on June 1, 2015); or

(c) Never sold, the Securities Act Recognized Loss Amount shall be the purchase/acquisition price per share (not to exceed the issue price at the offering of $20.25) ***minus*** $7.40 (the closing price of RCAP common stock on June 1, 2015).

ADDITIONAL PROVISIONS

73. Purchases/acquisitions and sales of RCAP common stock shall be deemed to have occurred on the "contract" or "trade" date as opposed to the "settlement" or "payment" date. The receipt or grant by gift, inheritance or operation of law of RCAP common stock during the Class Period shall not be deemed a purchase, acquisition or sale of RCAP common stock for the calculation of an Authorized Claimant's

[6] The PSLRA imposes a statutory limitation on recoverable damages using the 90-day look back period. This limitation is incorporated into the calculation of Recognized Loss Amounts. Specifically, a Recognized Loss Amount cannot exceed the difference between the purchase price paid for a share of RCAP common stock and the respective average price of the share of RCAP common stock during the 90-day look back period subsequent to the Class Period, if the share was held through March 17, 2015, the end of the 90-day look back period. Losses on RCAP common stock purchased/acquired during the Class Period and sold *during* the 90-day look back period cannot exceed the difference between the purchase price paid for the share of RCAP common stock and the average price of the RCAP common stock during the portion of the 90-day look back period elapsed as of the date of sale, as set forth in **Table 2** below.

Recognized Claim, nor shall the receipt or grant be deemed an assignment of any claim relating to the purchase/acquisition of such RCAP common stock unless: (i) the donor or decedent purchased or otherwise acquired such RCAP common stock during the Class Period; (ii) no Claim Form was submitted by or on behalf of the donor, on behalf of the decedent, or by anyone else with respect to such RCAP common stock; and (iii) it is specifically so provided in the instrument of gift or assignment.

74. The date of covering a "short sale" is deemed to be the date of purchase or acquisition of the share of RCAP common stock. The date of a "short sale" is deemed to be the date of sale of the respective RCAP common share. In accordance with the Plan of Allocation, however, the Recognized Loss Amount on purchases/acquisitions used to cover "short sales" is zero. In the event that a Claimant has an opening short position in RCAP common stock, the earliest Class Period purchases or acquisitions shall be matched against such opening short position and not be entitled to a recovery until that short position is fully covered. In the event that a Claimant newly establishes a short position during the Class Period, the earliest subsequent Class Period purchases or acquisitions shall be matched against such short position on a FIFO basis and not be entitled to a recovery.

75. Option contracts to purchase or sell RCAP common stock are not securities eligible to participate in the Settlement. With respect to RCAP common stock purchased or sold through the exercise of an option, the purchase/sale date of the RCAP common stock is the exercise date of the option and the purchase/sale price is the exercise price of the option.

76. An Authorized Claimant's Recognized Claim shall be the amount used to calculate the Authorized Claimant's pro rata share of the Net Settlement Fund. If the sum total of Recognized Claims of all Authorized Claimants who are entitled to receive payment out of the Net Settlement Fund is greater than the Net Settlement Fund, each Authorized Claimant shall receive his, her, or its pro rata share of the Net Settlement Fund. The pro rata share shall be the Authorized Claimant's Recognized Claim divided by the total of Recognized Claims of all Authorized Claimants, multiplied by the total amount in the Net Settlement Fund. If the Net Settlement Fund exceeds the sum total amount of the Recognized Claims of all Authorized Claimants entitled to receive payment out of the Net Settlement Fund, the excess amount in the Net Settlement Fund shall be distributed pro rata to all Authorized Claimants entitled to receive payment.

77. The Net Settlement Fund will be allocated among all Authorized Claimants whose prorated payment is $10.00 or greater. If the prorated payment to any Authorized Claimant calculates to less than $10.00, it will not be included in the calculation and no distribution will be made to that Authorized Claimant.

78. After the initial distribution of the Net Settlement Fund, the Claims Administrator will make reasonable and diligent efforts to have Authorized Claimants cash their distribution checks. To the extent any monies remain in the fund at least six (6) months after the initial distribution, if Lead Counsel, in consultation with the Claims Administrator, determine that it is cost-effective to do so, the Claims Administrator will conduct a re-distribution of the funds remaining after payment of any unpaid fees and expenses incurred in administering the Settlement, including for such re-distribution, to Authorized Claimants who have cashed their initial distributions and who would receive at least $10.00 from such re-distribution. Additional re-distributions to Authorized Claimants who have cashed their prior checks may occur thereafter in a reasonable and economic fashion if Lead Counsel, in consultation with the Claims Administrator, determine that additional re-distributions, after the deduction of any additional fees and expenses incurred in administering the Settlement, including for such re-distributions, would be cost-effective. At such time as it is determined that the re-distribution of funds remaining in the Net Settlement Fund is not cost-effective, the remaining balance shall be contributed to non-sectarian, not-for-profit organization(s), to be recommended by Lead Plaintiffs and approved by the Court.

79. Payment pursuant to the Plan of Allocation, or such other plan of allocation as may be approved by the Court, shall be conclusive against all Claimants. No person shall have any claim against Lead Counsel, Plaintiffs' Counsel, Lead Plaintiffs' damages expert, Defendants, Defendants' Counsel, any of the other Plaintiffs' Releasees or Released Defendant Parties, or the Claims Administrator or other agent designated by Lead Counsel arising from distributions made substantially in accordance with the Stipulation, the Plan of Allocation approved by the Court, or further orders of the Court. Lead Plaintiffs, Defendants and their respective counsel, and all other Released Defendant Parties, shall have no responsibility or liability whatsoever for the investment or distribution of the Settlement Fund or the Net Settlement Fund; the Plan of Allocation; the determination, administration, calculation, or payment of any Claim Form or nonperformance of the Claims Administrator; the payment or withholding of Taxes; or any losses incurred in connection therewith.

80. The Court has reserved jurisdiction to allow, disallow, or adjust on equitable grounds the claim of any Claimant. Each Claimant shall be deemed to have submitted to the jurisdiction of the Court with respect to his, her or its Claim Form.

SPECIAL NOTICE TO SECURITIES BROKERS AND NOMINEES

81. If you purchased or otherwise acquired RCAP common stock (ISIN: US74937W1027) during the Class Period for the beneficial interest of a person or entity other than yourself, the Court has directed that **WITHIN SEVEN (7) DAYS OF YOUR RECEIPT OF THIS NOTICE**, **YOU MUST EITHER**: (a) provide to the Claims Administrator the name and last known address of each person or entity for whom or which you purchased or otherwise acquired RCAP common stock during the Class Period; or (b) request additional copies of this Notice and the Claim Form from the Claims Administrator, which will be provided to you free of charge, and **WITHIN SEVEN (7) DAYS** of receipt, mail the Notice and Claim Form directly to all the beneficial owners of those securities. If you choose to follow procedure (b), the Court has also directed that, upon making that mailing, **YOU MUST SEND A STATEMENT** to the Claims Administrator confirming that the mailing was made as directed and keep a record of the names and mailing addresses used. You are entitled to reimbursement from the Settlement Fund of your reasonable expenses actually incurred in connection with the foregoing, including reimbursement of postage expense and the cost of ascertaining the names and addresses of beneficial owners. Those expenses will be paid upon request and submission of appropriate supporting documentation and timely compliance with the above directives. All communications concerning the foregoing should be addressed to the Claims Administrator:

RCAP Securities Litigation
c/o A.B. Data, Ltd
Attn: Fulfillment Department
P.O. Box 173040
3410 West Hopkins Street
Milwaukee, WI 53217
info@RCAPSecuritiesSettlement.com

Dated: July 5, 2017

BY ORDER OF THE UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

TABLE 1
Estimated Alleged Artificial Inflation for RCAP Common Stock
for Purposes of Calculating Purchase and Sale Inflation

Purchase or Sale Date	Inflation Per Share
February 12, 2014 - October 28, 2014	$12.17
October 29, 2014 - October 31, 2014	$9.48
November 3, 2014	$6.89
November 4, 2014 - November 7, 2014	$4.23
November 10, 2014 - December 12, 2014	$3.56
December 15, 2014 - December 18, 2014	$2.37

TABLE 2
RCAP Common Stock Closing Price and Average Closing Price
December 18, 2014 – March 17, 2015

Date	Closing Price	Average Closing Price Between December 18, 2014 and Date Shown	Date	Closing Price	Average Closing Price Between December 18, 2014 and Date Shown
12/18/2014	$9.95	$9.95	2/3/2015	$9.54	$10.83
12/19/2014	$11.00	$10.48	2/4/2015	$9.63	$10.79
12/22/2014	$10.81	$10.59	2/5/2015	$10.18	$10.77
12/23/2014	$10.97	$10.68	2/6/2015	$10.32	$10.76
12/24/2014	$11.23	$10.79	2/9/2015	$10.12	$10.74
12/26/2014	$11.15	$10.85	2/10/2015	$9.71	$10.71
12/29/2014	$11.30	$10.92	2/11/2015	$9.59	$10.68
12/30/2014	$12.16	$11.07	2/12/2015	$10.00	$10.66
12/31/2014	$12.24	$11.20	2/13/2015	$10.28	$10.65
1/2/2015	$12.25	$11.31	2/17/2015	$10.37	$10.64
1/5/2015	$12.94	$11.45	2/18/2015	$10.17	$10.63
1/6/2015	$13.01	$11.58	2/19/2015	$10.24	$10.62
1/7/2015	$12.46	$11.65	2/20/2015	$11.06	$10.63
1/8/2015	$11.88	$11.67	2/23/2015	$11.27	$10.65
1/9/2015	$11.21	$11.64	2/24/2015	$10.60	$10.65
1/12/2015	$10.93	$11.59	2/25/2015	$10.70	$10.65
1/13/2015	$10.87	$11.55	2/26/2015	$10.58	$10.65
1/14/2015	$10.34	$11.48	2/27/2015	$11.40	$10.66
1/15/2015	$10.06	$11.41	3/2/2015	$11.47	$10.68
1/16/2015	$10.00	$11.34	3/3/2015	$11.38	$10.69
1/20/2015	$9.83	$11.27	3/4/2015	$11.73	$10.71
1/21/2015	$10.00	$11.21	3/5/2015	$11.75	$10.73
1/22/2015	$10.19	$11.16	3/6/2015	$11.85	$10.75
1/23/2015	$10.19	$11.12	3/9/2015	$11.68	$10.77
1/26/2015	$10.08	$11.08	3/10/2015	$11.40	$10.78
1/27/2015	$10.24	$11.05	3/11/2015	$11.46	$10.80
1/28/2015	$10.07	$11.01	3/12/2015	$11.71	$10.81
1/29/2015	$9.82	$10.97	3/13/2015	$11.63	$10.83
1/30/2015	$9.43	$10.92	3/16/2015	$11.22	$10.83
2/2/2015	$9.44	$10.87	3/17/2015	$11.07	$10.84

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

GRADY SCOTT WESTON, Individually and On Behalf of All Others Similarly Situated,

Plaintiffs,

v.

RCS CAPITAL CORPORATION, RCAP HOLDINGS, LLC, RCAP EQUITY, LLC, NICHOLAS S. SCHORSCH, BRIAN S. BLOCK, EDWARD MICHAEL WEIL, WILLIAM M. KAHANE, BRIAN D. JONES, PETER M. BUDKO, MARK AUERBACH, JEFFREY BROWN, C. THOMAS MCMILLEN, and HOWELL WOOD,

Defendants.

Civ. No. 1:14-CV-10136-GBD

PROOF OF CLAIM AND RELEASE

I. GENERAL INSTRUCTIONS

1. To recover as a member of the Settlement Class based on your claims in the action entitled *Weston v. RCS Capital Corporation, et al.*, No. 1:14-CV-10136-GBD (S.D.N.Y.) (the "Action"), you must complete and, on page 5 hereof, sign this Proof of Claim and Release form ("Claim Form"). If you fail to submit a timely and properly addressed (as set forth in paragraph 3 below) Claim Form, your claim may be rejected and you may not receive any recovery from the Net Settlement Fund created in connection with the proposed Settlement.

2. Submission of this Claim Form, however, does not assure that you will share in the proceeds of the settlement of the Action.

3. YOU MUST SUBMIT YOUR COMPLETED AND SIGNED CLAIM FORM ONLINE WITH COPIES OF THE DOCUMENTS REQUESTED HEREIN, **NO LATER THAN NOVEMBER 2, 2017,** OR MAIL YOUR COMPLETED AND SIGNED CLAIM FORM ACCOMPANIED BY COPIES OF THE DOCUMENTS REQUESTED HEREIN**, POSTMARKED OR RECEIVED NO LATER THAN NOVEMBER 2, 2017,** ADDRESSED AS FOLLOWS:

RCAP Securities Litigation
Claims Administrator
c/o A.B. Data, Ltd.
P.O. Box 173040
Milwaukee, WI 53217
www.RCAPSecuritiesSettlement.com

If you are NOT a member of the Settlement Class (as defined in the Notice of Pendency of Class Action, Proposed Settlement, and Motion for Attorneys' Fees and Expenses ("Notice"), which accompanies this Claim Form) DO NOT submit a Claim Form.

4. If you are a member of the Settlement Class and you did not timely request exclusion in response to the Notice dated July 5, 2017, you are bound by the terms of any judgment entered in the Action, including the releases provided therein, WHETHER OR NOT YOU SUBMIT A CLAIM FORM.

II. CLAIMANT IDENTIFICATION

5. If you purchased or otherwise acquired the common stock of RCS Capital Corporation ("RCAP" or the "Company") from February 12, 2014 to December 18, 2014, inclusive (the "Class Period") and held the stock in your name, you are the beneficial purchaser as well as the record purchaser. If, however, you purchased or otherwise acquired the common stock of RCAP during the Class Period through a third party, such as a nominee or brokerage firm, you are the beneficial purchaser and the third party is the record purchaser.

6. Use Part I of this form below, entitled "Claimant Identification" to identify each beneficial purchaser or acquirer of RCAP common stock that forms the basis of this claim, as well as the purchaser or acquirer of record if different. THIS CLAIM MUST BE FILED BY THE ACTUAL BENEFICIAL PURCHASER(S) OR THE LEGAL REPRESENTATIVE OF SUCH PURCHASER(S) OF THE RCAP COMMON STOCK UPON WHICH THIS CLAIM IS BASED.

7. All joint purchasers must sign this claim. Executors, administrators, guardians, conservators, and trustees must complete and sign this claim on behalf of persons represented by them and their authority must accompany this claim and their titles or capacities must be stated. The Social Security (or taxpayer identification) number and telephone number of the beneficial owner may be used in verifying the claim. Failure to provide the foregoing information could delay verification of your claim or result in rejection of the claim.

III. IDENTIFICATION OF TRANSACTIONS

8. Use Part II of this form below, entitled "Schedule of Transactions in RCAP Common Stock," to supply all required details of your transaction(s) in RCAP common stock. If you need more space or additional schedules, attach separate sheets giving all of the required information in substantially the same form. Sign and print or type your name on each additional sheet.

9. On the schedules, provide all of the requested information with respect to ***all*** of your purchases and acquisitions and ***all*** of your sales of RCAP common stock which took place, whether such transactions resulted in a profit or a loss. You must also provide all of the requested information with respect to ***all*** of the RCAP common stock you held at the close of trading on February 11, 2014 and as of the date you file the Claim Form. Failure to report all such transactions may result in the rejection of your claim.

10. List each transaction separately and in chronological order, by trade date, beginning with the earliest. You must accurately provide the month, day, and year of each transaction you list.

11. The date of covering a "short sale" is deemed to be the date of purchase of RCAP common stock. The date of a "short sale" is deemed to be the date of sale of RCAP common stock.

12. Copies of broker confirmations or other documentation of your transactions in RCAP common stock should be attached to your claim. Failure to provide this documentation could delay verification of your claim or result in rejection of your claim. The Parties do not have information about your transactions in RCAP common stock.

13. NOTICE REGARDING ELECTRONIC FILES: Certain claimants with large numbers of transactions may request, or may be requested, to submit information regarding their transactions in electronic files. All claimants MUST submit a manually signed paper Claim Form whether or not they also submit electronic copies. If you wish to file your claim electronically, you must contact the Claims Administrator at (866) 778-9626 to obtain the required file layout. No electronic files will be considered to have been properly submitted unless the Claims Administrator issues to the claimant a written acknowledgment of receipt and acceptance of electronically submitted data.

For Official Use Only
ABDCA54173

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK
Weston v. RCS Capital Corporation, et al.
No. 1:14-CV-10136-GBD

PROOF OF CLAIM AND RELEASE
PLEASE TYPE OR PRINT

MUST BE POSTMARKED (IF MAILED) OR RECEIVED (IF FILED ONLINE) NO LATER THAN NOVEMBER 2, 2017

PART I: CLAIMANT IDENTIFICATION

Beneficial Owner's Name (First, Middle, Last)

Joint Beneficial Owner's Name (First, Middle, Last)

Company/Trust/Other Entity (If Claimant Is Not an Individual)

Contact Person (If Claimant Is Not an Individual)

Trustee/Nominee/Other

Account Number (If Claimant Is Not an Individual)

Trust Date/Other (If Applicable)

Address Line 1

Address Line 2 (If Applicable)

City

State

ZIP Code —

Foreign Province

Foreign Postal Code

Foreign Country

Social Security Number — —

OR

Taxpayer Identification Number —

Check Appropriate Box:

- ☐ Individual or Sole Proprietor
- ☐ Corporation
- ☐ IRA
- ☐ Partnership
- ☐ Pension Plan
- ☐ Trust
- ☐ Estate
- ☐ Other (please specify)

Telephone Number (Daytime) ( ) —

Telephone Number (Evening) ( ) —

Email Address *(Email address is not required, but if you provide it you authorize the Claims Administrator to use it in providing you with information relevant to this claim.)*

PART II: SCHEDULE OF TRANSACTIONS IN RCAP COMMON STOCK

Failure to provide proof of all holdings, purchases, acquisitions, and sales information requested below will impede proper processing of your claim and may result in the rejection of your claim. Please include proper documentation with your Claim Form as described in detail in Section III—Identification of Transactions, above.

1. BEGINNING HOLDINGS: Number of shares of RCAP common stock held as of the close of trading on February 11, 2014. If none, write "0" or "Zero."		Proof Enclosed? ○ Y ○ N

2. PURCHASES: Purchases/Acquisitions of RCAP common stock from February 12, 2014 through the date you file this Claim Form.[1]

Date of Purchase (List Chronologically) (Month/Day/Year)	Number of Shares Purchased/Acquired	Purchase/Acquisition Price Per Share	Total Purchase Price (excluding taxes, commissions and fees)	Did Purchase Cover a Short Sale?	Check box if Shares were Purchased or Acquired Pursuant to the Company's June 5, 2014 Secondary Offering	Proof of Purchase Enclosed?
/ /		$	$	○ Y ○ N	☐	○ Y ○ N
/ /		$	$	○ Y ○ N	☐	○ Y ○ N
/ /		$	$	○ Y ○ N	☐	○ Y ○ N
/ /		$	$	○ Y ○ N	☐	○ Y ○ N
/ /		$	$	○ Y ○ N	☐	○ Y ○ N
/ /		$	$	○ Y ○ N	☐	○ Y ○ N

3. SALES: Sales of RCAP common stock from February 12, 2014 through the date you file this Claim Form.

Date of Sale (List Chronologically) (Month/Day/Year)	Number of Shares Sold	Sale Price Per Share	Total Sale Price (excluding taxes, commissions and fees)	Proof of Sale Enclosed?
/ /		$	$	○ Y ○ N
/ /		$	$	○ Y ○ N
/ /		$	$	○ Y ○ N
/ /		$	$	○ Y ○ N
/ /		$	$	○ Y ○ N
/ /		$	$	○ Y ○ N

4. UNSOLD HOLDINGS: Number of shares of RCAP common stock never sold as of the date you file this Claim Form.		Proof Enclosed? ○ Y ○ N

IF YOU REQUIRE ADDITIONAL SPACE, ATTACH EXTRA SCHEDULES IN THE SAME FORMAT AS ABOVE. SIGN AND PRINT YOUR NAME ON EACH ADDITIONAL PAGE.

[1] Information requested with respect to your purchases/acquisitions of common stock from December 19, 2014 through the date you file this Claim Form is needed in order to balance your claim; purchases/acquisitions during this period, however, are not eligible to participate in the Settlement as these purchases/acquisitions are outside the Class Period.

YOU MUST READ AND SIGN THE RELEASE ON THIS PAGE. FAILURE TO SIGN THE RELEASE MAY RESULT IN A DELAY IN PROCESSING OR THE REJECTION OF YOUR CLAIM.

IV. SUBMISSION TO JURISDICTION OF COURT AND ACKNOWLEDGMENTS

14. I (We) submit this Proof of Claim and Release under the terms of the Stipulation and Agreement of Settlement, dated June 2, 2017 (the "Stipulation"), described in the Notice. I (We) also submit to the jurisdiction of the United States District Court for the Southern District of New York, with respect to my (our) claim as a Settlement Class Member and for purposes of enforcing the release set forth herein. I (We) further acknowledge that I am (we are) bound by and subject to the terms of any judgment that may be entered in the Action. I (We) agree to furnish additional information to the Claims Administrator to support this claim (including transactions in other RCAP securities) if requested to do so. I (We) have not submitted any other claim in the Action covering the same purchases or sales of RCAP common stock during the Class Period and know of no other person having done so on my (our) behalf.

V. RELEASE AND ACKNOWLEDGEMENT

15. I (We) hereby acknowledge full and complete satisfaction of, and do hereby fully, finally, and forever settle, release, and discharge from the Released Plaintiffs' Claims each and all of the Released Defendant Parties, both as defined in the accompanying Notice. This release shall be of no force or effect unless and until the Court approves the Settlement and the Settlement becomes effective on the Effective Date (as defined in the Stipulation).

16. I (We) hereby warrant and represent that I (we) have not assigned or transferred or purported to assign or transfer, voluntarily or involuntarily, any matter released pursuant to this release or any other part or portion thereof.

17. I (We) hereby warrant and represent that I (we) have included the information requested about all of my (our) transactions in RCAP common stock which are the subject of this claim, as well as the opening and closing positions in such securities held by me (us) on the dates requested in this Claim Form.

18. I (We) certify that I am (we are) not subject to backup withholding under the provisions of Section 3406(a)(1)(C) of the Internal Revenue Code. (Note: If you have been notified by the Internal Revenue Service that you are subject to backup withholding, please strike out the prior sentence.)

I (We) declare under penalty of perjury under the laws of the United States of America that all of the foregoing information supplied on this Claim Form by the undersigned is true and correct.

Executed this _____ day of _____, in _____, _____.
(Month / Year) (City) (State / Country)

_____
(Sign your name here)

_____
(Type or print your name here)

_____
(Capacity of person(s) signing, *e.g.*, Beneficial Purchaser, Executor or Administrator)

ACCURATE CLAIMS PROCESSING TAKES A SIGNIFICANT AMOUNT OF TIME.
THANK YOU FOR YOUR PATIENCE.

Reminder Checklist:

1. Please sign the above release and acknowledgement.
2. If this claim is being made on behalf of Joint Claimants, then both must sign.
3. Remember to attach copies of supporting documentation, if available.
4. **Do not send** originals of certificates.
5. Keep a copy of your Claim Form and all supporting documentation for your records.
6. If you desire an acknowledgment of receipt of your Claim Form, please send it Certified Mail, Return Receipt Requested.
7. If you move, please send your new address to:

RCAP Securities Litigation
Claims Administrator
c/o A.B. Data, Ltd.
P.O. Box 173040
Milwaukee, WI 53217

8. **Do not use red pen or highlighter** on the Claim Form or supporting documentation.

THIS CLAIM FORM MUST BE SUBMITTED ONLINE NO LATER THAN NOVEMBER 2, 2017 OR, IF MAILED, POSTMARKED OR RECEIVED NO LATER THAN NOVEMBER 2, 2017, ADDRESSED AS FOLLOWS:

RCAP Securities Litigation
Claims Administrator
c/o A.B. Data, Ltd.
P.O. Box 173040
Milwaukee, WI 53217

EXHIBIT B

Balancing Religion and the Office

Bigger array of faiths emerges at work as staffs become more multicultural, creating challenges for managers and employees

By Francesca Fontana

French oil company **Total** SA recently sent its 96,000 employees an unusual corporate missive: a guide to religion at work.

Intended as a practical tool for managers and employees, its 80-plus pages cover everything from the basic tenets of major religions to whether bosses must provide halal food during company meals.

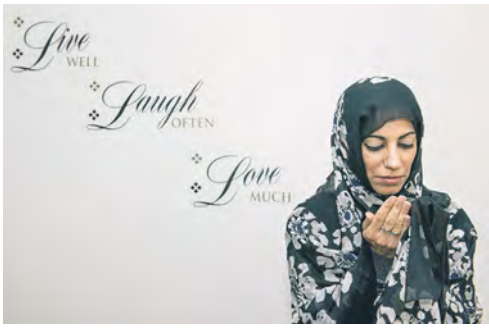
Few if any U.S. companies have gone as far as Total, but religious issues are cropping up more often in the workplace, resulting in lawsuits and complicated questions of faith on the job. At a time when many managers encourage employees to celebrate their individual identities, religious identity has proved tougher to navigate, managers and experts say.

When it comes to faith, most companies "stay as far away as they can," for fear of making a wrong—or unlawful—move, said Deb Dagit, former chief diversity officer at drugmaker **Merck** & Co. Ms. Dagit now runs her own consulting group.

Religious discrimination complaints filed with the U.S. Equal Employment Opportunity Commission increased 50% from 2006 to 2016. While religious discrimination comprises a relatively small portion of EEOC complaints, the rise reflects a more multicultural workforce with a wider array of religious faiths, said Mark Fowler, deputy chief executive of Tanenbaum, a nonprofit that works to eliminate religious prejudice.

At 92 pages, the English-language version of Total's guide states that employees' religious practices, such as prayer, should generally be respected and accommodated. Employees aren't required to read the document, which is available to those who are "curious," said a company spokeswoman.

Total created the guide to aid managers and employees who "may have questions or doubts on this topic, working with people who might not eat, dress or pray the same," said the spokeswoman.



JUSTIN L. STEWART FOR THE WALL STREET JOURNAL (2)

Accenture's Nazneen Nathani visits a designated prayer room at the firm's Los Angeles office.

U.S. companies often fail to address employee faith until problems arise, said Philadelphia-based employment attorney Jonathan Segal of Duane Morris LLP. Companies cannot ban religious expression outright, and U.S. Title VII requires employers to accommodate religious expression so long as it doesn't cause undue hardship on the company or workforce. "Employees don't shed their religious rights when they walk in the door," Mr. Segal said. "It's a balance." For instance, he said, a receptionist's request to keep a Bible at the front desk may be treated differently than an employee's request to keep one in an office, away from public view.

Failing to strike that balance can put companies into hot water. After turning down a Muslim job applicant because her head scarf violated dress codes for retail employees, Abercrombie & Fitch Co. lost a discrimination case that went to the U.S. Supreme Court in 2015.

Abercrombie said that it had "granted numerous religious accommodations when requested, including hijabs" and "remains focused on ensuring the company has an open-minded and tolerant workplace environment."

In December 2015, Cargill Inc. fired over 100 Muslim workers from a meatpacking plant in Fort Morgan, Colo., in the midst of a dispute over whether they could take prayer breaks. The workers filed complaints with the EEOC and were deemed eligible for unemployment benefits by Colorado's labor department in 2016.

At the time, the Council of American-Islamic Relations said the company told workers prayer breaks were no longer allowed, while a Cargill spokesman said that no changes had been made to the company's religious-accommodation policies.

Tensions are being felt across the spectrum of faiths. A 2013 Tanenbaum survey of 2,024 workers showed that white evangelicals were equally as likely as non-Christians to say they felt their faiths weren't respected at work, and 28% of workers said discrimination against Christians is as serious as discrimination against religious minorities.

Religion is often missing from conversations about corporate diversity policies, said Ms. Dagit.

Tanenbaum's survey found that workers at companies with religious nondiscrimination policies were less likely to say they were seeking a new job. And, those with access to flexible hours for religious observance were more than twice as likely to say they look forward to coming to work.

Each afternoon at work, Nazneen Nathani, an associate manager at consulting firm Accenture PLC, stops in a designated prayer room in her Los Angeles office. A Shiite Muslim, she prays as many as five times daily, but just once at the office.

"It's not an easy time to be a Muslim in America," said Ms. Nathani, a 14-year company veteran who works in risk management and quality. The accommodations "show me that I'm valued, and not just for my contributions as an employee ."

—Neanda Salvaterra contributed to this article.

Pay for College Interns Is So 2010

By Kelsey Gee

It pays to take an internship—but not a lot.

Average pay for college interns climbed to $18.06 an hour this year, but when adjusted for inflation that is less than their predecessors earned in 2010, according to a survey of paid positions released this month from the National Association of Colleges and Employers.

With competition for entry-level labor increasing, economists offer multiple explanations for the sluggish rebound.

One theory is tied to the growing share of internships that are paid, in a market in which more than half of all positions were unpaid just a few years ago, according to a separate survey by the Collegiate Employment Research Institute at Michigan State University.

After a string of lawsuits by unpaid interns, more employers are paying interns for reasons of "liability protection and competing for good talent," said Andrew Crain, a talent acquisition specialist at the University of Georgia in Athens.

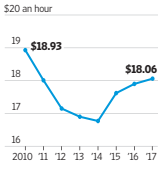
Less than 30% of the university's students with internships took unpaid positions in the fall of 2016, compared with more than 50% in 2010.

Employers holding intern wages stagnant in the face of inflation may also drag average pay lower, said Phil Gardner, director of the Collegiate Employment Research Institute.

Interns in some fields aren't doing badly, though. From 2011 to 2016, pay for software engineering interns in the San Francisco area climbed 15% to $6,250 a month, or roughly $39 an hour, according to an analysis by career website Glassdoor. That is more than double the 6% climb in average paid-intern wages nationally over that period, not adjusted for inflation, according to the National Association of Colleges and Employers.

Pay Slip

When adjusted for inflation, hourly pay for college interns is lower than it was seven years ago.*



*Data include undergraduates and 2017 graduates.

Source: National Association of Colleges and Employers

THE WALL STREET JOURNAL.

EXHIBIT C

Labaton Sucharow LLP and Scott+Scott, Attorneys at Law, LLP Announce a Proposed Class Action Settlement in Weston v. RCS Capital Corporation, et al.

NEWS PROVIDED BY
Labaton Sucharow LLP ⟶ , **Scott+Scott, Attorneys at Law, LLP** ⟶
Jul 19, 2017, 09:26 ET

NEW YORK, July 19, 2017 /PRNewswire/ --

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

GRADY SCOTT WESTON, Individually And On Behalf Of All Others Similarly Situated, Plaintiffs, v. RCS CAPITAL CORPORATION, RCAP HOLDINGS, LLC, RCAP EQUITY, LLC, NICHOLAS S. SCHORSCH, BRIAN S. BLOCK, EDWARD MICHAEL WEIL, WILLIAM M. KAHANE, BRIAN D. JONES, PETER M. BUDKO, MARK AUERBACH, JEFFREY BROWN, C. THOMAS MCMILLEN, and HOWELL WOOD, Defendants.	Civ. No. 1:14-CV-10136-GBD **SUMMARY NOTICE OF PENDENCY OF CLASS ACTION, PROPOSED SETTLEMENT, AND MOTION FOR ATTORNEYS' FEES AND EXPENSES**

To: All Investors That Purchased or Otherwise Acquired the Common Stock of RCS Capital Corporation ("RCAP") During the Period from February 12, 2014 to December 18, 2014, Inclusive (the "Class Period"), and Were Allegedly Damaged Thereby (the "Settlement Class").

YOU ARE HEREBY NOTIFIED, pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the Southern District of New York, that Oklahoma Police Pension Fund and Retirement System and City of Providence, Rhode Island ("Lead Plaintiffs") on behalf of themselves and the Settlement Class, and RCAP, RCAP Holdings, LLC, RCAP Equity, LLC, Nicholas S. Schorsch, Brian S. Block, Edward M. Weil, Jr., William M. Kahane, Brian D. Jones, Peter M. Budko, Mark Auerbach, Jeffrey Brown, C. Thomas McMillen and Howell Wood (collectively, "Defendants") have reached a proposed settlement of the above-captioned action (the "Action") in the amount of $31,000,000 in cash that, if approved, will resolve the Action in its entirety (the "Settlement").

A hearing will be held before the Honorable George B. Daniels of the United States District Court for the Southern District of New York, Daniel Patrick Moynihan United States Courthouse, Courtroom 11A, 500 Pearl Street, New York, NY 10007 at 10:00 a.m. on September 28, 2017 (the "Settlement Hearing") to, among other things, determine whether the Court should: (i) approve the proposed Settlement as fair, reasonable, and adequate; (ii) dismiss the Action with prejudice as provided in the Stipulation and Agreement of Settlement, dated June 2, 2017; (iii) approve the proposed Plan of Allocation for distribution of the Net Settlement Fund; and (iv) approve Lead Counsel's application for an award of attorneys' fees and payment of Litigation Expenses. The Court may change the date of the Settlement Hearing without providing another notice. You do NOT need to attend the Settlement Hearing to receive a distribution from the Net Settlement Fund.

IF YOU ARE A MEMBER OF THE SETTLEMENT CLASS, YOUR RIGHTS WILL BE AFFECTED BY THE PROPOSED SETTLEMENT AND YOU MAY BE ENTITLED TO A MONETARY PAYMENT. If you have not yet received the Notice and Proof of Claim and Release form ("Claim Form"), you may obtain copies of these documents by visiting the website dedicated to the Settlement, www.RCAPSecuritiesSettlement.com, or by contacting the Claims Administrator at:

BOA Securities Litigation

Claims Administrator
c/o A.B. Data, Ltd.
P.O. Box 173040
Milwaukee, WI 53217
(866) 778-9626

Inquiries, other than requests for the Notice/Claim Form or for information about the status of a claim, may also be made to Lead Counsel:

Ira A. Schochet, Esq.
LABATON SUCHAROW LLP
140 Broadway
New York, NY 10005
www.labaton.com
(888) 219-6877

Deborah Clark-Weintraub, Esq.
SCOTT+SCOTT, ATTORNEYS AT LAW, LLP
The Helmsley Building
230 Park Avenue, 17th Floor
New York, NY 10169
(800) 404-7770

If you are a Settlement Class Member, to be eligible to share in the distribution of the Net Settlement Fund, you must submit a Claim Form ***postmarked or received no later than November 2, 2017***. If you are a Settlement Class Member and do not timely submit a valid Claim Form, you will not be eligible to share in the distribution of the Net Settlement Fund, but you will nevertheless be bound by all judgments or orders entered by the Court in the Action, whether favorable or unfavorable.

If you are a Settlement Class Member and wish to exclude yourself from the Settlement Class, you must submit a written request for exclusion in accordance with the instructions set forth in the Notice such that it is ***received no later than August 29, 2017.*** If you properly exclude yourself from the Settlement Class, you will not be bound by any judgments or orders entered by the Court in the Action, whether favorable or unfavorable, and you will not be eligible to share in the distribution of the Net Settlement Fund.

Any objections to the proposed Settlement, the proposed Plan of Allocation, and/or Lead Counsel's application for attorneys' fees and payment of Litigation Expenses must be filed with the Court and mailed to counsel for the Parties in accordance with the instructions set forth in the Notice, such that they are ***filed and received no later than August 29, 2017***.

PLEASE DO NOT CONTACT THE COURT, DEFENDANTS, OR DEFENDANTS' COUNSEL REGARDING THIS NOTICE.

DATED: July 19, 2017

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

SOURCE Labaton Sucharow LLP; Scott+Scott, Attorneys at Law, LLP

Related Links

http://www.labaton.com

Exhibit 5

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

GRADY SCOTT WESTON, Individually and On Behalf of All Others Similarly Situated, Plaintiffs, v. RCS CAPITAL CORPORATION, RCAP HOLDINGS, LLC, RCAP EQUITY, LLC, NICHOLAS S. SCHORSCH, BRIAN S. BLOCK, EDWARD MICHAEL WEIL, WILLIAM M. KAHANE, BRIAN D. JONES, PETER M. BUDKO, MARK AUERBACH, JEFFREY BROWN, C. THOMAS MCMILLEN, and HOWELL WOOD, Defendants.	Civ. No. 1:14-CV-10136-GBD

DECLARATION OF IRA A. SCHOCHET ON BEHALF OF LABATON SUCHAROW LLP IN SUPPORT OF LEAD COUNSEL'S MOTION FOR AN AWARD OF ATTORNEYS' FEES AND PAYMENT OF EXPENSES

Ira A. Schochet, Esq., declares as follows pursuant to 28 U.S.C. § 1746:

1. I am a member of the law firm of Labaton Sucharow LLP. I submit this declaration in support of Lead Counsel's motion for an award of attorneys' fees and payment of litigation expenses/charges ("expenses") on behalf of all plaintiffs' counsel who contributed to the prosecution of the claims in the above-captioned action (the "Action") from inception through July 31, 2017 (the "Time Period"). I have personal knowledge of the facts set forth herein and, if called upon, could and would testify thereto.

2. My firm, which served as Court-appointed Co-Lead Counsel in the Action, was involved in all aspects of the litigation and settlement of the Action as set forth in the Joint Declaration of Deborah Clark-Weintraub and Ira A. Schochet in Support of Lead Plaintiffs' Motion for Final Approval of Proposed Class Action Settlement and Plan of Allocation and Lead Counsel's Motion for Award of Attorneys' Fees and Payment of Litigation Expenses submitted herewith.

3. The schedule attached hereto as Exhibit A is a summary indicating the amount of time spent by each attorney and professional support staff of my firm who was involved in the prosecution of the Action and the lodestar calculation based on my firm's current rates. For personnel who are no longer employed by my firm, the lodestar calculation is based upon the rates for such personnel in his or her final year of employment by my firm. The schedule was prepared from contemporaneous daily time records regularly prepared and maintained by my firm, which are available at the request of the Court. Time expended in preparing this application for fees and payment of expenses has not been included in this request.

4. The hourly rates for the attorneys and professional support staff in my firm included in Exhibit A are their customary rates, which have been accepted in other securities or shareholder litigation.

5. The total number of hours expended on this litigation by my firm during the Time Period is 2,951.4 hours. The total lodestar for my firm for those hours is $1,935,399.00.

6. My firm's lodestar figures are based upon the firm's rates, which rates do not include charges for expense items. Expense items are billed separately and such charges are not duplicated in my firm's rates.

7. As detailed in Exhibit B, my firm has incurred a total of $76,906.77 in expenses in connection with the prosecution of the Action. The expenses are reflected on the books and records of my firm. These books and records are prepared from expense vouchers, check records and other source materials and are an accurate record of the expenses incurred.

8. With respect to the standing of my firm, attached hereto as Exhibit C is a brief biography of my firm as well as biographies of the firm's partners and of counsels.

9. My firm was also responsible for maintaining a joint litigation fund on behalf of Lead Counsel (the "Litigation Expense Fund") in order to monitor the major expenses incurred in the Action and to facilitate their payment. The expenses incurred by the Litigation Expense Fund are reported in Exhibit D, attached hereto. The Litigation Expense Fund has received contributions totaling $117,020.65 from Lead Counsel and has incurred a total of $117,020.65 in expenses in connection with the prosecution of the Action.

10. The expenditures from the Litigation Expense Fund are separately reflected on the books and records of my firm. These books and records are prepared from expense vouchers, check records and other source materials and are an accurate record of the expenses incurred.

I declare under penalty of perjury that the foregoing is true and correct. Executed on August 14, 2017.

IRA A. SCHOCHET

Exhibit A

EXHIBIT A

RCAP Securities Litigation

LODESTAR REPORT

FIRM: LABATON SUCHAROW LLP
REPORTING PERIOD: INCEPTION THROUGH JULY 31, 2017

PROFESSIONAL	STATUS*	HOURLY RATE	TOTAL HOURS TO DATE	TOTAL LODESTAR TO DATE
Bernstein, J.	P	$985	175.8	$173,163.00
Schochet, I.	P	$950	739.0	$702,050.00
Keller, C.	P	$950	40.4	$38,380.00
Zeiss, N.	P	$875	76.1	$66,587.50
Belfi, E.	P	$875	47.1	$41,212.50
Stocker, M.	P	$875	10.9	$9,537.50
Goldsmith, D.	P	$850	22.1	$18,785.00
Avan, R.	OC	$675	18.9	$12,757.50
Wierzbowski, E.	A	$725	280.9	$203,652.50
Erroll, D.	A	$675	20.7	$13,972.50
Mackiel, N.	A	$625	6.5	$4,062.50
Gottlieb, E.	A	$465	970.5	$451,282.50
Schervish, W.	DMI	$550	6.6	$3,630.00
Capuozzo, C.	RA	$325	7.4	$2,405.00
Pontrelli, J.	I	$495	7.2	$3,564.00
Greenbaum, A.	I	$455	15.2	$6,916.00
Wiegartner, P.	I	$435	149.9	$65,206.50
Howard, B.	I	$430	15.9	$6,837.00
Wroblewski, R.	I	$425	8.0	$3,400.00
Viczian, R.	PL	$325	137.4	$44,655.00
Mundo, S.	PL	$325	73.4	$23,855.00
Auer, S.	PL	$325	68.1	$22,132.50
Boria, C.	PL	$325	20.6	$6,695.00
Mehringer, L.	PL	$325	19.5	$6,337.50
Rogers, D.	PL	$325	13.3	$4,322.50
TOTAL			**2,951.4**	**$1,935,399.00**

Partner (P) Director of Market Intelligence (DMI)
Of Counsel (OC) Research Analyst (RA)
Associate (A) Investigator (I) Paralegal (PL)

Exhibit B

EXHIBIT B

RCAP Securities Litigation

EXPENSE REPORT

FIRM: LABATON SUCHAROW
REPORTING PERIOD: INCEPTION THROUGH JULY 31, 2017

EXPENSE	TOTAL AMOUNT
Duplicating	$9,743.20
Telephone / Fax	$347.50
Transcripts	$255.22
Computer Research Fees	$5,196.22
Overnight Delivery Services	$220.26
Work-Related Transportation/ Meals/Lodging	$2,634.05
Contribution to Litigation Fund	$58,510.32
TOTAL	**$76,906.77**

Exhibit C

Labaton Sucharow

MORE THAN 50 YEARS OF ADVOCACY

Firm Resume

Securities Class Action Litigation

Labaton Sucharow

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Labaton Sucharow

About the Firm

Founded in 1963, Labaton Sucharow LLP has earned a reputation as one of the leading plaintiffs firms in the United States. We have recovered more than $12 billion and secured corporate governance reforms on behalf of the nation's largest institutional investors, including public pension and Taft-Hartley funds, hedge funds, investment banks, and other financial institutions. These recoveries include more than $1 billion in *In re American International Group, Inc. Securities Litigation,* $671 million in *In re HealthSouth Securities Litigation*, $624 million in *In re Countrywide Financial Corporation Securities Litigation*, and $473 million in *In re Schering-Plough/ENHANCE Securities Litigation.*

As a leader in the field of complex litigation, the Firm has successfully conducted class, mass, and derivative actions in the following areas: securities; antitrust; financial products and services; corporate governance and shareholder rights; mergers and acquisitions; derivative; REITs and limited partnerships; consumer protection; and whistleblower representation.

Along with securing newsworthy recoveries, the Firm has a track record for successfully prosecuting complex cases from discovery to trial to verdict. In court, as *Law360* has noted, our attorneys are known for "fighting defendants tooth and nail." Our appellate experience includes winning appeals that increased settlement value for clients, and securing a landmark 2013 U.S. Supreme Court victory benefitting all investors by reducing barriers to the certification of securities class action cases.

Our Firm is equipped to deliver results with a robust infrastructure of more than 60 full-time attorneys, a dynamic professional staff, and innovative technological resources. Labaton Sucharow attorneys are skilled in every stage of business litigation and have challenged corporations from every sector of the financial markets. Our professional staff includes paralegals, financial analysts, e-discovery specialists, a certified public accountant, a certified fraud examiner, and a forensic accountant. With seven investigators, including former members of federal and state law enforcement, we have one of the largest in-house investigative teams in the securities bar. Managed by a law enforcement veteran who spent 12 years with the FBI, our internal investigative group provides us with information that is often key to the success of our cases.

Outside of the courtroom, the Firm is known for its leadership and participation in investor protection organizations, such as the Council for Institutional Investors, World Federation of Investors, National Association of Shareholder and Consumer Attorneys, as well as serving as a patron of the John L. Weinberg Center for Corporate Governance of the University of Delaware. The Firm shares these groups' commitment to a market that operates with greater transparency, fairness, and accountability.

Labaton Sucharow has been consistently ranked as a top-tier firm in leading industry publications such as *Chambers & Partners USA*, *The Legal 500*, and *Benchmark Litigation*. For the past decade, the Firm was listed on *The National Law Journal*'s Plaintiffs' Hot List and was inducted to the Hall of Fame for successive honors. The Firm has also been featured as one of *Law360*'s Most Feared Plaintiffs Firms and Class Action Practice Groups of the Year.

Visit www.labaton.com for more information about our Firm.

Labaton Sucharow

Securities Class Action Litigation

Labaton Sucharow is a leader in securities litigation and a trusted advisor to more than 200 institutional investors. Since the passage of the Private Securities Litigation Reform Act of 1995 (PSLRA), the Firm has recovered more than $9 billion in the aggregate for injured investors through securities class actions prosecuted throughout the United States and against numerous public corporations and other corporate wrongdoers.

These notable recoveries would not be possible without our exhaustive case evaluation process. The Firm has developed a proprietary system for portfolio monitoring and reporting on domestic and international securities litigation, and currently provides these services to more than 160 institutional investors, which manage collective assets of more than $2 trillion. The Firm's in-house licensed investigators also gather crucial details to support our cases, whereas other firms rely on outside vendors, or conduct no confidential investigation at all.

As a result of our thorough case evaluation process, our securities litigators can focus solely on cases with strong merits. The benefits of our selective approach are reflected in the low dismissal rate of the securities cases we pursue, which is well below the industry average. Over the past decade, we have successfully prosecuted headline-making class actions against AIG, Countrywide, Fannie Mae, and Bear Stearns, among others.

Notable Successes

Labaton Sucharow has achieved notable successes in financial and securities class actions on behalf of investors, including the following:

- ***In re American International Group, Inc. Securities Litigation*, No. 04-cv-8141, (S.D.N.Y.)**

  In one of the most complex and challenging securities cases in history, Labaton Sucharow secured more than $1 billion in recoveries on behalf of lead plaintiff Ohio Public Employees' Retirement System in a case arising from allegations of bid rigging and accounting fraud. To achieve this remarkable recovery, the Firm took over 100 depositions and briefed 22 motions to dismiss. The settlement entailed a $725 million settlement with American International Group (AIG), $97.5 million settlement with AIG's auditors, $115 million settlement with former AIG officers and related defendants, and an additional $72 million settlement with General Reinsurance Corporation, which was approved by the Second Circuit on September 11, 2013.

- ***In re Countrywide Financial Corp. Securities Litigation*, No. 07-cv-05295 (C.D. Cal.)**

  Labaton Sucharow, as lead counsel for the New York State Common Retirement Fund and the five New York City public pension funds, sued one of the nation's largest issuers of mortgage loans for credit risk misrepresentations. The Firm's focused investigation and discovery efforts uncovered incriminating evidence that led to a $624 million settlement for investors. On February 25, 2011, the court granted final approval to the settlement, which is one of the top 20 securities class action settlements in the history of the PSLRA.

- ***In re HealthSouth Corp. Securities Litigation*, No. 03-cv-01500 (N.D. Ala.)**

  Labaton Sucharow served as co-lead counsel to New Mexico State Investment Council in a case stemming from one of the largest frauds ever perpetrated in the healthcare industry. Recovering $671 million for the class, the settlement is one of the top 15 securities class action settlements of all time. In

early 2006, lead plaintiffs negotiated a settlement of $445 million with defendant HealthSouth. On June 12, 2009, the court also granted final approval to a $109 million settlement with defendant Ernst & Young LLP. In addition, on July 26, 2010, the court granted final approval to a $117 million partial settlement with the remaining principal defendants in the case, UBS AG, UBS Warburg LLC, Howard Capek, Benjamin Lorello, and William McGahan.

- ***In re Schering-Plough/ENHANCE Securities Litigation*, No. 08-cv-00397 (D. N.J.)**

  As co-lead counsel, Labaton Sucharow obtained a $473 million settlement on behalf of co-lead plaintiff Massachusetts Pension Reserves Investment Management Board. After five years of litigation, and three weeks before trial, the settlement was approved on October 1, 2013. This recovery is one of the largest securities fraud class action settlements against a pharmaceutical company. The Special Masters' Report noted, "**the outstanding result achieved for the class is the direct product of outstanding skill and perseverance by Co-Lead Counsel…no one else…could have produced the result here—no government agency or corporate litigant to lead the charge and the Settlement Fund is the product solely of the efforts of Plaintiffs' Counsel**."

- ***In re Waste Management, Inc. Securities Litigation*, No. H-99-2183 (S.D. Tex.)**

  In 2002, the court approved an extraordinary settlement that provided for recovery of $457 million in cash, plus an array of far-reaching corporate governance measures. Labaton Sucharow represented lead plaintiff Connecticut Retirement Plans and Trust Funds. At that time, this settlement was the largest common fund settlement of a securities action achieved in any court within the Fifth Circuit and the third largest achieved in any federal court in the nation. Judge Harmon noted, among other things, that Labaton Sucharow "**obtained an outstanding result by virtue of the quality of the work and vigorous representation of the class.**"

- ***In re General Motors Corp. Securities Litigation*, No. 06-cv-1749, (E.D. Mich.)**

  As co-lead counsel in a case against automotive giant, General Motors (GM), and Deloitte & Touche LLP (Deloitte), its auditor, Labaton Sucharow obtained a settlement of $303 million—one of the largest settlements ever secured in the early stages of a securities fraud case. Lead plaintiff Deka Investment GmbH alleged that GM, its officers, and its outside auditor overstated GM's income by billions of dollars, and GM's operating cash flows by tens of billions of dollars, through a series of accounting manipulations. The final settlement, approved on July 21, 2008, consisted of a cash payment of $277 million by GM and $26 million in cash from Deloitte.

- ***Arkansas Teacher Retirement System v. State Street Corp.*, No. 11-cv-10230 (D. Mass)**

  Labaton Sucharow served as lead counsel for the plaintiff Arkansas Teacher Retirement System (ATRS) in this securities class action against Boston-based financial services company, State Street Corporation (State Street). On August 8, 2016, the court preliminarily approved a $300 million settlement with State Street. The plaintiffs claimed that State Street, as custodian bank to a number of public pension funds, including ATRS, was responsible for foreign exchange (FX) trading in connection with its clients global trading. Over a period of many years, State Street systematically overcharged those pension fund clients, including Arkansas, for those FX trades.

- ***Wyatt v. El Paso Corp.*, No. H-02-2717 (S.D. Tex.)**

  Labaton Sucharow secured a $285 million class action settlement against the El Paso Corporation on behalf of co-lead plaintiff, an individual. The case involved a securities fraud stemming from the company's inflated earnings statements, which cost shareholders hundreds of millions of dollars during a four-year span. On March 6, 2007, the court approved the settlement and also commended the

efficiency with which the case had been prosecuted, particularly in light of the complexity of the allegations and the legal issues.

- ***In re Bear Stearns Cos., Inc. Securities, Derivative & ERISA Litigation,* No. 08-cv-2793 (S.D.N.Y.)**

  Labaton Sucharow served as co-lead counsel, representing lead plaintiff, the State of Michigan Retirement Systems, and the class. The action alleged that Bear Stearns and certain officers and directors made misstatements and omissions in connection with Bear Stearns' financial condition, including losses in the value of its mortgage-backed assets and Bear Stearns' risk profile and liquidity. The action further claimed that Bear Stearns' outside auditor, Deloitte & Touche LLP, made misstatements and omissions in connection with its audits of Bear Stearns' financial statements for fiscal years 2006 and 2007. Our prosecution of this action required us to develop a detailed understanding of the arcane world of packaging and selling subprime mortgages. Our complaint has been called a "tutorial" for plaintiffs and defendants alike in this fast-evolving area. After surviving motions to dismiss, on November 9, 2012, the court granted final approval to settlements with the Bear Stearns defendants for $275 million and with Deloitte for $19.9 million.

- ***In re Massey Energy Co. Securities Litigation*, No. 10-CV-00689 (S.D. W.Va.)**

  As co-lead counsel representing the Commonwealth of Massachusetts Pension Reserves Investment Trust, Labaton Sucharow achieved a $265 million all-cash settlement in a case arising from one of the most notorious mining disasters in U.S. history. On June 4, 2014, the settlement was reached with Alpha Natural Resources, Massey's parent company. Investors alleged that Massey falsely told investors it had embarked on safety improvement initiatives and presented a new corporate image following a deadly fire at one of its coal mines in 2006. After another devastating explosion which killed 29 miners in 2010, Massey's market capitalization dropped by more than $3 billion. Judge Irene C. Berger noted that "**Class counsel has done an expert job of representing all of the class members to reach an excellent resolution and maximize recovery for the class.**"

- ***Eastwood Enterprises, LLC v. Farha (WellCare Securities Litigation),* No. 07-cv-1940 (M.D. Fla.)**

  On behalf of The New Mexico State Investment Council and the Public Employees Retirement Association of New Mexico, Labaton Sucharow served as co-lead counsel and negotiated a $200 million settlement over allegations that WellCare Health Plans, Inc., a Florida-based managed healthcare service provider, disguised its profitability by overcharging state Medicaid programs. Under the terms of the settlement approved by the court on May 4, 2011, WellCare agreed to pay an additional $25 million in cash if, at any time in the next three years, WellCare was acquired or otherwise experienced a change in control at a share price of $30 or more after adjustments for dilution or stock splits.

- ***In re Bristol-Myers Squibb Securities Litigation*, No. 00-cv-1990 (D.N.J.)**

  Labaton Sucharow served as lead counsel representing the lead plaintiff, union-owned LongView Collective Investment Fund of the Amalgamated Bank, against drug company Bristol-Myers Squibb (BMS). Lead plaintiff claimed that the company's press release touting its new blood pressure medication, Vanlev, left out critical information, other results from the clinical trials indicated that Vanlev appeared to have life-threatening side effects. The FDA expressed serious concerns about these side effects, and BMS released a statement that it was withdrawing the drug's FDA application, resulting in the company's stock price falling and losing nearly 30 percent of its value in a single day. After a five year battle, we won relief on two critical fronts. First, we secured a $185 million recovery for shareholders, and second, we negotiated major reforms to the company's drug development

process that will have a significant impact on consumers and medical professionals across the globe. Due to our advocacy, BMS must now disclose the results of clinical studies on all of its drugs marketed in any country.

- ***In re Fannie Mae 2008 Securities Litigation*, No. 08-cv-7831 (S.D.N.Y.)**

  As co-lead counsel representing co-lead plaintiff Boston Retirement System, Labaton Sucharow secured a $170 million settlement on March 3, 2015 with Fannie Mae. Lead plaintiffs alleged that Fannie Mae and certain of its current and former senior officers violated federal securities laws, by making false and misleading statements concerning the company's internal controls and risk management with respect to Alt-A and subprime mortgages. Lead plaintiffs also alleged that defendants made misstatements with respect to Fannie Mae's core capital, deferred tax assets, other-than-temporary losses, and loss reserves. This settlement is a significant feat, particularly following the unfavorable result in a similar case for investors of Fannie Mae's sibling company, Freddie Mac. Labaton Sucharow successfully argued that investors' losses were caused by Fannie Mae's misrepresentations and poor risk management, rather than by the financial crisis.

- ***In re Broadcom Corp. Class Action Litigation*, No. 06-cv-05036 (C.D. Cal.)**

  Labaton Sucharow served as lead counsel on behalf of lead plaintiff New Mexico State Investment Council in a case stemming from Broadcom Corp.'s $2.2 billion restatement of its historic financial statements for 1998 - 2005. In August 2010, the court granted final approval of a $160.5 million settlement with Broadcom and two individual defendants to resolve this matter, the second largest up-front cash settlement ever recovered from a company accused of options backdating. Following a Ninth Circuit ruling confirming that outside auditors are subject to the same pleading standards as all other defendants, the district court denied Broadcom's auditor Ernst & Young's motion to dismiss on the ground of loss causation. This ruling is a major victory for the class and a landmark decision by the court—the first of its kind in a case arising from stock-options backdating. In October 2012, the court approved a $13 million settlement with Ernst & Young.

- ***In re Satyam Computer Services Ltd. Securities Litigation*, No. 09-md-2027 (S.D.N.Y.)**

  Satyam, referred to as "India's Enron," engaged in one of the most egregious frauds on record. In a case that rivals the Enron and Bernie Madoff scandals, the Firm represented lead plaintiff UK-based Mineworkers' Pension Scheme, which alleged that Satyam Computer Services Ltd., related entities, its auditors, and certain directors and officers made materially false and misleading statements to the investing public about the company's earnings and assets, artificially inflating the price of Satyam securities. On September 13, 2011, the court granted final approval to a settlement with Satyam of $125 million and a settlement with the company's auditor, PricewaterhouseCoopers, in the amount of $25.5 million. Judge Barbara S. Jones commended lead counsel during the final approval hearing noting that the "**…quality of representation which I found to be very high…**"

- ***In re Mercury Interactive Corp. Securities Litigation*, No. 05-cv-3395 (N.D. Cal.)**

  Labaton Sucharow served as co-lead counsel on behalf of co-lead plaintiff Steamship Trade Association/International Longshoremen's Association Pension Fund, which alleged Mercury backdated option grants used to compensate employees and officers of the company. Mercury's former CEO, CFO, and General Counsel actively participated in and benefited from the options backdating scheme, which came at the expense of the company's shareholders and the investing public. On September 25, 2008, the court granted final approval of the $117.5 million settlement.

- ***In re Oppenheimer Champion Fund Securities Fraud Class Actions*, No. 09-cv-525 (D. Colo.) and *In re Core Bond Fund*, No. 09-cv-1186 (D. Colo.)**

  Labaton Sucharow served as lead counsel and represented individuals and the proposed class in two related securities class actions brought against OppenheimerFunds, Inc., among others, and certain officers and trustees of two funds—Oppenheimer Core Bond Fund and Oppenheimer Champion Income Fund. The lawsuits alleged that the investment policies followed by the funds resulted in investor losses when the funds suffered drops in net asset value although the funds were presented as safe and conservative investments to consumers. In May 2011, the Firm achieved settlements amounting to $100 million: $52.5 million in *In re Oppenheimer Champion Fund Securities Fraud Class Actions*, and a $47.5 million settlement in *In re Core Bond Fund*.

- ***In re Computer Sciences Corporation Securities Litigation*, No. 11-cv-610 (E.D. Va.)**

  As lead counsel representing Ontario Teachers' Pension Plan Board, Labaton Sucharow secured a $97.5 million settlement in this "rocket docket" case involving accounting fraud. The settlement was the third largest all cash recovery in a securities class action in the Fourth Circuit and the second largest all cash recovery in such a case in the Eastern District of Virginia. The plaintiffs alleged that IT consulting and outsourcing company Computer Sciences Corporation (CSC) fraudulently inflated its stock price by misrepresenting and omitting the truth about the state of its most visible contract and the state of its internal controls. In particular, the plaintiffs alleged that CSC assured the market that it was performing on a $5.4 billion contract with the UK National Health Services when CSC internally knew that it could not deliver on the contract, departed from the terms of the contract, and as a result, was not properly accounting for the contract. Judge T.S. Ellis, III stated, "**I have no doubt—that the work product I saw was always of the highest quality for both sides.**"

Lead Counsel Appointments in Ongoing Litigation

Labaton Sucharow's institutional investor clients are regularly chosen by federal judges to serve as lead plaintiffs in prominent securities litigations brought under the PSLRA. Dozens of public pension funds and union funds have selected Labaton Sucharow to represent them in federal securities class actions and advise them as securities litigation/investigation counsel. Our recent notable lead and co-lead counsel appointments include the following:

- ***In re Goldman Sachs Group, Inc. Securities Litigation*, No. 10-cv-03461 (S.D.N.Y)**

  Labaton Sucharow represents Arkansas Teacher Retirement System in this high-profile litigation based on the scandals involving Goldman Sachs' sales of the Abacus CDO.

- ***In re Facebook, Inc., IPO Securities and Derivative Litigation*, No. 12-md-02389 (S.D.N.Y.)**

  Labaton Sucharow represents North Carolina Department of State Treasurer and Arkansas Teacher Retirement System in this securities class action that involves one of the largest initial public offerings for a technology company.

- ***3226701 Canada Inc. v. Qualcomm, Inc., No. 15-cv-2678 (S.D. Cal.)***

  Labaton Sucharow represents The Public Employees Retirement System of Mississippi in this securities class action against a leader in 3G and next-generation mobile technologies.

- ***Plumbers and Steamfitters Local 137 Pension Fund v. American Express Co., No. 15-cv-05999 (S.D.N.Y.)***

  Labaton Sucharow represents Pipefitters Union Local 537 Pension Fund in this class action against one of the country's largest credit card lenders to reveal the company's hidden cost of losing its Costco partnership.

- ***Avila v. LifeLock, Inc., No. 15-cv-01398 (D. Ariz.)***

  Labaton Sucharow represents Oklahoma Firefighters Pension and Retirement System in the securities class action against LifeLock, Inc., an identity theft protection company, alleging major security flaws.

- ***In re Intuitive Surgical Securities Litigation,* No. 13-cv-01920 (N.D. Cal.)**

  Labaton Sucharow represents the Employees' Retirement System of the State of Hawaii in this securities class action alleging violations of securities fraud laws by concealing FDA regulations violations and a dangerous defect in the company's primary product, the da Vinci Surgical System.

Innovative Legal Strategy

Bringing successful litigation against corporate behemoths during a time of financial turmoil presents many challenges, but Labaton Sucharow has kept pace with the evolving financial markets and with corporate wrongdoer's novel approaches to committing fraud.

Our Firm's innovative litigation strategies on behalf of clients include the following:

- ***Mortgage-Related Litigation***

  In *In re Countrywide Financial Corporation Securities Litigation*, No. 07-cv-5295 (C.D. Cal.), our client's claims involved complex and data-intensive arguments relating to the mortgage securitization process and the market for residential mortgage-backed securities (RMBS) in the United States. To prove that defendants made false and misleading statements concerning Countrywide's business as an issuer of residential mortgages, Labaton Sucharow utilized both in-house and external expert analysis. This included state-of-the-art statistical analysis of loan level data associated with the creditworthiness of individual mortgage loans. The Firm recovered $624 million on behalf of investors.

  Building on its experience in this area, the Firm has pursued claims on behalf of individual purchasers of RMBS against a variety of investment banks for misrepresentations in the offering documents associated with individual RMBS deals.

- ***Options Backdating***

  In 2005, Labaton Sucharow took a pioneering role in identifying options-backdating practices as both damaging to investors and susceptible to securities fraud claims, bringing a case, *In re Mercury Interactive Securities Litigation*, No. 05-cv-3395 (N.D. Cal.), that spawned many other plaintiff recoveries.

  Leveraging its experience, the Firm went on to secure other significant options backdating settlements, in, for example, *In re Broadcom Corp. Class Action Litigation*, No. 06-cv-5036 (C.D. Cal.), and in *In re Take-Two Interactive Securities Litigation*, No. 06-cv-0803 (S.D.N.Y.). Moreover, in *Take-Two*, Labaton Sucharow was able to prompt the SEC to reverse its initial position and agree to distribute a disgorgement fund to investors, including class members. The SEC had originally planned

for the fund to be distributed to the U.S. Treasury. As a result, investors received a very significant percentage of their recoverable damages.

- ***Foreign Exchange Transactions Litigation***

  The Firm has pursued or is pursuing claims for state pension funds against BNY Mellon and State Street Bank, the two largest custodian banks in the world. For more than a decade, these banks failed to disclose that they were overcharging their custodial clients for foreign exchange transactions. Given the number of individual transactions this practice affected, the damages caused to our clients and the class were significant. Our claims, involving complex statistical analysis, as well as qui tam jurisprudence, were filed ahead of major actions by federal and state authorities related to similar allegations commenced in 2011. Our team favorably resolved the BNY Mellon matter in 2012. The case against State Street Bank is still ongoing.

Appellate Advocacy and Trial Experience

When it is in the best interest of our clients, Labaton Sucharow repeatedly has demonstrated our willingness and ability to litigate these complex cases all the way to trial, a skill unmatched by many firms in the plaintiffs bar.

Labaton Sucharow is one of the few firms in the plaintiffs securities bar to have prevailed in a case before the U.S. Supreme Court. In *Amgen v. Connecticut Retirement Plans & Trust Funds*, 133 S. Ct. 1184 (Feb. 27, 2013), the Firm persuaded the court to reject efforts to thwart the certification of a class of investors seeking monetary damages in a securities class action. This represents a significant victory for all plaintiffs in securities class actions.

In *In re Real Estate Associates Limited Partnership Litigation*, Labaton Sucharow's advocacy significantly increased the settlement value for shareholders. The defendants were unwilling to settle for an amount the Firm and its clients viewed as fair, which led to a six-week trial. The Firm and co-counsel ultimately obtained a landmark $184 million jury verdict. The jury supported the plaintiffs' position that the defendants knowingly violated the federal securities laws, and that the general partner had breached his fiduciary duties to shareholders. The $184 million award was one of the largest jury verdicts returned in any PSLRA action and one in which the class, consisting of 18,000 investors, recovered 100 percent of their damages.

Labaton Sucharow

Our Clients

Labaton Sucharow represents and advises the following institutional investor clients, among others:

- Arkansas Teacher Retirement System
- Baltimore County Retirement System
- Boston Retirement System
- California Public Employees' Retirement System
- California State Teachers' Retirement System
- City of New Orleans Employees' Retirement System
- Connecticut Retirement Plans & Trust Funds
- Division of Investment of the New Jersey Department of the Treasury
- Genesee County Employees' Retirement System
- Illinois Municipal Retirement Fund
- Teachers' Retirement System of Louisiana
- Macomb County Employees Retirement System
- Metropolitan Atlanta Rapid Transit Authority
- Michigan Retirement Systems
- Mississippi Public Employees' Retirement System
- New York City Pension Funds
- New York State Common Retirement Fund
- Norfolk County Retirement System
- Office of the Ohio Attorney General and several of its Retirement Systems
- Oklahoma Firefighters Pension and Retirement System
- Plymouth County Retirement System
- Office of the New Mexico Attorney General and several of its Retirement Systems
- Public Employee Retirement System of Idaho
- Rhode Island State Investment Commission
- San Francisco Employees' Retirement System
- Santa Barbara County Employees' Retirement System
- State of Oregon Public Employees' Retirement System
- State of Wisconsin Investment Board
- Virginia Retirement System

Labaton Sucharow

Awards and Accolades

Industry publications and peer rankings consistently recognize the Firm as a respected leader in securities litigation.

Chambers & Partners USA

Leading Plaintiffs Securities Litigation Firm (2009-2017)

> "effective and greatly respected…a bench of partners who are highly esteemed by competitors and adversaries alike"

The Legal 500

Leading Plaintiffs Securities Litigation Firm and also recognized in Antitrust (2010-2017) and M&A Litigation (2013, 2015-2017)

> "'Superb' and 'at the top of its game.' The Firm's team of 'hard-working lawyers, who push themselves to thoroughly investigate the facts' and conduct 'very diligent research.'"

Benchmark Litigation

Top 10 Plaintiffs Firm in the United States (2017), Recommended in Securities Litigation Nationwide and in New York State (2012-2017); and Noted for Corporate Governance and Shareholder Rights Litigation in the Delaware Court of Chancery (2016-2017)

> "clearly living up to its stated mission 'reputation matters'…consistently earning mention as a respected litigation-focused firm fighting for the rights of institutional investors"

Law360

Most Feared Plaintiffs Firm (2013-2015) and Class Action Practice Group of the Year (2012 and 2014-2016)

> "known for thoroughly investigating claims and conducting due diligence before filing suit, and for fighting defendants tooth and nail in court"

The National Law Journal

Winner of the Elite Trial Lawyers Award in Securities Law (2015), Hall of Fame Honoree, and Top Plaintiffs' Firm on the annual Hot List (2006-2016)

> "definitely at the top of their field on the plaintiffs' side"

Labaton Sucharow

Community Involvement

To demonstrate our deep commitment to the community, Labaton Sucharow devotes significant resources to pro bono legal work and public and community service.

Firm Commitments

Brooklyn Law School Securities Arbitration Clinic
Mark S. Arisohn, Adjunct Professor and Joel H. Bernstein, Adjunct Professor

Labaton Sucharow has partnered with Brooklyn Law School to establish a securities arbitration clinic. The program serves a dual purpose: to assist defrauded individual investors who cannot otherwise afford to pay for legal counsel; and to provide students with real-world experience in securities arbitration and litigation. Partners Mark S. Arisohn and Joel H. Bernstein lead the program as adjunct professors.

Change for Kids

Labaton Sucharow supports Change for Kids (CFK) as a Strategic Partner of P.S. 182 in East Harlem. One school at a time, CFK rallies communities to provide a broad range of essential educational opportunities at under-resourced public elementary schools. By creating inspiring learning environments at our partner schools, CFK enables students to discover their unique strengths and develop the confidence to achieve.

The Lawyers' Committee for Civil Rights Under Law
Edward Labaton, Member, Board of Directors

The Firm is a long-time supporter of The Lawyers' Committee for Civil rights Under Law, a nonpartisan, nonprofit organization formed in 1963 at the request of President John F. Kennedy. The Lawyers' Committee involves the private bar in providing legal services to address racial discrimination.

Labaton Sucharow attorneys have contributed on the federal level to U.S. Supreme Court nominee analyses (analyzing nominees for their views on such topics as ethnic equality, corporate diversity, and gender discrimination) and national voters' rights initiatives.

Sidney Hillman Foundation

Labaton Sucharow supports the Sidney Hillman Foundation. Created in honor of the first president of the Amalgamated Clothing Workers of America, Sidney Hillman, the foundation supports investigative and progressive journalism by awarding monthly and yearly prizes. Partner Thomas A. Dubbs is frequently invited to present these awards.

Individual Attorney Commitments

Labaton Sucharow attorneys give of themselves in many ways, both by volunteering and in leadership positions in charitable organizations. A few of the awards our attorneys have received or organizations they are involved in are:

- Awarded "Champion of Justice" by the Alliance for Justice, a national nonprofit association of over 100 organizations which represent a broad array of groups "committed to progressive values and the creation of an equitable, just, and free society."
- Pro bono representation of mentally ill tenants facing eviction, appointed as guardian ad litem in several housing court actions.
- Recipient of a Volunteer and Leadership Award from a tenants' advocacy organization for work defending the rights of city residents and preserving their fundamental sense of public safety and home.
- Board Member of the Ovarian Cancer Research Fund—the largest private funding agency of its kind supporting research into a method of early detection and, ultimately, a cure for ovarian cancer.

Our attorneys have also contributed to or continue to volunteer with the following charitable organizations, among others:

- American Heart Association
- Big Brothers/Big Sisters of New York City
- Boys and Girls Club of America
- Carter Burden Center for the Aging
- City Harvest
- City Meals-on-Wheels
- Coalition for the Homeless
- Cycle for Survival
- Cystic Fibrosis Foundation
- Dana Farber Cancer Institute
- Food Bank for New York City
- Fresh Air Fund
- Habitat for Humanity
- Lawyers Committee for Civil Rights
- Legal Aid Society
- Mentoring USA
- National Lung Cancer Partnership
- National MS Society
- National Parkinson Foundation
- New York Cares
- New York Common Pantry
- Peggy Browning Fund
- Sanctuary for Families
- Sandy Hook School Support Fund
- Save the Children
- Special Olympics
- Toys for Tots
- Williams Syndrome Association

Labaton Sucharow

Commitment to Diversity

Recognizing that business does not always offer equal opportunities for advancement and collaboration to women, Labaton Sucharow launched its Women's Networking and Mentoring Initiative in 2007.

Led by Firm partners and co-chairs Serena P. Hallowell and Carol C. Villages, the Women's Initiative reflects our commitment to the advancement of women professionals. The goal of the Initiative is to bring professional women together to collectively advance women's influence in business. Each event showcases a successful woman role model as a guest speaker. We actively discuss our respective business initiatives and hear the guest speaker's strategies for success. Labaton Sucharow mentors young women inside and outside of the firm and promotes their professional achievements. The Firm also is a member of the National Association of Women Lawyers (NAWL). For more information regarding Labaton Sucharow's Women's Initiative, please visit www.labaton.com/en/about/women/Womens-Initiative.cfm.

Further demonstrating our commitment to diversity in the legal profession and within our Firm, in 2006, we established the Labaton Sucharow Minority Scholarship and Internship. The annual award—a grant and a summer associate position—is presented to a first-year minority student who is enrolled at a metropolitan New York law school and who has demonstrated academic excellence, community commitment, and personal integrity.

Labaton Sucharow has also instituted a diversity internship which brings two Hunter College students to work at the Firm each summer. These interns rotate through various departments, shadowing Firm partners and getting a feel for the inner workings of the Firm.

Labaton Sucharow

Securities Litigation Attorneys

Our team of securities class action litigators includes:

Partners

Lawrence A. Sucharow (Chairman)
Mark S. Arisohn
Eric J. Belfi
Joel H. Bernstein
Michael P. Canty
Thomas A. Dubbs
Jonathan Gardner
David J. Goldsmith
Louis Gottlieb
Serena P. Hallowell
Thomas G. Hoffman, Jr.
James W. Johnson
Christopher J. Keller
Edward Labaton
Christopher J. McDonald
Michael H. Rogers
Ira A. Schochet
Michael W. Stocker
Carol C. Villegas
Irina Vasilchenko
Ned Weinberger
Mark S. Willis
Nicole M. Zeiss

Of Counsel

Rachel A. Avan
Mark Bogen
Marisa N. DeMato
Joseph H. Einstein
Christine M. Fox
Mark Goldman
Lara Goldstone
James McGovern
Domenico Minerva
Corban S. Rhodes
David J. Schwartz

Detailed biographies of the team's qualifications and accomplishments follow.

Lawrence A. Sucharow, Chairman
lsucharow@labaton.com

With more than four decades of experience, the Firm's Chairman, Lawrence A. Sucharow is an internationally recognized trial lawyer and a leader of the class action bar. Under his guidance, the Firm has grown into and earned its position as one of the top plaintiffs securities and antitrust class action firms in the world. As Chairman, Larry focuses on counseling the Firm's large institutional clients, developing creative and compelling strategies to advance and protect clients' interests, and the prosecution and resolution of many of the Firm's leading cases.

Over the course of his career, Larry has prosecuted hundreds of cases and the Firm has recovered billions in groundbreaking securities, antitrust, business transaction, product liability, and other class actions. In fact, a landmark case tried in 2002—*In re Real Estate Associates Limited Partnership Litigation*—was the very first securities action successfully tried to a jury verdict following the enactment of the Private Securities Litigation Reform Act (PSLRA). Experience such as this has made Larry uniquely qualified to evaluate and successfully prosecute class actions.

Other representative matters include: *In re CNL Resorts, Inc. Securities Litigation* ($225 million settlement); *In re Paine Webber Incorporated Limited Partnerships Litigation* ($200 million settlement); *In re Prudential Securities Incorporated Limited Partnerships Litigation* ($110 million partial settlement); *In re Prudential Bache Energy Income Partnerships Securities Litigation* ($91 million settlement) and *Shea v. New York Life Insurance Company* (over $92 million settlement).

Larry's consumer protection experience includes leading the national litigation against the tobacco companies in *Castano v. American Tobacco Co.*, as well as litigating *In re Imprelis Herbicide Marketing, Sales Practices and Products Liability Litigation*. Currently, he plays a key role in *In re Takata Airbag Products Liability Litigation* and a nationwide consumer class action against Volkswagen Group of America, Inc., arising out of the wide-scale fraud concerning Volkswagen's "Clean Diesel" vehicles. Larry further conceptualized the establishment of two Dutch foundations, or "Stichtingen" to pursue settlement of claims against Volkswagen on behalf of injured car owners and investors in Europe.

In recognition of his career accomplishments and standing in the securities bar at the Bar, Larry was selected by *Law360* as one the 10 Most Admired Securities Attorneys in the United States and as a Titan of the Plaintiffs Bar. Further, he is one of a small handful of plaintiffs' securities lawyers in the United States recognized by *Chambers & Partners USA*, *The Legal 500*, *Benchmark Litigation*, and *Lawdragon 500* for his successes in securities litigation. Referred to as a "legend" by his peers in *Benchmark Litigation*, *Chambers* describes him as an "an immensely respected plaintiff advocate" and a "renowned figure in the securities plaintiff world…[that] has handled some of the most high-profile litigation in this field." According to *The Legal 500*, clients characterize Larry as a "a strong and passionate advocate with a desire to win." In addition, Brooklyn Law School honored Larry with the 2012 Alumni of the Year Award for his notable achievements in the field.

Larry has served a two-year term as President of the National Association of Shareholder and Consumer Attorneys, a membership organization of approximately 100 law firms that practice complex civil litigation including class actions. A longtime supporter of the Federal Bar Council, Larry serves as a trustee of the Federal Bar Council Foundation. He is a member of the Federal Bar Council's Committee on Second Circuit Courts, and the Federal Courts Committee of the New York County Lawyers' Association. He is also a member of the Securities Law Committee of the New Jersey State Bar Association and was the Founding Chairman of the Class Action Committee of the Commercial and Federal Litigation Section of the New York State Bar Association, a position he held from 1988-1994. In addition, Larry serves on the Advocacy Committee of the World Federation of Investors Corporation, a worldwide umbrella organization of national shareholder associations. In May 2013, Larry was elected Vice Chair of the International Financial Litigation Network, a network of law firms from 15 countries seeking international solutions to cross-border financial problems.

Larry is admitted to practice in the States of New York, New Jersey, and Arizona as well as before the Supreme Court of the United States, the United States Court of Appeals for the Second Circuit, and the United States District Courts for the Southern and Eastern Districts of New York, and the District of New Jersey.

Mark S. Arisohn, Partner
marisohn@labaton.com

Mark S. Arisohn focuses on prosecuting complex securities fraud cases on behalf of institutional investors. Mark is an accomplished litigator, with nearly 40 years of extensive trial experience in jury and non-jury matters in the state and federal courts nationwide. He has also argued in the New York Court of Appeals, the United States Court of Appeals for the Second Circuit and appeared before the United States Supreme Court in the landmark insider trading case of *Chiarella v. United States*.

Mark's wide-ranging practice has included prosecuting and defending individuals and corporations in cases involving securities fraud, mail and wire fraud, bank fraud, and RICO violations. He has represented public officials, individuals, and companies in the construction and securities industries as well as professionals accused of regulatory offenses and professional misconduct. He also has appeared as trial counsel for both

plaintiffs and defendants in civil fraud matters and corporate and commercial matters, including shareholder litigation, business torts, unfair competition, and misappropriation of trade secrets.

Mark is one of the few litigators in the plaintiffs' bar to have tried two securities fraud class action cases to a jury verdict.

Mark is an active member of the Association of the Bar of the City of New York and has served on its Judiciary Committee, the Committee on Criminal Courts, Law and Procedure, the Committee on Superior Courts, and the Committee on Professional Discipline. He serves as a mediator for the Complaint Mediation Panel of the Association of the Bar of the City of New York where he mediates attorney client disputes and as a hearing officer for the New York State Commission on Judicial Conduct where he presides over misconduct cases brought against judges.

Mark also co-leads Labaton Sucharow's Securities Arbitration pro bono project in conjunction with Brooklyn Law School where he serves as an adjunct professor. Mark, together with Labaton Sucharow associates and Brooklyn Law School students, represents aggrieved and defrauded individual investors who cannot otherwise afford to pay for legal counsel in financial industry arbitration matters against investment advisors and stockbrokers.

Mark was named to the recommended list in the field of Securities Litigation by *The Legal 500* and recognized by Benchmark Litigation as a Securities Litigation Star. He has also received a rating of AV Preeminent from publishers of the Martindale-Hubbell directory.

Mark is admitted to practice in the State of New York and the District of Columbia as well as before the Supreme Court of the United States, the United States Court of Appeals for the Second Circuit, and the United States District Courts for the Southern, Eastern, and Northern Districts of New York, the Northern District of Texas, and the Northern District of California.

Eric J. Belfi, Partner
ebelfi@labaton.com

Representing many of the world's leading pension funds and other institutional investors, Eric J. Belfi is an accomplished litigator with experience in a broad range of commercial matters. Eric focuses on domestic and international securities and shareholder litigation, as well as direct actions on behalf of governmental entities. He serves as a member of the Firm's Executive Committee.

As an integral member of the Firm's Case Development Group, Eric has brought numerous high-profile domestic securities cases that resulted from the credit crisis, including the prosecution against Goldman Sachs. In *In re Goldman Sachs Group, Inc. Securities Litigation*, he played a significant role in the investigation and drafting of the operative complaint. Eric was also actively involved in securing a combined settlement of $18.4 million in *In re Colonial BancGroup, Inc. Securities Litigation*, regarding material misstatements and omissions in SEC filings by Colonial BancGroup and certain underwriters.

Along with his domestic securities litigation practice, Eric leads the Firm's Non-U.S. Securities Litigation Practice, which is dedicated exclusively to analyzing potential claims in non-U.S. jurisdictions and advising on the risk and benefits of litigation in those forums. The practice, one of the first of its kind, also serves as liaison counsel to institutional investors in such cases, where appropriate. Currently, Eric represents nearly 30 institutional investors in over a dozen non-U.S. cases against companies including SNC-Lavalin Group Inc. in Canada, Vivendi Universal, S.A. in France, OZ Minerals Ltd. in Australia, Lloyds Banking Group in the UK, and Olympus Corporation in Japan.

Eric's international experience also includes securing settlements on behalf of non-U.S. clients including the UK-based Mineworkers' Pension Scheme in *In re Satyam Computer Securities Services Ltd. Securities Litigation*, an action related to one of the largest securities fraud in India which resulted in $150.5 million in

collective settlements. Representing two of Europe's leading pension funds, Deka Investment GmbH and Deka International S.A., Luxembourg, in *In re General Motors Corp. Securities Litigation*, Eric was integral in securing a $303 million settlement in a case regarding multiple accounting manipulations and overstatements by General Motors.

Additionally, Eric oversees the Financial Products and Services Litigation Practice, focusing on individual actions against malfeasant investment bankers, including cases against custodial banks that allegedly committed deceptive practices relating to certain foreign currency transactions. Most recently, he served as lead counsel to Arkansas Teacher Retirement System in a class action against State Street Corporation and certain affiliated entities alleging misleading actions in connection with foreign currency exchange trades, which resulted in a $300 million recovery. He has also represented the Commonwealth of Virginia in its False Claims Act case against Bank of New York Mellon, Inc.

Eric's M&A and derivative experience includes noteworthy cases such as *In re Medco Health Solutions Inc. Shareholders Litigation*, in which he was integrally involved in the negotiation of the settlement that included a significant reduction in the termination fee.

Eric's prior experience included serving as an Assistant Attorney General for the State of New York and as an Assistant District Attorney for the County of Westchester. As a prosecutor, Eric investigated and prosecuted white-collar criminal cases, including many securities law violations. He presented hundreds of cases to the grand jury and obtained numerous felony convictions after jury trials.

Eric is a member of the National Association of Public Pension Attorneys (NAPPA) Securities Litigation Working Group. He has spoken on the topics of shareholder litigation and U.S.-style class actions in European countries and has discussed socially responsible investments for public pension funds.

Eric is admitted to practice in the State of New York, as well as before the United States Court of Appeals for the Tenth Circuit, and the United States District Courts for the Southern and Eastern Districts of New York, the Eastern District of Michigan, the District of Colorado, the District of Nebraska, and the Eastern District of Wisconsin.

Joel H. Bernstein, Partner
jbernstein@labaton.com

With nearly four decades of experience in complex litigation, Joel H. Bernstein's practice focuses on the protection of victimized individuals. Joel advises large public and labor pension funds, banks, mutual funds, insurance companies, hedge funds, and other institutional and individual investors with respect to securities-related litigation in the federal and state courts, as well as in arbitration proceedings before the NYSE, FINRA, and other self-regulatory organizations. His experience in the area of representing plaintiffs in complex litigation has resulted in the recovery of more than a billion dollars in damages to wronged class members.

For several years Joel led the Firm's Residential Mortgage-Backed Securities team, a group of more than 20 legal professionals representing large domestic and foreign institutional investors in 75 individual litigations involving billions of dollars lost in fraudulently marketed investments at the center of the subprime crisis and has successfully recovered hundreds of millions of dollars on their behalf thus far. He also currently serves as lead counsel in class actions, including *Norfolk County Retirement System v. Solazyme, Inc.* and *In re Facebook Biometric Information Privacy Litigation*.

Joel recently led the team that secured a $265 million all-cash settlement for a class of investors in *In re Massey Energy Co. Securities Litigation*, a matter that stemmed from the 2010 mining disaster at the company's Upper Big Branch coal mine. Joel also led the team that achieved a $120 million recovery with one of the largest global providers of products and services for the oil and gas industry, Weatherford International in 2015. As lead counsel for one of the most prototypical cases arising from the financial crisis, *In re Countrywide*

Corporation Securities Litigation, he obtained a settlement of $624 million for co-lead plaintiffs, New York State Common Retirement Fund and the New York City Pension Funds.

In the past, Joel has played a central role in numerous high profile cases, including *In re Paine Webber Incorporated Limited Partnerships Litigation* ($200 million settlement); *In re Prudential Securities Incorporated Limited Partnerships Litigation* ($130 million settlement); *In re Prudential Bache Energy Income Partnerships Securities Litigation* ($91 million settlement); *Shea v. New York Life Insurance Company* ($92 million settlement); and *Saunders et al. v. Gardner* ($10 million—the largest punitive damage award in the history of NASD Arbitration at that time). In addition, Joel was instrumental in securing a $117.5 million settlement in *In re Mercury Interactive Securities Litigation*, the largest settlement at the time in a securities fraud litigation based upon options backdating. He also has litigated cases which arose out of deceptive practices by custodial banks relating to certain foreign currency transactions.

Joel has been recommended by *The Legal 500* in the field of Securities Litigation, where he was described by sources as a "formidable adversary," and by *Benchmark Litigation* as a Securities Litigation Star. He was also featured in *The AmLaw Litigation Daily* as Litigator of the Week for his work on *In re Countrywide Financial Corporation Securities Litigation*. Joel has received a rating of AV Preeminent from the publishers of the Martindale-Hubbell directory.

In addition to his active legal practice, Joel co-leads Labaton Sucharow's Securities Arbitration pro bono project in collaboration with Brooklyn Law School where he serves as an adjunct professor. Together with Labaton Sucharow partner Mark Arisohn, firm associates, and Brooklyn Law School students, he represents aggrieved and defrauded individual investors who cannot otherwise afford to pay for legal counsel in financial industry arbitration matters against investment advisors and stockbrokers.

As a recognized leader in his field, Joel is frequently sought out by the press to comment on legal matters and has also authored numerous articles and lectured on related issues. He is a member of the American Bar Association, the Association of the Bar of the City of New York, the New York County Lawyers' Association, and the Public Investors Arbitration Bar Association (PIABA).

He is admitted to practice in the State of New York as well as before the United States Courts of Appeals for the First, Second, Third, Fourth, Fifth, Ninth, and Tenth Circuits, and the United States District Courts for the Southern and Eastern Districts of New York.

Michael P. Canty, Partner
mcanty@labaton.com

Michael P. Canty prosecutes complex fraud cases on behalf of institutional investors and consumers. Currently, Michael is investigating potential claims brought by state and local governments against large companies in the widespread opioid epidemic. Recommended by *The Legal 500* in the field of securities litigation, Michael is also an accomplished litigator with more than a decade of trial experience in matters relating to national security, white collar crime, and cybercrime.

Prior to joining Labaton Sucharow, Michael was a federal prosecutor in the United States Attorney's Office for the Eastern District of New York, where he served as the Deputy Chief of the Office's General Crimes Section. Michael also served in the Office's National Security and Cybercrimes Section. During his time as lead prosecutor, Michael investigated complex and high-profile white collar, national security, and cybercrime offenses. He also served as an Assistant District Attorney for the Nassau County District Attorney's Office, where he handled complex state criminal offenses.

Michael has extensive trial experience both from his days as a prosecutor in New York City for the United States Department of Justice and during his six years as an Assistant District Attorney. He served as trial counsel in more than 35 matters, many of which related to violent crime, white collar and terrorism related offenses. He played a pivotal role in *United States v. Abid Naseer*, where he prosecuted and convicted an al-

Qaeda operative who conspired to carry out attacks in the United States and Europe. Michael also led the investigation in *United States v. Marcos Alonso Zea*, a case in which he successfully prosecuted a citizen for attempting to join a terrorist organization in the Arabian Peninsula and for providing material support intended for planned attacks.

Michael also has a depth of experience investigating and prosecuting cases involving the distribution of prescription opioids. In January 2012, Michael was assigned to the U.S. Attorney's Office Prescription Drug Initiative to mount a comprehensive response to what the United States Department of Health and Human Services' Center for Disease Control and Prevention has called an epidemic increase in the abuse of so-called opioid analgesics. As a member of the initiative, in *United States. v. Conway* and *United States v. Deslouches* Michael successfully prosecuted medical professionals who were illegally prescribing opioids. In *United States v. Moss et al.* he was responsible for dismantling one of the largest oxycodone rings operating in the New York metropolitan area at the time. In addition to prosecuting these cases, Michael spoke regularly to the community on the dangers of opioid abuse as part of the Office's community outreach

Before becoming a prosecutor, Michael worked as a Congressional Staff Member for the United States House of Representatives. He primarily served as a liaison between the Majority Leader's Office and the Government Reform and Oversight Committee. During his time with the House of Representatives, Michael managed congressional oversight of the United States Postal Service and reviewed and analyzed counter-narcotics legislation as it related to national security matters.

Michael is admitted to practice in the State of New York as well as before the United States Courts of Appeals for the Second Circuit, and the United States District Court for the Eastern District of New York.

Thomas A. Dubbs, Partner
tdubbs@labaton.com

Thomas A. Dubbs focuses on the representation of institutional investors in domestic and multinational securities cases. Recognized as a leading securities class action attorney, Tom has been named as a top litigator by *Chambers & Partners* for nine consecutive years.

Tom has served or is currently serving as lead or co-lead counsel in some of the most important federal securities class actions in recent years, including those against American International Group, Goldman Sachs, the Bear Stearns Companies, Facebook, Fannie Mae, Broadcom, and WellCare. Tom has also played an integral role in securing significant settlements in several high-profile cases including: *In re American International Group, Inc. Securities Litigation* (settlements totaling more than $1 billion); *In re Bear Stearns Companies, Inc. Securities Litigation* ($275 million settlement with Bear Stearns Companies, plus a $19.9 million settlement with Deloitte & Touche LLP, Bear Stearns' outside auditor); *In re HealthSouth Securities Litigation* ($671 million settlement); *Eastwood Enterprises LLC v. Farha et al.* (*WellCare Securities Litigation*) (over $200 million settlement); *In re Fannie Mae 2008 Securities Litigation* ($170 million settlement); *In re Broadcom Corp. Securities Litigation* ($160.5 million settlement with Broadcom, plus $13 million settlement with Ernst & Young LLP, Broadcom's outside auditor); *In re St. Paul Travelers Securities Litigation* ($144.5 million settlement); *In re Amgen Inc. Securities Litigation* ($95 million settlement); and *In re Vesta Insurance Group, Inc. Securities Litigation* ($79 million settlement).

Representing an affiliate of the Amalgamated Bank, the largest labor-owned bank in the United States, a team led by Tom successfully litigated a class action against Bristol-Myers Squibb, which resulted in a settlement of $185 million as well as major corporate governance reforms. He has argued before the United States Supreme Court and has argued 10 appeals dealing with securities or commodities issues before the United States Courts of Appeals.

Due to his reputation in securities law, Tom frequently lectures to institutional investors and other groups such as the Government Finance Officers Association, the National Conference on Public Employee Retirement Systems, and the Council of Institutional Investors. He is a prolific author of articles related to his field, and he

recently penned "Textualism and Transnational Securities Law: A Reappraisal of Justice Scalia's Analysis in *Morrison v. National Australia Bank*," *Southwestern Journal of International Law* (2014). He has also written several columns in UK-wide publications regarding securities class action and corporate governance.

Prior to joining Labaton Sucharow, Tom was Senior Vice President & Senior Litigation Counsel for Kidder, Peabody & Co. Incorporated, where he represented the company in many class actions, including the First Executive and Orange County litigation and was first chair in many securities trials. Before joining Kidder, Tom was head of the litigation department at Hall, McNicol, Hamilton & Clark, where he was the principal partner representing Thomson McKinnon Securities Inc. in many matters, including the Petro Lewis and Baldwin-United class actions.

In addition to his *Chambers & Partners* recognition, Tom was named a Leading Lawyer by *The Legal 500*, and inducted into its Hall of Fame, an honor presented to only three other plaintiffs securities litigation lawyers "who have received constant praise by their clients for continued excellence." *Law360* also named him an "MVP of the Year" for distinction in class action litigation in 2012 and 2015, and he has been recognized by *The National Law Journal*, *Lawdragon 500*, and *Benchmark Litigation* as a Securities Litigation Star. Tom has received a rating of AV Preeminent from the publishers of the Martindale-Hubbell directory.

Tom serves as a FINRA Arbitrator and is an Advisory Board Member for the Institute for Transnational Arbitration. He is a member of the New York State Bar Association, the Association of the Bar of the City of New York, the American Law Institute, and he is a Patron of the American Society of International Law. He was previously a member of the Members Consultative Group for the Principles of the Law of Aggregate Litigation and the Department of State Advisory Committee on Private International Law. Tom also serves on the Board of Directors for The Sidney Hillman Foundation.

Tom is admitted to practice in the State of New York as well as before the Supreme Court of the United States, the United States Courts of Appeals for the Second, Third, Fourth, Ninth, and Eleventh Circuits, and the United States District Court for the Southern District of New York.

Jonathan Gardner, Partner
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With more than 25 years of experience, Jonathan Gardner focuses on prosecuting complex securities fraud cases on behalf of institutional investors and has played an integral role in securing some of the largest class action recoveries against corporate offenders since the onset of the global financial crisis.

Jonathan was named an MVP by *Law360* for securing hard-earned successes in high-stakes litigation and complex global matters. Recently, he led the Firm's team in the investigation and prosecution of *In re Barrick Gold Securities Litigation*, which resulted in a $140 million recovery. Jonathan has also served as the lead attorney in several cases resulting in significant recoveries for injured class members, including: *In re Hewlett-Packard Company Securities Litigation*, resulting in a $57 million recovery; *Medoff v. CVS Caremark Corporation*, resulting in a $48 million recovery; *In re Nu Skin Enterprises, Inc., Securities Litigation*, resulting in a $47 million recovery; *In re Carter's Inc. Securities Litigation*, resulting in a $23.3 million recovery against Carter's and certain of its officers as well as PricewaterhouseCoopers, its auditing firm; *In re Aeropostale Inc. Securities Litigation*, resulting in a $15 million recovery; *In re Lender Processing Services Inc.*, involving claims of fraudulent mortgage processing which resulted in a $13.1 million recovery; and *In re K-12, Inc. Securities Litigation*, resulting in a $6.75 million recovery.

Recommended and described by *The Legal 500* as having the "ability to master the nuances of securities class actions," Jonathan has led the Firm's representation of investors in many recent high-profile cases including *Rubin v. MF Global Ltd.*, which involved allegations of material misstatements and omissions in a Registration Statement and Prospectus issued in connection with MF Global's IPO in 2007. In November 2011, the case resulted in a recovery of $90 million for investors. Jonathan also represented lead plaintiff City of Edinburgh Council as Administering Authority of the Lothian Pension Fund in *In re Lehman Brothers Equity/Debt*

Securities Litigation, which resulted in settlements totaling exceeding $600 million against Lehman Brothers' former officers and directors, Lehman's former public accounting firm as well as the banks that underwrote Lehman Brothers' offerings. In representing lead plaintiff Massachusetts Bricklayers and Masons Trust Funds in an action against Deutsche Bank, Jonathan secured a $32.5 million dollar recovery for a class of investors injured by the Bank's conduct in connection with certain residential mortgage-backed securities.

Jonathan has also been responsible for prosecuting several of the Firm's options backdating cases, including *In re Monster Worldwide, Inc. Securities Litigation* ($47.5 million settlement); *In re SafeNet, Inc. Securities Litigation* ($25 million settlement); *In re Semtech Securities Litigation* ($20 million settlement); and *In re MRV Communications, Inc. Securities Litigation* ($10 million settlement). He also was instrumental in *In re Mercury Interactive Corp. Securities Litigation*, which settled for $117.5 million, one of the largest settlements or judgments in a securities fraud litigation based upon options backdating.

Jonathan also represented the Successor Liquidating Trustee of Lipper Convertibles, a convertible bond hedge fund, in actions against the fund's former independent auditor and a member of the fund's general partner as well as numerous former limited partners who received excess distributions. He successfully recovered over $5.2 million for the Successor Liquidating Trustee from the limited partners and $29.9 million from the former auditor.

He is a member of the Federal Bar Council, New York State Bar Association, and the Association of the Bar of the City of New York.

Jonathan is admitted to practice in the State of New York as well as before the United States Court of Appeals for the First, Sixth, Ninth, and Eleventh Circuits, and the United States District Courts for the Southern and Eastern Districts of New York, and the Eastern District of Wisconsin.

David J. Goldsmith, Partner
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David J. Goldsmith has nearly 20 years of experience representing public and private institutional investors in a variety of securities and class action litigations. A principal litigator at the Firm, David has twice been recommended by *The Legal 500* as part of the Firm's recognition as a top-tier plaintiffs firm in securities class action litigation.

David was an integral member of the team representing the Arkansas Teacher Retirement System in a significant action alleging unfair and deceptive practices by State Street Bank in connection with foreign currency exchange trades executed for its custodial clients. The resulting $300 million settlement is the largest class action settlement ever reached under the Massachusetts consumer protection statute, and one of the largest class action settlements reached in the First Circuit. David also represented the New York State Common Retirement Fund and New York City pension funds as lead plaintiffs in the landmark *In re Countrywide Financial Corp. Securities Litigation*, which settled for $624 million. He has successfully represented state and county pension funds in class actions in California state court arising from the IPOs of technology companies, and recovered tens of millions of dollars for a large German bank and a major Irish special-purpose vehicle in individual actions alleging fraud in connection with the sale of residential mortgage-backed securities. David's representation of a hedge fund and individual investors as lead plaintiffs in an action concerning the well-publicized collapse of four Regions Morgan Keegan mutual funds led to a $62 million settlement.

David regularly advises the Genesee County (Michigan) Employees' Retirement Commission with respect to potential securities, shareholder, and antitrust claims, and represents the System in a major action charging a conspiracy by some of the world's largest banks to manipulate the U.S. Dollar ISDAfix benchmark interest rate. He is also currently prosecuting several securities class actions, including *In re Eros International Securities Litigation*, a case where the Firm exposed fraud and nepotism involving a Bollywood film production company, *Tadros v. Celladon Corp.*, a case against a failed biotech company, and *Shoemaker v. Cardiovascular Systems*,

Inc., a case against a medical device manufacturer that recently settled a whistleblower action arising from the same alleged conduct.

In 2016, David participated in a panel moderated by Prof. Arthur Miller at the 22nd Annual Symposium of the Institute for Law and Economic Policy, discussing changes in Rule 23 since the 1966 Amendments. David is an active member of several professional organizations, including The National Association of Shareholder & Consumer Attorneys (NASCAT), a membership organization of approximately 100 law firms that practice complex civil litigation including class actions, the American Association for Justice, New York State Bar Association, and the Association of the Bar of the City of New York.

During law school, David was Managing Editor of the *Cardozo Arts & Entertainment Law Journal* and served as a judicial intern to the Honorable Michael B. Mukasey, then a United States District Judge for the Southern District of New York.

For many years, David has been a member of AmorArtis, a renowned choral organization with a diverse repertoire.

He is admitted to practice in the States of New York and New Jersey as well as before the United States Courts of Appeals for the First, Second, Fourth, Fifth, Eighth, and Ninth Circuits, and the United States District Courts for the Southern and Eastern Districts of New York, the District of New Jersey, the District of Colorado, and the Western District of Michigan.

Louis Gottlieb, Partner
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Louis Gottlieb focuses on representing institutional and individual investors in complex securities and consumer class action cases. He has played a key role in some of the most high-profile securities class actions in recent history, securing significant recoveries for plaintiffs and ensuring essential corporate governance reforms to protect future investors, consumers, and the general public.

Lou was integral in prosecuting *In re American International Group, Inc. Securities Litigation* (settlements totaling more than $1 billion) and *In re 2008 Fannie Mae Securities Litigation* ($170 million settlement pending final approval). He also helped lead major class action cases against the company and related defendants in *In re Satyam Computer Services, Ltd. Securities Litigation* ($150.5 million settlement). He has led successful litigation teams in securities fraud class action litigations against Metromedia Fiber Networks and Pricesmart, as well as consumer class actions against various life insurance companies.

In the Firm's representation of the Connecticut Retirement Plans and Trust Funds in *In re Waste Management, Inc. Securities Litigation*, Lou's efforts were essential in securing a $457 million settlement. The settlement also included important corporate governance enhancements, including an agreement by management to support a campaign to obtain shareholder approval of a resolution to declassify its board of directors, and a resolution to encourage and safeguard whistleblowers among the company's employees. Acting on behalf of New York City pension funds in *In re Orbital Sciences Corporation Securities Litigation*, Lou helped negotiate the implementation of measures concerning the review of financial results, the composition, role and responsibilities of the Company's Audit and Finance committee, and the adoption of a Board resolution providing guidelines regarding senior executives' exercise and sale of vested stock options.

Lou was a leading member of the team in the *Napp Technologies Litigation* that won substantial recoveries for families and firefighters injured in a chemical plant explosion. Lou has had a major role in national product liability actions against the manufacturers of orthopedic bone screws and atrial pacemakers, and in consumer fraud actions in the national litigation against tobacco companies.

A well-respected litigator, Lou has made presentations on punitive damages at Federal Bar Association meetings and has spoken on securities class actions for institutional investors.

Lou brings a depth of experience to his practice from both within and outside of the legal sphere. He graduated first in his class from St. John's School of Law. Prior to joining Labaton Sucharow, he clerked for the Honorable Leonard B. Wexler of the Eastern District of New York, and he worked as an associate at Skadden Arps Slate Meagher & Flom LLP.

Lou is admitted to practice in the States of New York and Connecticut as well as before the United States Courts of Appeals for the Fifth and Seventh Circuits, and the United States District Courts for the Southern and Eastern Districts of New York.

Serena P. Hallowell, Partner
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Serena P. Hallowell leads the Direct Action Litigation Practice and focuses on complex litigation, prosecuting securities fraud cases on behalf of some of the world's largest institutional investors as well as investigations and litigation on behalf of governmental entities aimed at achieving significant financial recoveries and injunctive relief that remedies and deters fraudulent, illegal, or improper conduct. She is prosecuting *In re Intuitive Surgical Securities Litigation*, *Public Employees' Retirement System of Mississippi v. Endo International plc*, and *Schaffer v. Horizon Pharma PLC*. She is also currently advising a number of institutional investors in connection with pursuing potential direct actions against a large pharmaceutical manufacturer. In addition to her litigation responsibilities, Serena serves as Co-Chair of the Firm's Women's Networking and Mentoring Initiative.

For the last two years Serena has been recommended by *The Legal 500* in securities litigation. In 2016, she was named a *Benchmark Litigation* Rising Star and a Rising Star by *Law360*.

Serena was part of a highly skilled team that reached a $140 million settlement against one of the world's largest gold mining companies in *In re Barrick Gold Securities Litigation*. Playing a principal role in prosecuting *In re Computer Sciences Corporation Securities Litigation* in a "rocket docket" jurisdiction, she helped secure a settlement of $97.5 million on behalf of lead plaintiff Ontario Teachers' Pension Plan Board, the third largest all cash settlement in the Fourth Circuit at the time. She was also instrumental in securing a $48 million recovery in *Medoff v. CVS Caremark Corporation*, as well as a $41.5 million settlement in *In re NII Holdings, Inc. Securities Litigation*. Serena also has broad appellate and trial experience.

Prior to joining Labaton Sucharow, Serena was an attorney at Ohrenstein & Brown LLP, where she participated in various federal and state commercial litigation matters. During her time there, she also defended financial companies in regulatory proceedings and assisted in high-profile litigation matters in connection with mutual funds trading investigations.

Serena received a J.D. from Boston University School of Law, where she served as the Note Editor for the Journal of Science & Technology Law. She earned a B.A. in Political Science from Occidental College.

Serena is a member of the Association of the Bar of the City of New York, the Federal Bar Council, and the National Association of Women Lawyers (NAWL). She has also devoted time to pro bono work with the Securities Arbitration Clinic at Brooklyn Law School.

She is conversational in Urdu/Hindi.

Thomas G. Hoffman, Jr., Partner
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Thomas G. Hoffman, Jr. focuses on representing institutional investors in complex securities actions.

Thomas was instrumental in securing a $1 billion recovery in the eight-year litigation against AIG and related defendants. He also was a key member of the Labaton Sucharow team that recovered $170 million for

investors in *In re 2008 Fannie Mae Securities Litigation*. Currently, Thomas is prosecuting cases against BP, Facebook, and American Express.

Thomas received a J.D. from UCLA School of Law, where he was Editor-in-Chief of the UCLA *Entertainment Law Review*, and he served as a Moot Court Executive Board Member. In addition, he was a judicial extern to the Honorable William J. Rea, United States District Court for the Central District of California. Thomas earned a B.F.A., with honors, from New York University.

Thomas is admitted to practice in the State of New York as well as before the United States District Courts for the Southern and Eastern Districts of New York.

James W. Johnson, Partner
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James W. Johnson focuses on complex securities fraud cases. In representing investors who have been victimized by securities fraud and breaches of fiduciary responsibility, Jim's advocacy has resulted in record recoveries for wronged investors. Currently, he is prosecuting high-profile cases against financial industry leader Goldman Sachs in *In re Goldman Sachs Group, Inc., Securities Litigation,* and the world's most popular social network, in *In re Facebook, Inc., IPO Securities and Derivative Litigation*. In addition to his active caseload, Jim holds a variety of leadership positions within the Firm, including serving on the Firm's Executive Committee and acting as the Firm's Hiring Partner. He also serves as the Firm's Executive Partner overseeing firmwide issues.

A recognized leader in his field, Jim has successfully litigated a number of complex securities and RICO class actions including: *In re Bear Stearns Companies, Inc. Securities Litigation* ($275 million settlement with Bear Stearns Companies, plus a $19.9 million settlement with Deloitte & Touche LLP, Bear Stearns' outside auditor); *In re HealthSouth Corp. Securities Litigation* ($671 million settlement); *Eastwood Enterprises LLC v. Farha et al.* (WellCare Securities Litigation) ($200 million settlement); *In re Bristol Myers Squibb Co. Securities Litigation* ($185 million settlement), in which the court also approved significant corporate governance reforms and recognized plaintiff's counsel as "extremely skilled and efficient"; *In re Amgen Inc. Securities Litigation* ($95 million settlement); *In re National Health Laboratories, Inc. Securities Litigation*, which resulted in a recovery of $80 million in the federal action and a related state court derivative action; and *In re Vesta Insurance Group, Inc. Securities Litigation* ($79 million settlement).

In *County of Suffolk v. Long Island Lighting Co.*, Jim represented the plaintiff in a RICO class action, securing a jury verdict after a two-month trial that resulted in a $400 million settlement. The Second Circuit quoted the trial judge, Honorable Jack B. Weinstein, as stating "counsel [has] done a superb job [and] tried this case as well as I have ever seen any case tried." On behalf of the Chugach Native Americans, he also assisted in prosecuting environmental damage claims resulting from the Exxon Valdez oil spill.

Jim is a member of the American Bar Association and the Association of the Bar of the City of New York, where he served on the Federal Courts Committee, and he is a Fellow in the Litigation Council of America.

Jim has received a rating of AV Preeminent from the publishers of the Martindale-Hubbell directory.

He is admitted to practice in the States of New York and Illinois as well as before the Supreme Court of the United States, the United States Courts of Appeals for the Second, Third, Fourth, Fifth, Seventh, and Eleventh Circuits, and the United States District Courts for the Southern, Eastern, and Northern Districts of New York, and the Northern District of Illinois.

Christopher J. Keller, Partner
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Christopher J. Keller focuses on complex securities litigation. His clients are institutional investors, including some of the world's largest public and private pension funds with tens of billions of dollars under management.

Described by *The Legal 500* as a "sharp and tenacious advocate" who "has his pulse on the trends," Chris has been instrumental in the Firm's appointments as lead counsel in some of the largest securities matters arising out of the financial crisis, such as actions against Countrywide ($624 million settlement), Bear Stearns ($275 million settlement with Bear Stearns Companies, plus a $19.9 million settlement with Deloitte & Touche LLP, Bear Stearns' outside auditor), Fannie Mae ($170 million settlement), and Goldman Sachs.

Chris has also been integral in the prosecution of traditional fraud cases such as *In re Schering-Plough Corporation / ENHANCE Securities Litigation*; *In re Massey Energy Co. Securities Litigation*, where the Firm obtained a $265 million all-cash settlement with Alpha Natural Resources, Massey's parent company; as well as *In re Satyam Computer Services, Ltd. Securities Litigation*, where the Firm obtained a settlement of more than $150 million. Chris was also a principal litigator on the trial team of *In re Real Estate Associates Limited Partnership Litigation*. The six-week jury trial resulted in a $184 million plaintiffs' verdict, one of the largest jury verdicts since the passage of the Private Securities Litigation Reform Act.

In addition to his active caseload, Chris holds a variety of leadership positions within the Firm, including serving on the Firm's Executive Committee. In response to the evolving needs of clients, Chris also established, and currently leads, the Case Development Group, which is composed of attorneys, in-house investigators, financial analysts, and forensic accountants. The group is responsible for evaluating clients' financial losses and analyzing their potential legal claims both in and outside of the U.S. and tracking trends that are of potential concern to investors.

Educating institutional investors is a significant element of Chris' advocacy efforts for shareholder rights. He is regularly called upon for presentations on developing trends in the law and new case theories at annual meetings and seminars for institutional investors.

He is a member of several professional groups, including the New York State Bar Association and the New York County Lawyers' Association. In 2017, he was elected to the New York City Bar Fund Board of Directors. The City Bar Fund is the nonprofit 501(c)(3) arm of the New York City Bar Association aimed at engaging and supporting the legal profession in advancing social justice."

He is admitted to practice in the States of New York and Ohio, as well as before the Supreme Court of the United States, and the United States District Courts for the Southern and Eastern Districts of New York, the Eastern District of Wisconsin, and the District of Colorado.

Edward Labaton, Partner
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An accomplished trial lawyer and partner with the Firm, Edward Labaton has devoted 50 years of practice to representing a full range of clients in class action and complex litigation matters in state and federal court. He is the recipient of the Alliance for Justice's 2015 Champion of Justice Award, given to outstanding individuals whose life and work exemplifies the principle of equal justice.

Ed has played a leading role as plaintiffs' class counsel in a number of successfully prosecuted, high-profile cases, involving companies such as PepsiCo, Dun & Bradstreet, Financial Corporation of America, ZZZZ Best, Revlon, GAF Co., American Brands, Petro Lewis and Jim Walter, as well as several Big Eight (now Four) accounting firms. He has also argued appeals in state and federal courts, achieving results with important precedential value.

Ed has been President of the Institute for Law and Economic Policy (ILEP) since its founding in 1996. Each year, ILEP co-sponsors at least one symposium with a major law school dealing with issues relating to the civil justice system. In 2010, he was appointed to the newly formed Advisory Board of George Washington University's Center for Law, Economics, & Finance (C-LEAF), a think tank within the Law School, for the study and debate of major issues in economic and financial law confronting the United States and the globe. Ed is an Honorary Lifetime Member of the Lawyers' Committee for Civil Rights under Law, a member of the American Law Institute, and a life member of the ABA Foundation. In addition, he has served on the Executive Committee and has been an officer of the Ovarian Cancer Research Fund since its inception in 1996.

Ed is the past Chairman of the Federal Courts Committee of the New York County Lawyers Association, and was a member of the Board of Directors of that organization. He is an active member of the Association of the Bar of the City of New York, where he was Chair of the Senior Lawyers' Committee and served on its Task Force on the Role of Lawyers in Corporate Governance. He has also served on its Federal Courts, Federal Legislation, Securities Regulation, International Human Rights, and Corporation Law Committees. He also served as Chair of the Legal Referral Service Committee, a joint committee of the New York County Lawyers' Association and the Association of the Bar of the City of New York. He has been an active member of the American Bar Association, the Federal Bar Council, and the New York State Bar Association, where he has served as a member of the House of Delegates.

For more than 30 years, he has lectured on many topics including federal civil litigation, securities litigation, and corporate governance.

He is admitted to practice in the State of New York as well as before the Supreme Court of the United States, the United States Courts of Appeals for the Second, Fifth, Sixth, Seventh, Ninth, Tenth, and Eleventh Circuits, and the United States District Courts for the Southern and Eastern Districts of New York, and the Central District of Illinois.

Christopher J. McDonald, Partner
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Christopher J. McDonald focuses on prosecuting complex securities fraud cases. Chris also works with the Firm's Antitrust & Competition Litigation Practice, representing businesses, associations, and individuals injured by anticompetitive activities and unfair business practices.

Most recently, he served as lead counsel in *In re Amgen Inc. Securities Litigation*, a case against global biotechnology company Amgen and certain of its former executives, resulting in a $95 million settlement. He served as co-lead counsel in *In re Schering-Plough Corporation / ENHANCE Securities Litigation*, which resulted in a $473 million settlement, one of the largest securities class action settlement ever against a pharmaceutical company and among the ten largest recoveries ever in a securities class action that did not involve a financial reinstatement. He was also an integral part of the team that successfully litigated *In re Bristol-Myers Squibb Securities Litigation*, where Labaton Sucharow secured a $185 million settlement, as well as significant corporate governance reforms, on behalf of Bristol-Myers shareholders.

In the antitrust field, Chris was most recently co-lead counsel in *In re TriCor Indirect Purchaser Antitrust Litigation*, obtaining a $65.7 million settlement on behalf of the class.

Chris began his legal career at Patterson, Belknap, Webb & Tyler LLP, where he gained extensive trial experience in areas ranging from employment contract disputes to false advertising claims. Later, as a senior attorney with a telecommunications company, Chris advocated before government regulatory agencies on a variety of complex legal, economic, and public policy issues. Since joining Labaton Sucharow, Chris' practice has developed a focus on life sciences industries; his cases often involve pharmaceutical, biotechnology, or medical device companies accused of wrongdoing.

During his time at Fordham University School of Law, Chris was a member of the *Law Review*. He is currently a member of the New York State Bar Association and the Association of the Bar of the City of New York.

Chris is admitted to practice in the State of New York and the United States Supreme Court. He is also admitted before the United States Courts of Appeals for the Second, Fourth, Third, Ninth, and Federal Circuit, as well as the United States District Courts for the Southern and Eastern Districts of New York, and the Western District of Michigan.

Michael H. Rogers, Partner
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Michael H. Rogers focuses on prosecuting complex securities fraud cases on behalf of institutional investors. Currently, Mike is actively involved in prosecuting *In re Goldman Sachs, Inc. Securities Litigation*; *3226701 Canada, Inc. v. Qualcomm, Inc.*; *Public Employees' Retirement System of Mississippi v. Sprouts Farmers Markets, Inc.*; *Vancouver Asset Alumni Holdings, Inc. v. Daimler AG; Jyotindra Patel v. Cigna Corp.*; and *In re Virtus Investment Partners, Inc. Securities Litigation*.

Since joining Labaton Sucharow, Mike has been a member of the lead counsel teams in federal class actions against Countrywide Financial Corp. ($624 million settlement), HealthSouth Corp. ($671 million settlement), State Street ($300 million settlement), Mercury Interactive Corp. ($117.5 million settlement), and Computer Sciences Corp. ($97.5 million settlement).

Prior to joining Labaton Sucharow, Mike was an attorney at Kasowitz, Benson, Torres & Friedman LLP, where he practiced securities and antitrust litigation, representing international banking institutions bringing federal securities and other claims against major banks, auditing firms, ratings agencies and individuals in complex multidistrict litigation. He also represented an international chemical shipping firm in arbitration of antitrust and other claims against conspirator ship owners.

Mike began his career as an attorney at Sullivan & Cromwell, where he was part of Microsoft's defense team in the remedies phase of the Department of Justice antitrust action against the company.

Mike received a J.D., *magna cum laude*, from the Benjamin N. Cardozo School of Law, Yeshiva University, where he was a member of the *Cardozo Law Review*. He earned a B.A., *magna cum laude*, in Literature-Writing from Columbia University.

Mike is proficient in Spanish.

He is admitted to practice in the State of New York as well as before the United States Court of Appeals for the Second and Ninth Circuits, and the United States District Courts for the Southern and Eastern Districts of New York.

Ira A. Schochet, Partner
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A seasoned litigator with three decades of experience, Ira A. Schochet focuses on class actions involving securities fraud. Ira has played a lead role in securing multimillion dollar recoveries and major corporate governance reforms in high-profile cases such as those against Countrywide Financial, Boeing, Massey Energy, Caterpillar, Spectrum Information Technologies, InterMune, and Amkor Technology.

A longtime leader in the securities class action bar, Ira represented one of the first institutional investors acting as a lead plaintiff in a post-Private Securities Litigation Reform Act case and ultimately obtained one of the first rulings interpreting the statute's intent provision in a manner favorable to investors. His efforts are regularly recognized by the courts, including in *Kamarasy v. Coopers & Lybrand*, where the court remarked on "the superior quality of the representation provided to the class." Further, in approving the settlement he achieved

in the *InterMune* litigation, the court complimented Ira's ability to secure a significant recovery for the class in a very efficient manner, shielding the class from prolonged litigation and substantial risk.

Ira has also played a key role in groundbreaking cases in the field of merger and derivative litigation. In *In re Freeport-McMoRAn Copper &Gold Inc. Derivative Litigation*, he achieved the second largest derivative settlement in the Delaware Court of Chancery history, a $153.75 million settlement with an unprecedented provision of direct payments to stockholders by means of a special dividend. In another first-of-its-kind case, Ira was featured in *The AmLaw Litigation Daily* as Litigator of the Week for his work in *In re El Paso Corporation Shareholder Litigation*. The action alleged breach of fiduciary duties in connection with a merger transaction, including specific reference to wrongdoing by a conflicted financial advisory consultant, and resulted in a $110 million recovery for a class of shareholders and a waiver by the consultant of its fee.

From 2009-2011, Ira served as President of the National Association of Shareholder and Consumer Attorneys (NASCAT), a membership organization of approximately 100 law firms that practice class action and complex civil litigation. During this time, he represented the plaintiffs' securities bar in meetings with members of Congress, the Administration, and the SEC.

From 1996 through 2012, Ira served as Chairman of the Class Action Committee of the Commercial and Federal Litigation Section of the New York State Bar Association. During his tenure, he has served on the Executive Committee of the Section and authored important papers on issues relating to class action procedure including revisions proposed by both houses of Congress and the Advisory Committee on Civil Procedure of the United States Judicial Conference. Examples include: "Proposed Changes in Federal Class Action Procedure," "Opting Out On Opting In," and "The Interstate Class Action Jurisdiction Act of 1999."

He also has lectured extensively on securities litigation at continuing legal education seminars. He has also been awarded an AV Preeminent rating, the highest distinction, from the publishers of the Martindale-Hubbell directory.

He is admitted to practice in the State of New York as well as before the United States Court of Appeals for the Second, Fifth, Ninth, and Tenth Circuits, and the United States District Courts for the Southern and Eastern Districts of New York, the Central District of Illinois, the Northern District of Texas, and the Western District of Michigan.

Michael W. Stocker, Partner
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Representing institutional investors and consumers as co-chair of one of the Firm’s litigation teams, Michael W. Stocker prosecutes securities, data privacy, antitrust, and consumer class actions. He also serves as General Counsel to the Firm and provides strategic direction to the Case Development Team. Recognized by *The Legal 500* in the fields of securities, M&A, and antitrust litigation, Mike was also named a Securities Litigation Star by *Benchmark Litigation*.

Mike played an instrumental part of the team that took on American International Group, Inc. and 21 other defendants. The Firm negotiated a recovery of more than $1 billion. He was also key in litigating *In re Bear Stearns Companies, Inc. Securities Litigation*, where the Firm secured a $275 million settlement with Bear Stearns, plus a $19.9 million settlement with the company's outside auditor, Deloitte & Touche LLP. In a case against one of the world's largest pharmaceutical companies, *In re Abbott Laboratories Norvir Antitrust Litigation*, Mike played a leadership role in litigating a landmark action arising at the intersection of antitrust and intellectual property law.

He currently spearheads several securities class actions, including *In re Eros International Securities Litigation*, a case where we exposed a drama of fraud and nepotism involving a leading Bollywood film production/distribution company; *Murphy v. Precision Castparts Corp.*, a sprawling class action against a major industrial goods company in the aerospace and defense industry; *Shoemaker v. Cardiovascular Systems, Inc.*, a

case against a manufacturer of medical devices that recently settled a significant qui tam action arising from the same conduct; and *In re CPI Card Group Inc. Securities Litigation*, a class action against a maker of chip-enabled financial cards that allegedly misled investors by overselling its product prior to a $172.5 million IPO.

With the rise of cybersecurity risks in corporate America, Mike has leveraged his experience to advise boards and investors on the possible implications of data breaches for corporate fiduciaries. Most recently, Mike chaired a Practising Law Institute panel advising regulators and corporate counsel regarding widespread data breaches and the potential exposure of management. He has been selected to serve as one of three panelists for Skytop Strategies' Cyber Risk Governance Conference panel to discuss issues related to cybersecurity and securities litigation, and will serve as panelist in a teleconference that will address confronting the challenge of cybersecurity from an investor's perspective, hosted by the Council of Institutional Investors. Mike also recently co-authored "Cyber Threats and Securities Litigation: The Emerging Landscape" in *Thomson Reuters Westlaw Journal Securities Litigation & Regulation*.

Earlier in his career, Mike served as a senior staff attorney with the United States Court of Appeals for the Ninth Circuit and completed a legal externship with federal Judge Phyllis J. Hamilton, currently sitting in the U.S. District Court for the Northern District of California. He earned a B.A. from the University of California, Berkeley, a Master of Criminology from the University of Sydney, and a J.D. from University of California's Hastings College of the Law.

He is an active member of the National Association of Public Pension Plan Attorneys (NAPPA), the New York State Bar Association, and the Association of the Bar of the City of New York. Since 2013, Mike has served on *Law360's* Securities Editorial Advisory Board, advising on timely and interesting topics warranting media coverage. For three consecutive years (2015-2017), the Council of Institutional Investors has appointed Mike to the Markets Advisory Council, which provides input on legal, financial reporting, and investment market trends. In 2016, he was elected as a member of The American Law Institute, the leading independent organization in the United States producing scholarly work to clarify, modernize, and otherwise improve the law. Mike also serves on the Advisory Committee for the John L. Weinberg Center for Corporate Governance of the University of Delaware, one of the longest-standing corporate governance centers in academia.

He is admitted to practice in the States of California and New York as well as before the United States Courts of Appeals for the Second, Eighth, Ninth, and Tenth Circuits, and the United States District Courts for the Northern and Central Districts of California, and the Southern and Eastern Districts of New York.

Carol C. Villegas, Partner
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Carol C. Villegas focuses on prosecuting complex securities fraud cases on behalf of institutional investors. Currently, she is litigating cases against Nimble Storage, Liquidity Services, Inc., and Advanced Micro Devices, where she is the lead discovery attorney. In addition to her litigation responsibilities, Carol also serves as Co-Chair of the Firm's Women's Networking and Mentoring Initiative.

Carol's skillful handling of discovery work, her development of innovative case theories in complex cases, and her adept ability during oral argument earned her recent accolades from the *New York Law Journal as a* Top Woman in Law as well as a Rising Star by *Benchmark Litigation*.

Carol played a pivotal role in securing favorable settlements for investors from Aeropostale, a leader in the international retail apparel industry, ViroPharma Inc., a biopharmaceutical company, and Vocera, a healthcare communications provider. A true advocate for her clients, Carol's argument in the case against Vocera resulted in a ruling from the bench, denying defendants motion to dismiss in that case.

Prior to joining Labaton Sucharow, Carol served as the Assistant District Attorney in the Supreme Court Bureau for the Richmond County District Attorney's office, where she took several cases to trial. She began her career

as an associate at King & Spalding LLP where she worked as a federal litigator in the Intellectual Property practice group.

Carol received a J.D. from New York University School of Law, and she was the recipient of The Irving H. Jurow Achievement Award for the Study of Law and selected to receive the Association of the Bar of the City of New York Minority Fellowship. Carol served as the Staff Editor, and later the Notes Editor, of the *Environmental Law Journal*. She earned a B.A., with honors, in English and Politics from New York University.

Carol is a member of National Association of Public Pension Attorneys (NAPPA), the Association of the Bar of the City of New York and a member of the Executive Council for the New York State Bar Association's Committee on Women in the Law. She also devotes time to pro bono work with the Securities Arbitration Clinic at Brooklyn Law School.

Carol is admitted to practice in the States of New York and New Jersey as well as before the United States Courts of Appeals for the First, Second, Ninth, Tenth, and Eleventh Circuits and the United States District Courts for the Southern and Eastern Districts of New York, the District of New Jersey, the District of Colorado, and the Eastern District of Wisconsin.

She is fluent in Spanish.

Irina Vasilchenko, Partner
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Irina Vasilchenko focuses on prosecuting complex securities fraud cases on behalf of institutional investors.

Currently, Irina is actively involved in prosecuting *In re Goldman Sachs Group, Inc. Securities Litigation*, *In re Extreme Networks, Inc. Securities Litigation*, and *In re Eaton Corporation Securities Litigation*. Since joining Labaton Sucharow, she has been part of the Firm's teams in *In re Massey Energy Co. Securities Litigation*, where the Firm obtained a $265 million all-cash settlement with Alpha Natural Resources, Massey's parent company; *In re Fannie Mae 2008 Securities Litigation* ($170 million settlement); *In re Amgen Inc. Securities Litigation* ($95 million settlement); and *In re Hewlett-Packard Company Securities Litigation* ($57 million settlement).

Prior to joining Labaton Sucharow, Irina was an associate in the general litigation practice group at Ropes & Gray LLP, where she focused on securities litigation.

Irina maintains a commitment to pro bono legal service including, most recently, representing an indigent defendant in a criminal appeal case before the New York First Appellate Division, in association with the Office of the Appellate Defender. As part of this representation, she argued the appeal before the First Department panel.

Irina received a J.D., *magna cum laude*, from Boston University School of Law, where she was an editor of the *Boston University Law Review* and was the G. Joseph Tauro Distinguished Scholar (2005), the Paul L. Liacos Distinguished Scholar (2006), and the Edward F. Hennessey Scholar (2007). Irina earned a B.A. in Comparative Literature with Distinction, *summa cum laude* and Phi Beta Kappa, from Yale University.

She is fluent in Russian and proficient in Spanish.

Irina is admitted to practice in the State of New York and the State of Massachusetts as well as before the United States District Courts for the Southern and Eastern Districts of New York.

Ned Weinberger, Partner
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Ned Weinberger is Chair of the Firm's Corporate Governance and Shareholder Rights Litigation Practice. An experienced advocate of shareholder rights, Ned focuses on representing investors in corporate governance and transactional matters, including class action and derivative litigation. Ned was recognized by *Chambers & Partners USA* in the Delaware Court of Chancery and was named "Up and Coming," noting his impressive range of practice areas. He was also recently named a "Leading Lawyer" by *The Legal 500* and a Rising Star by *Benchmark Litigation*.

Ned is currently prosecuting, among other matters, *In re Straight Path Communications Inc. Consolidated Stockholder Litigation*, which alleges breaches of fiduciary duty by the controlling stockholder of Straight Path Communications, Howard Jonas, in connection with the company's proposed sale to Verizon Communications Inc. He also leads a class and derivative action on behalf of stockholders of Providence Service Corporation—*Haverhill Retirement System v. Kerley*—that challenges an acquisition financing arrangement involving Providence's board chairman and his hedge fund. The case recently settled for $10 million, and is currently pending court approval.

Ned was part of a team that achieved a $12 million recovery on behalf of stockholders of ArthroCare Corporation in a case alleging breaches of fiduciary duty by the ArthroCare board of directors and other defendants in connection with Smith & Nephew, Inc.'s acquisition of ArthroCare. Other recent successes on behalf of stockholders include *In re Vaalco Energy Inc. Consolidated Stockholder Litigation*, which resulted in the invalidation of charter and bylaw provisions that interfered with stockholders' fundamental right to remove directors without cause.

Prior to joining Labaton Sucharow, Ned was a litigation associate at Grant & Eisenhofer P.A. where he gained substantial experience in all aspects of investor protection, including representing shareholders in matters relating to securities fraud, mergers and acquisitions, and alternative entities. Representative of Ned's experience in the Delaware Court of Chancery is *In re Barnes & Noble Stockholders Derivative Litigation*, in which Ned assisted in obtaining approximately $29 million in settlements on behalf of Barnes & Noble investors. Ned was also part of the litigation team in *In re Clear Channel Outdoor Holdings, Inc. Shareholder Litigation*, the settlement of which provided numerous benefits for Clear Channel Outdoor Holdings and its shareholders, including, among other things, a $200 million cash dividend to the company's shareholders.

Ned received his J.D. from the Louis D. Brandeis School of Law at the University of Louisville where he served on the *Journal of Law and Education*. He earned his B.A. in English Literature, *cum laude*, at Miami University.

Ned is admitted to practice in the States of Delaware, Pennsylvania, and New York as well as before the United States District Court for the District of Delaware.

Mark S. Willis, Partner
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With nearly three decades of experience, Mark S. Willis' practice focuses on domestic and international securities litigation. Mark advises leading pension funds, investment managers, and other institutional investors from around the world on their legal remedies when impacted by securities fraud and corporate governance breaches. Mark represents clients in U.S. litigation and maintains a significant practice advising clients of their legal rights abroad to pursue securities-related claims.

Mark represents institutions from the United Kingdom, Spain, the Netherlands, Denmark, Germany, Belgium, Canada, Japan, and the United States in a novel lawsuit in Texas against BP plc to salvage claims that were dismissed from the U.S. class action because the claimants' BP shares were purchased abroad (thus running afoul of the Supreme Court's *Morrison* rule that precludes a U.S. legal remedy for such shares). These

previously dismissed claims have now been sustained and are being pursued under English law in a Texas federal court.

Mark also represents Caisse de dépôt et placement du Québec, one of Canada's largest institutional investors, in an ongoing U.S. shareholder class action against Liquidity Services, the Utah Retirement Systems in a shareholder action against the DeVry Education Group, and he represented the Arkansas Public Employees Retirement System in a shareholder action against The Bancorp (which settled for $17.5 million).

In the *Converium* class action, Mark represented a Greek institution in a nearly four-year battle that eventually became the first U.S. class action settled on two continents. This trans-Atlantic result saw part of the $145 million recovery approved by a federal court in New York, and the rest by the Amsterdam Court of Appeal. The Dutch portion was resolved using the Netherlands then newly enacted Act on Collective Settlement of Mass Claims. In doing so, the Dutch Court issued a landmark decision that substantially broadened its jurisdictional reach, extending jurisdiction for the first time to a scenario in which the claims were not brought under Dutch law, the alleged wrongdoing took place outside the Netherlands, and none of the potentially liable parties were domiciled in the Netherlands.

In the corporate governance arena, Mark has represented both U.S. and overseas investors. In a shareholder derivative action against Abbott Laboratories' directors, he charged the defendants with mismanagement and fiduciary breaches for causing or allowing the company to engage in a 10-year off-label marketing scheme, which had resulted in a $1.6 billion payment pursuant to a Justice Department investigation—at the time the second largest in history for a pharmaceutical company. In the derivative action, the company agreed to implement sweeping corporate governance reforms, including an extensive compensation clawback provision going beyond the requirements under the Dodd-Frank Act, as well as the restructuring of a board committee and enhancing the role of the Lead Director. In the *Parmalat* case, known as the "Enron of Europe" due to the size and scope of the fraud, Mark represented a group of European institutions and eventually recovered nearly $100 million and negotiated governance reforms with two large European banks who, as part of the settlement, agreed to endorse their future adherence to key corporate governance principles designed to advance investor protection and to minimize the likelihood of future deceptive transactions. Securing governance reforms from a defendant that was not an issuer was a first at that time in a shareholder fraud class action.

Mark has also represented clients in opt-out actions. In one, brought on behalf of the Utah Retirement Systems, Mark negotiated a settlement that was nearly four times more than what its client would have received had it participated in the class action.

On non-U.S. actions Mark has advised clients, and represented their interests as liaison counsel, in more than 30 cases against companies such as Volkswagen, Olympus, the Royal Bank of Scotland, the Lloyds Banking Group, and Petrobras, and in jurisdictions ranging from the UK to Japan to Australia to Brazil to Germany.

Mark has written on corporate, securities, and investor protection issues—often with an international focus—in industry publications such as *International Law News*, *Professional Investor*, *European Lawyer*, and *Investment & Pensions Europe*. He has also authored several chapters in international law treatises on European corporate law and on the listing and subsequent disclosure obligations for issuers listing on European stock exchanges. He also speaks at conferences and at client forums on investor protection through the U.S. federal securities laws, corporate governance measures, and the impact on shareholders of non-U.S. investor remedies.

He is admitted to practice in the State of Massachusetts and the District of Columbia, as well as the U.S. District Court for the District of Columbia.

Nicole M. Zeiss, Partner
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A litigator with nearly two decades of experience, Nicole M. Zeiss leads the Settlement Group at Labaton Sucharow, analyzing the fairness and adequacy of the procedures used in class action settlements. Her practice includes negotiating and documenting complex class action settlements and obtaining the required court approval of the settlements, notice procedures, and payments of attorneys' fees.

Over the past year, Nicole was actively involved in finalizing settlements with Massey Energy Company ($265 million), Fannie Mae ($170 million), and Hewlett-Packard Company ($57 million), among others.

Nicole was part of the Labaton Sucharow team that successfully litigated the $185 million settlement in *In re Bristol-Myers Squibb Securities Litigation*, and she played a significant role in *In re Monster Worldwide, Inc. Securities Litigation* ($47.5 million settlement). Nicole also litigated on behalf of investors who have been damaged by fraud in the telecommunications, hedge fund, and banking industries.

Prior to joining Labaton Sucharow, Nicole practiced in the area of poverty law at MFY Legal Services. She also worked at Gaynor & Bass practicing general complex civil litigation, particularly representing the rights of freelance writers seeking copyright enforcement.

Nicole maintains a commitment to pro bono legal services by continuing to assist mentally ill clients in a variety of matters—from eviction proceedings to trust administration.

She received a J.D. from the Benjamin N. Cardozo School of Law, Yeshiva University, and earned a B.A. in Philosophy from Barnard College.

Nicole is a member of the Association of the Bar of the City of New York.

She is admitted to practice in the State of New York as well as before the United States Court of Appeals for the Second and Ninth Circuits, and the United States District Courts for the Southern and Eastern Districts of New York, and the District of Colorado.

Rachel A. Avan, Of Counsel
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Rachel A. Avan prosecutes complex securities fraud cases on behalf of institutional investors. She focuses on advising institutional investor clients regarding fraud-related losses on securities, and on the investigation and development of U.S. and non-U.S. securities fraud class, group, and individual actions. Rachel manages the Firm's Non-U.S. Securities Litigation Practice, which is dedicated to analyzing the merits, risks, and benefits of potential claims outside the United States. She has played a key role in ensuring that the Firm's clients receive substantial recoveries through non-U.S. securities litigation.

In evaluating new and potential matters, Rachel draws on her extensive experience as a securities litigator. She was an active member of the team prosecuting the securities fraud class action against Satyam Computer Services, Inc., in *In re Satyam Computer Services Ltd. Securities Litigation*, dubbed "India's Enron." That case achieved a $150.5 million settlement for investors from the company and its auditors. She also had an instrumental part in the pleadings in a number of class actions including, *In re Barrick Gold Securities Litigation* ($140 million settlement); *Freedman v. Nu Skin Enterprises, Inc.* ($47 million recovery); and *Iron Workers District Council of New England Pension Fund v. NII Holdings, Inc.* ($41.5 million recovery).

Rachel has spearheaded the filing of more than 75 motions for lead plaintiff appointment in U.S. securities class actions including, *In re Facebook, Inc. IPO Securities & Derivative Litigation*; *In re Computer Sciences Corporation Securities Litigation*; *In re Petrobras Securities Litigation*; *In re Spectrum Pharmaceuticals, Inc. Securities Litigation*; *Weston v. RCS Capital Corporation*; and *Cummins v. Virtus Investment Partners Inc.*

In addition to her securities class action litigation experience, Rachel also played a role in prosecuting several of the Firm's derivative matters, including *In re Barnes & Noble Stockholder Derivative Litigation*; *In re Coca-Cola Enterprises Inc. Shareholders Litigation*; and *In re The Student Loan Corporation Litigation*.

Rachel brings to the Firm valuable insight into corporate matters, having served as an associate at Lippes Mathias Wexler Friedman LLP, where she counseled domestic and international public companies regarding compliance with federal and state securities laws. Her analysis of corporate securities filings is also informed by her previous work assisting with the preparation of responses to inquiries by the U.S. Securities and Exchange Commission and the Financial Industry Regulatory Authority.

Rachel earned her B.A., *cum laude*, in Philosophy and English and American Literature from Brandeis University in 2000, and her M.A. in English and American Literature from Boston University in 2002. She received her J.D. from Benjamin N. Cardozo School of Law in 2006.

Before entering law school, Rachel enjoyed a career in editing for a Boston-based publishing company.

Rachel is proficient in Hebrew. Rachel is admitted to practice in the States of New York and Connecticut as well as before the United States District Court for the Southern District of New York.

Mark Bogen, Of Counsel
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Mark Bogen advises leading pension funds and other institutional investors on issues related to corporate fraud in domestic and international securities markets. His work focuses on securities, antitrust, and consumer class action litigation, representing Taft-Hartley and public pension funds across the country.

Among his many efforts to protect his clients' interests and maximize shareholder value, Mark recently helped bring claims against and secure a settlement with Abbott Laboratories' directors, whereby the company agreed to implement sweeping corporate governance reforms, including an extensive compensation clawback provision going beyond the requirements under the Dodd-Frank Act.

Mark has written weekly legal columns for the *Sun-Sentinel*, one of the largest daily newspapers circulated in Florida. He has been legal counsel to the American Association of Professional Athletes, an association of over 4,000 retired professional athletes. He has also served as an Assistant State Attorney and as a Special Assistant to the State Attorney's Office in the State of Florida.

Mark obtained his J.D. from Loyola University School of Law. He received his B.A. in Political Science from the University of Illinois.

He is admitted to practice in the States of Illinois and Florida.

Marisa N. DeMato, Of Counsel
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With more than 12 years of securities litigation experience, Marisa N. DeMato advises leading pension funds and other institutional investors in the United States and Canada on issues related to corporate fraud in the U.S. securities markets. Her work focuses on complex securities class actions, counseling clients on best practices in the corporate governance of publicly traded companies, and advising foundations and endowment funds on monitoring the well-being of their investments. Marisa also advises municipalities and health plans on issues related to U.S. antitrust law and potential violations.

Marisa recently represented the Oklahoma Firefighters Pension and Retirement System in securing a $9.5 million settlement with Castlight Health, Inc. for securities violations in connection with the company's initial public offering. She also served as legal adviser to the West Palm Beach Police Pension Fund in *In re Walgreen*

Co. Derivative Litigation, which secured significant corporate governance reforms and required Walgreens to extend its Drug Enforcement Agency commitments as part of the settlement related to the company's violation of the U.S. Controlled Substances Act.

Prior to joining Labaton Sucharow, Marisa worked for a nationally recognized securities litigation firm and devoted a substantial portion of her time to litigating securities fraud, derivative, mergers and acquisitions, consumer fraud, and *qui tam* actions. Over the course of those eight years she represented numerous pension funds, municipalities, and individual investors throughout the United States and she was an integral member of the legal teams that helped secure multimillion dollar settlements, including *In re Managed Care Litigation* ($135 million recovery); *Cornwell v. Credit Suisse Group* ($70 million recovery); *Michael v. SFBC International, Inc.* ($28.5 million recovery); *Ross v. Career Education Corporation* ($27.5 million recovery); and *Village of Dolton v. Taser International Inc.* ($20 million recovery).

Marisa has been invited to speak on shareholder litigation-related matters, frequently lecturing on topics pertaining to securities fraud litigation, fiduciary responsibility, and corporate governance issues. Most recently, she testified before the Texas House of Representatives Pensions Committee to address the changing legal landscape public pensions have faced since the Supreme Court's *Morrison* decision and highlighted the best practices for non-U.S. investment recovery. During the 2008 financial crisis, Marisa spoke widely on the subprime mortgage crisis and its disastrous effect on the pension fund community at regional and national conferences, and addressed the crisis' global implications and related fraud to institutional investors internationally in Italy, France, and the United Kingdom. Marisa has also presented on issues pertaining to the federal regulatory response to the 2008 crisis, including implications of the Dodd-Frank legislation and the national debate on executive compensation and proxy access for shareholders. Marisa is an active member of the National Association of Public Pension Attorneys (NAPPA) and also a member of the Federal Bar Council, an organization of lawyers dedicated to promoting excellence in federal practice and fellowship among federal practitioners.

In the spring of 2006, Marisa was selected over 250,000 applicants to appear on the sixth season of *The Apprentice*, which aired on January 7, 2007, on NBC. As a result of her role on *The Apprentice*, Marisa has appeared in numerous news media outlets, such as *The Wall Street Journal*, *People* magazine, and various national legal journals.

Marisa is admitted to practice in the State of Florida and the District of Columbia as well as before the United States District Courts for the Northern, Middle, and Southern Districts of Florida.

Joseph H. Einstein, Of Counsel

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A seasoned litigator, Joseph H. Einstein represents clients in complex corporate disputes, employment matters, and general commercial litigation. He has litigated major cases in the state and federal courts and has argued many appeals, including appearing before the United States Supreme Court.

His experience encompasses extensive work in the computer software field including licensing and consulting agreements. Joe also counsels and advises business entities in a broad variety of transactions.

Joe serves as an official mediator for the United States District Court for the Southern District of New York. He is an arbitrator for the American Arbitration Association and FINRA. Joe is a former member of the New York State Bar Association Committee on Civil Practice Law and Rules and the Council on Judicial Administration of the Association of the Bar of the City of New York. He currently is a member of the Arbitration Committee of the Association of the Bar of the City of New York.

During Joe's time at New York University School of Law, he was a Pomeroy and Hirschman Foundation Scholar, and served as an Associate Editor of the *Law Review*.

Joe has been awarded an AV Preeminent rating, the highest distinction, from the publishers of the Martindale-Hubbell directory.

He is admitted to practice in the State of New York as well as before the Supreme Court of the United States, the United States Courts of Appeals for the First and Second Circuits, and the United States District Courts for the Southern and Eastern Districts of New York.

Christine M. Fox, Of Counsel
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With more than a decade of securities litigation experience, Christine M. Fox prosecutes complex securities fraud cases on behalf of institutional investors. Christine is actively involved in litigating matters against CommVault Systems, Intuitive Surgical, and Horizon Pharma, PLC.

Christine has played a pivotal role in securing favorable settle for investors in class actions against Barrick Gold Corporation, one of the largest gold mining companies in the world ($140 million recovery); CVS Caremark, the nation's largest pharmacy retail chain ($48 million recovery); Nu Skin Enterprises, a multilevel marketing company ($47 million recovery); and Genworth Financial, Inc. ($20 million recovery).

Prior to joining the Firm, Christine worked at a national litigation firm focusing on securities, antitrust, and consumer litigation in state and federal courts. She played a significant role in securing class action recoveries in a number of high-profile securities cases, including I*n re Merrill Lynch & Co., Inc. Research Reports Securities Litigation* ($475 million recovery); *In re Informix Corp. Securities Litigation* ($136.5 million recovery); *In re Alcatel Alsthom Securities Litigation* ($75 million recovery); and *In re Ambac Financial Group, Inc. Securities Litigation* ($33 million recovery).

Christine received her J.D. from the University of Michigan Law School and her B.A. from Cornell University. She is a member of the American Bar Association, the New York State Bar Association, and the Puerto Rican Bar Association.

Christine is conversant in Spanish.

Christine is admitted to the practice in the State of New York as well as before the United States District Courts for the Southern and Eastern Districts of New York.

Mark Goldman, Of Counsel
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Mark S. Goldman has 30 years of experience in commercial litigation, primarily litigating class actions involving securities fraud, consumer fraud, and violations of federal and state antitrust laws.

Mark is currently prosecuting securities fraud claims on behalf of institutional and individual investors against the manufacturer of communications systems used by hospitals that allegedly misrepresented the impact of the ACA and budget sequestration of the company's sales, and a multi-layer marketing company that allegedly misled investors about its business structure in China. Mark is also participating in litigation brought against international air cargo carriers charged with conspiring to fix fuel and security surcharges, and domestic manufacturers of various auto parts charged with price-fixing.

Mark successfully litigated a number of consumer fraud cases brought against insurance companies challenging the manner in which they calculated life insurance premiums. He also prosecuted a number of insider trading cases brought against company insiders who, in violation of Section 16(b) of the Securities Exchange Act, engaged in short swing trading. In addition, Mark participated in the prosecution of *In re AOL Time Warner Securities Litigation*, a massive securities fraud case that settled for $2.5 billion.

He is admitted to practice in the State of Pennsylvania, the Third, Ninth, and Eleventh Circuits of the U.S. Court of Appeals, the Eastern District of Pennsylvania, the District of Colorado, and the Eastern District of Wisconsin.

Lara Goldstone, Of Counsel
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Lara Goldstone advises pension funds and other institutional investors on issues related to corporate fraud in the U.S. securities markets. Before joining Labaton Sucharow, Lara worked as a legal intern in the Larimer County District Attorney's Office and the Jefferson County District Attorney's Office.

Prior to her legal career, Lara worked at Industrial Labs where she worked closely with Federal Drug Administration standards and regulations. In addition, she was a teacher in Irvine, California.

Lara received a J.D. from University of Denver Sturm College of Law, where she was a judge of The Providence Foundation of Law & Leadership Mock Trial and a competitor of the Daniel S. Hoffman Trial Advocacy Competition. She earned a B.A. from The George Washington University where she was a recipient of a Presidential Scholarship for academic excellence. She earned a B.A. from The George Washington University where she was a recipient of a Presidential Scholarship for academic excellence.

Lara is admitted to practice in the State of Colorado.

James McGovern, Of Counsel
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James McGovern advises leading pension funds and other institutional investors on issues related to corporate fraud in domestic and international securities markets. His work focuses primarily on securities litigation and corporate governance, representing Taft-Hartley, public pension funds, and other institutional investors across the country in domestic securities actions. He also advises clients as to their potential claims tied to securities-related actions in foreign jurisdictions.

James has worked on a number of large securities class action matters, including *In re Worldcom, Inc. Securities Litigation*, the second-largest securities class action settlement since the passage of the PSLRA ($6.1 billion recovery); *In re Parmalat Securities Litigation* ($90 million recovery); *In re American Home Mortgage Securities Litigation* (amount of the opt-out client's recovery is confidential); *In re The Bancorp Inc. Securities Litigation* ($17.5 million recovery); *In re Pozen Securities Litigation* ($11.2 million recovery); *In re Cabletron Systems, Inc. Securities Litigation* ($10.5 million settlement); and *In re UICI Securities Litigation* ($6.5 million recovery).

In the corporate governance arena, James helped bring claims against Abbott Laboratories' directors, on account of their mismanagement and breach of fiduciary duties for allowing the company to engage in a 10-year off-label marketing scheme. Upon settlement of this action, the company agreed to implement sweeping corporate governance reforms, including an extensive compensation clawback provision going beyond the requirements under the Dodd-Frank Act.

Following the unprecedented takeover of Fannie Mae and Freddie Mac by the federal government in 2008, James was retained by a group of individual and institutional investors to seek recovery of the massive losses they had incurred when the value of their shares in these companies was essentially destroyed. He brought and continues to litigate a complex takings class action against the federal government for depriving Fannie Mae and Freddie Mac shareholders of their property interests in violation of the Fifth Amendment of the U.S. Constitution, and causing damages in the tens of billions of dollars.

James also has addressed members of several public pension associations, including the Texas Association of Public Employee Retirement Systems and the Michigan Association of Public Employee Retirement Systems,

where he discussed how institutional investors could guard their assets against the risks of corporate fraud and poor corporate governance.

Prior to focusing his practice on plaintiffs' securities litigation, James was an attorney at Latham & Watkins where he worked on complex litigation and FIFRA arbitrations, as well as matters relating to corporate bankruptcy and project finance. At that time, he co-authored two articles on issues related to bankruptcy filings: *Special Issues In Partnership and Limited Liability Company Bankruptcies* and *When Things Go Bad: The Ramifications of a Bankruptcy Filing*.

James earned his J.D., *magna cum laude*, from Georgetown University Law Center. He received his B.A. and M.B.A. from American University, where he was awarded a Presidential Scholarship and graduated with high honors.

He is admitted to practice in the State of Vermont and the District of Columbia.

Domenico Minerva, Of Counsel
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Domenico "Nico" Minerva advises leading pension funds and other institutional investors on issues related to corporate fraud in the U.S. securities markets. A former financial advisor, his work focuses on securities, antitrust, and consumer class action litigation and shareholder derivative litigation, representing Taft-Hartley and public pension funds across the country.

Nico's extensive experience litigating securities cases includes those against global securities systems company Tyco and co-defendant PricewaterhouseCoopers (*In re Tyco International Ltd., Securities Litigation*), which resulted in a $3.2 billion settlement, achieving the largest single defendant settlement in post-PSLRA history. He also has counseled companies and institutional investors on corporate governance reform.

Nico has also done substantial work in antitrust class actions in pay-for-delay or "product hopping" cases in which pharmaceutical companies allegedly obstructed generic competitors in order to preserve monopoly profits on patented drugs, including *Mylan Pharmaceuticals Inc. v. Warner Chilcott Public Limited Co.*, *In re Lidoderm Antitrust Litigation*, *In re Solodyn (MinocyclineHydrochloride) Antitrust Litigation*, *In re Niaspan Antitrust Litigation*, *In re Aggrenox Antitrust Litigation*, and *Sergeants Benevolent Association Health & Welfare Fund et al. v. Actavis PLC et al.* In an anticompetitive antitrust matter, *The Infirmary LLC vs. National Football League Inc et al.*, Nico played a part in challenging an exclusivity agreement between the NFL and DirectTV over the service's "NFL Sunday Ticket" package, and he litigated on behalf of indirect purchasers of potatoes in a case alleging that growers conspired to control and suppress the nation's potato supply *In re Fresh and Process Potatoes Antitrust Litigation*.

On behalf of consumers, Nico represented a plaintiff in *In Re ConAgra Foods Inc.* over its claims that Wesson-brand vegetable oils are 100 percent natural.

An accomplished speaker, Nico has given numerous presentations to investors on a variety of topics of interest regarding corporate fraud, wrongdoing, and waste. He is also an active member of the National Association of Public Pension Plan Attorneys (NAPPA).

Nico obtained his J.D. from Tulane University Law School, where he also completed a two-year externship with the Honorable Kurt D. Engelhardt of the United States District Court for the Eastern District of Louisiana. He earned his B.S. in Business Administration from the University of Florida.

Nico is admitted to practice in the state courts of New York and Delaware, as well as the United States District Courts for the Eastern and Southern Districts of New York.

Corban S. Rhodes, Of Counsel
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Corban S. Rhodes focuses on prosecuting complex securities fraud cases on behalf of institutional investors, as well as consumer data privacy litigation.

Currently, Corban represents shareholders litigating fraud-based claims against TerraVia (formerly Solazyme) and Alexion Pharmaceuticals. He has successfully litigated dozens of cases against most of the largest Wall Street banks in connection with their underwriting and securitization of mortgage-backed securities leading up to the financial crisis.

Corban is also pursuing a number of matters involving consumer data privacy, including cases of intentional misuse or misappropriation of consumer data, and cases of negligence or other malfeasance leading to data breaches, including *In re Facebook Biometric Information Privacy Litigation* and *Schwartz v. Yahoo Inc.*

Before joining Labaton Sucharow, Corban was an associate at Sidley Austin LLP where he practiced complex commercial litigation and securities regulation. He has served as the lead associate on behalf of large financial institutions in several investigations by regulatory and enforcement agencies related to the recent financial crisis. He also received a Thurgood Marshall Award in 2008 for his pro bono representation on a habeas petition of a capital punishment sentence.

Corban co-authored "Parmalat Judge: Fraud by Former Executives of Bankrupt Company Bars Trustee's Claims Against Auditors," published by the American Bar Association.

Corban received a J.D., *cum laude*, from Fordham University School of Law, where he received the 2007 Lawrence J. McKay Advocacy Award for excellence in oral advocacy and was a board member of the Fordham Moot Court team. He earned his B.A., *magna cum laude*, in History from Boston College.

He is admitted to practice in the State of New York as well as before the United States District Court for the Southern District of New York.

David J. Schwartz, Of Counsel
dschwartz@labaton.com

David J. Schwartz's practice focuses on event driven, special situation, and illiquid asset litigation, using legal strategies to enhance clients' investment return.

His extensive experience includes prosecuting as well as defending against securities and corporate governance actions for an array of institutional clients including pension funds, hedge funds, mutual funds, and asset management companies. He played a pivotal role against real estate service provider Altisource Portfolio Solutions, where he helped achieve a $32 million cash settlement.

David has done substantial work in mergers and acquisitions appraisal litigation, representing institutional clients in connection with the $8.9 billion merger of Towers Watson & Co. with Willis Group Holdings plc.; the $15 billion acquisition of Jarden Corporation by Newell Rubbermaid Inc.; the $13 billion acquisition of Columbia Pipeline Group, Inc. by TransCanada Corporation; and the $2.2 billion acquisition of Diamond Resorts by Apollo Global.

David obtained his J.D. from Fordham University School of Law, where he served as an editor of the *Urban Law Journal*. He received his B.A. in economics from the University of Chicago.

He is admitted to practice in the State of New York and the U.S. District Court for the Southern District of New York.

Exhibit D

EXHIBIT D

RCAP Securities Litigation

LITIGATION EXPENSE FUND

From Inception to July 31, 2017

DEPOSITS:		***TOTALS***
Labaton Sucharow LLP		$ 58,510.32
Scott & Scott		$ 58,510.33
TOTAL DEPOSITS		**$117,020.65**
EXPENSES INCURRED BY THE LITIGATION EXPENSE FUND:		
Experts		$112,651.22
Damages	$102,378.72	
REIT Industry	$ 10,272.50	
Court Reporting Services		$ 145.80
Process Service/Court Fees		$ 2,773.85
Mediation		$ 1,292.74
Bankruptcy Counsel Expenses		$ 157.04
TOTAL EXPENSES OF LITIGATION FUND		**$117,020.65**
BALANCE REMAINING IN LITIGATION EXPENSE FUND AS OF JULY 31, 2017		**$ 0.00**

Exhibit 6

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

GRADY SCOTT WESTON, Individually and On Behalf of All Others Similarly Situated, Plaintiffs, v. RCS CAPITAL CORPORATION, RCAP HOLDINGS, LLC, RCAP EQUITY, LLC, NICHOLAS S. SCHORSCH, BRIAN S. BLOCK, EDWARD MICHAEL WEIL, WILLIAM M. KAHANE, BRIAN D. JONES, PETER M. BUDKO, MARK AUERBACH, JEFFREY BROWN, C. THOMAS MCMILLEN, and HOWELL WOOD, Defendants.	Civ. No. 1:14-CV-10136-GBD

DECLARATION OF DARYL F. SCOTT ON BEHALF OF SCOTT+SCOTT, ATTORNEYS AT LAW, LLP IN SUPPORT OF LEAD COUNSEL'S MOTION FOR AN AWARD OF ATTORNEYS' FEES AND PAYMENT OF EXPENSES

Daryl F. Scott, Esq., declares as follows pursuant to 28 U.S.C. §1746:

1. I am a partner with the firm of Scott+Scott, Attorneys at Law, LLP ("Scott+Scott"). I am submitting this declaration in support of my firm's application for an award of attorneys' fees and expenses/charges ("expenses") in connection with services rendered in the above-entitled action (the "Action") from inception through July 31, 2017 (the "Time Period"). I have personal knowledge of the facts set forth herein and, if called upon, could and would testify thereto.

2. My firm, which served as Co-Lead Counsel in the Action, was involved in all aspects of the litigation and settlement of the Action as set forth in the Joint Declaration of Deborah Clark-Weintraub and Ira A. Schochet in Support of Lead Plaintiffs' Motion for Final Approval of Proposed Class Action Settlement and Plan of Allocation and Lead Counsel's Motion for Award of Attorneys' Fees and Payment of Litigation Expenses submitted herewith.

3. The schedule attached hereto as Exhibit A is a summary indicating the amount of time spent by each attorney and professional support staff of my firm who was involved in the prosecution of the Action and the lodestar calculation based on my firm's current rates. For personnel who are no longer employed by my firm, the lodestar calculation is based upon the rates for such personnel in his or her final year of employment by my firm. The schedule was prepared from contemporaneous daily time records regularly prepared and maintained by my firm, which are available at the request of the Court. Time expended in preparing this application for fees and payment of expenses has not been included in this request.

4. The hourly rates for the attorneys and professional support staff in my firm included in Exhibit A are their customary rates, which have been accepted in other securities or shareholder litigation.

5. The total number of hours expended on this litigation by my firm during the Time Period is 2,468.9 hours. The total lodestar for my firm for those hours is $1,913,390.50.

6. My firm's lodestar figures are based upon the firm's rates, which rates do not include charges for expense items. Expense items are billed separately and such charges are not duplicated in my firm's rates.

7. As detailed in Exhibit B, my firm has incurred a total of $92,043.75 in expenses in connection with the prosecution of the Action. The expenses are reflected on the books and

records of my firm. These books and records are prepared from expense vouchers, check records and other source materials and are an accurate record of the expenses.

8. With respect to the standing of my firm, attached hereto as Exhibit C is a brief biography of my firm as well as biographies of the firm's partners and of counsels.

I declare under penalty of perjury that the foregoing is true and correct. Executed on August 9, 2017.

Daryl F. Scott

Exhibit A

EXHIBIT A

RCAP Securities Litigation

LODESTAR REPORT

FIRM: SCOTT+SCOTT, ATTORNEYS AT LAW, LLP
REPORTING PERIOD: INCEPTION THROUGH JULY 31, 2017

Name	Total Hours	Hourly Rate		Lodestar
Partners				
David Scott	122.60	$950.00	$	116,470.00
Beth Kaswan	250.20	$950.00	$	237,690.00
Debbie Weintraub	596.40	$900.00	$	536,760.00
Joseph Guglielmo	39.20	$875.00	$	34,300.00
Geoff Johnson	32.50	$900.00	$	29,250.00
Donald Broggi	97.60	$775.00	$	75,640.00
Michael Burnett	47.00	$775.00	$	36,425.00
Thomas Laughlin	69.80	$725.00	$	50,605.00
Max Schwartz	888.70	$725.00	$	644,307.50
Total Partners	2,144.00		$	1,761,447.50
Of Counsel				
Joseph Cohen	2.00	$710.00	$	1,420.00
Total Of Counsel	2.00		$	1,420.00
Associates				
Ryan Wagenleitner	33.40	$575.00	$	19,205.00
Stephen Teti	46.30	$575.00	$	26,622.50
John Jasnoch	2.50	$575.00	$	1,437.50
Sean Masson	10.80	$575.00	$	6,210.00
Joseph Pettigrew	7.50	$400.00	$	3,000.00
Joseph Halloran	35.60	$400.00	$	14,240.00
Scott Jacobsen	10.00	$400.00	$	4,000.00
Total Associates	146.10		$	74,715.00
Paralegals/Non-Attorney				
J. Alex Vargas (I)	64.80	$625.00	$	40,500.00
Tony Kim (PL)	7.80	$275.00	$	2,145.00
Renata McGraw (PL)	6.50	$275.00	$	1,787.50
Kimberly Jager (PL)	9.50	$325.00	$	3,087.50
Irina Chilaia (PL)	9.60	$305.00	$	2,928.00
Ellen Dewan (PL)	2.30	$325.00	$	747.50
Kaitlin Steinberger (PL)	3.00	$325.00	$	975.00
Tamar Pacht (PL)	3.30	$275.00	$	907.50
Gail Sanchez (PL)	0.50	$285.00	$	142.50
Ann Slaughter (PL)	69.50	$325.00	$	22,587.50
Total Paralegals	176.80		$	75,808.00
Total	2,468.90		$	1,913,390.50

Partner	(P)	Paralegal	(PL)
Of Counsel	(OC)	Investigator	(I)
Associate	(A)	Research Analyst	(RA)

Exhibit B

EXHIBIT B

RCAP Securities Litigation

EXPENSE REPORT

FIRM: SCOTT+SCOTT, ATTORNEYS AT LAW, LLP
REPORTING PERIOD: INCEPTION THROUGH JULY 31, 2017

Expenses

Courier	$	206.57
Court Reporters/Transcripts	$	647.28
Filing, Witness & Other Fees	$	228.00
Litigation Fund Contributions	$	58,510.33
Mediation	$	6,696.20
On-Line Research	$	5,463.57
Photocopies	$	13,248.00
Postage	$	1.91
Telephone, Facsimile	$	1,221.85
Travel (Meals, Hotels & Transportation)	$	5,820.04
Total	$	92,043.75

Exhibit C

SCOTT+SCOTT, ATTORNEYS AT LAW, LLP

MISSION STATEMENT

Scott+Scott, Attorneys at Law, LLP ("Scott+Scott") is a nationally recognized law firm headquartered in Connecticut with offices in California, New York City, and Ohio. Scott+Scott represents individuals, businesses, public and private pension funds, and others who have suffered from corporate fraud and wrongdoing. Scott+Scott is directly responsible for recovering hundreds of millions of dollars and achieving substantial corporate governance reforms on behalf of its clients. Scott+Scott has significant expertise in complex securities, antitrust, consumer, ERISA, and civil rights litigation in both federal and state courts. Through its efforts, Scott+Scott promotes corporate social responsibility.

SECURITIES AND CORPORATE GOVERNANCE

Scott+Scott represents individuals and institutional investors that have suffered from stock fraud and corporate malfeasance. Scott+Scott's philosophy is simple – directors and officers should be truthful in their dealings with the public markets and honor their duties to their shareholders. Since its inception, Scott+Scott's securities and corporate governance litigation department has developed and maintained a reputation of excellence and integrity recognized by state and federal and state courts across the country. "It is this Court's position that Scott+Scott did a superlative job in its representation, which substantially benefited Ariel . . . . For the record, it should be noted that Scott+Scott has demonstrated a remarkable grasp and handling of the extraordinarily complex matters in this case . . . . They have possessed a knowledge of the issues presented and this knowledge has always been used to the benefit of all investors." *N.Y. Univ. v. Ariel Fund Ltd.*, No. 603803/08, slip. op. at 9-10 (N.Y. Sup. Ct. Feb. 22, 2010). "The quality of representation here is demonstrated, in part, by the result achieved for the class. Further, it has been this court's experience, throughout the ongoing litigation of this matter, that counsel have conducted themselves with the utmost professionalism and respect for the court and the judicial process." *In re Priceline.com, Inc. Sec. Litig.*, No. 00-cv-01884, 2007 WL 2115592, at *5 (D. Conn. July 20, 2007).

Scott+Scott has successfully prosecuted numerous class actions under the federal securities laws, resulting in the recovery of hundreds of millions of dollars for shareholders. Representative cases prosecuted by Scott+Scott under the Securities Exchange Act of 1934 include: *In re Priceline.com, Inc. Sec. Litig.*, No. 00-cv-01884 (D. Conn. July 19, 2007) ($80 million settlement); *Irvine v. ImClone Sys., Inc.*, No. 02-cv-00109 (S.D.N.Y. July 29, 2005) ($75 million settlement); *Cornwell v. Credit Suisse Group*, No. 08-cv-03758 (S.D.N.Y. July 20, 2011) ($70 million settlement); *Schnall v. Annuity and Life Re (Holdings) Ltd.*, No. 02-cv-2133 (D. Conn. June 13, 2008) ($26.5 million settlement); and *St. Lucie County Fire District Firefighter's*

Pension Trust Fund v. Oilsands Quest Inc., No. 11-cv-1288-JSR (S.D.N.Y. Dec. 6, 2013) ($10.23 million settlement) ($7.85 million settlement preliminarily approved). Representative cases prosecuted by Scott+Scott under the Securities Act of 1933 include: *In re Washington Mutual Mortgage-Backed Securities Litigation*, No. 09-cv-0037 (W.D. Wash. Jan. 7, 2014) ($26 million settlement); *In re Pacific Biosciences Securities Litigation,* No.CIV509210 (Cal. Super. Ct., San Mateo County, Oct. 31, 2013) ($7.68 million settlement); *West Palm Beach Police Pension Fund v. CardioNet, Inc.*, No. 37-2010-00086836-CU-SL-CTL (Cal. Super. Ct., San Diego County, 2010) ($7.25 million settlement); *Parker v. National City Corp.*, No. CV-08-657360 (Ohio Ct. Com. Pl., Cuyahoga County, June 23, 2010) ($5.25 million settlement); and *Hamel v. GT Solar International, Inc.*, No. 217-2010-CV-05004 (N.H. Super. Ct., Merrimack County, May 10, 2011) ($10.25 million settlement).

Scott+Scott currently serves as court-appointed lead counsel in various federal securities class actions, including *Birmingham Retirement and Relief System, v. S.A.C. Capital Advisors*, No. 1:12-cv-09350 (S.D.N.Y. June 17, 2013); *In re NQ Mobile Securities Litigation*, No. 13-cv-07608 (S.D.N.Y. April 9, 2014); *In re Conn's Inc. Securities Litigation*, No. 14-cv-00548 (S.D. Tex. June 3, 2014) and *Weston v. RCS Capital Corp.,* No. 14-10136 (S.D.N.Y., Dec. 29, 2014).

In addition to prosecuting federal securities class actions, Scott+Scott has a proven track record of handling corporate governance matters through its extensive experience litigating shareholder derivative actions. In addition, Scott+Scott has been singularly successful in its shareholder derivative appellate practice, and as a result, has been instrumental in fashioning the standards in this area of law. In *Westmoreland County Employee Retirement System v. Parkinson*, No. 12-3342 (7th Cir. Aug. 16, 2013), the Seventh Circuit clarified the parameters of demand futility in those instances where a majority of directors of a corporation are alleged to have breached the fiduciary duty of loyalty by consciously disregarding positive law. In *Cottrell v. Duke,* No. 12-3871 (8th Cir. Dec. 28, 2013), the Eighth Circuit, in a case of first impression, clarified that the *Colorado River* stay is virtually never appropriate where there are exclusive federal claims. And in *King v. Verifone Holdings, Inc.*, No. 330, 2010 (Del. Jan. 28, 2011), the Supreme Court of Delaware has clarified the availability of the Delaware Corporate Code Section 220 "books and records" demands to a shareholder whose original plenary action was dismissed without prejudice in a federal district court. Representative actions prosecuted by Scott+Scott include: *In re DaVita Healthcare Partners Derivative Litigation*, No. 13-cv-1308 (D. Colo.) (corporate governance reform valued at $100 million); *North Miami Beach General Employees Retirement Fund v. Parkinson*, No. 10C6514 (N.D. Ill.) (corporate governance valued between $50 million and $60 million); *In re Marvell Tech. Group Ltd. Derivative Litigation*, No. C-06-03894-RMW (RS) (N.D. Cal. Aug. 11, 2009) ($54.9 million and corporate governance reforms); *In re Qwest Communications International, Inc.*, No. Civ. 01-RB-1451 (D. Colo. June 15, 2004) ($25 million and corporate governance reform); *Plymouth County Contributory Retirement Fund v. Hassan*, No. 08-cv-1022 (D.N.J.) (settlement of derivative claims against Merck Schering Plough and its officers and directors providing for corporate governance reforms valued between $50 million and $75 million); *Carfagno v. Schnitzer*, No. 08-cv-912-SAS (S.D.N.Y. May 18, 2009) (modification of terms of preferred securities issued to insiders valued at $8 million); and *Garcia v. Carrion*, No. 3:09-cv-01507 (D.P.R. Sept. 12, 2011) (settlement of derivative claims against the company and its officers and directors providing for corporate governance reforms valued between $10.05 million and $15.49 million).

Currently, Scott+Scott is actively prosecuting shareholder derivative actions, including *In re Bio-Rad Laboratories, Inc. Stockholder Litigation*, C.A. No. 11387 (Del. Ch. Aug. 13, 2015); *In re Tile Shop Holdings, Inc. Stockholder Derivative Litigation*, C. A. No. 108884 (Del. Ch. July 31, 2015); *West Palm Beach Fire Pension Fund v. Page*, No. 15-1334 (N.D. Cal. March 23, 2015); *In re Duke Energy Corp. Coal Ash Derivative Litigation*, C.A. No. 9682 (Del. Ch. May 21, 2014); and *In re OSI Systems, Inc. Derivative Litigation*, No. 14-2910 (C. D. Cal. April 15, 2014).

ANTITRUST

Scott+Scott litigates complex antitrust cases throughout the United States. Scott+Scott represents investors, business, and consumers in price-fixing, bid-rigging, monopolization, and other restraints of trade cases on both a class-wide and individual basis, helping to ensure that markets remain free, open, and competitive. With the opening of a London Office, Scott+Scott's commitment to competition now includes pursuing its clients' claims on a global basis.

Scott+Scott's class action antitrust practice includes serving as court-appointed lead counsel with the responsibility for the prosecution of class claims. Scott+Scott serves as court-appointed lead counsel in high-value antitrust class action cases, including *Dahl v. Bain Capital Partners, LLC*, No. 07-cv-12388 (D. Mass.) (challenging bid rigging and market allocation of leveraged buyouts by private equity firms resulting in $590.5 million in settlements)); *In Re: Foreign Exchange Benchmark Rates Antitrust Litigation*, No. 13-cv-7789 (S.D.N.Y.) (challenging price-fixing of foreign exchange rates (over $2 billion in partial settlements negotiated)); and *Alaska Electrical Pension Fund v. Bank of America Corp.*, No. 14-cv-7126 (S.D.N.Y.) (challenging price-fixing of the ISDAfix benchmark interest rate). Scott+Scott has served as court-appointed lead counsel in other cases, including *In re Korean Air Lines Co., Ltd. Antitrust Litigation*, MDL No. 1891, No. CV 07-06542 (C.D. Cal.) (challenging price-fixing/illegal surcharge ($86 million in cash and travel voucher settlements) and *Mylan Pharmaceuticals, Inc. v. Warner Chilcott Public Limited Company*, No. 12-cv-03824 (E.D. Pa.) (challenging monopolization in the sale of name-brand pharmaceutical ($8 million settlement)).

When not serving as lead counsel, Scott+Scott has served on the executive leadership committees in numerous class action cases. Representative actions include *In re Payment Card Interchange Fee and Merchant Discount Antitrust Litigation*, No. 1:05-md-1720 (E.D.N.Y.) (challenging price-fixing in the payment cards industry ($7.25 billion settlement)); *Kleen Products LLC v. Packaging Corporation of America*, No. 1:10-cv-05711 (N.D. Ill.) (challenging price-fixing of containerboard products); and *In re Lithium Ion Batteries Antitrust Litig.*, No. 13-md-2420-YGR (DMR) (N.D. Cal.) (challenging price-fixing of lithium-ion batteries).

Scott+Scott's class action antitrust experience includes serving as co-trial counsel in *In re Scrap Metal Antitrust Litigation*, 02-cv-0844-KMO (N.D. Ohio), where it helped obtain a $34.5 million jury verdict, which was subsequently affirmed by the United States Court of Appeals for the Sixth Circuit (*see In re Scrap Metal Antitrust Litigation*, 527 F.3d 517, 524 (6th Cir. 2008)), and in the consolidated bench trial in *Ross v. Bank of America N.A.*, No. 05-cv-7116, MDL No. 1409 (S.D.N.Y.), and *Ross v. American Express Co.*, No. 04-cv-5723, MDL No. 1409 (S.D.N.Y).

Scott+Scott also represents large clients in opt-out antitrust litigation. Scott+Scott currently represents Eastman Kodak Company, Agfa Corporation, Agfa Graphics, N.V., and Mag Instrument, Inc. in *In re: Aluminum Warehousing Antitrust Litigation*, MDL No. 2481 (S.D.N.Y.). Scott+Scott previously represented publicly traded corporations, such as Parker Hannifin Corporation and PolyOne Corporation, in matters such as *In re Rubber Chemicals Antitrust Litigation*, MDL No. 1648 (N.D. Cal.); *In re Polychloroprene Rubber (CR) Antitrust Litigation*, MDL No. 1642 (D. Conn.); and *In re Plastic Additives Antitrust Litigation (No. II)*, MDL No. 1684 (E.D. Pa.).

CONSUMER RIGHTS

Scott+Scott and its attorneys have a proven track record of obtaining significant recoveries for consumers in class action cases. Scott+Scott is one of the premier advocates in the area of consumer protection law and has been appointed to a number of prominent leadership positions.

Cases where Scott+Scott has played a leading role in the area of consumer protection litigation include:

- *In re Providian Financial Corp. Credit Card Terms Litigation*, MDL No. 1301 (E.D. Pa.) ($105 million settlement was achieved on behalf of a class of credit card holders who were charged excessive interest and late charges on their credit cards);
- *The Vulcan Society, Inc. v. The City of New York*, No. 07-cv-02067 (E.D.N.Y.) ($100 million settlement and significant injunctive relief was obtained for a class of black and Hispanic applicants who sought to be New York City firefighters but were denied or delayed employment due to racial discrimination);
- *In re Prudential Ins. Co. SGLI/VGLI Contract Litigation*, MDL No. 2208 (D. Mass.) ($40 million settlement was achieved on behalf of a class of military service members and their families who had purchased insurance contracts);
- *Gunther v. Capital One, N.A.*, No. 09-2966 (E.D.N.Y.) (a net settlement resulting in class members receiving 100% of their damages was obtained);
- *In re Pre-Filled Propane Tank Marketing and Sales Practices Litigation*, MDL No. 2086 (W.D. Mo.) ($37 million settlement obtained on behalf of class of propane purchasers who alleged defendants overcharged the class for under-filled propane tanks);
- *Murr v. Capital One Bank (USA), N.A.*, No. 13-cv-1091 (E.D. Va.) ($7.3 million settlement pending on behalf of class of consumers who were misled into accepting purportedly 0% interest offers); and
- *Howerton v. Cargill, Inc.*, No. 13-cv-00336 (D. Haw.) ($6.1 settlement obtained on behalf of a class of consumers who purchased Truvia, purported to be deceptively marketed as "all-natural").

Moreover, Scott+Scott is currently serving in a leadership capacity in a number of class action consumer protection cases, including:

- *In re The Home Depot, Inc., Customer Data Security Breach Litigation*, MDL No. 2583 (N.D. Ga.) (claims involving data breach and the theft of the personal and financial information of 56 million credit and debit card holders);

- *In re Target Corp. Customer Data Security Breach Litigation*, MDL No. 2522 (D. Minn.) (claims involving data breach and the theft of the personal and financial information of customers holding approximately 110 million credit and debit cards);

- *In re Herbal Supplements Marketing and Sales Practices Litigation*, MDL No. 2519 (N.D. Ill.) (claims on behalf of a class of consumers alleging major retail-chain defendants misrepresent the ingredients in store-branded herbal supplements); and

- *In re L'Oreal Wrinkle Cream Marketing and Sales Practices Litigation*, MDL No. 2415 (D.N.J.) (claims on behalf of a class of consumers alleging defendants misrepresent the anti-aging benefits of certain of their products).

EMPLOYEE BENEFITS (ERISA)

Scott+Scott litigates complex class actions across the United States on behalf of corporate employees alleging violations of the federal Employee Retirement Income Security Act. ERISA was enacted by Congress to prevent employers from exercising improper control over retirement plan assets and requires that pension and 401(k) plan trustees, including employer corporations, owe the highest fiduciary duties to retirement plans and their participants as to their retirement funds. Scott+Scott is committed to continuing its leadership in ERISA and related employee-retirement litigation, as well as to those employees who entrust their employers with hard-earned retirement savings. Representative recoveries by Scott+Scott include: *In re Royal Dutch/Shell Transport ERISA Litigation*, No. 2:04-cv-01398-JWB-SDW (D.N.J. Aug. 30, 2005) ($90 million settlement); *In re General Motors ERISA Litigation*, No. 2:05-cv-71085-NGE-RSW (E.D. Mich. June 5, 2008) ($37.5 million settlement); and *Rantala v. ConAgra Foods*, No. 8:05-cv-00349-LES-TDT (D. Neb.) ($4 million settlement).

CIVIL RIGHTS LITIGATION

Scott+Scott has also successfully litigated cases to enforce its clients' civil rights. In *The Vulcan Society, Inc. v. The City of New York*, No. 1:07-cv-02067-NGG-RLM (E.D.N.Y.), Scott+Scott was part of a team of lawyers representing a class of black applicants who were denied or delayed employment as New York City firefighters due to decades of racial discriminatory conduct. The district court certified the class in a post-*Walmart v. Dukes* decision, granted summary judgment against the City on both intentional discrimination and disparate impact claims, and after trial ordered broad injunctive relief, including a new examination, revision of the application procedure, and continued monitoring by a court-appointed monitor for at least 10 years. The back pay and compensatory damage award will be determined in a subsequent ruling. In *Hohider v. United Parcel Services, Inc.*, No. 2:04-cv-00363-JFC (W.D. Penn.), Scott+Scott obtained significant structural changes to UPS's Americans with Disabilities Act compliance

policies and monetary awards for some individual employees in settlement of a ground-breaking case seeking nationwide class certification of UPS employees who were barred from reemployment after suffering injuries on the job.

ATTORNEY BACKGROUND AND EXPERIENCE

MELVIN SCOTT is a graduate of the University of Connecticut (B.A. 1950) and the University of Kentucky (M.A. 1953; LL.B. 1957). Mr. Scott founded the firm in 1975. He formerly practiced in Kentucky and is presently admitted to practice in Connecticut and Pennsylvania. Mr. Scott was a member of the Kentucky Law Review, where he submitted several articles for publication. He has served as an Attorney Trial Referee since the inception of the program in the State of Connecticut and is a member of the Fee Dispute Committee for New London County. Mr. Scott also formerly served as a Special Public Defender in criminal cases and as a member of the New London County Grievance Committee. Mr. Scott actively represents aggrieved parties in securities, commercial and criminal litigation and served or serves as counsel in *Irvine, et al. v. ImClone Systems, Inc.*; *Schnall v. Annuity and Life Re (Holdings) Ltd.*; *In re 360networks Class Action Securities Litigation*; *In re General Motors ERISA Litigation*, and *Hohider v. UPS*, among others.

DAVID R. SCOTT is the managing partner of Scott+Scott. He represents multinational corporations, hedge funds, and institutional investors in high-stakes complex litigation, including antitrust, commercial, and securities actions.

Mr. Scott has received widespread recognition for his antitrust work. He has been elected to Who's Who Legal: Competition 2015, 2016, and 2017 which lists the world's top antitrust lawyers who are selected based on comprehensive, independent survey work with both general counsel and lawyers in private practice around the world. He has also received a highly recommended ranking by Benchmark Litigation for each of the years 2013-2015.

Mr. Scott's antitrust experience includes matters dealing with unlawful price-fixing cartels, illegal tying, and anticompetitive monopolization. Currently, Mr. Scott is lead counsel in *In re Foreign Exchange Benchmark Rates Antitrust Litigation*, a cartel action alleging a longstanding and widespread conspiracy to manipulate the foreign exchange market, in which billions in settlements have been announced to date. He is co-lead counsel in a class action case alleging that the world's largest banks and their broker, ICAP, entered a conspiracy to manipulate ISDAfix, a financial benchmark that is tied to over $379 trillion of outstanding interest-rate swaps around the world.

Mr. Scott's previous antitrust cases have resulted in significant recoveries for victims of price-fixing cartels. Among other cases, Mr. Scott served as co-lead counsel in *Dahl v Bain Capital Partners*, No. 1:07-cv-12388 (D. Mass.), an action alleging that the largest private equity firms in the United States colluded to suppress prices that shareholders received in leveraged buyouts and that the defendants recently agreed to settle for $600 million. He also played a leadership role in a lawsuit accusing Visa and MasterCard of engaging in anticompetitive conduct in setting credit card and debit card acceptance fees that recently settled for a record $7.25 billion. And he was lead counsel in *Red Lion Medical Safety v. Ohmeda*, No. 06-cv-1010 (E.D. Cal.), a lawsuit alleging that Ohmeda, one of the leading manufacturers of medical anesthesia equipment in the United States, excluded independent service organizations from the market for servicing its equipment. The case was successfully resolved in settlement negotiations before trial.

Mr. Scott has also taken the lead in bringing claims on behalf of institutional investors, such as sovereign wealth funds, corporate pension schemes, and public employee retirement funds, against mortgaged-backed securities trustees for failing to protect investors. Such cases include *Retirement Board of the Policemen's Annuity and Benefit Fund of the City of Chicago v. The Bank of New York Mellon* (MBS sponsored by Countrywide Financial Corp.), No. 1:11-cv-05459 (S.D.N.Y.); *Retirement Board of the Policemen's Annuity and Benefit Fund of the City of Chicago v. Bank of America* (MBS sponsored by Washington Mutual Bank), No. 1:12-cv-02865 (S.D.N.Y.); and *Oklahoma Police Pension and Retirement System v. U.S. Bank National Association* (MBS sponsored by Bear Stearns), No. 1:11-cv-08066 (S.D.N.Y.). He also represented a consortium of regional banks in litigation relating to toxic auction rate securities ("ARS") and obtained a sizable recovery for the banks in a confidential settlement. This case represents one of the few ARS cases in the country to be successfully resolved in favor of the plaintiffs.

In addition, Mr. Scott has extensive experience litigating shareholder derivative cases, achieving substantial corporate governance reforms on behalf of his clients. Representative actions include: *In re Marvell Tech. Group Ltd. Derivative Litigation*, No. C-06-03894 (N.D. Cal.) (settlement obtaining $54.9 million in financial benefits for the company, including $14.6 million in cash, and corporate governance reforms to improve stock option granting procedures and internal controls, valued at more than $150 million); *In re Qwest Communications International, Inc*., No. 01-RB-1451 (D. Colo.) (settlement obtaining $25 million for the company and achieving corporate governance reforms aimed at ensuring board independence); *Plymouth County Contributory Retirement System v. Hasan*, No. 08-1022 (D.N.J.) (settlement requiring annual reporting to the company's board where any clinical drug trial is delayed, valued at between $50 million - $75 million); *Carfagno v. Schnitzer*, No. 08-cv-0912 (S.D.N.Y.) (settlement resulting in modification of terms of preferred securities issued to insiders, valued at $8 million); and *Garcia v. Carrion*, No. 09-cv-1507 (D.P.R.) (settlement achieving reforms aimed at rectifying internal control weaknesses and improving director education in accounting and ethics, valued at between $10 million - $15 million).

Mr. Scott is frequently quoted in the press, including in publications such as *The Financial Times*, *The Guardian*, *The Daily Telegraph*, *The Wall Street Journal*, and *Law360*. He is regularly invited to speak at conferences around the world and before Boards of Directors and trustees responsible for managing institutional investments.

Mr. Scott is admitted to practice in Connecticut, New York, the United States Tax Court, and numerous United States District Courts.

Mr. Scott is a graduate of St. Lawrence University (B.A., *cum laude*, 1986), Temple University School of Law (J.D., Moot Court Board, 1989), and New York University School of Law (LLM in taxation).

BETH A. KASWAN, during her tenure as an Assistant U.S. Attorney and subsequent promotions to Chief of the Commercial Litigation Unit and Deputy Chief of the Civil Division of the U.S. Attorney's Office for the Southern District of New York, was appointed by the FDA as lead counsel in litigation to enjoin the manufacture of adulterated generic drugs in the landmark

case *United States v. Barr Laboratories, Inc*., 812 F. Supp. 458 (D.N.J. 1993). Ms. Kaswan, who began her career as an accountant at the offices of Peat, Marwick, Mitchell & Co., and then worked as a civil trial attorney at the U.S. Department of Justice in Washington, D.C., is the recipient of several awards from the Justice Department and other agencies she represented, including the Justice Department's John Marshall award, Special Commendation from the Attorney General, a Superior Performance award from the Executive Office of U.S. Attorneys and Tax Division Outstanding Achievement awards.

While at Scott+Scott, Ms. Kaswan served as lead counsel in *Boilermakers National Annuity Trust Fund v. WaMu Mortgage Pass Through Certificates*, No. 09-cv-00037 (W.D. Wa.), the WaMu RMBS Section 11 Securities Act case which settled after plaintiffs succeeded in defeating the defendants' motion for summary judgment, only weeks before it was scheduled to proceed to a jury trial. Ms. Kaswan just completed the nine-week trial in *In the Matter of the Application of The Bank of New York Mellon*, Index No. 651786/2011 (N.Y. Supr. Ct.) in which she and other interveners challenged the proposed settlement between Bank of New York Mellon and Bank of America to resolve repurchase and servicing claims for 530 Countrywide trusts. She and others at Scott+Scott recently settled federal and state law claims against the Securitization Trustees for WaMu and Bear Stearns Trusts in *Policemen's Annuity and Benefit Fund of the City of Chicago v. Bank of America, N.A.*, No. 12-cv-2865 (S.D.N.Y.) and *Oklahoma Police Pension and Retirement System v. U.S. Bank N.A.*, No. 11-cv-8066 (S.D.N.Y.), respectively. Ms. Kaswan brought a derivative suit on behalf of New York University against Ezra Merkin to freeze funds belonging to a feeder fund to Bernard Madoff. She also served as lead counsel to another shareholder derivative case, *Carfagno v. Schnitzer*, No. 08-CV-912-SAS (S.D.N.Y.), where she successfully negotiated a settlement on behalf of Centerline Holding Company and Centerline shareholders. Ms. Kaswan has served as lead counsel in *Cornwell v. Credit Suisse Group*, No. 08-cv-3758 (S.D.N.Y.) and *In re Tetra Technologies, Inc. Securities Litigation*, No. 08-cv-0965 (S.D. Tex.), among others.

Ms. Kaswan is a member of the New York and Massachusetts bars. Ms. Kaswan has been practicing law for over 35 years and is a partner in the firm's New York office.

CHRISTOPHER M. BURKE chairs Scott+Scott's competition practice and sets the Firm's litigation standards. Mr. Burke's principal practice is in complex antitrust litigation, particularly in the financial services industry and he has served as lead counsel in some of the world's largest financial services antitrust matters. He currently sits as a partner in the firm's San Diego and New York offices.

Currently, Mr. Burke is co-lead counsel in *In Re Foreign Exchange Benchmark Rates Antitrust Litigation*, 13-cv-7789 (S.D.N.Y.) ($2 billion settlement); *Alaska Electrical Pension Fund v. Bank of America Corporation*, 14-cv-7126 (S.D.N.Y) (ISDAfix litigation) ($325 million settlement); and *Axiom Investment Advisors, LLC, by and through its Trustee, Gildor Management LLC v. Barclays Bank PLC*, 15-cv-09323 (S.D.N.Y.) ($50 million settlement).

Mr. Burke served as co-lead counsel in *Dahl v. Bain Capital Partners*, 07-cv-12388 (D. Mass.) ($590.5 million settlement); *In re Currency Conversion Antitrust Litigation*, MDL No. 1409 (S.D.N.Y.) ($336 million settlement); *In re Payment Card Interchange Fee & Merchant*

Discount Antitrust Litigation, MDL No. 1720 (E.D.N.Y.); *LiPuma v. American Express Co.*, Case No. 1:04-cv-20314 (S.D. Fla.) ($90 million settlement); and was one of the trial counsel in *Schwartz v. Visa*, Case No. 822505-4 (Alameda Cty. Super. Ct.) ($780 million plaintiff's judgment after six months of trial); and *In re Disposable Contact Lens Antitrust Litigation*, MDL No. 1030 (M.D. Fla.). Mr. Burke was one of the original lawyers in the *Wholesale Elec. Antitrust* cases in California, which settled for over $1 billion.

Further, Mr. Burke was trial counsel in *Ross v. Bank of America N.A.*, No. 05-cv-7116, MDL No. 1409 (S.D.N.Y.) and *Ross v. American Express Co.*, No. 04-cv-5723, MDL No. 1409 (S.D.N.Y.). He was also co-lead counsel for indirect purchasers in *In re Korean Air Lines Co., Ltd. Antitrust Litigation*, MDL No. 1891 (C.D. Cal.) ($86 million settlement), and *In re Prudential Ins. Co. of America SGLI/VGLI Contract Litigation*, No. 11-md-2208 (D. Mass.) ($40 million settlement). Mr. Burke also organized and filed the first of the *In re Credit Default Swap Antitrust Litigation*, 13-md-2476 (S.D.N.Y.), matters.

Mr. Burke frequently lectures at professional conferences and CLEs on competition matters, including litigation surrounding financial benchmarks, class-barring arbitration clauses, the effects of *Twombly* in 12(b)(6) motions, and the increasing use of experts at class certification and trial. In 2014, he was recognized for his exemplary work in the *Dahl v. Bain Capital Partners* matter by the American Antitrust Institute and has regularly been designated as a Super Lawyer by Thomson Reuters.

Mr. Burke is a graduate of The Ohio State University (B.A. 1984), William & Mary (M.A. 1988), and the University of Wisconsin (M.A. 1989; J.D. 1993; Ph.D. 1996). He has also served as an Assistant Attorney General at the Wisconsin Department of Justice and has lectured on law-related topics, including constitutional law, law and politics, and civil rights at the State University of New York at Buffalo and at the University of Wisconsin. Mr. Burke's book, *The Appearance of Equality: Racial Gerrymandering, Redistricting, and the Supreme Court* (Greenwood, 1999), examines conflicts over voting rights and political representation within the competing rhetoric of communitarian and liberal strategies of justification.

Mr. Burke is admitted to practice by the Supreme Courts of the States of California, New York, and Wisconsin, and numerous United States District Courts and Courts of Appeal.

JUDITH S. SCOLNICK is a partner in the firm's New York office. Ms. Scolnick has extensive experience in the fields of shareholder derivative law, particularly in the pharmaceutical industry, employment law and employment class actions, and corporate governance.

Ms. Scolnick began her career by serving as a law clerk to the late Honorable Anthony Julian of the United States District Court in Massachusetts. Thereafter, she served as a trial attorney in the Civil Division of the United States Department of Justice, where she was lead counsel in several high-profile employment discrimination lawsuits against various U.S. agencies around the country.

Since then, Ms. Scolnick has served as lead counsel in many shareholder derivative actions including *North Miami General Employees Retirement Fund v. Parkinson*, No. 10-cv-6514 (N.D. Ill.), a shareholder derivative case on behalf of pharmaceutical company, Baxter International,

arising from the Board's failure to comply with FDA orders to remediate a medical device known as the Colleague Pump. She was also lead counsel in *In re DaVita Healthcare Partners Inc. Derivative Litigation*, No. 12-cv-2074 (D. Colo.), also a shareholder derivative case, brought against the directors of one of the largest dialysis providers in the U.S. that falsely billed Medicare for unnecessary dialysis payments and paid off physicians in violation of federal anti-kickback statutes. The plaintiff was able to obtain extensive corporate governance reform in every aspect of the Company from the board level to the manner in which medical records were maintained in coordination with reforms mandated by the Department of Justice.

Through her work in the area of shareholder derivative actions, Ms. Scolnick contributed substantially to recent jurisprudence, expanding shareholders' rights to examine books and records of the corporations in which they hold stock. In *Cain v. Merck & Co., Inc.*, 415 N.J. Super. 319 (N.J. Super. A.D. 2010), the New Jersey Appellate Division agreed with Ms. Scolnick and held in a precedential decision that the New Jersey Business Corporation Act allows shareholders to inspect the minutes of board of directors and executive committee meetings upon a showing of proper purpose. In *King v. VeriFone Holdings, Inc.*, 12 A.3d 1140 (Del. Supr. 2011), the Delaware Supreme Court ruled in a groundbreaking decision that plaintiffs may, in certain circumstances, inspect a corporation's books and records to bolster a shareholder derivative complaint even after they have filed a lawsuit.

Ms. Scolnick has also litigated a number of important employment discrimination class actions. These include *U.S. v. City of New York*, No. 07-cv-2067, 2011 WL 4639832 (E.D.N.Y. Oct. 5, 2011) (successfully representing a class of black applicants for entry-level firefighter jobs who were discriminated against by the City of New York), *Hohider v. UPS*, 243 F.R.D. 147 (W.D. Pa. 2007), *reversed and remanded*, 574 F.3d 169 (3d Cir. 2009), where Ms. Scolnick – through negotiation – achieved a change in a UPS return-to-work policy applicable to injured workers.

Ms. Scolnick has experience litigating shareholder derivative actions at both the trial and appellate court level. She successfully argued the Baxter appeal in which the Court of Appeals for the Seventh Circuit, reversing a trial court's dismissal, held that a pension fund's complaint on behalf of all shareholders passed the pre-suit demand futility threshold test under Delaware substantive law. *Westmoreland County Employees' Retirement System v. Parkinson*, 727 F.3d 719 (7th Cir. 2013). Also in 2013, Ms. Scolnick obtained a landmark ruling in the Wal-Mart shareholder derivative litigation from the Court of Appeals for the Eighth Circuit in which the Eighth Circuit reversed the district court's stay of the federal action in favor of a related proceeding in Delaware Chancery Court. *Cottrell v. Duke*, 737 F.3d 1238 (8th Cir. 2013).

Ms. Scolnick has been selected for the past five years in Thompson Reuter's "New York Super Lawyers." Ms. Scolnick is admitted to practice in New York, New Jersey, and Massachusetts.

Ms. Scolnick serves on several charitable boards that are dedicated to medical research in the field of addiction causes and treatment.

JOSEPH P. GUGLIELMO is a partner in the firm's New York office and represents institutional and individual clients in securities, antitrust, and consumer litigation in federal and state courts throughout the United States and has achieved numerous successful outcomes.

Recently, Mr. Guglielmo, along with other attorneys at Scott+Scott, was recognized for his efforts representing New York University in obtaining a monumental temporary restraining order of over $200 million from a Bernard Madoff feeder fund. Specifically, New York State Supreme Court Justice Richard B. Lowe III stated, "Scott+Scott has demonstrated a remarkable grasp and handling of the extraordinarily complex matters in this case. The extremely professional and thorough means by which NYU's counsel has litigated this matter has not been overlooked by this Court."

Mr. Guglielmo serves in a leadership capacity in a number of complex antitrust, securities, and consumer actions, including: *In Re: Disposable Contact Lens Antitrust Litigation*, Case No. 3:15-md-2626 (M.D. Fla.), claims on behalf of a class of contact lens purchasers alleging violations of the antitrust laws, *In re The Home Depot, Inc., Customer Data Security Breach Litigation*, MDL No. 2583 (N.D. Ga.), claims involving data breach and the theft of the personal and financial information of 56 million credit and debit card holders, *In re Target Corporation Customer Data Security Breach Litigation*, MDL No. 2522 (D. Minn.), claims involving data breach and the theft of the personal and financial information of customers holding approximately 110 million credit and debit cards. *In re Herbal Supplements Marketing and Sales Practices Litigation*, MDL No. 2619 (N.D. Ill.), claims on behalf of a class of consumers alleging major retail-chain defendants misrepresented the ingredients in store-branded herbal supplements. Mr. Guglielmo is also actively involved in *In re Foreign Exchange Benchmark Rates Antitrust Litigation*, No. 1:13-cv-07789-LGS (S.D.N.Y), which involves claims on behalf of purchasers of foreign exchange instruments alleging violations of federal antitrust laws.

Mr. Guglielmo has achieved significant victories and obtained numerous settlements for his clients. He was one of the principals involved in the litigation and settlement of *In re Managed Care Litigation*, MDL No. 1334 (S.D. Fla.), which included settlements with Aetna, CIGNA, Prudential, Health Net, Humana, and WellPoint, providing monetary and injunctive benefits exceeding $1 billion. Additional cases Mr. Guglielmo played a leading role and obtained substantial recoveries for his clients include: *Love v. Blue Cross and Blue Shield Ass'n*, No. 03-cv-21296 (S.D. Fla.), which resulted in settlements of approximately $130 million and injunctive benefits valued in excess of $2 billion; *In re Insurance Brokerage Antitrust Litigation*, MDL No. 1897 (D.N.J.), settlements in excess of $180 million; *In re Pre-Filled Propane Tank Marketing and Sales Practices Litigation*, MDL No. 2086 (W.D. Mo.), consumer settlements in excess of $40 million; *Bassman v. Union Pacific Corp.*, No. 97-cv-02819 (N.D. Tex.), $35.5 million securities class action settlement; *Garcia v. Carrion*, Case No. CV. 11-1801 (D. P.R.), substantial corporate governance reforms; *Boilermakers National Annuity Trust Fund v. WaMu Mortgage Pass-Through Certificates*, No. 09-cv-00037 (W.D. Wash.), $26 million securities class action settlement, *Murr v. Capital One Bank (USA), N.A.*, No. 13-cv-1091 (E.D. Va.) $7.3 million settlement pending on behalf of class of consumers who were misled into accepting purportedly 0% interest offers, and *Howerton v. Cargill, Inc.*, No. 13-cv-00336 (D. Haw.) $6.1 settlement obtained on behalf of class of consumers who purchased Truvia, purported to be deceptively marketed as "all-natural."

Mr. Guglielmo was the principle litigator and obtained a significant opinion from the Hawaii Supreme Court in *Hawaii Medical Association v. Hawaii Medical Service Association*, 113

Hawaii 77 (Haw. 2006), reversing the trial court's dismissal and clarifying rights for consumers under the state's unfair competition law.

Mr. Guglielmo lectures on electronic discovery and is a member of the Steering Committee of the Sedona Conference®, an organization devoted to providing guidance and information concerning issues such as discovery and production issues, as well as areas focusing on antitrust law, complex litigation, and intellectual property. Recently, Mr. Guglielmo was selected as a speaker for electronic discovery issues at the Sedona Conference as well as the Advanced eDiscovery Institute at Georgetown University Law Center. Mr. Guglielmo was also recognized for his achievements in litigation by his selection to *The National Law Journal*'s "Plaintiffs' Hot List." In 2016, Mr. Guglielmo was named by Super Lawyers as a top Antitrust lawyer in New York, New York.

Mr. Guglielmo graduated from the Catholic University of America (B.A., *cum laude*, 1992; J.D., 1995) and also received a Certificate of Public Policy.

Mr. Guglielmo is admitted to practice before numerous federal and state courts: the United States Supreme Court, the United States Court of Appeals for the First Circuit, Second Circuit, Third Circuit, Eighth Circuit and Ninth Circuit, the United States District Courts for the Southern and Eastern Districts of New York, District of Massachusetts, District of Connecticut, District of Colorado, Eastern District of Wisconsin, New York State, the District of Columbia, and the Commonwealth of Massachusetts. He is also a member of the following associations: District of Columbia Bar Association, New York State Bar Association, American Bar Association, and The Sedona Conference®.

GEOFFREY M. JOHNSON is a partner in the firm's Ohio office. Mr. Johnson's practice focuses on commercial and class action trial work and appeals. His areas of concentration include complex securities litigation, ERISA class actions, and commercial and class action antitrust litigation.

Notably, Mr. Johnson serves as lead counsel in *Pfeil v. State Street Bank and Trust Company*, 2:09-cv-12229 (E.D. Mich.), a case of national significance in the area of employee retirement plans. In the case, Mr. Johnson represents a class of over 200,000 current and former General Motors employees who owned General Motors stock in GM's two main retirement plans. Mr. Johnson successfully argued the case to the United States Court of Appeals for the Sixth Circuit, which issued an opinion that is now looked to nationally as one of the seminal cases in the area of ERISA fiduciary duties and employee rights. *See Pfeil v. State Street Bank and Trust Company*, 671 F.3d 585 (6th Cir. 2012).

Mr. Johnson has also served as lead or co-lead counsel in other major securities and ERISA cases, including: *In re Royal Dutch/Shell ERISA Litigation*, No. 04-1398 (D.N.J.), which settled for $90 million and is one of the three largest recoveries ever obtained in an ERISA class action case; *In re Priceline Securities Litigation*, 00-cv-1884 (D. Conn.), which settled for $80 million and is the largest class action securities settlement ever obtain in the State of Connecticut; and *In re General* Motors *ERISA Litigation*, 05-cv-71085 (E.D. Mich.), a case that settled for $37.5 million and ranks among the largest ERISA class settlements ever obtained.

Mr. Johnson has been active in the firm's mortgage-backed securities litigation practice, serving as lead or co-lead counsel in mortgage-backed securities class action cases involving Washington Mutual (*In re* Washington *Mutual Mortgage Backed Securities Litigation*, 2:09-cv-00037 (W. D. Wash.)) and Countrywide Financial (*Putnam Bank v. Countrywide Financial, Inc.*, No. 10-cv-302 (C.D. Cal.)). Mr. Johnson also helped develop the theories that the firm's pension fund clients have used to pursue class action cases against mortgage-backed security trustees. *See Retirement Board of the Policemen's Annuity & Benefit Fund of the City of Chicago v. Bank of New York Mellon* (Case No. 11-cv-05459 (S.D.N.Y.)); *Oklahoma Police Pension & Retirement System v. U.S. Bank NA* (Case No. 11-cv-8066 (S.D.N.Y.)).

In addition, Mr. Johnson is active in the firm's appellate practice group, where he has handled numerous class action appeals, including appeals in the United States Court of Appeals for the Second Circuit, Third Circuit, Fifth Circuit, Sixth Circuit, Seventh Circuit, and Eleventh Circuit.

Mr. Johnson is a graduate of Grinnell College (B.A., Political Science with Honors, 1996) and the University of Chicago Law School (J.D., with Honors, 1999), where he served on the law review. Prior to joining Scott+Scott, Mr. Johnson clerked for the Honorable Karen Nelson Moore, United States Court of Appeals for the Sixth Circuit.

WALTER W. NOSS serves as the managing partner for Scott+Scott's San Diego office. He practices complex federal litigation with an emphasis on prosecuting antitrust actions on both a class-wide and individual, opt-out basis.

Currently, Mr. Noss represents class plaintiffs in *In re Foreign Exchange Benchmark Rates Antitrust Litigation*, No. 1:13-cv-07789 (S.D.N.Y.), an action challenging collusion regarding foreign exchange rates, and *Alaska Electrical Pension Fund v. Bank of America Corporation*, No. 1:14-cv-07126 (S.D.N.Y.), an action challenging collusion regarding the setting of the ISDAfix benchmark interest rate.

Mr. Noss represented class plaintiffs in *Dahl v. Bain Capital Partners LLC*, No. 1:07-cv-12388 (D. Mass.), a case challenging collusion among private equity firms. In *Dahl*, Mr. Noss served as one of the primary litigation counsel prosecuting the case, including deposing key managing directors, drafting dispositive motions, and arguing in court in opposition to defendants' summary judgment motions. The defendants in *Dahl* settled for $590.5 million.

Mr. Noss represented the indirect purchaser class plaintiffs in *Mylan Pharmaceuticals, Inc. v. Warner Chilcott Public Limited Company*, No. 2:12-cv-03824 (E.D. Pa.), a case challenging monopolistic conduct known as "product hopping" by the defendants. In *Mylan*, he was appointed sole lead counsel for the indirect class, and directed their prosecution and eventual settlement of the case for $8 million.

Mr. Noss also represents corporate opt-out clients in *In re: Aluminum Warehousing Antitrust Litigation*, MDL No. 2481 (S.D.N.Y.), a case challenging collusion regarding the spot metal price of physically-delivered aluminum. He has previously represented out-out clients in *In re Rubber Chemicals Antitrust Litigation*, MDL No. 1648 (N.D. Cal.); *In re Polychloroprene Rubber (CR) Antitrust Litigation*, MDL No. 1642 (D. Conn.); and *In re Plastics Additives (No.*

II) Antitrust Litigation, MDL No. 1684 (E.D. Pa.), which were cases involving price-fixing by horizontal competitors in the synthetic rubber industry.

Mr. Noss has experience successfully litigating in federal civil jury trials. In April 2011, Mr. Noss served as lead trial counsel in *Novak v. Gray*, No. 8:09-cv-00880 (M.D. Fla.), winning a $4.1 million jury verdict for breach of oral contract and fraudulent inducement. In December 2009, Mr. Noss served as plaintiffs' local counsel at trial in *Lederman v. Popovich*, No. 1:07-cv-00845 (N.D. Ohio), resulting in a $1.8 million jury verdict for plaintiffs on claims of breach of fiduciary duties, conversion, and unjust enrichment. In January and February 2006, Mr. Noss assisted the trial team for *In re Scrap Metal Antitrust Litigation*, No. 1:02-cv-0844 (N.D. Ohio 2006), resulting in a $34.5 million class action plaintiffs' verdict.

Mr. Noss graduated *magna cum laude* from the University of Toledo with a Bachelor of Arts in Economics in 1997 and *with honors* from The Ohio State University College of Law in 2000. He is a member of the California, New York, and Ohio Bars. Mr. Noss is also a member of the bars of the United States District Courts for the Northern, Central, and Southern Districts of California, the Southern District of New York, and the Northern and Southern Districts of Ohio, as well as the United States Court of Appeals for the Sixth, Ninth, and Eleventh Circuits. Prior to joining Scott+Scott in April 2004, he was an associate in the Cleveland, Ohio office of Jones Day.

DONALD A. BROGGI is a partner in the firm's New York office. Mr. Broggi is a graduate of the University of Pittsburgh (B.A., 1990) and Duquesne University School of Law (J.D., 2000). He is engaged in the firm's complex securities, antitrust, and consumer litigation, including: *In re Foreign Exchange Benchmark Rates Antitrust Litigation*, No. 13-cv-7789 (S.D.N.Y.), *In re: Priceline.com Inc. Securities Litigation*, No. 00-cv-1884 (D. Conn.), *Irvine v. ImClone Systems, Inc.*, No. 02-cv-0109 (S.D.N.Y.), *In re: Rubber Chemicals Antitrust Litigation*, No. C04-01648 (N.D. Cal.), *In re: Plastics Additives Antitrust Litigation*, No. 03-cv-2038 (E.D. Pa.), and *In re Washington Mutual Mortgage-Backed Securities Litigation*, No. 09-cv-0037 (W.D. Wash.), among others.

Mr. Broggi also works with the firm's institutional investor clients, including numerous public pension systems and Taft-Hartley funds throughout the United States to ensure their funds have proper safeguards in place to ensure against corporate malfeasance. Similarly, Mr. Broggi consults with institutional investors in the United States and Europe on issues relating to corporate fraud in the U.S. securities markets, as well as corporate governance issues and shareholder litigation. Mr. Broggi has lectured at institutional investor conferences throughout the United States on the value of shareholder activism as a necessary component of preventing corporate fraud abuses, including the Texas Association of Public Employee Retirement Systems, Georgia Association of Public Pension Trustees, Michigan Association of Public Retirement Systems, Illinois Public Pension Fund Association, and the Pennsylvania Association of County Controllers, among others.

Mr. Broggi is admitted to practice in New York and Pennsylvania.

DEBORAH CLARK-WEINTRAUB is a partner in the firm's New York office. Ms. Weintraub graduated from St. John's University, Queens, New York (B.A., *summa cum laude*, 1981; President's Award in recognition of achieving highest GPA among graduates of St. John's College of Liberal Arts and Science) and Hofstra Law School in Hempstead, New York (J.D., with distinction, 1986). While in law school, Ms. Weintraub was a member and research editor of the Hofstra Law Review. Following her graduation from Hofstra Law School, Ms. Weintraub served as a law clerk to the Honorable Jacob Mishler, United States District Judge for the Eastern District of New York (1986-1987). Ms. Weintraub is a member of the New York bar.

Ms. Weintraub has extensive experience in all types of class action litigation. Ms. Weintraub has served as lead counsel for investors in mortgage-backed securities (MBS) in litigation against MBS trustees for failure to pursue repurchase remedies with respect to mortgage loans in MBS trusts that breached representations and warranties. These matters include *Policemen's Annuity and Benefit Fund of the City of Chicago v. Bank of America, NA*, 1:12-cv-2865 (S.D.N.Y.), which recovered $69 million for investors.

Ms. Weintraub is also currently representing investors in several ongoing securities class action cases including *Weston v. RCS Capital Corporation*, 1:14-cv-10136 (S.D.N.Y.); *ECD Investor Group v. Credit Suisse International*, 14-cv-8484 (S.D.N.Y.); and *In re Conn's, Inc. Sec. Litig.*, No. 4:14-cv-00548 (S.D. Tex.).

Ms. Weintraub has extensive securities class action experience and has acted as plaintiffs' co-lead counsel in numerous cases that have obtained substantial recoveries for defrauded investors. Ms. Weintraub was one of the lead counsel in *In re Oxford Health Plans, Inc. Securities Litigation*, MDL No. 1222 (S.D.N.Y.), in which a cash settlement of $300 million was obtained on the eve of trial after more than five years of litigation. At the time, the $300 million cash recovery was one of the largest recoveries ever achieved in a securities class action. The Honorable Charles L. Brieant, Jr., who presided over this case described it as "perhaps the most heavily defended, ardently pursued defense of a similar case that I can recall." Ms. Weintraub also served plaintiffs' co-lead counsel in *In re CVS Corporation Securities Litigation*, No. 01-11464 (D. Mass.), in which a cash settlement of $110 million was obtained for investors. Following the settlement in March 2006, CVS disclosed that the SEC had opened an inquiry into the manner in which CVS had accounted for a barter transaction, a subject of the class action suit, and that independent counsel to the firm's audit committee had concluded in December 2005 that various aspects of the company's accounting for the transaction were incorrect, leading to the resignations of the company's controller and treasurer.

Ms. Weintraub is the co-author of "Gender Bias and the Treatment of Women as Advocates," Women in Law (1998), and the "Dissenting Introduction" defending the merits of securities class action litigation contained in the 1994 monograph "Securities Class Actions: Abuses and Remedies," published by the National Legal Center for the Public Interest. She is a member of the Association of the Bar of the City of New York.

WILLIAM C. FREDERICKS holds a B.A. (with high honors) from Swarthmore College (Pa.), an M. Litt. in International Relations from Oxford University (England), and a J.D. from

Columbia University Law School (N.Y.). At Columbia, Mr. Fredericks was also a three-time Harlan Fiske Stone Scholar, a Columbia University International Fellow, and the winner of the law school's Beck Prize (property law), Toppan Prize (advanced constitutional law) and Greenbaum Prize (written advocacy). A three-judge panel chaired by the late Justice Antonin Scalia also awarded Mr. Fredericks the Thomas E. Dewey Prize for the best oral argument in the final round of Columbia's Stone Moot Court Honor Competition.

After clerking for the Hon. Robert S. Gawthrop III (E.D. Pa.) in Philadelphia, Mr. Fredericks spent seven years practicing securities and complex commercial litigation at Simpson Thacher & Bartlett LLP and Willkie Farr & Gallagher LLP in New York before moving to the plaintiffs' side of the bar in 1996. Since 1996, Mr. Fredericks has represented investors as a lead or co-lead plaintiff in dozens of securities class actions, including *In re Wachovia Preferred Securities and Bond/Notes Litig.* (S.D.N.Y.) (total settlements of $627 million, reflecting the largest recovery ever in a pure Securities Act case not involving any parallel government fraud claims); *In re Rite Aid Securities Litig.* (E.D. Pa.) (total settlements of $323 million, including the then-second largest securities fraud settlement ever against a Big Four accounting firm); *In re Sears Roebuck & Co. Sec. Litig.* (N.D. Ill.) ($215 million settlement, representing the then-largest §10(b) class action recovery in an action that did not involve either a financial restatement or parallel government fraud claims); *In re State Street ERISA Litig.* (S.D.N.Y.) (one of the largest ERISA class settlements to date); *In re King Digital Sec. Enter. PLC S'holder Litig.* (Super. Ct. San Fran. Cty.) ($18.5 million settlement pending, representing one of the largest state court §11 class action recoveries to date); and *Irvine v. ImClone Systems, Inc.* (S.D.N.Y.) ($75 million settlement). Mr. Fredericks also played a leading role on the team that obtained a rare 9-0 decision for securities fraud plaintiffs in the U.S. Supreme Court in *Merck & Co., Inc. v. Reynolds* (which later settled for $1.052 billion), and has also coauthored amicus briefs in various other Supreme Court cases (including *Halliburton* and *Amgen*) involving securities issues.

At Scott+Scott, Mr. Fredericks' current cases include representing investors in several pending securities fraud actions, and in antitrust litigation against over a dozen leading banks based on their involvement in manipulating foreign exchange ("FX") rates and spreads.

Mr. Fredericks has been recognized in the 2012-17 editions of "America's Best Lawyers" in the field of commercial litigation, in "Who's Who in American Law" (Marquis), and in the New York City "SuperLawyers" listings for securities litigation. He has been a frequent panelist on various securities litigation programs sponsored by the Practising Law Institute (PLI), and has lectured overseas on American class action litigation on behalf of the American Law Institute/American Bar Association (ALI/ABA). He is also a member of the New York City Bar Association (former chair, Committee on Military Affairs and Justice), the Federal Bar Council and the American Bar Association.

DARYL F. SCOTT graduated in 1981 from Vanderbilt University with a Bachelor of Arts in Economics. He received his Juris Doctorate from Creighton University School of Law in 1984, and a Masters of Taxation from Georgetown University Law Center in 1986. Mr. Scott is a partner involved in complex securities litigation at Scott+Scott. In addition to his work with the firm, Mr. Scott has specialized in private foundation and ERISA law. He was also formerly an

executive officer of a private equity firm that held a majority interest in a number of significant corporations. Mr. Scott is admitted to the Supreme Court of Virginia and a member of the Virginia Bar Association and the Connecticut Bar Association.

DEIRDRE DEVANEY is a graduate of New York University (B.A., *cum laude*, 1990) and the University of Connecticut School of Law (J.D., with honors, 1998) where she was the managing editor of the Connecticut Journal of International Law. Ms. Devaney's experience includes commercial and probate litigation, as well as trusts and estates. Currently, Ms. Devaney's practice areas include commercial and securities litigation, including: *In re Priceline.com, Inc. Securities Litigation*, among others. Ms. Devaney is admitted to practice in Connecticut, New York, and the United States District Court for the District of Connecticut.

SYLVIA M. SOKOL is a New York- and London-based partner in the firm's Antitrust and Competition Law Practice. She focuses on representing national and international clients in litigation involving domestic and international cartels. Ms. Sokol has substantial experience in all aspects of complex litigation, including the day-to-day management of cases. She also has substantial experience in counseling corporate clients, evaluating potential claims, and developing strategies to recoup losses stemming from anticompetitive conduct.

Ms. Sokol currently represents a nationwide class in price-fixing litigation regarding the $5.3 trillion-a-day foreign exchange market. She also represents a proposed nationwide class in an action involving ISDAfix, a financial benchmark that is tied to over $379 trillion of interest-rate swaps around the world. In addition, Ms. Sokol represents several large multinational corporations alleging that Goldman Sachs, JPMorgan, Glencore, and their warehouse affiliates conspired to restrict the supply of aluminum in London Metal Exchange-approved warehouses. And she represents several government entities in a national lawsuit alleging bid-rigging in the municipal derivatives market.

In addition, Ms. Sokol's civil litigation experience has involved defending corporate clients charged with unlawful business practices and monopolizations. She has also represented clients in criminal and extradition matters.

Ms. Sokol was selected for the International Who's Who of Competition Lawyers & Economists and for Competition - U.S. in 2016 and 2017. Honorees are selected based on comprehensive and independent survey responses received from general counsel and private practitioners around the world. She has been selected to be a Fellow in The Trial Lawyer Honorary Society of the Litigation Counsel of America, which is a trial lawyer honorary society composed of less than one-half of one percent of American lawyers. *Lawyer Monthly* magazine awarded her the Women in Law Award 2017. She was also named a "Super Lawyer" in 2011, 2012, and 2014, Super Lawyers Northern California Edition, and was named a "Super Lawyer" in 2015 and 2016, Super Lawyers New York Metro Edition.

She is a 1998 graduate of the New York University School of Law (*cum laude*), and completed her undergraduate studies at the University of British Columbia. After law school, Ms. Sokol was awarded the Soros Justice Fellowship to serve a year in the Capital Habeas Unit of the Federal Public Defender's Office, where she represented clients condemned to death and

developed training materials for members of the capital defense bar. She then served as a judicial law clerk to the Honorable Warren J. Ferguson, United States Court of Appeals for the Ninth Circuit, before spending several years working at Morrison & Foerster LLP.

Ms. Sokol is a member of the American Bar Association and is admitted to practice in New York, California, and the District of Columbia. She is also admitted to the Southern District of New York, the Northern, Southern, and Eastern Districts of California, as well as the United States Supreme Court.

She is bilingual in English and French, and holds French and United States citizenships.

PETER A. BARILE III is a partner in Scott+Scott's competition practice. His focus is on complex antitrust and commodity litigation.

Mr. Barile has extensive experience representing clients on both sides of the docket in a variety of industries and contexts, from consumers and investors to institutions and corporations, whether as individual plaintiffs, class plaintiffs, opt-outs, or defendants in complex matters. Prior to joining the firm, he practiced both in New York and in Washington D.C., with major law firms renowned for their historically leading antitrust practices.

Mr. Barile devotes a substantial amount of his practice to federal antitrust and commodity class action litigation involving the financial services industry in the Southern District of New York. Mr. Barile is or has been involved in representing investor rights in major cases involving commodities and financial benchmarks, including: *Aluminum*, *Cotton*, *Crude Oil*, *FX*, *Gold*, *ISDAfix*, *LIBOR*, *Silver*, and *Zinc*.

He also has significant experience litigating high-tech antitrust cases in the Northern District of California, including *In re Online DVD Antitrust Litigation*; *In re Lithium Ion Batteries Antitrust Litigation*; and *In re High Tech Employees Antitrust Litigation*.

In addition to his work in federal district trial courts, Mr. Barile has considerable experience in other arenas, including the Judicial Panel on Multidistrict Litigation, federal Circuit Courts of Appeal, and the United States Supreme Court.

Mr. Barile is active in the antitrust bar, having held a number of leadership posts in the ABA and other organizations. He serves on the Advisory Board of the Loyola Institute for Consumer Antitrust Studies. Mr. Barile has published numerous articles and served as a panelist or speaker on antitrust issues. His work has been cited by the Federal Trade Commission and the Antitrust Modernization Commission, as well as leading academics and practitioners.

Mr. Barile also has helped nonprofit advocacy groups be heard in matters of national importance as Friends of the Court in major cases before the United States Supreme Court. His work has included *Leegin Creative Leather Products, Inc. v. PSKS, Inc.*, 551 U.S. 877 (2007), in which he served as lead counsel for *amicus curiae* Consumer Federation of America in a landmark antitrust case on resale price fixing, and *Giles v. State of California*, 554 U.S. 353 (2008), in

which he served as lead counsel for *amicus curiae* Battered Women's Justice Project, in a case concerning the scope of the Confrontation Clause of the United States Constitution.

Mr. Barile earned his law degree in 1999 from the University of Connecticut School of Law, *magna cum laude*, where he was an Editor of the Connecticut Law Review and Moot Court Champion. His bachelor's degree is from the University of Connecticut.

Mr. Barile is a member of the bars of New York, Connecticut, and the District of Columbia. He is admitted to practice in the United States District Courts for the Southern District of New York, Eastern District of New York, District of Columbia, Northern District of Illinois, District of Connecticut; United States Courts of Appeal for the Second, Fourth, Sixth, Seventh, Ninth, Federal, and District of Columbia Circuits, and the Supreme Court of the United States.

BELINDA HOLLWAY is the head of Scott+Scott's office in London. She has over a decade of competition law experience, and specialises in competition damages litigation before the English High Court, Competition Appeal Tribunal and the Court of Appeal, particularly on behalf of multinational corporations in follow-on damages claims. She has extensive expertise in developing and coordinating multijurisdictional litigation strategies, both within Europe and beyond. She also represents investors in shareholder litigation.

Prior to joining Scott+Scott, Ms. Hollway spent nine years in the London office of Freshfields Bruckhaus Deringer LLP. She represented clients across a wide range of industries, acting in many of the leading English competition damages cases, such as *Cooper Tire*, relating to the synthetic rubber cartel, and *National Grid v. ABB*, relating to the cartel in gas insulated switchgear. She was the lead associate on the defence team in *Enron v. EWS*, which was the first follow-on damages claim ever to reach trial in the Competition Appeal Tribunal. Her wide experience on the defence side gives her a special insight into the issues that claimants must address and overcome in order to recoup losses stemming from breaches of competition law in Europe.

Ms. Hollway has also acted for numerous clients in competition law investigations, both internal investigations and those brought by the UK Office of Fair Trading (now the Competition and Markets Authority) and the European Commission. She has been involved in immunity applications, Commission cartel settlements, and contested cases. From this work, she has an in-depth understanding of the interaction between private and public enforcement in Europe and the ramifications that public enforcement has for the strategy and progression of damages claims.

Ms. Hollway attended the Australian National University and graduated in 2001 with a First Class Honours degree in History and a First Class Honours Degree and University Medal in Law. She then spent a year as an Associate to Her Honour Justice Catherine Branson at the Federal Court of Australia and then worked for the competition and litigation teams of Allens Arthur Robinson in Sydney, prior to moving to the United Kingdom in 2006. She has a Master's Degree in Competition Law from King's College London.

She has published on competition law issues, including in relation to the EU Damages Directive and has been quoted in the press on competition law in Europe.

Ms. Hollway is admitted to practice in England and Wales and in New South Wales, Australia.

AMANDA F. LAWRENCE is a partner in the firm's Connecticut office. Ms. Lawrence is a graduate of Dartmouth College (B.A., *cum laude*, 1998) and Yale Law School (J.D., 2002). During law school, Ms. Lawrence worked for large firms in Washington, D.C., New York, and Cleveland. After graduating from Yale, she worked in-house at a tax lien securitization company and for several years at a large Hartford-based law firm.

At Scott+Scott, Ms. Lawrence is actively is engaged in the firm's complex securities, corporate governance, consumer, and antitrust litigation. She has worked on several cases that have resulted in substantial settlements including: *In re Aetna UCR Rates Litigation*, MDL No. 2020 (D.N.J.) ($120 million settlement pending); *Rubenstein v. Oilsands Quest Inc.*, No. 11-1288 (S.D.N.Y.) (securities settlement of $10.235 million); *Boilermakers National Annuity Trust Fund v. WaMu Mortgage Pass-Through Certificates*, No. 09-cv-00037 (W.D. Wash.) ($26 million securities class action settlement); and *In re TETRA Technologies, Inc. Securities Litig.,* No. 4:07-cv-00965 (S.D. Tex.) ($8.25 million securities class action settlement).

Ms. Lawrence has taught Trial Practice at the University of Connecticut School of Law and is very actively involved in her community, particularly in recreational organizations and events. A five-time NCAA National Champion cyclist who raced throughout the United States, Europe, Bermuda, and Pakistan, Ms. Lawrence is now an avid endurance athlete. She has competed in dozens of marathons, including the New York Marathon and the Boston Marathon, and in 11 full-distance ironman competitions – three of which were at the Ironman World Championships in Kona, Hawaii. She is licensed to practice in Connecticut and the Southern District of New York.

ERIN GREEN COMITE is a partner in the firm's Connecticut office. Ms. Comite is a graduate of Dartmouth College (B.A., *magna cum laude*, 1994) and the University of Washington School of Law (J.D., 2002). Ms. Comite litigates complex class actions throughout the United States, representing the rights of shareholders, employees, consumers, and other individuals harmed by corporate misrepresentation and malfeasance. Since joining Scott+Scott in 2002, she has litigated such cases as *In re Priceline.com Securities Litigation* ($80 million settlement); *Schnall v. Annuity and Life Re (Holdings) Ltd.* ($27 million settlement); and *In re Qwest Communications International, Inc.* (settlement obtaining $25 million for the company and achieving corporate governance reforms aimed at ensuring board independence). Currently, she is one of the court-appointed lead counsel in *In re Monsanto Company Genetically-Engineered Wheat Litigation*, MDL No. 2473 (D. Kan.), and is prosecuting or has recently prosecuted actions against defendants such as Banco Popular, N.A.; Cargill, Inc.; The Estée Lauder Companies, Inc.; Ferrero USA, Inc.; L'Oreal USA, Inc.; Merisant Company; Merrill, Lynch, Pierce, Fenner & Smith, Inc.; NCO Financial Systems, Inc.; and Nestlé USA, Inc.

While Ms. Comite is experienced in all aspects of complex pre-trial litigation, she is particularly accomplished in achieving favorable results in discovery disputes. In *Hohider v. United Parcel Service, Inc.*, Ms. Comite spearheaded a nearly year-long investigation into every facet of UPS's preservation methods, requiring intensive, full-time efforts by a team of attorneys and paralegals well beyond that required in the normal course of pre-trial litigation. Ms. Comite assisted in

devising the plan of investigation in weekly conference calls with the Special Master, coordinated the review of over 30,000 documents that uncovered a blatant trail of deception and prepared dozens of briefs to describe the spoliation and its ramifications on the case to the Special Master. In reaction to UPS's flagrant discovery abuses brought to light through the investigation, the Court conditioned the parties' settlement of the three individual ADA case on UPS adopting and implementing preservation practices that passed the approval of the Special Master.

Ms. Comite also is active in the firm's appellate practice. Recent successes include achieving a Ninth Circuit reversal of a district court's dismissal of consumers' claims concerning Nestlé's Juicy Juice Brain Development Beverage, which the plaintiffs alleged was deceptively marketed as having the ability to improve young children's cognitive development with minute quantities of the Omega-3 fatty acid, DHA. *Chavez v. Nestle USA, Inc.*, 511 F. App'x 606 (9th Cir. 2013).

Prior to entering law school, Ms. Comite served in the White House as Assistant to the Special Counsel to President Clinton. In that capacity, she handled matters related to the White House's response to investigations, including four independent counsel investigations, a Justice Department task force investigation, two major oversight investigations by the House of Representatives and the Senate, and several other congressional oversight investigations.

Ms. Comite's volunteer activities have included assisting immigrant women, as survivors of domestic violence, with temporary residency applications as well as counseling sexual assault survivors. Currently, Ms. Comite supports Connecticut Children's Medical Center and March of Dimes/March for Babies.

Ms. Comite is licensed to practice in the State of Connecticut and is admitted to practice in the U.S. District Court for the District of Connecticut and the Southern District of New York and the U.S. Court of Appeals for the Second, Third, Ninth and Eleventh Circuits.

KRISTEN M. ANDERSON is a partner in the firm's New York office. Ms. Anderson's practice focuses on complex and class action litigation with an emphasis on antitrust matters. Ms. Anderson is recognized as a Rising Star in the 2014-15, 2015-16, and 2016-17 editions of Super Lawyers.

A substantial portion of Ms. Anderson's practice is devoted to antitrust cases within the financial services industry. Currently, Ms. Anderson represents plaintiff-investors in *In re Foreign Exchange Benchmark Rates Antitrust Litigation*, No. 13-cv-7789 (S.D.N.Y.), *Axiom Investment Advisors, LLC, by and through its Trustee Gildor Management, LLC v. Deutsche Bank AG*, No. 15-cv-9945 (S.D.N.Y.), and *Axiom Investment Advisors, LLC, by and through its Trustee Gildor Management LLC v. Barclays Bank PLC*, No. 15-cv-9323 (S.D.N.Y.), cases alleging misconduct in the foreign exchange market by many global financial institutions. Ms. Anderson represented pension funds and individual investors in *Dahl v. Bain Capital Partners, LLC*, No. 07-cv-12388 (D. Mass.) ($590.5 million settlement), an antitrust action alleging collusion in the buyouts of large publicly traded companies by private equity firms. Ms. Anderson also served on the trial team representing certified classes of cardholders in antitrust cases challenging class action-banning arbitration clauses in credit card agreements as restraints of trade in *Ross v. Bank of*

America N.A., No. 05-cv-7116, MDL No. 1409 (S.D.N.Y.) and *Ross v. American Express Co.*, No. 04-cv-5723, MDL No. 1409 (S.D.N.Y).

Ms. Anderson is an active member of the American Bar Association's Antitrust Section. She currently serves as Vice Chair of the Antitrust Section's Trial Practice Committee and is co-editor of the Committee's newsletter, Trying Antitrust. She has been a Vice Chair of the Antitrust Section's Books & Treatises Committee. She has also been a contributing author to the Antitrust Section's *Antitrust Discovery Handbook* (2d ed.), *Joint Venture Handbook* (2d ed.), and the *2010 Annual Review of Antitrust Law Developments*. In addition, Ms. Anderson served as an editor for *Model Jury Instructions in Civil Antitrust Cases* (2016 ed.). Ms. Anderson was a co-author of an article appearing in the Fall 2014 edition of *Competition: Journal of the Antitrust and Unfair Competition Section of the State Bar of California*, entitled *The Misapplication of Associated General Contractors to Cartwright Act Claims*, 23 COMPETITION: J. ANTI. & UNFAIR COMP. L. SEC. ST. B. CAL. 120 (2014).

Ms. Anderson is the Editor-in-Chief of MARKET+LITIGATION, Scott+Scott's monthly newsletter. She is also active in the firm's continuing legal education programs, speaking on discovery, evidence, and antitrust issues.

Ms. Anderson is a graduate of St. Louis University (B.A. Philosophy, *summa cum laude*, 2003) and the University of California, Hastings College of the Law (J.D. 2006). During law school, Ms. Anderson served as an extern at the U.S. Department of Justice, Antitrust Division, in San Francisco. While at Hastings, Ms. Anderson also served as an extern to Justice Kathryn Mickle Werdegar of the Supreme Court of California and was the research assistant to Professor James R. McCall in the areas of antitrust and comparative antitrust law.

Ms. Anderson is admitted to practice in California, New York, and the District of Columbia.

THOMAS LAUGHLIN is a partner in the firm's New York office. Mr. Laughlin is a graduate of Yale University (B.A. History, *cum laude*, 2001) and New York University School of Law (J.D., *cum laude*, 2005). After graduating from law school, Mr. Laughlin clerked for the Honorable Irma E. Gonzalez, United States District Court Judge for the Southern District of California.

Mr. Laughlin's practice focuses on securities class action, shareholder derivative, ERISA and other complex commercial litigation. While at Scott+Scott, Mr. Laughlin has worked on several cases that have achieved notable victories, including *Cornwell v. Credit Suisse,* No. 08-3758 (S.D.N.Y.) (securities settlement of $70 million), *Rubenstein v. Oilsands Quest Inc.*, No. 11-1288 (S.D.N.Y.) (securities settlement of $10.235 million) *Plymouth County Contributory Ret. Sys. v. Hassan,* No. 08-1022 (D.N.J.) (corporate governance reform); and *Garcia v. Carrion,* No. 09-1507 (D.P.R.) (corporate governance reform). Mr. Laughlin is a member of the New York bar and is admitted to practice in the Southern District of New York and the Eastern District of New York.

Mr. Laughlin also has significant appellate experience, having represented clients in connection with several appellate victories, including *Cottrell v. Duke,* 737 F.3d 1238 (8th Cir. 2013);

Westmoreland County Employee Retir. Sys. v. Parkinson, 727 F.3d 719 (7th Cir. 2013); *Pfeil v. State Street Bank and Trust Co.*, 671 F.3d 585 (6th Cir. 2012); and *King v. VeriFone Holdings, Inc*., 12 A.3d 1140 (Del. Supr. 2011).

In 2014, Mr. Laughlin was co-chair of a 13-day bench trial in *Bankers' Bank Northeast v. Berry, Dunn, McNeil & Parker, LLC*, No. 12-cv-00127 (D. Me.). Mr. Laughlin represented a consortium of 10 community banks asserting negligence and professional malpractice claims against the former officers and directors of a bank and its auditor in connection with an $18 million loan made to that bank in September 2008. Among other things, Mr. Laughlin conducted the cross-examination of all three witnesses from the defendant's auditing firm and the direct examination of plaintiff's auditing expert. The parties to the action succeeded in resolving the action after trial.

MAX SCHWARTZ is a partner based in New York. His main practice area is complex civil litigation, with an emphasis on financial products and services. He also counsels investment firms and institutional investors on strategies to enhance returns, or recoup losses, through a variety of legal actions.

Following the financial crisis, Mr. Schwartz served as lead counsel in several cases that set important precedents regarding mortgage-backed securities. He argued the first cases to find that securitization trustees must seek to have defective mortgages repurchased from MBS trusts. These efforts recently led to the recovery of $69 million for investors in Washington Mutual MBS and $6 million for investors in Bear Stearns MBS. *Policemen's Annuity and Benefit Fund of the City of Chicago v. Bank of America, NA*, 1:12-cv-2865 (S.D.N.Y.); *Oklahoma Police Pension and Retirement System v. U.S. Bank National Association*, 1:11-cv-8066 (S.D.N.Y.).

Currently, Mr. Schwartz represents investment firms pursuing claims against MBS servicers. He also represents plaintiffs in a securities action against Nicholas Schorsch and RCS Capital Corp., among others. *Weston v. RCS Capital Corp.*, 1:14-cv-10136 (S.D.N.Y.).

Mr. Schwartz has substantial experience in competition and antitrust matters as well. He was part of the team that secured a $590 million settlement stemming from allegations that several of the largest leveraged buyouts were subject to collusion. *Dahl v. Bain Capital Partners, LLC*, 1:07-cv-12388 (D. Mass.). In addition, Mr. Schwartz has advised clients in antitrust matters ranging from pharmaceuticals to precious metals and has advised companies seeking merger review before a number of regulatory agencies.

Super Lawyers named Mr. Schwartz a Rising Star. The Legal Aid Society also recognized him with a Pro Bono Service Award for work before the New York Court of Appeals.

Mr. Schwartz holds a B.A. from Columbia University (*cum laude*), and a J.D. from New York University School of Law.

DAVID HOWE is a competition, EU and public lawyer, and Senior Counsel at Scott+Scott Europe. He trained at Freshfields Bruckhaus Deringer LLP and, after qualification, spent a further eight years in the competition and dispute resolution teams there.

David has acted for a range of multinational clients on the full spectrum of competition investigations (in both the UK and internationally) litigation and advice. He has conducted competition damages claims in the English High Court, Court of Appeal and Competition Appeal Tribunal, and also appeared in the European Court of Justice. He acted for Roche on its defence of litigation arising out of the Vitamins cartel (including in the Devenish litigation, which ruled on the availability of restitutionary and exemplary damages in follow-on claims) and, for EWS in its defence of claims brought by the administrators of Enron for damage following EWS' abuse of dominance (the first follow-on damages action to go to trial in the Competition Appeal Tribunal). He has published several articles on competition law, including in relation to the new EU Damages Directive.

David also has significant wider expertise, including in bribery, public and regulatory law, and human rights matters. For instance, he was the lead associate co-ordinating a multi-jurisdictional regulatory and public law strategy for a major consumer products company, and has acted on a number of judicial reviews for a range of clients, including (as lead associate) on a significant judicial review of the lawfulness of domestic consumer products legislation, relying primarily on EU free movement and human rights grounds. In addition to "classic" human rights claims, David also has expertise in the evolving body of hard and soft law arising out of the UN "Ruggie Principles" on Business and Human Rights, having assisted a major technology company on a full Ruggie-compliant assessment of, and mitigation strategy for, a new project.

David attended Oxford University. He studied Law and French Law, was appointed a scholar, and graduated in 2003 with First Class Honours (being placed in the top 3% of his year), and a Diploma in French Law from the Universite Pantheon-Assas (Paris II). After a year completing professional qualifications, he returned to Oxford University to study the BCL (Oxford University's LLM equivalent), graduating in 2005 with a Distinction and a university prize, and was subsequently short-listed for the All Souls Prize Fellowship. In the early years of his practice at Freshfields, David also completed an LLM in European Law at Kings College London.

DAVID H. GOLDBERGER is an associate in Scott+Scott's San Diego office. Currently, Mr. Goldberger's practice is focused on antitrust litigation, initial case investigations, and other special projects.

Representative actions include *Kleen Products LLC v. Packaging Corporation of America*, No. 10-cv-5711 (N.D. Ill.), an action challenging price-fixing in the containerboard industry, and *In re Lithium Ion Batteries Antitrust Litig.*, No. 13-md-2420 (N.D. Cal.), an action challenging price-fixing of Li-Ion batteries. Mr. Goldberger has also worked on antitrust cases involving delayed generic drug entry, such as *Mylan Pharmaceuticals Inc. v. Warner Chilcott Public Ltd. Co.*, No. 12-cv-3824 (E.D. Pa.) ($8 million settlement) and *In re Prograf Antitrust Litig.*, No. 1:11-md-02242 (D. Mass.).

Previously, Mr. Goldberger was active in Scott+Scott's securities fraud and ERISA practice, including *In re: Priceline.com Securities Litigation*, 03-cv-1884 (D. Conn.) ($80 million settlement), *Alaska Electrical Pension Fund v. Pharmacia Corporation*, No. 03-1519 (D.N.J.) ($164 million settlement), and *In re: General Motors ERISA Litigation*, No. 05-71085 (E.D.

Mich.) (resulting in significant enhancements to retirement plan administration in addition to $37.5 million settlement for plan participants).

Mr. Goldberger was also a member of Scott+Scott's institutional investor relations staff, providing the Firm's many institutional clients with assistance in various matters pertaining to their involvement in complex civil litigations.

Mr. Goldberger is also a frequent contributing author to Market+Litigation, Scott+Scott's monthly client newsletter.

Mr. Goldberger graduated from the University of Colorado (B.A., 1999) and California Western School of Law (J.D., 2002). Mr. Goldberger is admitted to practice by the Supreme Court of the State of California and in all California United States District Courts.

A San Diego native, Mr. Goldberger was a founding member of the Torrey Pines High School "Friends of the Library" and coaches youth sports in his spare time.

JULIE A. KEARNS has been litigating complex class action cases, focusing primarily on violations of federal antitrust and securities laws, since 2006. She also has experience handling civil matters in California state court, and is located in Scott+Scott's San Diego office. Ms. Kearns has been recognized as a Rising Star in the 2015, 2016, and 2017 editions of Super Lawyers. She was also honored by the San Diego Business Journal as Best of the Bar in 2015.

At Scott+Scott, Ms. Kearns presently devotes much of her time representing investors in cases involving the manipulation of financial benchmarks by numerous major banks, including *In re Foreign Exchange Benchmark Rates Antitrust Litigation*, No. 13-cv-7789 (S.D.N.Y) and *Alaska Elec. Pension Fund v. Bank of America Corp.*, No. 14-cv-7126 (S.D.N.Y).

A native Southern Californian, Ms. Kearns earned her Bachelor of Arts degree from the University of California, Santa Barbara, in 2003, with a double major in Political Science and Law & Society. She graduated *cum laude* from Thomas Jefferson School of Law in 2006. During law school, Ms. Kearns served as Executive Board Co-Chair of the Moot Court Society, and participated in multiple competitions across the country. She also served as judicial intern to the Honorable Judge William S. Cannon, who oversaw civil matters in the Superior Court of California, County of San Diego. She completed internships at various public defender entities at both the state and federal levels, and drafted sponsorship agreements and similar documents as legal intern for the local minor league ice hockey team, the San Diego Gulls.

As an avid animal lover and supporter of animal rights, Ms. Kearns has served as *pro bono* volunteer attorney in association with the non-profit association Expand Animal Rights Now ("EARN") since 2016. She is a long-time supporter of the San Diego Humane Society, the San Diego Zoological Society, the ASPCA, and other similar organizations. Ms. Kearns has also made presentations to middle and high school students around San Diego County as part of the annual, non-partisan Constitution Day event organized by the San Diego ACLU.

Ms. Kearns is licensed to practice law in the state of California, and is admitted to the U.S. District Court for the Southern, Central, and Northern Districts of California, the District of Colorado, and the U.S. Court of Appeals for the Fifth Circuit.

THOMAS K. BOARDMAN is an associate in the Scott+Scott's New York office, focusing on antitrust litigation. At his prior firm, Mr. Boardman was a member of the trial team in *In re TFT-LCD (Flat Panel) Antitrust Litigation*. For his work on that case, Mr. Boardman was nominated by Consumer Attorneys of California as a finalist for Consumer Attorney of the Year. Mr. Boardman was also an instrumental part of the lead counsel team in *In re Potash Antitrust Litigation (II)*, a case that featured a unanimous victory before an *en banc* panel of the Seventh Circuit, resulting in one of the most influential antitrust appellate opinions in recent memory. The case ended in $90 million in settlements.

At Scott+Scott, Mr. Boardman represents plaintiff-investors in *In re Foreign Exchange Benchmark Rates Antitrust Litigation* and represents opt-out plaintiffs in *Mag Instrument Inc v. The Goldman Sachs Group Inc*. Mr. Boardman also represents indirect purchaser plaintiffs in *In re Lithium Ion Batteries Antitrust Litigation*.

Mr. Boardman received his Bachelor of Arts degree from Vassar College in 2004, majoring in Political Science and Film Studies. He received his Juris Doctorate from the University of California, Hastings College of the Law in 2009. While at Hastings, Mr. Boardman was a member of the Hastings Science and Technology Law Journal and worked as a research assistant to professors Geoffrey C. Hazard, Jr. and Rory K. Little. Mr. Boardman is a member of the following Bars: California, New York, Ninth Circuit Court of Appeals, Central District of California, Northern District of California, and Southern District of California. He is also a member of the following professional associations: ABA Antitrust Section – Model Jury Instruction Revision Task Force, ABA Antitrust Section – Young Lawyers Division – Litigation Committee, ABA Antitrust Section – Young Lawyers Division – Civil Practice and Procedure Committee, New York State Bar Association – Antitrust Section, Bar Association of San Francisco, and Public Justice Foundation.

Mr. Boardman has co-authored the following articles: "Reverse Engineering Your Antitrust Case: Plan for Trial Even Before You File Your Case," *Antitrust Magazine*, Spring 2014, Vol. 28, No. 2, with Bruce L. Simon; and "Class Action for Health Professionals," chapter from *Advocacy Strategies for Health and Mental Health Professionals*, Springer Publishing Co., 2011, with Bruce L. Simon, Stuart L. Lustig, Editor.

Prior to joining Scott+Scott, Mr. Boardman worked at Pearson, Simon & Warshaw, LLP in San Francisco and served as a judicial law clerk to the Hon. Christina Reiss in United States District Court, District of Vermont.

Mr. Boardman enjoys running and regularly does so for charity. He has run several races to fundraise for various causes, including the New York City Marathon (National Multiple Sclerosis Foundation) and the Boston Marathon (Cystic Fibrosis Foundation).

PATRICK McGAHAN is an associate in Scott+Scott's London office. He specialises in competition damages litigation before the English High Court, Competition Appeal Tribunal and the Court of Appeal. He has also acted for clients in a variety of arbitrations (both investment treaty and commercial) and pieces of general commercial litigation. Mr. McGahan is presently representing numerous clients who may have European claims arising from the manipulation of the foreign exchange market.

Prior to joining Scott+Scott, Mr. McGahan spent four years in the London office of Freshfields Bruckhaus Deringer LLP. During this time he acted in many of the leading English competition damages cases, including *National Grid Electricity Transmission Plc v ABB Ltd*. He also acted for numerous clients in competition law investigations, both internal investigations and those brought by the Competition and Markets Authority, the European Commission, and other regulators, including the multi-jurisdictional 'LIBOR' investigations.

Mr. McGahan attended the University of Queensland and graduated in 2010 with a Bachelor of Laws (First Class Honours) and a Bachelor of Arts (Economics/Political Science). He then spent a year as the Associate to His Honour Justice Andrew Greenwood at the Federal Court of Australia. Mr. McGahan has a Postgraduate Diploma in Competition Law from King's College London.

Mr. McGahan is admitted to practice in England and Wales and in Queensland, Australia.

JOHN JASNOCH's practice areas include securities and antitrust class actions, shareholder derivative actions, and other complex litigation. Mr. Jasnoch represented plaintiffs in *In re Washington Mutual Mortgage-Backed Securities Litigation*, Case No. 2:09-cv-00037 (W.D. Washington), a case that was litigated through summary judgment and settled on the eve of trial for $26 million. Mr. Jasnoch was also one of the lead attorneys that secured a $7.68 million settlement in *In re Pacific Biosciences Securities Litigation*, Case No. CIV509210 (San Mateo County, California). Other cases Mr. Jasnoch has worked on that have achieved notable results include: *West Palm Beach Police Pension Fund v. Cardionet, Inc.*, Case No. 37-2010-00086836-CU-SL-CTL (San Diego County, California) ($7.25 million settlement), *Hodges v. Akeena Solar*, 09-cv-2147 (N.D. Cal.) ($4.77 million settlement), *Plymouth County Contributory Ret. Sys. v. Hassan*, No. 08-1022 (D.N.J.) (corporate governance reform), and *In re HQ Sustainable Maritime Industries, Inc., Derivative Litigation*, Case No. 11-2-16742-9 (King County, Washington) ($2.75 million settlement).

Mr. Jasnoch is also involved in the firm's healthcare practice group, currently representing institutional investors in *In re DaVita Healthcare Partners, Inc. Derivative Litigation*, Case No. 12-cv-2074 (D. Co.) and *City of Omaha Police and Fire Pension Fund v. LHC Group*, Case No. 12-cv-1609 (W.D. La.).

As an active member of the Consumer Attorneys of California, Mr. Jasnoch has prepared and submitted successful *amicus curie* briefs to the Ninth Circuit Court of Appeals, including on California's Anti-SLAPP law and consumer protection issues.

Mr. Jasnoch graduated *cum laude* from Creighton University with a Bachelor of Arts in Political Science in 2007. He received his Juris Doctorate from The University of Nebraska College of Law in 2011 and is a member of the California Bar.

MICHAEL G. BURNETT is a graduate of Creighton University (B.A., 1981) and Creighton University School of Law (J.D., 1984). Mr. Burnett practices complex securities litigation at the firm where he consults with the firm's institutional clients on corporate fraud in the securities markets as well as corporate governance issues. In addition to his work with the firm, Mr. Burnett has specialized in intellectual property and related law. Mr. Burnett is admitted to the Nebraska Supreme Court and United States District Court, District of Nebraska. He is a member of the Nebraska Bar Association.

J. ALEX VARGAS serves as Scott+Scott's Director of Investigations. He has devoted over a decade of his career investigating claims on behalf of institutional investors and other stakeholders. At Scott+Scott, Mr. Vargas conducts and oversees investigations across all practice groups. Prior to joining the firm, Mr. Vargas was involved in several high-profile securities fraud cases, including one where he served as the principal investigator in connection with a 14-year litigation, resulting in the largest securities fraud settlement following a trial; a record $1.575 billion recovery in *Jaffe v. Household Int'l, Inc.*, No. 02-C-05893 (N.D. Ill.).

Representative securities fraud matters include: *Ret. Bd. of the Policemen's Annuity and Benefit Fund of Chicago v. FXCM Inc.*, 1:15-cv-03599-KMW (S.D.N.Y.); *Union Asset Management Holding AG v. SanDisk LLC*, 3:15-cv-01455-VC (N.D. Cal.); *In re LendingClub Corp. Shareholder Litig.*, Case No. CIV537300 (Cal. Super. Ct., San Mateo County); *In re MobileIron, Inc. S'holder Litig.*, 1-15-cv-284001 (Cal. Super. Ct., Santa Clara County); *In re Endochoice Holdings, Inc. Sec. Litig.*, C.A. No. 2016 cv 277772 (Ga. Super. Ct. Fulton County); and *Rubenstein v. Oilsands Quest Inc.*, No. 11-cv-288 (S.D.N.Y.) (settlement of $10.235 million).

Representative consumer class actions *include In re Pacific Coast Oil Trust Sec. Lit.*, BC550418 (Cal. Sup. Ct., Los Angeles County); *Greater Chautauqua Federal Credit Union v. Kmart Corp.*, No. 15-cv-2228 (N.D. Ill.); *WinSouth Credit Union v. MAPCO Express, Inc.*, No. 14-cv-1573 (M.D. Tenn.); *Selco Community Credit Union v. Noodles & Co.*, C.A. No. 1:16-cv-2247 (D. Colo.); *Le v. Kohl's Corp.*, C.A. No. 15-1171 (E.D. Wisc.); and *First Choice Fed. Credit Union v. The Wendy's Co.*, 2:16-cv-00506 (W.D. Pa.).

Mr. Vargas graduated from the University of San Diego (B.A., 1997) and the University of San Diego School of Law (J.D., 2004). He is admitted to practice in New York, California, and the District of Columbia.

ANDREA FARAH's practice focuses on securities, shareholder derivative actions, consumer rights, and other complex litigation. Ms. Farah graduated *summa cum laude* from the University of North Florida with a Bachelor of Arts in Psychology in 2009. She received her Juris Doctorate, *cum laude*, in 2013 and a Master in Business Administration in 2013 from Quinnipiac University School of Law. During law school, Ms. Farah worked as an intern in the Connecticut State's Attorneys Office for the Judicial District of New Haven, Connecticut. Ms. Farah is admitted to practice in New York.

STEPHANIE HACKETT is an associate in Scott+Scott's San Diego office. She primarily practices in the area of antitrust litigation on behalf of classes and individual plaintiffs.

Ms. Hackett has represented class plaintiffs in *Dahl v. Bain Capital Partners, LLC, No. 1:07-cv-12388 (D. Mass.)* ($590.5 million settlement) and *Mylan Pharmaceuticals, Inc. v. Warner Chilcott Public Ltd. Co.*, No. 12-3824 (E.D. Pa.) ($8 million settlement). She represented corporate opt-out clients in *In re Polychloroprene Rubber (CR) Antitrust Litigation*, MDL No. 1642 (D. Conn.); and *In re Plastics Additives (No. II) Antitrust Litigation*, MDL No. 1684 (E.D. Pa.).

Ms. Hackett's current cases include representing class plaintiffs in *In re Foreign Exchange Benchmark Rates Antitrust Litigation*, No. 1:13-cv-07789 (S.D.N.Y.), an action challenging collusion regarding foreign exchange rates, and *Alaska Electrical Pension Fund v. Bank of America Corporation*, No. 1:14-cv-07126 (S.D.N.Y.), an action challenging collusion regarding the setting of the ISDAfix benchmark interest rate. Ms. Hackett also represents corporate opt-out clients in *In re: Aluminum Warehousing Antitrust Litigation*, MDL No. 2481 (S.D.N.Y.), a case challenging collusion regarding the spot metal price of physically-delivered aluminum.

As a part of her *pro bono* work, Ms. Hackett has worked with the San Diego Volunteer Lawyer Program, providing assistance to immigrant victims of domestic violence, and the ABA Immigration Justice Project, where she obtained a grant of asylum on behalf of her client.

Ms. Hackett is an active member of the American Bar Association's Antitrust Section and the San Diego La Raza Lawyers Association. She is also a contributing author to Market+Litigation, Scott+Scott's monthly newsletter.

Ms. Hackett is a graduate of the University of Iowa (B.S. Political Science, International Business Certificate, 2001) and of the University of Iowa College of Law (J.D., with distinction, 2005), where she was a recipient of the Willard L. Boyd Public Service Distinction award. While obtaining her law degree, Ms. Hackett worked as a judicial extern for the Honorable Celeste F. Bremer, United States District Court for the Southern District of Iowa. Ms. Hackett is admitted to practice in California.

In addition to her legal education, Ms. Hackett has engaged in accounting study and passed all four parts of the CPA exam. This background has proved particularly useful in cases involving the financial services industry.

JENNIFER J. SCOTT is an associate in Scott+Scott's San Diego office. Her practice focuses on prosecuting antitrust actions.

Ms. Scott represents pension funds and individual investors in *Dahl v. Bain Capital Partners, LLC*, No. 07-cv-12388 (D. Mass), an antitrust action alleging collusion in the buyouts of large publicly traded companies by private equity firms. The defendants in *Dahl* settled for $590.5 million, pending final approval. Ms. Scott also represents class plaintiffs in *Kleen Products LLC v. International Paper*, No. 1:10-cv-5711 (N.D. Ill.), an action challenging price fixing in the containerboard products industry.

Currently, Ms. Scott represents plaintiffs in *In re Foreign Exchange Benchmark Rates Antitrust Litigation*, No. 13-cv-7789 (S.D.N.Y), challenging foreign-exchange market manipulation by many global financial institutions. Ms. Scott also represents corporate opt-out clients in *In re: Aluminum Warehousing Antitrust Litigation*, MDL No. 2481 (S.D.N.Y), a case challenging collusion regarding the spot metal price of physical-delivered aluminum.

She represented the indirect purchaser class in *Mylan Pharmaceuticals, Inc. v. Warner Chilcott Public Limited Company*, No. 2:12-cv-03824 (E.D. Pa.), a case challenging monopolistic conduct known as "product hopping" by the defendants. In *Mylan*, Ms. Scott drafted dispositive motions, prepared lead counsel to depose experts and key managing directors, and prepared for trial. The case settled for $8 million.

Ms. Scott is an active member of the American Bar Association's Antitrust Section. She is also a frequent contributing author to Market+Litigation, Scott+Scott's monthly newsletter.

Ms. Scott graduated *cum laude* from San Diego State University with a Bachelor of Arts in Psychology in 2007 and from the University of San Diego School of Law in 2011. At USD School of Law, she was a contributing writer to the *California Regulatory Law Reporter*, a judicial intern at the Equal Employment Opportunity Commission, and in-house intern at the Department of the Navy, Office of General Counsel. Ms. Scott is a member of the California Bar and admitted to practice in all state and federal courts in California.

Ms. Scott serves on the board of a San Diego nonprofit literacy organization focusing on early juvenile intervention and rehabilitation.

HAL CUNNINGHAM is a graduate of Murray State (B.S. Biological Chemistry) and the University of San Diego School of Law. Prior to joining Scott+Scott, Mr. Cunningham was engaged in research and development in the chemical and pharmaceutical industries.

Mr. Cunningham's practice focuses on securities class action, shareholder derivative, and consumer litigation. While at Scott+Scott, Mr. Cunningham has worked on several cases that have achieved notable results, including *In re Washington Mutual Mortgage Backed Securities Litigation*, No. C09-0037 (W.D. Wash.) (securities settlement of $26 million). Mr. Cunningham is also involved in the Firm's securities lead plaintiff motion practice, having briefed several successful lead plaintiff applications for the firm's institutional and individual clients.

Mr. Cunningham is a regular contributor to and editor of Scott+Scott's monthly newsletter, MARKET+LITIGATION.

Mr. Cunningham is admitted to practice in California.

YIFAN ("KATE") LV is an associate in Scott+Scott's San Diego office. Her practice focuses on prosecuting antitrust actions with an emphasis on intercultural cartels.

Ms. Lv represents plaintiffs in *In re Foreign Exchange Benchmark Rates Antitrust Litigation*, No. 13-cv-7789 (S.D.N.Y), challenging foreign-exchange market manipulation by many global financial institutions. Ms. Lv also represents and advises the Firm's Asian clients.

Ms. Lv graduated from Tianjin University of Commerce, Tianjin, China, with a Dual Bachelors in Law and Economics in 2008, from Peoples University of China, Beijing, China with a Master in Law in June 2010, and from William & Mary School of Law in 2014.

Ms. Lv is bilingual, speaking fluent Chinese and English.

Ms. Lv is a member of the California, New York, and China Bars.

SCOTT JACOBSEN is an associate in Scott+Scott's New York office. Mr. Jacobsen practices in the areas of shareholder derivative actions, securities class action litigation, and other complex litigation.

While at Scott+Scott, Mr. Jacobsen has primarily focused on securities and derivative litigation, including investigation of corporate books and records to evaluate potential claims on behalf of shareholders. Cases include *International Union of Operating Engineers Local No. 478 Pension Fund v. McInerney*, C.A. No. 11901-VCN (Del. Ch. Jan 13, 2016) (derivatively on behalf of Genworth Financial Inc.); *Carlson v. Dipp*, No. 1:15-cv-14032 (D. Mass. Dec. 7, 2015) (securities class action); *Fernicola v. Hugin*, C.A. No. 11748-VCMR (Del. Ch. Nov. 24, 2015) (derivatively on behalf of Celgene Corp.); *Feldman v. Kulas*, C.A. No. 11614-VCG (Del. Ch. Oct. 15, 2015) (derivatively on behalf of Santander Consumer USA Holdings Inc.); *Fortunato v. Akebia Therapeutics, Inc.*, No. 1:15-cv-13501 (D. Mass. Oct. 5, 2015) (securities class action).

Mr. Jacobsen graduated from The George Washington University (B.A. English, *magna cum laude*; M.A., English) and William & Mary Law School (J.D. 2014). During law school, Mr. Jacobsen externed at the American Civil Liberties Union of Virginia and served as a staff member for the William & Mary Bill of Rights Journal.

Mr. Jacobsen is a member of the following professional associations: ABA Business Section and ABA Young Lawyers Division. Mr. Jacobsen is also a regular contributor to Scott+Scott's monthly newsletter. He is admitted to practice in New Jersey, New York, and the United States District Court for the Southern District of New York.

RHIANA SWARTZ is an associate in the firm's New York office. Ms. Swartz graduated *magna cum laude* from Brooklyn Law School in 2006, and received her B.A. from Swarthmore College in 2000. After graduating from law school, Ms. Swartz clerked for the Honorable Joan M. Azrack in the Eastern District of New York.

Ms. Swartz's practice focuses on securities class actions and shareholder derivative actions.

Prior to joining Scott+Scott, Ms. Swartz was Senior Counsel in the Special Federal Litigation Division of the New York City Law Department, Office of Corporation Counsel, where she handled federal cases brought under 42 U.S.C. §1983 from initial receipt of complaint through

trial verdict. Ms. Swartz settled more than 80 cases and conducted four federal trials. Ms. Swartz also spent more than four years as an Associate at Sullivan & Cromwell LLP in New York, representing major financial institutions in civil and regulatory matters involving securities, antitrust, corporate governance, and employment law issues.

Ms. Swartz is a member of the New York bar and is admitted to practice in the Southern District of New York, Eastern District of New York, and Second Circuit.

DEVINA SHAH is an associate in Scott+Scott's London office. She specialises in competition damages litigation and complex financial cases before the English High Court, the Competition Appeal Tribunal and the Court of Appeal. She is currently representing clients in relation to claims arising out of the manipulation of the foreign exchange market and in connection with LIBOR investigations. She is also advising on claims concerning the multilateral interchange fees.

Prior to joining Scott+Scott, Devina completed her training contract at the London office of Baker & McKenzie LLP. During this time she acted in a range of high-value, cross-border commercial litigation matters and financial disputes, including preparing for and attending a 10-day jurisdictional trial regarding a tortious conspiracy claim and advising on a claim relating to the sinking of an oil platform. Devina has also advised clients on distressed debt and causes of action that could be brought following Cyprus' bail-in resolution. She has advised governments and state banks on anti-money laundering issues and allegations of corruption. Devina has experience in arbitration, acting in claims concerning the international recognition and enforcement of arbitration awards.

She has marshalled in the Chancery Division of the High Court.

Devina graduated from the University of Cambridge with a Bachelor of Arts in History. She is fluent in Gujarati.

SEAN MASSON is an associate in Scott+Scott's New York office. Mr. Masson's practice focuses on securities class action, shareholder derivative, and other complex commercial litigation. *Super Lawyers* has named Mr. Masson a Rising Star in 2015 and 2016 for his work as a securities class action litigator.

Prior to entering the private sector, Mr. Masson served as an Assistant District Attorney in the Manhattan District Attorney's Office. While there, Mr. Masson successfully argued over 40 appeals in state and federal courts and gained extensive experience with large-scale government and regulatory investigations. Notable cases include: *People v. McKelvey* (upheld 75-year sentence for serial rapist preying on homeless women); *People v. Doyle* (affirming conviction for notorious fine art thief); and *People v. Wong* (affirming conviction of driving school instructor involved in hit and run of a child).

Mr. Masson graduated from Queens College (*summa cum laude*) and Hofstra University School of Law (*cum laude*). During law school, Mr. Masson served as the Senior Notes and Comments Editor of the *Hofstra Law Review* and won various awards during Moot Court competitions.
Mr. Masson's publications include:

The Presidential Right of Publicity, 2010 Boston College Intellectual Property & Technology Forum 012001.

Note, *Cracking Open the Golden Door: Revisiting U.S. Asylum Law's Response To China's One-Child Policy*, 37 Hofstra Law Review 1135 (2009).

CAREY ALEXANDER is an associate in Scott+Scott's New York office where he focuses on complex consumer litigation and class actions.

Mr. Alexander received his B.A. from Skidmore College in 2004, and graduated *magna cum laude* from St. John's University School of Law in 2012. During law school, Mr. Alexander served as Associate Managing Editor of the *St. John's Law Review*. His student note, *Abusive: Dodd–Frank Section 1031 and the Continuing Struggle To Protect Consumers*, 85 St. John's L. Rev. 1105 (2012), has been cited in several legal journals, including the *Harvard Law Review*.

Prior to law school, Mr. Alexander served as an editor of the consumer-advocacy blog, *Consumerist.com*. He also served as an advisor to the Bronx Borough President and worked as part of the National Campaign to Restore Civil Rights.

Mr. Alexander is admitted to practice in the State of New York and in several federal courts, including New York's Southern, Eastern, and Western Districts, the Northern District of Illinois, and Court of Appeals for the Ninth Circuit.

KASSANDRA NELSON is an associate in the firm's New York office where she focuses on securities and antitrust litigation.

Ms. Nelson is a graduate of the University of Alabama (B.A., *cum laude* 2012) and Southern Methodist University (J.D., 2016). During law school, Ms. Nelson volunteered over 450+ hours in Legal Public Service and received the distinction of Pro Bono Honor Roll upon graduation. She worked as an intern for the Domestic Violence Division at the Dallas County District Attorney's Office as well as an extern for the Honorable Judge Martin Hoffman. Ms. Nelson served as a student attorney for SMU's Innocence Clinic, working with the Dallas County Public Defender's Office and New York Innocence Project, and successfully advocated for the release and exoneration of Steven Chaney, freed after wrongfully serving more than 25 years.

Ms. Nelson is admitted to practice in the State of Texas.

JONATHAN ZIMMERMAN is an associate in the New York office where he focuses on shareholder derivative and federal securities litigation.

Mr. Zimmerman is a graduate of McGill University, Desautels School of Management (B.Commerce, 2009) and Temple University, Beasley School of Jaw (J.D., 2016). While in law school, Mr. Zimmerman served as a Staff Editor on Temple's International and Comparative Law Journal. He also received the Best Paper Award in Advanced Financial Regulations for his

work entitled *Corporate Diversions*: *Short-Term Tax Savings at the Expense of Shareholder Rights* (Spring 2015).

Prior to joining Scott+Scott, Mr. Zimmerman practiced in the areas of shareholder derivative, federal securities, and *Qui Tam* litigation as an Associate at The Weiser Law Firm, located in the suburbs of Philadelphia, Pennsylvania.

Mr. Zimmerman is a member of the New Jersey and Pennsylvania Bars. He is also a admitted to the U.S. District Court for the District of New Jersey and the U.S. District Court for the Eastern District of Pennsylvania.

A former two-time All-Canadian collegiate lacrosse player and co-captain of McGill University's men's varsity team, Mr. Zimmerman loves watching and playing sports when he, his wife, and his son are not exploring New York City's vibrant food scene.

G. DUSTIN FOSTER's main practice areas include antitrust, securities, and complex litigation, which includes such cases as *In Re Foreign Exchange Benchmark Rates Antitrust Litigation*, No. 13-cv-7789 (S.D.N.Y.), *Dahl v. Bain Capital Partners, LLC*, No. 1:07-cv-12388 (D. Mass.), and *Mylan Pharmaceuticals, Inc. v. Warner Chilcott Public Ltd. Co.*, No. 2:12-cv-03824 (E.D. Pa.). Mr. Foster is a member of the West Virginia State Bar.

Mr. Foster is a graduate of West Virginia Wesleyan College (B.S., Biology, *cum laude*, 1999) and of the West Virginia University College of Law (J.D., 2002), where he earned a position on the Moot Court Board and Lugar Trial Association. During law school, Mr. Foster served as a law clerk for the West Virginia Supreme Court of Appeals, after which he assumed a full-time term position as a law clerk for the Hon. Thomas C. Evans, III, of the Fifth Circuit Court of West Virginia.

JOSEPH A. PETTIGREW's practice areas include securities, antitrust, shareholder derivative litigation, and other complex litigation, including work on the following cases: *Dahl v. Bain Capital Partners, LLC*, No. 07-cv-12388 (D. Mass.); *In re Payment Card Interchange Fee and Merchant Discount Antitrust Litigation*, MDL 1720 (E.D.N.Y); and *Marvin H. Maurras Revocable Trust v. Bronfman*, 12-cv-3395 (N.D. Ill.).

Mr. Pettigrew graduated from Carleton College (B.A., Art History, *cum laude*, 1998) and from the University of San Diego School of Law (J.D., 2004). Mr. Pettigrew has served on the board and as legal counsel to several nonprofit arts organizations.

Mr. Pettigrew is admitted to practice in California.

SHAFEEQ ABDUL-WADUD is an attorney in Scott+Scott's California office where he focuses on complex antitrust litigation and class actions.

Shafeeq received his B.A. in English from the University of Illinois at Urbana-Champaign and graduated from DePaul University College of Law.

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JUSTUS BENJAMIN is an attorney in Scott+Scott's California office where he focuses on complex antitrust litigation and class actions.

Justus received his B.A. from Washington University in St. Louis, and graduated from Hofstra School of Law in Hempstead, NY.

Justus Benjamin is admitted to practice in the State of California, including the United States District Court for the Southern District of California.

JACEY BOGLER is an attorney in Scott+Scott's California office where she focuses on complex antitrust litigation and class actions.

Jacey graduated, *cum laude*, from Iowa State University with a Bachelor of Arts degree in Psychology and Criminal Justice (minor) in 2010. She graduated with *honors* from Drake University Law School in 2014. While at Drake, Jacey was a junior staff and editorial board member of the Drake Law Review.

Jacey is admitted to practice in the State of Iowa.

JOEL BOORAS is a staff attorney in Scott+Scott's California office where he focuses on complex antitrust litigation and class actions.

Mr. Booras received his B.A. from the University of San Diego in 2008, and graduated from the University of San Diego School of Law in 2012.

Prior to joining Scott+Scott, Mr. Booras practiced in the personal injury field and managed cases in the electronic discovery arena for several high-profile technology clients.

Mr. Booras is admitted to practice in the State of California.

JIM BUCHE is an attorney in Scott+Scott's California office where he focuses on complex antitrust litigation and class actions.

Jim received his B.A. from Southwestern University in Georgetown, Texas, and graduated from Texas Tech School of Law in 2002.

Jim is admitted to practice in the States of Texas and California and in several federal courts, including the U.S. District Court for the Southern District of California.

VICTORIA BURKE is an attorney in Scott+Scott's California office where she focuses on complex antitrust litigation and class actions.

Victoria received her B.A. from Arizona State University in 1997, and graduated from Southwestern Law School in 2011. Additionally, in 2014, Victoria attained a certificate of completion from Loyola Law School's Fashion Law Summer Intensive program.

On behalf of the American Bar Association, Victoria serves as Vice-Chair of the Trademark Transactions Committee, Chair of the Fashion Law Subcommittee, and former Vice-Chair of the Trademark Litigation Committee. She also frequently authors law articles on a range of topics for various legal publications, most recently for the Daily Journal in November 2016, "*Blunt Talk About Trademarks in the Marijuana Business*." Victoria has also served as panelist for many programs, such as the ABA's webinar *Runway Ready: Fashion Law Fundamentals* (2016). Victoria has volunteered her time to Bet Tzedek's *Employment Rights Project: Wages and Hour* cases and regularly serves as a moot court judge for Pepperdine University School of Law's Annual National Entertainment Law Moot Court Competition.

Victoria is admitted to practice in the State of California and the District of Columbia, and in several federal courts, including the U.S. District Court for the Central District of California.

ELIZABETH A. CAMPOS is an attorney in Scott+Scott's California office where she focuses on complex antitrust litigation and class actions.

Ms. Campos received her B.A. from the University of Southern California in 1997, and graduated from Thomas Jefferson School of Law in 2001.

Ms. Campos is admitted to practice in the State of California and is registered to practice in front of the U.S. Patent and Trademark Office.

NGA CUNNINGHAM is an attorney in Scott+Scott's California office where she focuses on complex antitrust litigation and class actions.

Nga received her B.A. from the University of California, San Diego in Political Science with an emphasis on Public Policy, and graduated, *cum laude*, from Thomas Jefferson School of Law in 2005.

Nga is admitted to practice in the State of California and in the U.S. District Court for the Central District of California.

STEPHEN FLETCHER is an attorney in Scott+Scott's California office where he focuses on complex antitrust litigation and class actions.

Stephen received his B.F.A. from Carnegie Mellon University in 2001, and graduated from the Benjamin N. Cardozo School of Law in 2010.

Stephen is admitted to practice in the State of New York.

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Yvonne received her B.A. from UCLA in 2001, and graduated from UC Hastings law school in 2007. She is admitted to practice in the State of California.

HELEN GLYNN is an attorney in Scott+Scott's California office where she focuses on complex antitrust litigation and class actions.

Helen Glynn received her B.A., *cum laude*, from Florida Atlantic University in 1996, and graduated from St. Thomas University School of Law, Miami in 1999.

Helen Glynn is admitted to practice in the State of California and several federal courts, including the U.S. District Court for the Southern District of California.

PETER GRAVIN is an attorney in Scott+Scott's California office where he focuses on complex antitrust litigation and class actions. Peter received a B.A. degree in Psychology from Wesleyan University in Middletown, Connecticut in 1990, and graduated from American University Washington College of Law, *cum laude*, in Washington, DC in 1996.

Prior to joining Scott+Scott, Peter practiced insurance defense with two small San Diego firms, focusing on defending contractors and design professionals in professional liability and breach of contract matters. Peter has also worked as a financial advisor and as an insurance fraud investigator.

Peter is admitted to practice in the State of California, as well as the U.S. District Courts for Southern and Central California.

CARLY HENEK is an attorney in Scott+Scott's California office where she focuses on complex antitrust litigation and class actions.

Carly received her B.S. from State University of New York at Albany in Human Biology, and graduated from St. John's School of Law in 2001.

Carly has extensive state and federal court experience litigating against and representing major U.S. and international corporations and individual clients in all phases of the litigation process. Her practice focuses on complex commercial litigation and securities fraud litigation.

Carly is admitted to practice in the State of California and New York, including all federal courts in California and New York.

TODD S. HIPPER is an attorney in Scott+Scott′s California office where he focuses on complex antitrust litigation and class actions.

Todd received his B.A. in Political Science from University of California, Berkeley in 1996, and graduated from Georgetown University Law Center in 2001.

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JEREMY JOHNSON is an attorney in Scott+Scott's California office where he focuses on complex antitrust litigation and class actions.

Jeremy received his B.A. from the University of California, Irvine, in 2005, and graduated from Tulane University Law School in 2009.

Jeremy is admitted to practice in the State of California and in several federal courts, including the U.S. District Court for the Central and Northern Districts of California.

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Ms. Kuwahara received her B.A. from California State University, Fullerton in 2003, and graduated from the University of Colorado School of Law in 2009.

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CARLO LABRADO is an attorney in Scott+Scott's California office where he focuses on complex antitrust litigation and class actions.

Mr. Labrado received his B.A. from the University of California, Irvine, in Political Science and graduated from the University of San Diego School of Law in 2007.

Mr. Labrado is admitted to practice in the State of Illinois.

JING LEVESQUE is an attorney in Scott+Scott's California office where she focuses on complex antitrust litigation and class actions.

Ms. Levesque received her B.S. from Columbia University in New York, and graduated from Brooklyn Law School in New York.

Ms. Levesque is admitted to practice in the State of California and in several federal courts, including the United States Patent and Trademark Office.

EMERY M. MCCLENDON is an attorney in Scott+Scott's California office where he focuses on complex antitrust litigation and class actions.

Emery received his B.A. from Michigan State University's James Madison College in 2002, and graduated from Western Michigan University's Thomas M. Cooley Law School in 2010.

Emery also possesses Master's degrees in Corporate Law & Finance and Intellectual Property from Western Michigan University's Thomas M. Cooley Law School.

Emery is admitted to practice in the State of California and in the U.S. District Court for the Eastern and Western Districts of Michigan.

RANDALL AUBREY PETRIE is an attorney in Scott+Scott's California office where he focuses on complex antitrust litigation and class actions.

Randall received his B.A. from Hamilton College in 1988, and graduated from George Washington University School of Law in 1992, Dean's Fellow.

Randall is admitted to practice in the States of New York and New Jersey and in U.S. District Court for the Southern District of New York.

MELANIE PORTER is an attorney in Scott+Scott's California office where she focuses on complex antitrust litigation and class actions.

Melanie graduated from UCLA with a B.A. in Psychology in 2003. She received her J.D. from California Western School of Law in 2006, where she graduated *cum laude* in her concentration. While at CWSL, Melanie served as President of the Asian Pacific Law Student Association and Hawaiian Law Student Association, as well as Secretary and Chair of Community Relations for the Health Law Society and Co-Chair of the Social and Membership Committee for Phi Alpha Delta.

In 2016 and 2017, Melanie received the Rising Star recognition by Super Lawyers. She is currently a member of the California State Bar, San Diego County Bar Association, Consumer Attorneys of San Diego, and the American Bar Association.

She is admitted to practice in the State of California and the U.S. Southern District of California.

SEAN RUSSELL is an attorney in Scott+Scott's California office where he focuses on complex antitrust litigation and class actions.

Mr. Russell graduated in 2008 from the University of California, Davis with a Bachelor of Arts in Economics. He received his Juris Doctorate from Thomas Jefferson School of Law in 2015, *cum laude*, where he was Chief Articles Editor of the Thomas Jefferson Law Review and a Moot Court Competitor. While at Thomas Jefferson, Mr. Russell also served as an extern to the Honorable William V. Gallo of the U.S. District Court for the Southern District of California. Mr. Russell received a Masters of Taxation from the University of San Diego School of Law in 2016.

Mr. Russell is admitted to practice in the State of California and the U.S. District Court for the Southern District of California.

WENDY RYU is an attorney in Scott+Scott's California office where she focuses on complex antitrust litigation and class actions.

Wendy received her B.A. from the University of Southern California in 1997, and graduated from George Washington University Law School in 2003.

Wendy is admitted to practice in the District of Columbia and in the United States District Court for the District of Puerto Rico.

NNENNA SANKEY is an attorney in Scott+Scott's California office where she focuses on complex antitrust litigation and class actions.

Ms. Sankey received her B.A. from the University of California, Santa Barbara, in Sociology and Black Studies, and graduated from the University of San Francisco, School of Law in 2012.

She holds a Public Interest Law Certificate with Honors and is also the first recipient of the Molla/Ndubaku Humanitarian Award from UCSB.

Ms. Sankey is admitted to practice in the State of California and in several federal courts.

AMY SIPE is an attorney in Scott+Scott's California office where she focuses on complex antitrust litigation and class actions.

Ms. Sipe received her B.A. and M.A. from the University of Missouri in Communications, and graduated from the University of Missouri School of Law in Kansas City.

Prior to joining Scott+Scott, Ms. Sipe worked as in-house counsel for a highly diversified Fortune 500 corporation and for an Am Law Top 20 Litigation Firm. Most recently, in addition to antitrust litigation and class actions, Ms. Sipe has focused on best practices in the areas of electronic discovery, information governance, compliance, and risk management.

Ms. Sipe is admitted to practice in the State of Kansas and in the U.S. Court of Appeals for the 10th Circuit.

DANIELLE STROUD is an attorney in Scott+Scott's California office where she focuses on complex antitrust and consumer litigation and class actions.

Danielle received her B.A. in from University of Redlands in 2001, and graduated from Chicago-Kent College of Law in 2005.

Before joining Scott+Scott, Danielle practiced as a prosecutor at the San Diego City Attorney's Office.

Danielle is admitted to practice in the State of California.

ROBERT R. VILLANUEVA is an attorney in Scott+Scott's California office where he focuses on complex antitrust litigation and class actions.

Robert received his B.A. from the University of Nevada, Reno in 2007, and graduated from Western State University College of Law in 2013, where he received a Certificate in Business Law with Distinction.

Robert is admitted to practice in the State of California and in several federal courts, including the U.S. District Court for the Central District of California, the Executive Office for Immigration Review, and before the Trademark Trial and Appeal Board.

In his spare time, Robert enjoys a good cup of coffee and hanging out with his wife, Christina, and newborn daughter, Kailani.

CHRIS WILSON is an attorney in Scott+Scott's California office where he focuses on complex antitrust litigation and class actions.

Chris received his B.A. from Kalamazoo College in 2002, and graduated from the George Washington University School of Law in 2009.

Chris is admitted to practice in the State of California and in several federal courts, including the Ninth Circuit Court of Appeals, the U.S. District Court for the Northern District of California and the Southern District of California. He is also licensed to appear before the U.S. Patent and Trademark Office.

MINGZHAO XU is an attorney in Scott+Scott's California office where she focuses on complex antitrust litigation and class actions.

Ming received her B.A. from the University of California, Davis in Asian American Studies, and graduated from the University of Iowa, College of Law in 2009. She is also a fiction writer and speaks Cantonese/Mandarin.

Currently, Ms. Xu is admitted to practice in the State of California and the U.S. Southern District of California.

BRANDON ZAPF is an attorney in Scott+Scott's California office where he focuses on complex antitrust litigation and class actions.

Brandon received his B.A. from the University of California, Santa Barbara, in 2002, and graduated from the University of San Francisco School of Law, *cum laude*, in 2007. He received his LL.M. in taxation from the University of San Diego School of Law in 2011.

Brandon is admitted to practice in the State of California and is admitted in the U.S. District Court for the Central District of California.

CAITLIN ZAPF is an attorney in Scott+Scott's California office where she focuses on complex antitrust litigation and class actions.

Caitlin received her B.A. from the University of California, San Diego in 2003, and graduated from the University of San Francisco School of Law, *cum laude*, in 2007.

Caitlin is admitted to practice in the State of California and is admitted in the U.S. District Court for the Central, Eastern, and Northern Districts of California.

Exhibit 7

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

GRADY SCOTT WESTON, Individually and On Behalf of All Others Similarly Situated, Plaintiffs, v. RCS CAPITAL CORPORATION, RCAP HOLDINGS, LLC, RCAP EQUITY, LLC, NICHOLAS S. SCHORSCH, BRIAN S. BLOCK, EDWARD MICHAEL WEIL, WILLIAM M. KAHANE, BRIAN D. JONES, PETER M. BUDKO, MARK AUERBACH, JEFFREY BROWN, C. THOMAS MCMILLEN, and HOWELL WOOD, Defendants.	Civ. No. 1:14-CV-10136-GBD

DECLARATION OF MICHAEL S. ETKIN ON BEHALF OF LOWENSTEIN SANDLER LLP IN SUPPORT OF LEAD COUNSEL'S MOTION FOR AN AWARD OF ATTORNEYS' FEES AND PAYMENT OF EXPENSES

Michael S. Etkin, Esq., declares as follows pursuant to 28 U.S.C. § 1746:

1. I am a partner of the law firm of Lowenstein Sandler LLP. I submit this declaration in support of Lead Counsel's motion for an award of attorneys' fees and payment of litigation expenses on behalf of all plaintiffs' counsel who contributed to the prosecution of the claims in the above-captioned action (the "Action") from inception through July 31, 2017 (the "Time Period"). I have personal knowledge of the facts set forth herein and, if called upon, could and would testify thereto.

2. My firm, which served as bankruptcy counsel in the Action and with respect to the Chapter 11 proceeding filed by certain of the defendants in the United States Bankruptcy Court for the District of Delaware (Case No. 16-10223 (MFW) (the "Bankruptcy Proceeding") was involved in all aspects of the Bankruptcy Proceeding and those aspects of the Action relating to issues raised by the Bankruptcy Proceeding and any ancillary issues arising therefrom. My firm was also involved in the settlement of the Action to the extent of issues arising from or relating to the Bankruptcy Proceeding.

3. The principal tasks undertaken by my firm included: review of class action complaint and related pleadings; review of extensive correspondence to the District Court regarding scope and impact of automatic stay and participation in drafting responses to defendants' correspondence; legal research regarding issues raised by correspondence; extensive monitoring and review of relevant bankruptcy related pleadings and motions; review of press reports regarding bankruptcy cases; attending status conferences before the District Court; preparing for and attending multiple hearings before the Delaware Bankruptcy Court; review of restructuring support agreement; extensive review of D&O insurance policies and related issues; review of multiple iterations of plan and disclosure statement filed in the Delaware Bankruptcy Court; identification of issues in both plan and disclosure statement for discussion with lead counsel and negotiation with Debtors' counsel; extensive negotiations with Debtors' counsel regarding modifications to plan and disclosure statement for the benefit of lead plaintiffs and the class; preparing objection/reservation of rights with respect to disclosure statement; drafting language for revisions to plan and disclosure statement; drafting class and related proofs of claim; preparing for and attending disclosure statement hearings; review of Chapter 11 filing of Cetera debtors with regard to impact on RCAP filing; review of motions re: use of D&O

insurance and drafting objections with respect to same; review of stay relief motions re: other securities litigation; preparing for and attending hearings on D&O Insurance and stay relief motions; preparing lead plaintiffs' stay relief motion re: class action claims; review of plan supplement documents; drafting objection to plan confirmation; negotiating revisions to plan; filing plan confirmation objection; preparing for and attending plan confirmation hearing; negotiating and reviewing further revisions to plan and confirmation order; review of post-confirmation objection to claim and negotiating a resolution with creditor trust's counsel; extensive conference calls and e-mail exchanges with lead counsel; extensive communications with Debtors' counsel.

4. The schedule attached hereto as Exhibit A is a summary indicating the amount of time spent by each attorney and professional support staff of my firm who was involved in the prosecution of the Action and the lodestar calculation based on my firm's current rates. For personnel who are no longer employed by my firm, the lodestar calculation is based upon the rates for such personnel in his or her final year of employment by my firm. The schedule was prepared from contemporaneous daily time records regularly prepared and maintained by my firm, which are available at the request of the Court. Time expended in preparing this application for fees and payment of expenses has not been included in this request.

5. The hourly rates for the attorneys and professional support staff in my firm included in Exhibit A are their customary rates, which have been accepted in other securities or shareholder litigation.

6. The total number of hours expended on this litigation by my firm during the Time Period is 378.2 hours. The total lodestar for my firm for those hours is $301,063.00.

7. My firm's lodestar figures are based upon the firm's rates, which rates do not include charges for expense items. Expense items are billed separately and such charges are not duplicated in my firm's rates.

8. As detailed in Exhibit B, my firm has incurred a total of $5,383.16 in expenses in connection with the prosecution of the Action. The expenses are reflected on the books and records of my firm. These books and records are prepared from expense vouchers, check records and other source materials and are an accurate record of the expenses incurred

9. With respect to the standing of my firm, attached hereto as Exhibit C is a brief biography of my firm as well as biographies of the firm's partners and of counsels.

I declare under penalty of perjury that the foregoing is true and correct. Executed on August 10, 2017.

MICHAEL S. ETKIN

Exhibit A

EXHIBIT A

LOWENSTEIN SANDLER LLP
RCAP SECURITIES LITIGATION
LODESTAR REPORT

MAY 4, 2016 – JULY 31, 2017

NAME	STATUS	TIME	RATE	TOTAL
Michael S. Etkin, Esq.	P	188.10	$975.00	$183,397.50
Andrew D. Behlmann, Esq.	C	182.20	625.00	113,875.00
Eric Jesse, Esq.	C	1.90	585.00	1,111.50
Nicole Stefanelli	C	2.00	610.00	1,220.00
Anthony De Leo	A	1.40	395.00	553.00
Nicholas B. Vislocky	A	1.60	435.00	696.00
Gina Buccellato-Karnick	PA	1.00	210.00	210.00
		378.20		$301,063.00

Legend:

P	=	**PARTNER**
C	=	**COUNSEL**
A	=	**ASSOCIATE**
PL	=	**PARALEGAL**
PA	=	**PROJECT ASSISTANT**

Exhibit B

EXHIBIT B

RCAP SECURITIES LITIGATION
PERIODIC EXPENSE REPORT

MAY 4, 2016 – JULY 31, 2017

EXPENSE CATEGORY	AMOUNT
Messenger and delivery charges	$ 39.96
Computerized legal research	92.20
Telecommunications	524.30
Travel	1,073.95
Outside Local Counsel	3,652.75
TOTAL DISBURSEMENTS	**$5,383.16**

Exhibit C

Lowenstein Sandler LLP

EXHIBIT C

Bankruptcy, Financial Reorganization & Creditors' Rights

Lowenstein Sandler's Bankruptcy, Financial Reorganization & Creditors' Rights Department is led by several of this country's top reorganization attorneys, who advise clients in many of the nation's largest Chapter 11 Cases, out-of-court workouts and financial restructurings. We have developed a national profile through our representation of unsecured creditors' committees as well as individual secured and unsecured creditors in Chapter 11 Cases filed throughout the country. The practice is top-ranked in the 2015 edition of the *Chambers USA* guide and is consistently ranked among the most active bankruptcy departments in the nation by *The Deal*.

Our practice cuts across various industries, including agriculture/food, chemical, floor covering, furniture, paper, publishing, textile, energy and telecom. The creditors' committees we represent generally include a diverse group of bondholders, financial institutions, trade vendors and unions. We have significant experience and success in bringing about consensus among constituencies with respect to financial restructuring. We also represent debtors in Chapter 11 Cases; investors in or purchasers of assets, securities or obligations of companies in Chapter 11; and indenture trustees, public debt holders, and others in the restructuring of publicly held debt and equity securities.

We have strong working relationships with the major investment banking and financial advisory firms that concentrate in the bankruptcy, reorganization and distressed-debt market. We have taken aggressive positions in the face of significant opposition in order to ensure that our clients received fair value and equitable treatment. We also have a demonstrated ability to litigate, when necessary, in the largest and most complex cases.

We serve as national bankruptcy counsel and render advice regarding creditors' rights to numerous Fortune 500 companies. Our services include auditing clients' accounts receivable procedures to minimize exposure to bad debts and preference liability; enforcing clients' rights to stop delivery of and reclaim goods that were shipped at or around the time of a bankruptcy filing; and defending preference actions, fraudulent conveyance setoffs and administrative actions nationwide. We have extensive knowledge of the law in each state as it pertains to preference and fraudulent conveyance litigation and all available defenses. We have also assisted our clients' credit departments in negotiating and preparing letters of credit; security, tolling, consignment and bailment agreements; offset agreements; sales of claims and put agreements; and other arrangements that increase the likelihood or extent of recovery on their claims. As part of these services, we have reviewed and advised our clients about the trade lien programs that are frequently being implemented in large retail bankruptcy cases.

Our attorneys have written and lectured extensively throughout the country on bankruptcy and creditors' rights issues. For example, one of our partners authored the American Bankruptcy Institute's *Trade Creditor Remedies Manual: Trade Creditors'*

Rights under the UCC and the U.S. Bankruptcy Code and the National Association of Credit Management's *Manual of Credit and Commercial Laws*. Our lawyers are leaders in industry organizations such as the Commercial Finance Association, the National Association of Credit Management, the Turnaround Management Association and the American Bankruptcy Institute and are regular contributors to industry publications, including the *American Bankruptcy Institute Journal* and *Business Credit*.

Lowenstein advises clients in many of the nation's largest Chapter 11 cases, out-of-court workouts and financial restructurings. Our experience encompasses:

CHAPTER 11 REORGANIZATIONS

- Debtors
- Creditors' committees
- Purchasers of assets
- Ad hoc groups of creditors
- Unions
- Class action plaintiffs
- Landlords
- Individual creditors
- Out-of-court workouts
- Prepackaged plans
- Institutional investors

WORKOUTS

- Construction loans
- Mortgages
- Leveraged buyouts
- ESOPs
- Commercial finance loans
- Asset-based loans

LITIGATION

- Fraudulent transfer
- Preference
- Claims litigation
- Lien avoidance actions
- Investor fraud

We continue to represent clients in significant cases in New York and throughout the country. Our practice includes industries such as retail, energy, agriculture/food, chemical, paper, publishing, furniture, textile and telecommunications.

- Represent debtors and creditors' committees in all aspects of Chapter 11 cases
- Audit clients' accounts receivable procedures to minimize exposure to bad debts and preference liability
- Enforce clients' rights to stop delivery of and reclaim goods that were shipped around the time of a bankruptcy filing
- Defend or prosecute preference actions and other litigation matters, fraudulent conveyance and other matters
- Assist clients in negotiating and preparing letters of credit Security, tolling, consignment and bailment agreements
- Offset agreements
- Sales of claims and put agreements
- Prosecute and defend all types of litigation related to bankruptcy proceedings
- Represent the interests of institutional and individual investors in connection with claims against corporate defendants who have filed for bankruptcy protection

Lowenstein Sandler

Michael S. Etkin
Partner

Tel 973.597.2312 Fax 973.597.2313
E-mail: metkin@lowenstein.com

Practice

A senior bankruptcy practitioner and commercial litigator, Mickey brings significant experience to his practice, which focuses on complex business reorganizations, investor litigation in a bankruptcy context, and high-stakes Chapter 11 issues. Mickey is consistently recognized by *Chambers USA* as "a strong lawyer," "fantastic," "very plugged-in," and "instrumental in providing tactical advice," noting his skill in "anticipating all the key issues that are likely to arise." Clients have commended his "technical knowledge, attention to detail, and honest and straightforward legal advice."

A key member of the firm's successful bankruptcy and complex business litigation groups, Mickey has represented debtors, trustees, creditors, and investors in a variety of noteworthy bankruptcies and bankruptcy-related litigation. He currently represents a number of institutional shareholder and investor interests in several large and complex Chapter 11 proceedings, including Sun Edison, SandRidge Energy, Lehman Brothers, Arch Coal, Peabody Energy, Nortel, RCS Capital, and SFX Entertainment, among others. He also represents debtors and purchasers in acquisitions of assets of Chapter 11 and Chapter 7 bankruptcy estates.

In addition, Mickey represents major energy companies in connection with bankruptcy proceedings involving their customers and counterparties. He has been invited to speak before financial institutions, bar association groups, and credit associations regarding the rights of counterparties to derivatives and other energy-related contracts in a bankruptcy context, including cutting-edge issues emerging from the Lehman Brothers Chapter 11 and SIPC proceedings. Mickey also is routinely asked to speak at programs discussing the rights of securities fraud claimants and class action plaintiffs in a Chapter 11 context and on the interplay between bankruptcy law and product liability litigation.

Education

- **St. John's University School of Law** (J.D., 1978), *with honors*
- **Boston University** (B.S., 1975), *cum laude*

Affiliations

- American Bar Association
- New Jersey State Bar Association
- New York State Bar Association
- American Bankruptcy Institute
- International Energy Credit Association

Articles/Interviews Featuring Michael S. Etkin

- **Michael S. Etkin is quoted in The Street about the implications of the Chapter 11 filing of Westinghouse Electric Co., including the impact on its parent company, Toshiba.** *The Street,* March 30, 2017
- **Michael S. Etkin is quoted in Law360 regarding the decision by the bankruptcy court in the Fisker Automotive chapter 11 case** *Law 360,* January 11, 2017
- **Michael S. Etkin comments in Law360 about the U.S. Trustee's objection to confirmation of the plan of reorganization in the Caesars' Chapter 11 case** *Law360,* January 4, 2017
- **Michael S. Etkin is mentioned in Reorg Research regarding the approval of the SFX Entertainment debtors' disclosure statement.** *Reorg Research,* September 29, 2016
- **Michael S. Etkin is quoted in Law360 from oral argument during the Chapter 11 bankruptcy proceedings of Molycorp.** *Law360,* March 16, 2016
- **Michael S. Etkin is quoted in Law360 regarding certain disclosure issues and the Chapter 11 plan in rare earth miner Molycorp Inc.'s bankruptcy proceedings.** *Law360,* March 8, 2016
- **Michael S. Etkin comments on the bankruptcy court's recent decision regarding the enforceability of the GM Chapter 11 sale order to enjoin certain claims associated with the well-publicized ignition switch defect in General Motors products.** *Turnarounds & Workouts,* June 2015
- **Michael S. Etkin discusses the status of the restructuring landscape and factors affecting change in the year ahead in the March issue of the Turnarounds & Workouts newsletter.** *Turnarounds & Workouts,* March 2015
- **Michael S. Etkin comments in Debtwire regarding a recap of restructuring in 2014, and anticipated trends and issues to look for in 2015.** *Debtwire,* January 2, 2015
- **Michael S. Etkin is featured and recognized in IECA Insights, the newsletter of the International Energy Credit Association.** *IECA Insights,* November 2014
- **Michael S. Etkin was quoted in Law360 from his oral argument before the Delaware Bankruptcy Court in connection with the objection of defrauded purchasers in the Chapter 11 liquidating plan for Furniture Brands International Inc.** *Law360,* July 14, 2014
- **Michael S. Etkin is quoted in the National Law Journal as objecting to the proposed scheduling order in the General Motors Bankruptcy case relating to the ignition switch litigation and claims.** *The National Law Journal,* May 15, 2014
- **In Law360, Michael S. Etkin and Michael Savetsky are highlighted for representing Kenneth Freeling, a former partner at the law firm Dewey & LeBouef LLP, in connection with that firm's Chapter 11 liquidation proceeding.** *Law360,* February 13, 2013
- **Michael S. Etkin comments on non-debtor third-party releases in Dynegy Inc.'s bankruptcy plan.** *SNL Financial,* August 27, 2012
- **In Law 360, Michael S. Etkin is highlighted for representing the proposed lead plaintiff in a securities fraud class action against three executives of the bankrupt oil and gas company Delta Petroleum.** *Law 360,* May 8, 2012
- **Michael S. Etkin comments on the $208.5 million settlement of the consolidated shareholder class-action lawsuit against former officers, directors, underwriters and auditors of Washington Mutual, Inc. alleging misrepresentations and failures to disclose.** *Dow Jones Newswire and The Wall Street Journal,* July 1, 2011
- **Michael S. Etkin and Ira M. Levee are highlighted for representing the securities plaintiffs in Colonial BancGroup Inc.'s Chapter 11 proceedings.** *Law360,* June 3, 2011
- **Michael S. Etkin comments on Judge Mary Walrath's decision to reject confirmation of Washington Mutual Inc.'s Chapter 11 plan.** *Dow Jones Daily Bankruptcy Review,* January 19, 2011
- **Lowenstein Sandler Attorneys Named to 2010 New Jersey Super Lawyers** March 23, 2010
- **Forty Lowenstein Sandler Attorneys Named to 2009 New Jersey Super Lawyers** April 1, 2009
- **Michael S. Etkin featured in an article describing his success in striking a deal for securities claimants in the WorldCom Chapter 11 litigation.** *New Jersey Law Journal,* August 15, 2005
- **Michael S. Etkin discusses the decrease of bankruptcy filings in 2005** *Philadelphia Inquirer,* June 2005

Publications

- **"Fisker Decision Further Demonstrates that Section 510(b) Subordination of Investor Claims Is Not Absolute,"** Michael S. Etkin, Nicole (Brown) Fulfree, *Bankruptcy, Financial Reorganization & Creditors' Rights Client Alert*, May 8, 2017
- **"Third-Party Releases? – Not So Fast! Changing Trends and Heightened Scrutiny,"** Michael S. Etkin, Nicole (Brown) Fulfree, *AIRA Journal, Volume 29 No. 3*, 2015
- **"Sparks Continue to Fly – Electricity is not Eligible for Section 503(b)(9) Status and Other Shocking Developments,"** Bruce S. Nathan, Michael S. Etkin, David M. Banker, *Business Credit*, January 2014
- **"Where to Litigate: Litigation Forum Choices in a Bankruptcy Proceeding,"** Michael S. Etkin, *New Jersey State Bar Association Seventh Annual Bankruptcy Bench-Bar Conference*, April 1, 2005
- **"Automatic Stay Doctrine Applies to Certain Related Nondebtors,"** Michael S. Etkin, *New Jersey Law Journal*, February 5, 2001

Bar Admissions

- 1979, New York
- 1981, New Jersey

Exhibit 8

	Count	Low	25th Percentile	Median	75th Percentile	High
		Rate (%Diff.)	Rate (%Diff.)	Rate (%Diff.)	Rate (%Diff.)	Rate (%Diff.)
All Partners						
All Firms Sampled	245	$525 **(+0%)**	$930 **(+15%)**	$1,025 **(+17%)**	$1,200 **(+26%)**	$1,425 **(+45%)**
Labaton Sucharow LLP	26	$525	$806	$875	$950	$985
Senior Partners						
All Firms Sampled	191	$875 **(+14%)**	$1,044 **(+19%)**	$1,150 **(+24%)**	$1,275 **(+34%)**	$1,425 **(+45%)**
Labaton Sucharow LLP	21	$765	$875	$925	$950	$985
Mid-Level Partners						
All Firms Sampled	32	$675 **(-16%)**	$850 **(+6%)**	$940 **(+18%)**	$1,025 **(+28%)**	$1,165 **(+46%)**
Labaton Sucharow LLP	4	$800	$800	$800	$800	$800
Junior Partners						
All Firms Sampled	22	$525 **(+0%)**	$900 **(+71%)**	$940 **(+79%)**	$975 **(+86%)**	$1,050 **(+100%)**
Labaton Sucharow LLP	1	$525	$525	$525	$525	$525
Of Counsel						
All Firms Sampled	81	$660 **(+20%)**	$775 **(+11%)**	$818 **(+9%)**	$978 **(+22%)**	$1,145 **(+39%)**
Labaton Sucharow LLP	9	$550	$700	$750	$800	$825

	Count	Low	25th Percentile	Median	75th Percentile	High
		Rate (%Diff.)	Rate (%Diff.)	Rate (%Diff.)	Rate (%Diff.)	Rate (%Diff.)
All Associates						
All Firms Sampled	345	$350 **(+0%)**	$550 **(+25%)**	$675 **(+35%)**	$795 **(+38%)**	$945 **(+30%)**
Labaton Sucharow LLP	32	$350	$440	$500	$575	$725
Senior Associates						
All Firms Sampled	67	$450 **(+6%)**	$725 **(+32%)**	$830 **(+44%)**	$885 **(+48%)**	$920 **(+27%)**
Labaton Sucharow LLP	17	$425	$550	$575	$600	$725
Mid-Level Associates						
All Firms Sampled	151	$375 **(-12%)**	$666 **(+51%)**	$735 **(+65%)**	$803 **(+67%)**	$945 **(+89%)**
Labaton Sucharow LLP	12	$425	$440	$445	$481	$500
Junior Associates						
All Firms Sampled	127	$350 **(+0%)**	$475 **(+36%)**	$560 **(+60%)**	$605 **(+73%)**	$870 **(+105%)**
Labaton Sucharow LLP	3	$350	$350	$350	$350	$425
Paralegals						
All Firms Sampled	149	$85 **(-74%)**	$265 **(-18%)**	$315 **(-3%)**	$345 **(+6%)**	$445 **(+16%)**
Labaton Sucharow LLP	15	$325	$325	$325	$325	$385

Partners

	Count	Low	25th Percentile	Median	75th Percentile	High
1) Skadden, Arps, Slate, Meagher, & Flom LLP	17	$1,020	$1,275	$1,275	$1,425	$1,425
2) Kirkland & Ellis LLP	44	$875	$995	$1,035	$1,165	$1,380
3) Milbank, Tweed, Hadley & McCloy LLP	2	$1,350	$1,350	$1,350	$1,350	$1,350
4) Proskauer Rose LLP	17	$832	$960	$1,038	$1,193	$1,350
5) Weil, Gotshal & Manges LLP	18	$846	$1,050	$1,125	$1,215	$1,350
6) Paul, Weiss, Rifkind, Wharton, & Garrison LLP	8	$1,025	$1,125	$1,160	$1,308	$1,330
7) Akin Gump Strauss Hauer & Feld LLP	25	$750	$890	$950	$1,025	$1,325
8) Sullivan & Cromwell LLP	6	$865	$1,140	$1,140	$1,256	$1,295
9) Davis Polk & Wardwell LLP	7	$1,225	$1,285	$1,285	$1,285	$1,285
10) Paul Hastings LLP	10	$1,000	$1,106	$1,138	$1,175	$1,275
11) Cleary Gottlieb Steen & Hamilton LLP	9	$965	$1,243	$1,250	$1,250	$1,250
12) O'Melveny & Myers LLP	24	$850	$923	$1,025	$1,125	$1,250
13) Jones Day	24	$675	$775	$875	$925	$1,225
14) Morrison & Foerster LLP	8	$925	$963	$985	$1,038	$1,150
15) Labaton Sucharow LLP	26	$525	$806	$875	$950	$985

Of Counsel

	Count	Low	25th Percentile	Median	75th Percentile	High
1) Kirkland & Ellis LLP	1	$1,145	$1,145	$1,145	$1,145	$1,145
2) Sullivan & Cromwell LLP	1	$1,140	$1,140	$1,140	$1,140	$1,140
3) Paul Hastings LLP	6	$750	$996	$1,025	$1,106	$1,125
4) Cleary Gottlieb Steen & Hamilton LLP	1	$1,040	$1,040	$1,040	$1,040	$1,040
5) Skadden, Arps, Slate, Meagher, & Flom LLP	14	$786	$925	$1,040	$1,040	$1,040
6) Davis Polk & Wardwell LLP	3	$947	$964	$980	$980	$980
7) Paul, Weiss, Rifkind, Wharton, & Garrison LLP	2	$945	$951	$958	$964	$970
8) Weil, Gotshal & Manges LLP	4	$810	$878	$900	$901	$905
9) Jones Day	4	$800	$800	$825	$863	$900
10) O'Melveny & Myers LLP	20	$660	$775	$778	$815	$880
11) Akin Gump Strauss Hauer & Feld LLP	16	$665	$700	$720	$785	$875
12) Labaton Sucharow LLP	9	$550	$700	$750	$800	$825

Associates

	Count	Low	25th Percentile	Median	75th Percentile	High
1) Kirkland & Ellis LLP	69	$510	$565	$605	$775	$945
2) Skadden, Arps, Slate, Meagher, & Flom LLP	31	$435	$449	$780	$859	$920
3) Milbank, Tweed, Hadley & McCloy LLP	4	$515	$755	$875	$915	$915
4) Paul, Weiss, Rifkind, Wharton, & Garrison LLP	15	$470	$473	$475	$850	$900
5) Davis Polk & Wardwell LLP	35	$605	$620	$670	$885	$885
6) Weil, Gotshal & Manges LLP	36	$350	$444	$773	$830	$885

	Count	Low	25th Percentile	Median	75th Percentile	High
7) Akin Gump Strauss Hauer & Feld LLP	18	$565	$640	$700	$825	$870
8) Sullivan & Cromwell LLP	7	$425	$778	$855	$860	$865
9) Proskauer Rose LLP	12	$455	$460	$693	$729	$850
10) Paul Hastings LLP	15	$480	$490	$670	$755	$820
11) Cleary Gottlieb Steen & Hamilton LLP	24	$650	$695	$740	$803	$810
12) Morrison & Foerster LLP	5	$450	$515	$515	$700	$785
13) Jones Day	35	$375	$469	$588	$610	$750
14) Labaton Sucharow LLP	32	$350	$440	$500	$575	$725
15) O'Melveny & Myers LLP	24	$510	$510	$510	$700	$725

Paralegals

1) Davis Polk & Wardwell LLP	32	$125	$182	$310	$333	$445
2) Kirkland & Ellis LLP	19	$280	$295	$335	$370	$400
3) Labaton Sucharow LLP	15	$325	$325	$325	$325	$385
4) Akin Gump Strauss Hauer & Feld LLP	7	$125	$225	$263	$350	$375
5) Paul Hastings LLP	2	$335	$344	$353	$361	$370
6) Skadden, Arps, Slate, Meagher, & Flom LLP	15	$85	$303	$315	$365	$365
7) Cleary Gottlieb Steen & Hamilton LLP	15	$100	$265	$280	$310	$355
8) Sullivan & Cromwell LLP	3	$315	$315	$315	$335	$355
9) Weil, Gotshal & Manges LLP	18	$117	$202	$235	$315	$350
10) Proskauer Rose LLP	4	$292	$298	$313	$328	$337
11) O'Melveny & Myers LLP	5	$335	$335	$335	$335	$335
12) Morrison & Foerster LLP	2	$310	$315	$320	$325	$330
13) Jones Day	5	$200	$250	$300	$325	$325
14) Paul, Weiss, Rifkind, Wharton, & Garrison LLP	5	$265	$265	$290	$315	$315
15) Milbank, Tweed, Hadley & McCloy LLP	2	$245	$249	$253	$256	$260

Exhibit 9

RCAP SECURITIES LITIGATION
No. 14-cv-10136 (GBD)

SUMMARY OF LODESTARS AND EXPENSES

FIRM	HOURS	LODESTAR	EXPENSES
Scott + Scott, Attorneys at Law, LLP	2,468.90	$1,913,390.50	$92,043.75
Labaton Sucharow LLP	2,951.40	$1,935,399.00	$76,906.77
Lowenstein Sandler LLP	378.20	$301,063.00	$5,383.16
TOTALS	**5,798.50**	**$4,149,852.50**	**$174,333.68**

Exhibit 10

CORNERSTONE RESEARCH

Economic and Financial Consulting and Expert Testimony

Securities Class Action Settlements

2016 Review and Analysis

Table of Contents

The views expressed in this report are solely those of the authors, who are responsible for the content, and do not necessarily represent the views of Cornerstone Research.

Table of Figures and Appendices

Analyses in this report are based on 1,621 securities class actions filed after passage of the Private Securities Litigation Reform Act of 1995 (Reform Act) and settled from 1996 through year-end 2016. See page 20 for a detailed description of the research sample. For purposes of this report and related research, a settlement refers to a negotiated agreement between the parties to the securities class action that is publicly announced to potential class members by means of a settlement notice.

Highlights

- The number of securities class action settlements approved in 2016 grew to 85—the highest level since 2010. (page 3)
- Total settlement dollars approved by courts in 2016 was nearly $6 billion, almost double the total in 2015 and the second highest in the past 10 years. (page 3)
- The total value of mega settlements (settlements over $100 million) in 2016 represented more than two times the value for these cases in 2015. (page 4)
- The median settlement amount in 2016 was $8.6 million, about 40 percent higher than the 2015 median of $6.1 million. (page 5)
- Compared to the prior five years (2011–2015), 2016 average "estimated damages" were 30 percent higher while median "estimated damages" were almost 15 percent lower. (page 6)
- Median settlements as a percentage of "estimated damages" in 2016 increased 24 percent from the 2011–2015 median and were higher than any annual percentage in the last five years. (page 8)
- Median Disclosure Dollar Loss (DDL) associated with 2016 settlements was 50 percent more than the prior year. (page 10)
- The year 2016 had the highest percentage of cases settling within two years of the filing date since 2006. (page 17)

Figure 1: Settlement Statistics

(Dollars in Millions)

	1996–2015	2015	2016
Minimum	$0.1	$0.4	$0.9
Median	$8.3	$6.1	$8.6
Average	$55.5	$38.4	$70.5
Maximum	$8,611.2	$982.8	$1,575.0
Total Amount	$85,266.6	$3,072.8	$5,990.0
Number of Settlements	1,536	80	85

Note: Settlement dollars are adjusted for inflation; 2016 dollar equivalent figures are used.

2016 Findings and Perspectives

Continuing the growth observed in the prior year, the number of settlements approved in 2016 increased to 85—substantially higher than the levels in 2011 through 2014. This escalation can be attributed to the recent increase in case filings.

Mega Settlements

Ten mega settlements in 2016—the highest number over the last 10 years—contributed to an almost twofold increase in the average settlement amount from 2015 to 2016. Two of the mega settlements exceeded $1 billion. This was the first year since 2006 with multiple settlements over $1 billion.

"Estimated Damages"

To understand the latest settlement trends, it is helpful to consider the important determinants of settlement amounts. The most important factor in explaining settlement amounts is a proxy ("estimated damages") for shareholder damages. For settlements approved in 2016, average "estimated damages" reached the second-highest amount over the last 10 years. Settlements as a percentage of "estimated damages" also increased over 2015, indicating that other factors likely contributed to the rise in settlement amounts as well. In particular, the percentage of settlements with public pension plans as lead plaintiffs and the number of restatement cases increased in 2016. In addition, the size of the issuer defendant (as measured by total assets) was substantially higher in 2016 as compared to 2015. All of these factors are associated with higher settlement amounts.

"Higher settlements in 2016 were driven not only by higher 'estimated damages' but also by other case factors, leading to a six-year high in settlements as a percentage of 'estimated damages.'"

Dr. Laura E. Simmons
Senior Advisor
Cornerstone Research

Developing Trends

The record number of case filings in 2016,[1] coupled with four consecutive year-over-year increases, may continue to fuel growth in the number of settlements into the coming years.

While the number of settlements may increase, the most recent data on case filings, however, indicate a potential decline in very large cases, as measured by market capitalization losses. This suggests that, at some point in the next few years, a drop in mega settlements may follow.

Industry trends among securities class actions have fluctuated in the last 20 years but, according to Cornerstone Research's *Securities Class Action Filings—2016 Year in Review*, healthcare and related industry sectors, such as biotech and pharmaceuticals, may play a growing role in both the number and total dollar amounts of settlements in securities class actions.

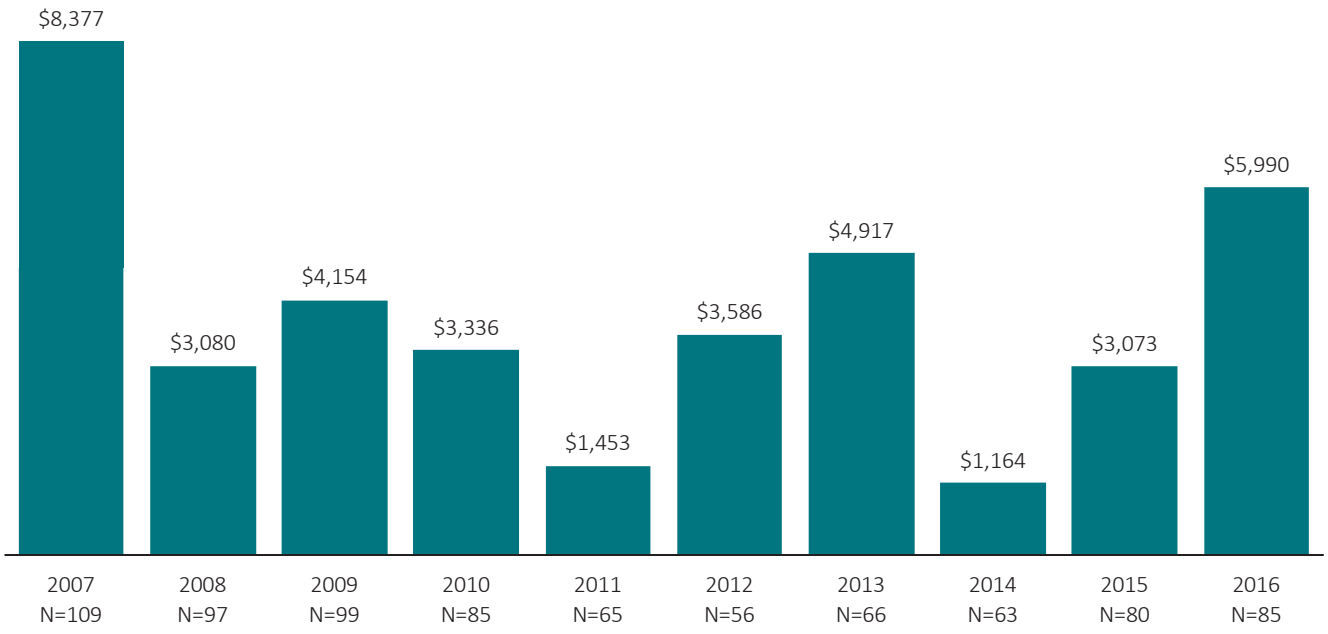
Total Settlement Dollars

- The total value of settlements approved by courts in 2016 was more than $5.9 billion, almost double the amount approved in 2015.
- The higher number of mega settlements in 2016 and the corresponding higher average settlement value for these cases contributed to the substantial increase in total settlement dollars.
- The number of settlements approved in 2016 increased only modestly from 2015, but grew substantially over the annual numbers from 2011 to 2014.

2016 total settlement dollars exceeded inflation-adjusted totals for eight of the nine prior years.

Figure 2: Total Settlement Dollars
2007–2016

(Dollars in Millions)



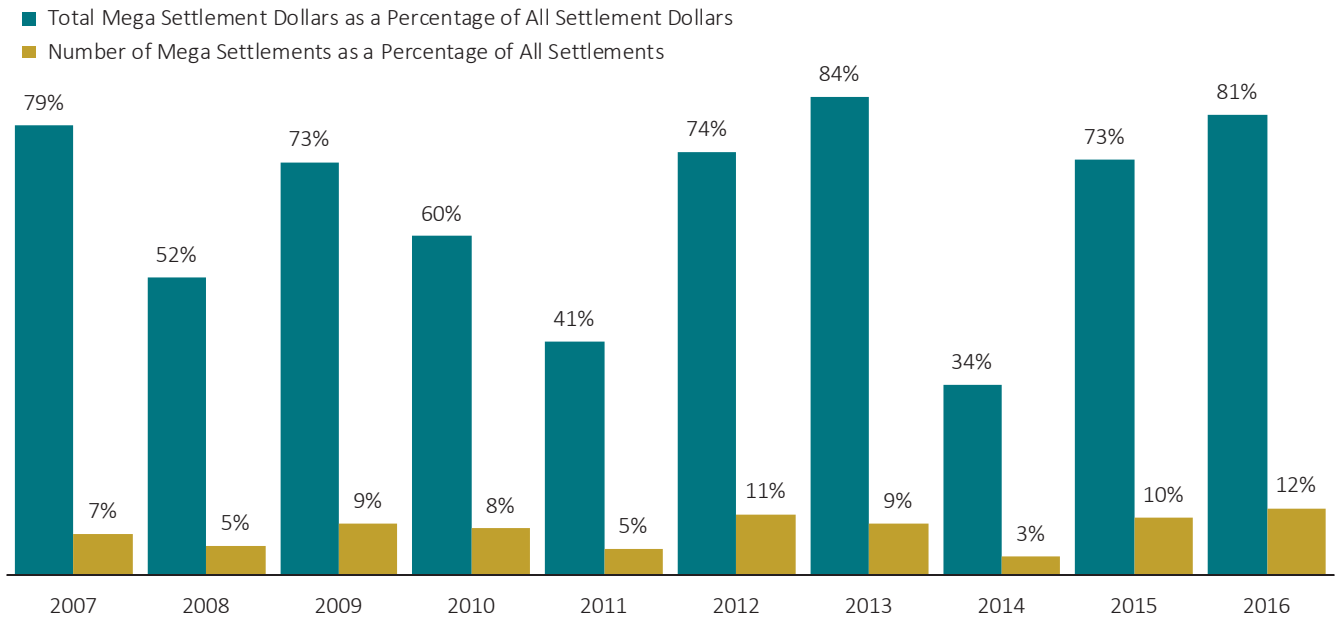
Note: Settlement dollars are adjusted for inflation; 2016 dollar equivalent figures are used.

Mega Settlements

- Four of the 10 approved mega settlements in 2016 were between $100 million and $250 million; four were between $250 million and $500 million; and two exceeded $1 billion. The last observed settlement over $1 billion was in 2013.
- The median mega settlement in 2016 was $318 million, almost twice the median in 2015.
- In 2016, $4.8 billion of the total $6 billion settlement value came from mega settlements.
- The number of mega settlements as a percentage of all settlements in 2016 was the highest over the last 10 years.
- Mega settlements have accounted for 72 percent of all settlement dollars on average from 2007–2016.

The total value of mega settlements in 2016 was more than two times the prior year's value.

Figure 3: Mega Settlements
2007–2016



Settlement Size

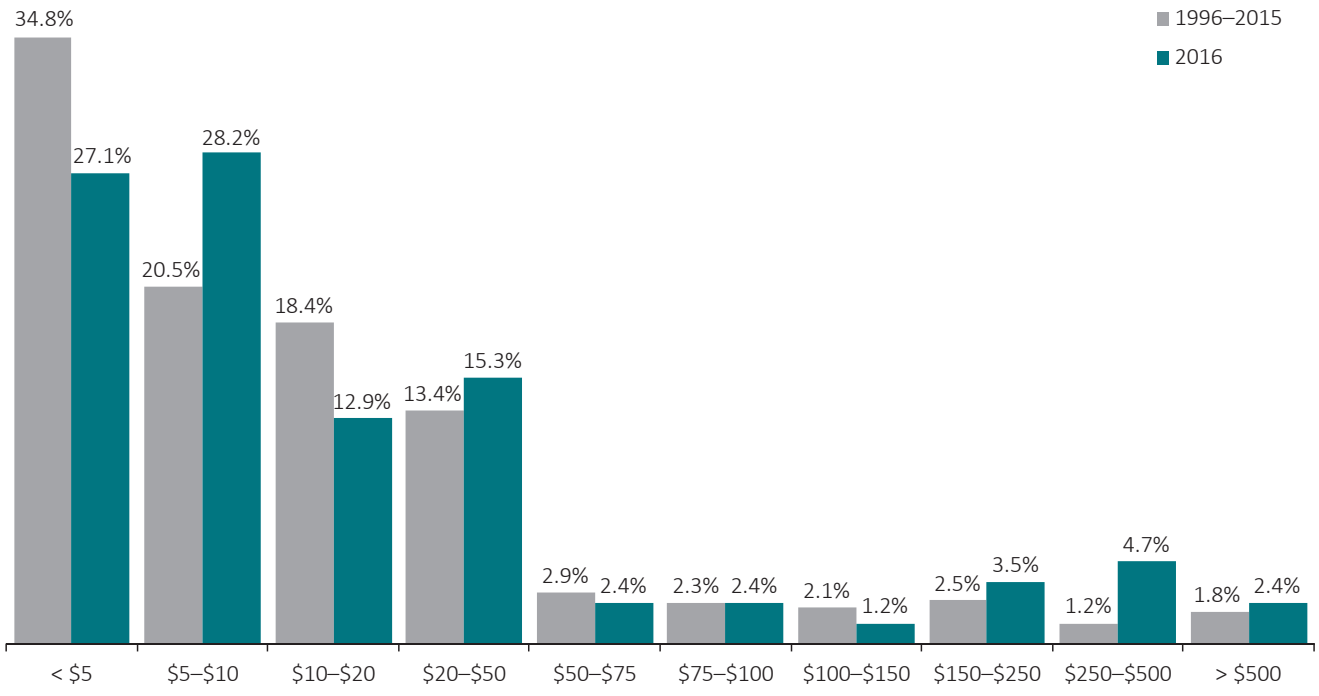
- The proportion of cases settling for $2 million or less (often referred to as "nuisance suits") in 2016 was 12 percent (10 cases), a drop from 25 percent (20 cases) in 2015 and a return to 2013 and 2014 proportions.
- The percentage of cases settling for less than $5 million also decreased in 2016 compared to prior years.

The median settlement amount increased more than 40 percent from $6.1 million in 2015 to $8.6 million in 2016.

- In 2016, 56 percent of settlements fell between $5 million and $50 million, 18 percent higher than the rate for all prior post–Reform Act years.
- Among all post–Reform Act settlements, 79 percent have been for amounts equal to or less than $25 million.
- The higher proportion of 2016 cases settling for $150 million or more reflects the record number of mega settlements compared to the last 10 years.
- Median total assets for issuer defendants settling in 2016 were more than 41 percent higher than the median asset value for 2015 settlements (adjusted for inflation) and 15 percent higher than the median total assets for issuers settling in the prior 10 years.

Figure 4: Distribution of Post–Reform Act Settlements

(Dollars in Millions)



Note: Settlement dollars are adjusted for inflation; 2016 dollar equivalent figures are used.

Damages Estimates and Market Capitalization Losses

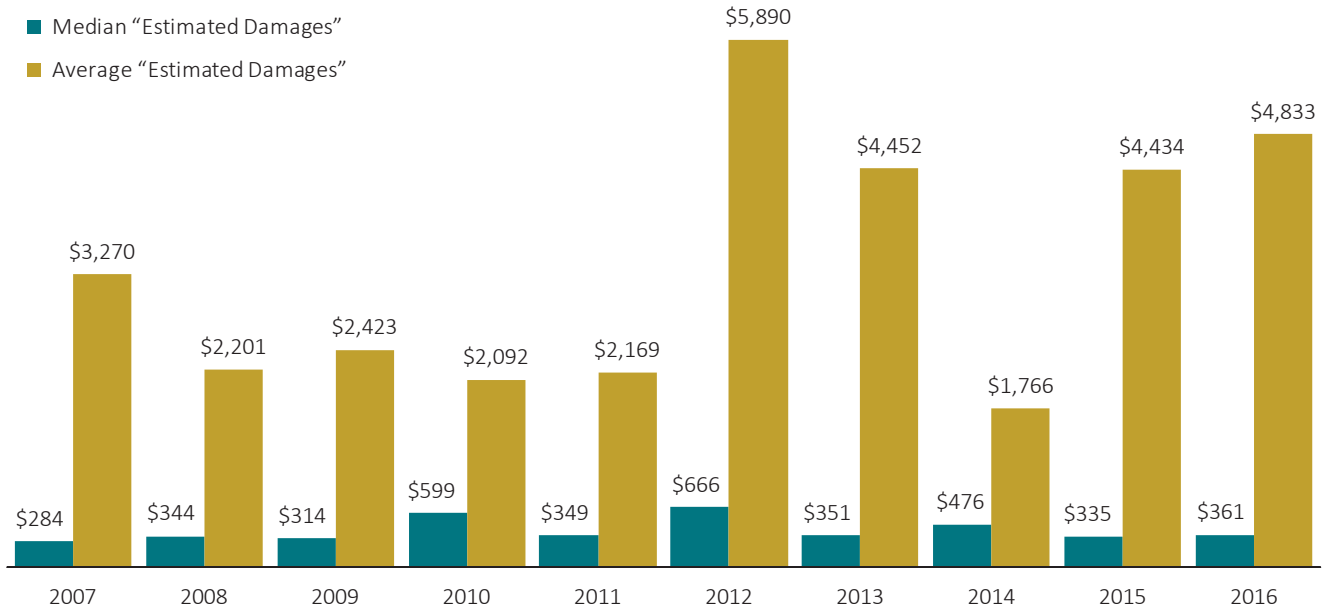
"Estimated Damages"

"Estimated damages" are a simplified measure of potential shareholder losses that allows for use of a consistent method in this study and therefore the identification and analysis of potential trends. While "estimated damages" are found to be the most important factor in predicting settlement amounts, they are not necessarily linked to the allegations in the associated court pleadings.[2] The damages estimates presented in this report are not intended to be indicative of actual economic losses borne by shareholders.

Average "estimated damages" in 2016 were the second highest in the last 10 years.

- Average and median "estimated damages" for 2016 increased modestly from 2015 (9 percent and 8 percent, respectively).
- Compared to the average and median values for the previous five years (2011–2015), however, 2016 average "estimated damages" were 30 percent higher while median "estimated damages" were 14 percent lower.
- Overall, higher "estimated damages" are associated with larger issuer defendants (measured by total assets of the issuer) and more mature firms (measured by the length of time publicly traded). In addition, plaintiffs are more likely to name third-party defendants in larger cases (as measured by "estimated damages").

Figure 5: Median and Average "Estimated Damages"
2007–2016
(Dollars in Millions)



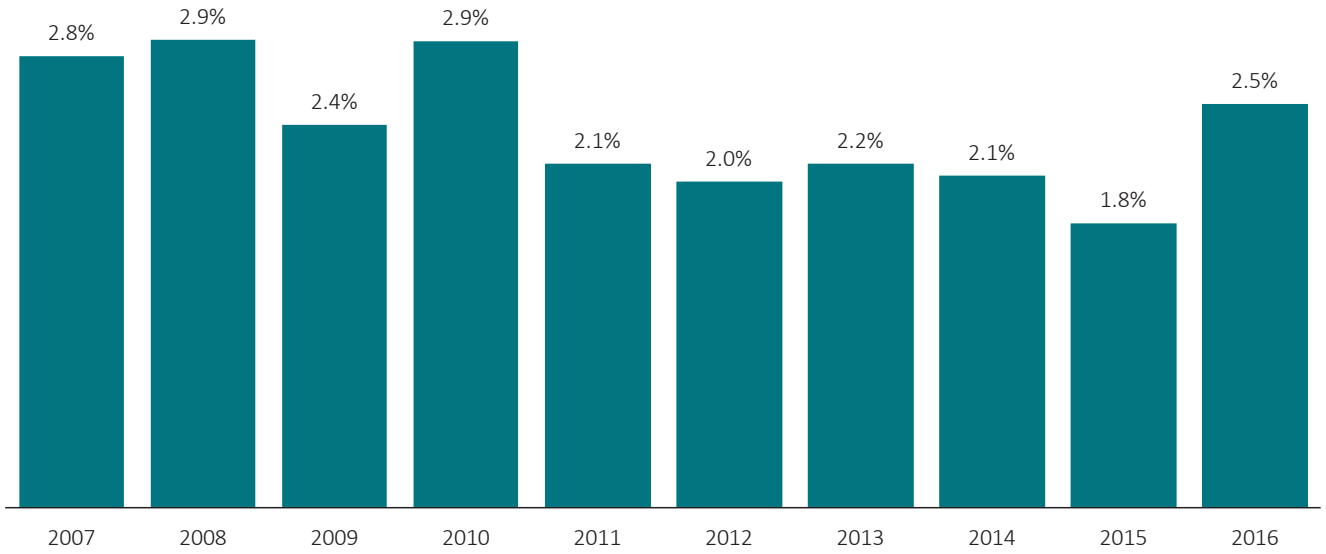
Note: "Estimated damages" are adjusted for inflation based on class period end dates.

"Estimated Damages" *continued*

- In 2016, median settlements as a percentage of "estimated damages" increased 39 percent over 2015.
- While the median settlement as a percentage of "estimated damages" for mega settlements has often been lower than for non-mega settlements, in 2016 it was slightly higher (2.7 percent and 2.5 percent for mega settlements and non-mega settlements, respectively).

In 2016, median settlements as a percentage of "estimated damages" jumped from 2015's historic low.

Figure 6: Median Settlements as a Percentage of "Estimated Damages"
2007–2016



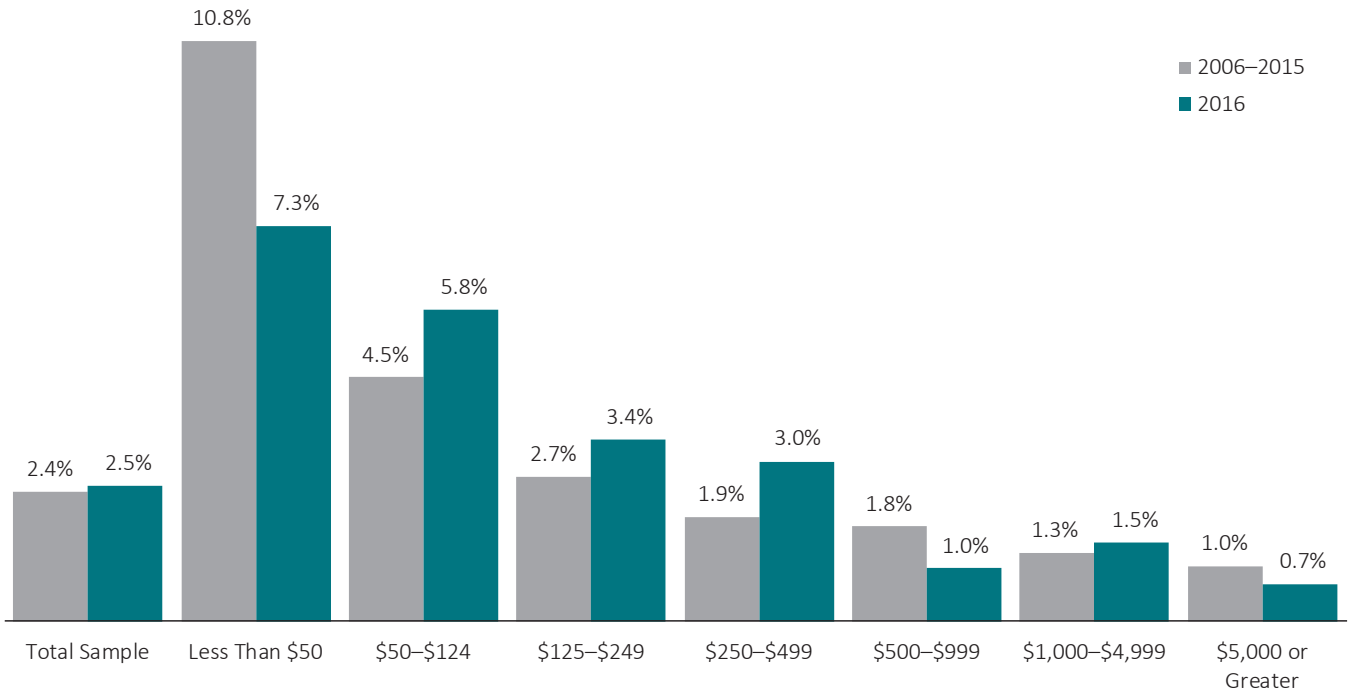
"Estimated Damages" *continued*

- Smaller cases settled for a lower percentage of "estimated damages" in 2016 relative to mid-range cases when compared to prior years.
- Median settlements as a percentage of "estimated damages" in 2016 increased 24 percent from the 2011–2015 median and were higher than any percentage in the last five years.

The rise in the 2016 median settlement as a proportion of "estimated damages" puts it in line with the median for the prior 10 years.

Figure 7: Median Settlements as a Percentage of "Estimated Damages" by Damages Ranges

(Dollars in Millions)



Damages Estimation Approaches

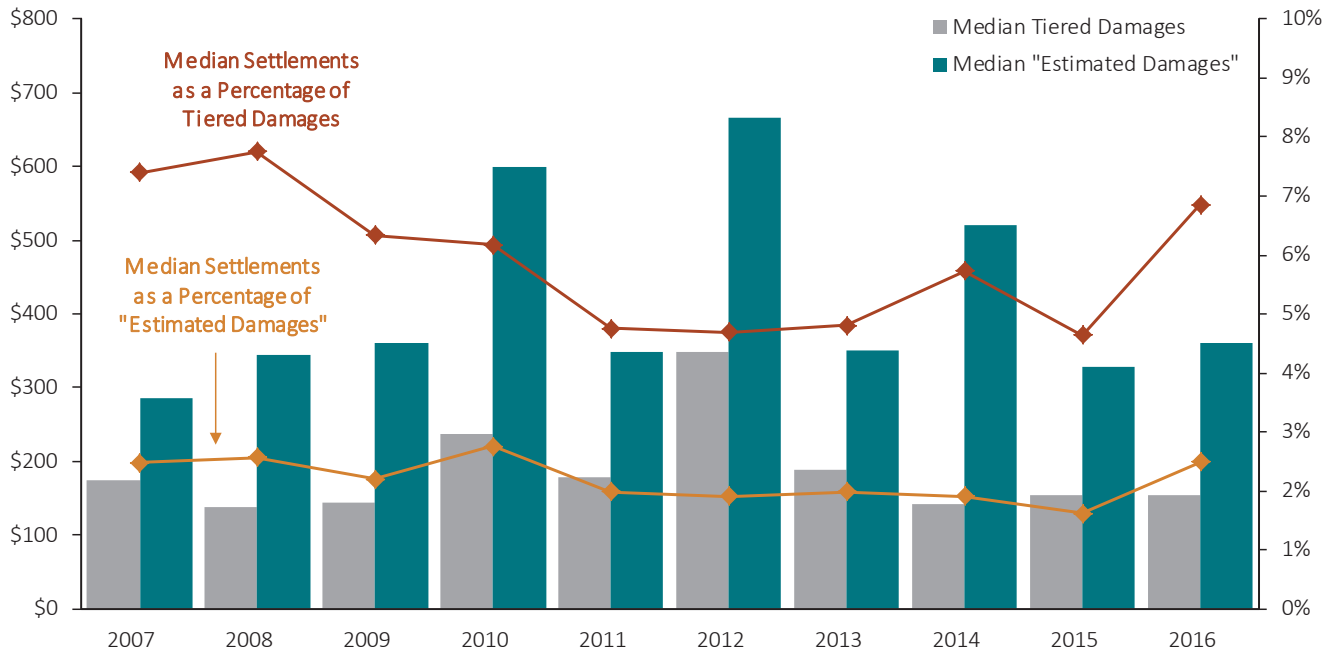
"Estimated Damages" vs. Tiered Damages

Tiered damages are an alternative damages measure based on the dollar value of stock price movements on dates detailed in the settlement plan of allocation. They provide an alternative measure of potential investor losses for more recent securities class action settlements.[3]

As a measure that is based on specific company stock price declines (either at the end or during the class period), rather than daily deviations from movements in an index, tiered damages are conceptually more closely aligned with the approach typically followed by plaintiffs in recent years to estimate damages. The methodology for tiered damages also accounts for the U.S. Supreme Court's 2005 landmark decision in *Dura* whereby damages cannot be associated with shares sold before information regarding the alleged fraud reaches the market.[4]

Tiered damages, like "estimated damages," are highly correlated with settlement amounts and are an important component in ongoing analyses of settlement outcome determinants.

Figure 8: Damages Estimation Approaches
2007–2016
(Dollars in Millions)



Note: Damages figures are adjusted for inflation based on class period end dates.

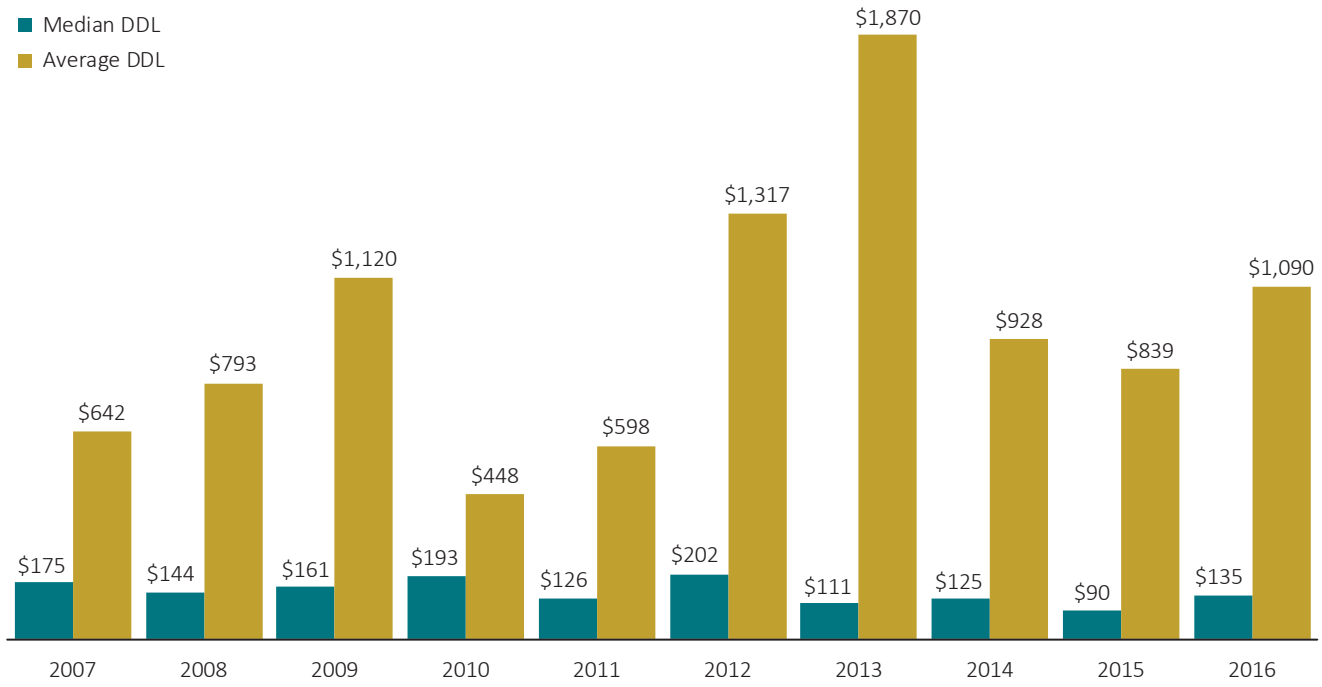
Disclosure Dollar Loss

Disclosure Dollar Loss (DDL) captures the stock price reaction to the class-ending disclosure that resulted in the first filed complaint. DDL is calculated as the decline in the market capitalization of the defendant firm from the trading day immediately preceding the end of the class period to the trading day immediately following the end of the class period and, as such, does not incorporate any estimate of the number of shares traded during the class period.[5]

Median DDL in 2016 was 50 percent more than 2015.

- With an increase in both the average and median DDL over 2015, the trend in DDL for cases settled in 2016 follows a pattern similar to that for "estimated damages."
- While the aggregate trends in DDL and "estimated damages" are often similar, for individual cases, the two measures typically differ substantially.
- Total DDL associated with settlements approved in 2016 was nearly $81 billion, 20 percent below the average from 2007 through 2015.

Figure 9: Median and Average Disclosure Dollar Loss
2007–2016
(Dollars in Millions)



Note: DDL is adjusted for inflation based on class period end dates.

Analysis of Settlement Characteristics

Nature of Claims

- In 2016, there were 10 settlements involving Section 11 and/or Section 12(a)(2) claims ('33 Act claims) that did not involve Rule 10b-5 allegations, the second most active year in the last decade.[6]
- Cases settling in 2016 involving combined claims (Rule 10b-5 and Section 11 and/or Section 12(a)(2) claims) had, on average, twice as many federal docket entries as cases involving just Rule 10b-5 claims—indicating the more complex nature of such matters.
- As reported in Cornerstone Research's *Securities Class Action Filings—2016 Year in Review*, the frequency of filings involving Section 11 claims in California state courts has increased in recent years.[7]
- Four of the five state court settlements in 2016 were for California state cases with '33 Act claims only.

Settlements as a percentage of "estimated damages" are considerably higher for cases with only Section 11 and/or Section 12(a)(2) claims because these cases typically have smaller "estimated damages" compared to other claim types.

Figure 10: Settlements by Nature of Claims
1996–2015

(Dollars in Millions)

	Number of Settlements	Median Settlement	Median "Estimated Damages"	Median Settlement as a Percentage of "Estimated Damages"
Section 11 and/or Section 12(a)(2) Only	97	$4.0	$55.6	7.4%
Both Rule 10b-5 and Section 11 and/or 12(a)(2)	281	$13.6	$537.2	3.0%
Rule 10b-5 Only	1,220	$8.1	$373.4	2.5%

Note: Settlement dollars and "estimated damages" are adjusted for inflation; 2016 dollar equivalent figures are used. "Estimated damages" are adjusted for inflation based on class period end dates.

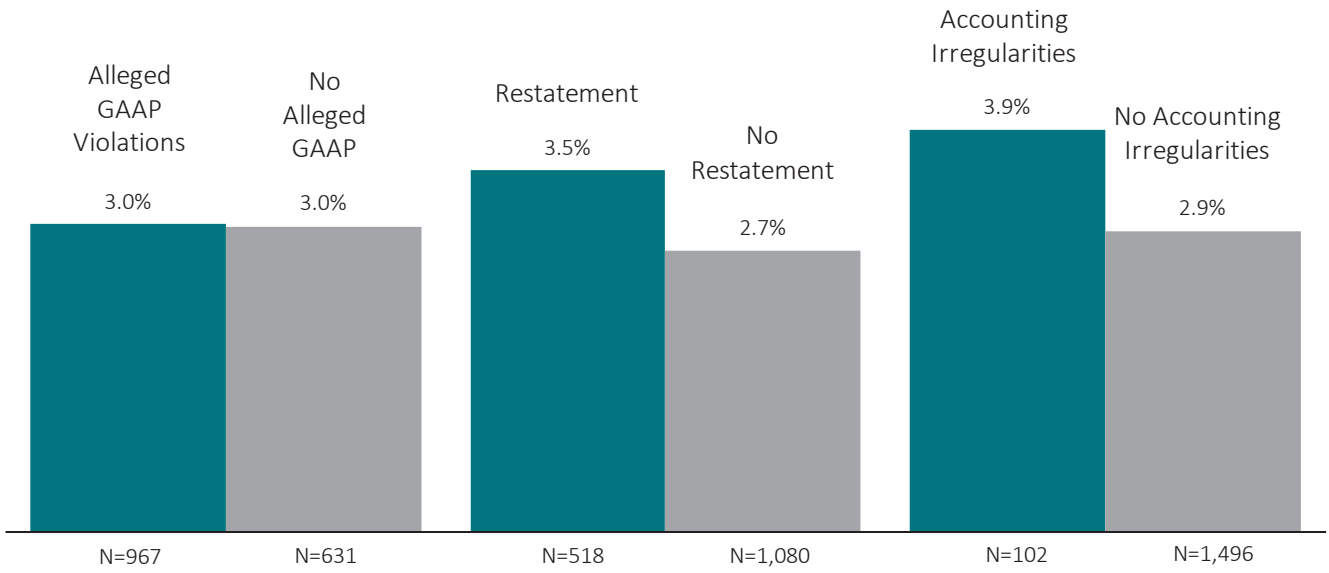
Accounting Allegations

This research examines three types of accounting issues among settled cases: (1) alleged GAAP violations, (2) restatements, and (3) reported accounting irregularities.[8] For further details regarding settlements of accounting cases, see Cornerstone Research's annual report on *Accounting Class Action Filings and Settlements*.

- Among all post–Reform Act settlements, alleged GAAP violations are included in approximately 60 percent of cases. In 2016, however, the frequency of GAAP violation allegations was 54 percent.
- Restatements were involved in more than 30 percent of cases settled in 2016. These cases were associated with higher settlements as a percentage of "estimated damages" compared to cases without restatements.
- In 2016, no settlements involved reported accounting irregularities, and there was only one such case among 2015 settlements. Historically, approximately 6 percent of cases involve accounting irregularities.

The percentage of cases alleging GAAP violations declined for a second straight year in 2016.

Figure 11: Median Settlements as a Percentage of "Estimated Damages" and Accounting Allegations
1996–2016

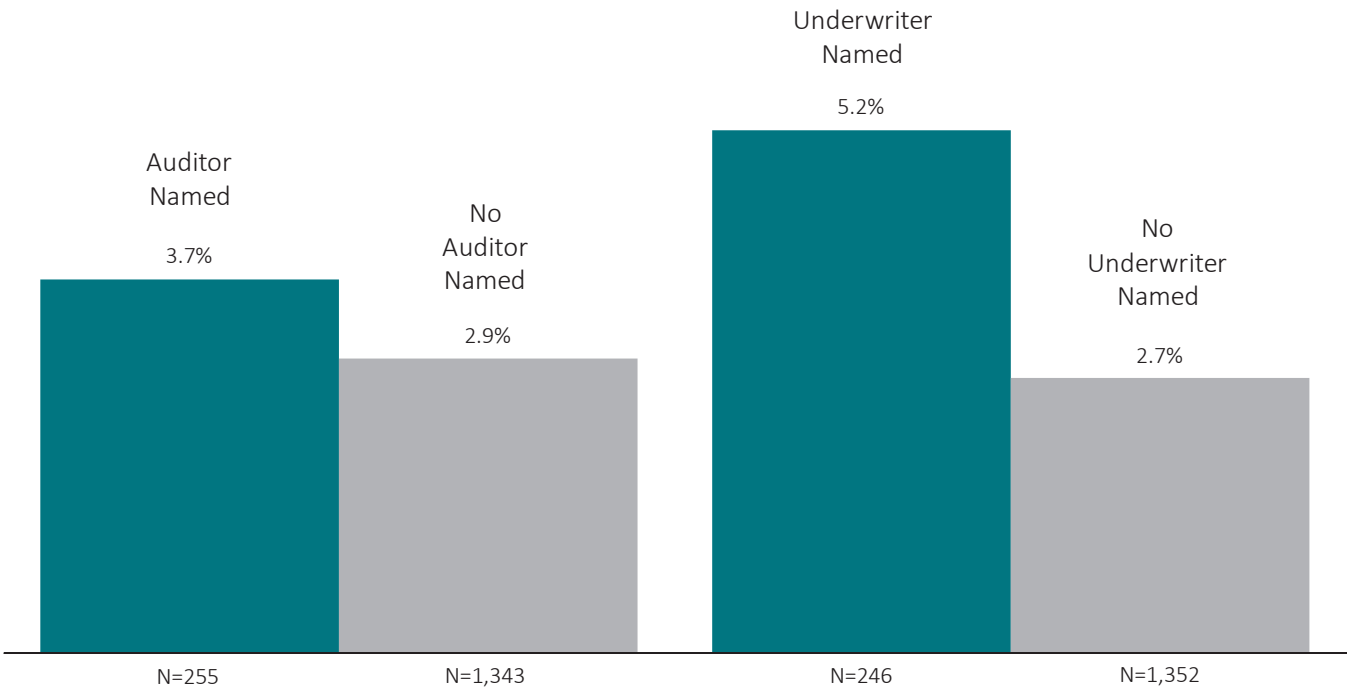


Third-Party Codefendants

- Third parties, such as an auditor or an underwriter, are often named as codefendants in larger, more complex cases.
- In 2016, however, the median settlement for cases with a third-party named defendant was 26 percent lower than for cases without a third-party named defendant.
- Only 17 percent of accounting-related case settlements in 2016 had a named auditor defendant.
- Underwriter defendants were named in 79 percent of cases with Section 11 claims in 2016.

On average, 27 percent of post–Reform Act settlements involved a named auditor or underwriter codefendant.

Figure 12: Median Settlements as a Percentage of "Estimated Damages" and Third-Party Codefendants
1996–2016



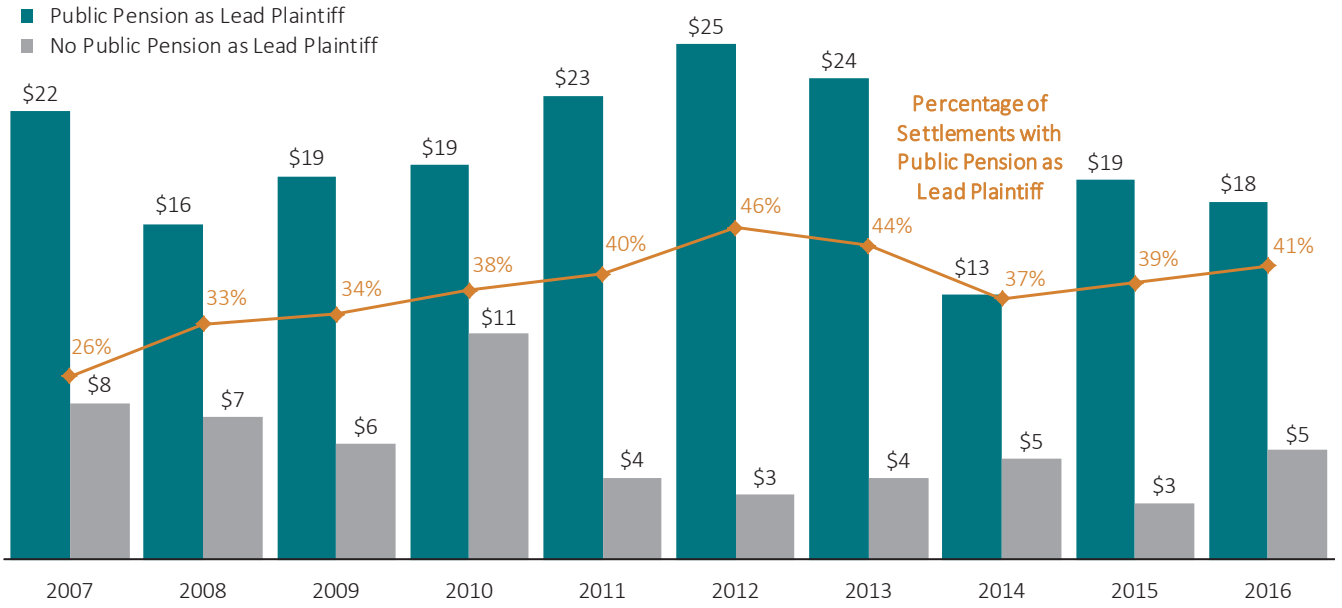
Institutional Investors

- In 2016, the median settlement amount for cases with institutional investor lead plaintiffs was more than two-and-a-half times that of cases with no institutional investor as a lead plaintiff, but settlements as a percentage of "estimated damages" were only slightly higher.
- Institutions, including public pension plans—a subset of institutional investors—tend to be involved as plaintiffs in larger cases (i.e., cases with higher "estimated damages").
- In 2016, 55 percent of settlements with "estimated damages" greater than $500 million involved a public pension plan as lead plaintiff, compared to 30 percent for cases with "estimated damages" of $500 million or less.
- Cases in which public pension plans serve as lead or co-lead plaintiff also tend to involve larger issuer defendants, longer class periods, securities in addition to common stock, accounting allegations, and other indicators of more serious cases such as criminal charges. These cases are also associated with longer periods to reach settlement.

Public pension involvement rose for the second consecutive year.

Figure 13: Median Settlement Amounts and Public Pensions
2007–2016

(Dollars in Millions)



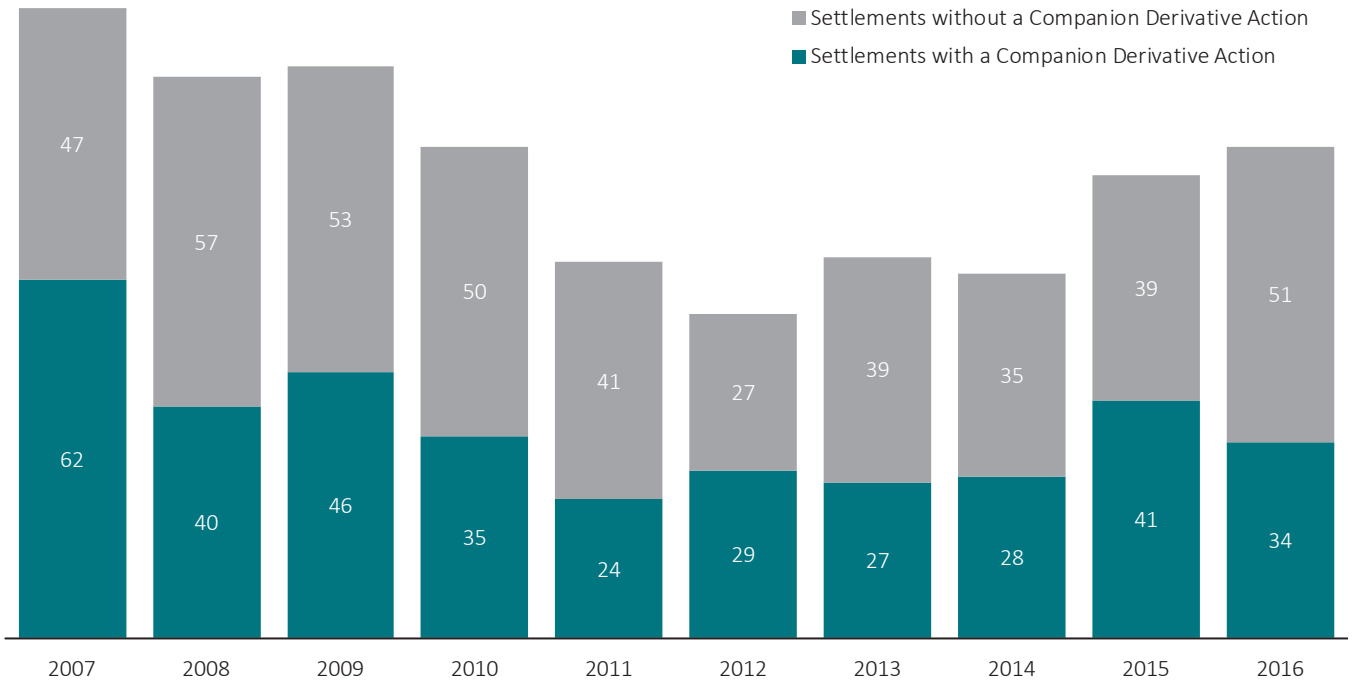
Note: Settlement dollars are adjusted for inflation; 2016 dollar equivalent figures are used.

Derivative Actions

- In 2016, 40 percent of settled cases were accompanied by derivative actions, compared to 34 percent for all prior post–Reform Act years.
- Historically, accompanying derivative actions have been associated with relatively large securities class actions.[9] In 2016, however, 38 percent of cases with "estimated damages" of $500 million or less involved a companion derivative action—just below the 42 percent of cases with "estimated damages" of more than $500 million.
- As a percentage of all derivative actions, the prevalence of companion derivative actions filed in California has increased annually from 14 percent in 2012 to 35 percent in 2016..

In 2016, the median settlement for a case with a companion derivative action was $12 million versus $8.5 million for those without.

Figure 14: Frequency of Derivative Actions
2007–2016



Corresponding SEC Actions

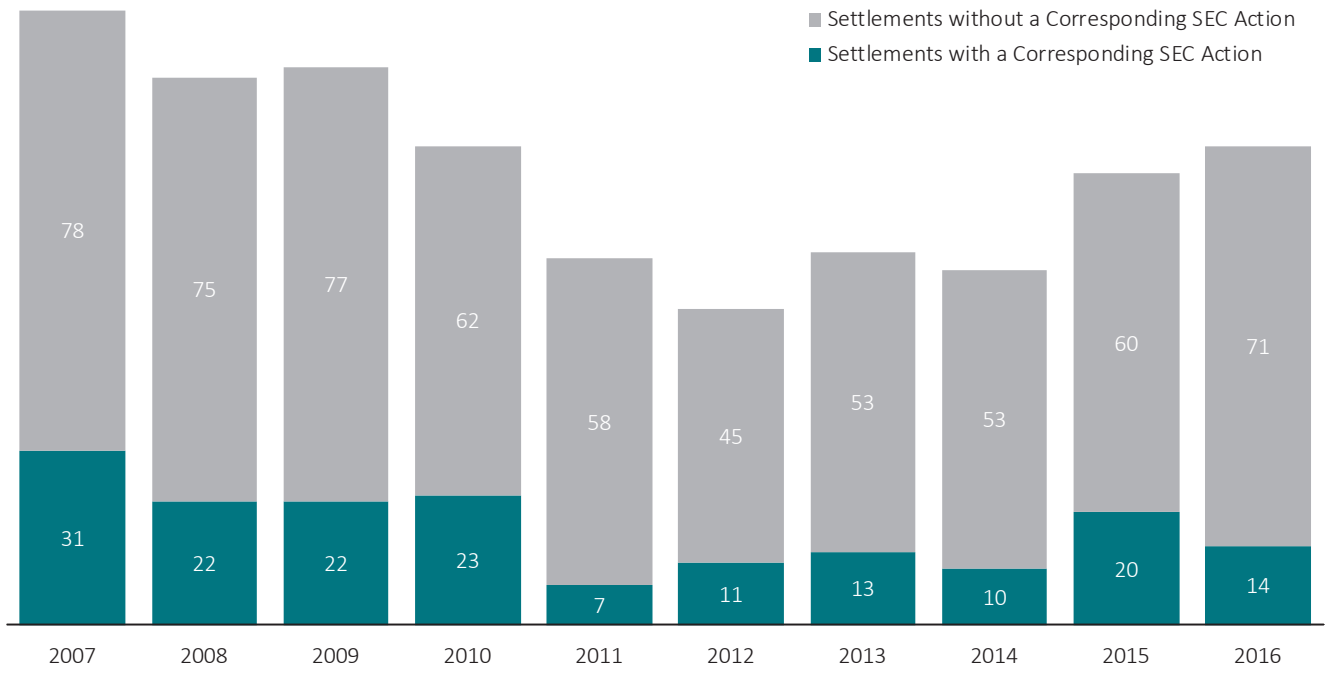
Cases with a corresponding SEC action related to the allegations (evidenced by the filing of a litigation release or administrative proceeding prior to settlement) are typically associated with significantly higher settlement amounts and have higher settlements as a percentage of "estimated damages."[10]

For related research on SEC enforcement activity, see t Securities Enforcement Empirical Database (SEED).[11]

- In 2016, however, the median settlement for cases with an SEC action ($8.4 million) differed only slightly from the median settlement for cases without a corresponding SEC action ($8.6 million).
- Across all post–Reform Act cases, for settlements of cases involving accompanying SEC actions, the issuer defendant's assets have averaged $65 billion, as compared to only $18 billion for settlements without accompanying SEC actions.
- While cases with accompanying SEC actions tend to involve larger issuer defendants, they are also more frequently associated with delisted firms. In addition, these cases often involve settlements prior to the first ruling on a motion to dismiss.

After doubling in 2015, the number of 2016 settlements with a corresponding SEC action returned to the lower levels observed for 2012–2014.

Figure 15: Frequency of SEC Actions
2007–2016



Time to Settlement and Case Complexity

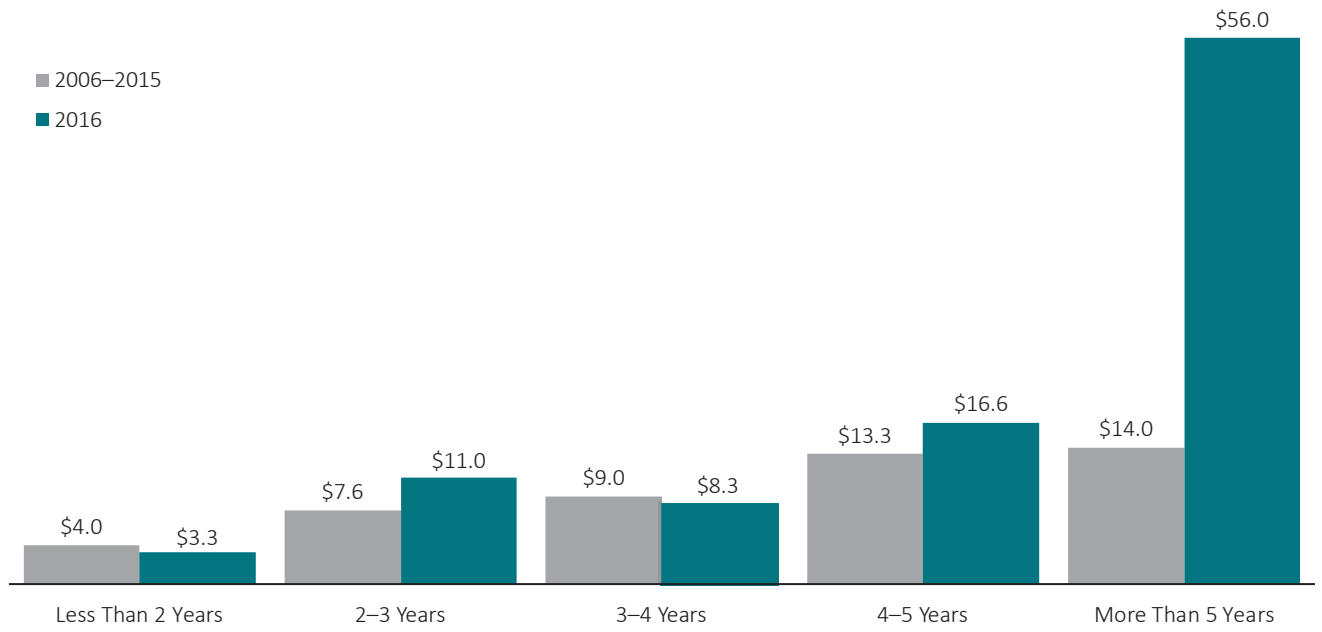
- The percentage of settlements in 2016 occurring within two years after the filing date was at its highest level in the last 10 years.
- The median number of docket entries for cases settling within two years in 2016 was 19 percent higher than the median for the prior 10 years, indicating a relatively high level of activity during the tenure of these cases.

In 2016, the median time from filing date to settlement was less than three years.

- In 2016, the median settlement for cases settling within two years was 70 percent lower than for cases taking longer to settle.
- The spike in the median settlement for 2016 cases settling after five years from filing is driven, in large part, by five mega settlements out of the 14 settlements in this category.
- Overall, the time to settlement tends to be longer for larger cases (as measured by issuer defendant size and "estimated damages"), cases involving third-party defendants, and cases with distressed issuer firms.

Figure 16: Median Settlement by Duration from Filing Date to Settlement Hearing Date

(Dollars in Millions)



Note: Settlement dollars are adjusted for inflation; 2016 dollar equivalent figures are used.

Litigation Stages

This report studies three stages in the litigation process that may be considered an indication of the strength of the merits of a case (e.g., surviving a motion to dismiss) and/or the time and effort invested by the lead plaintiff counsel:

Stage 1: Settlement before the first ruling on a motion to dismiss

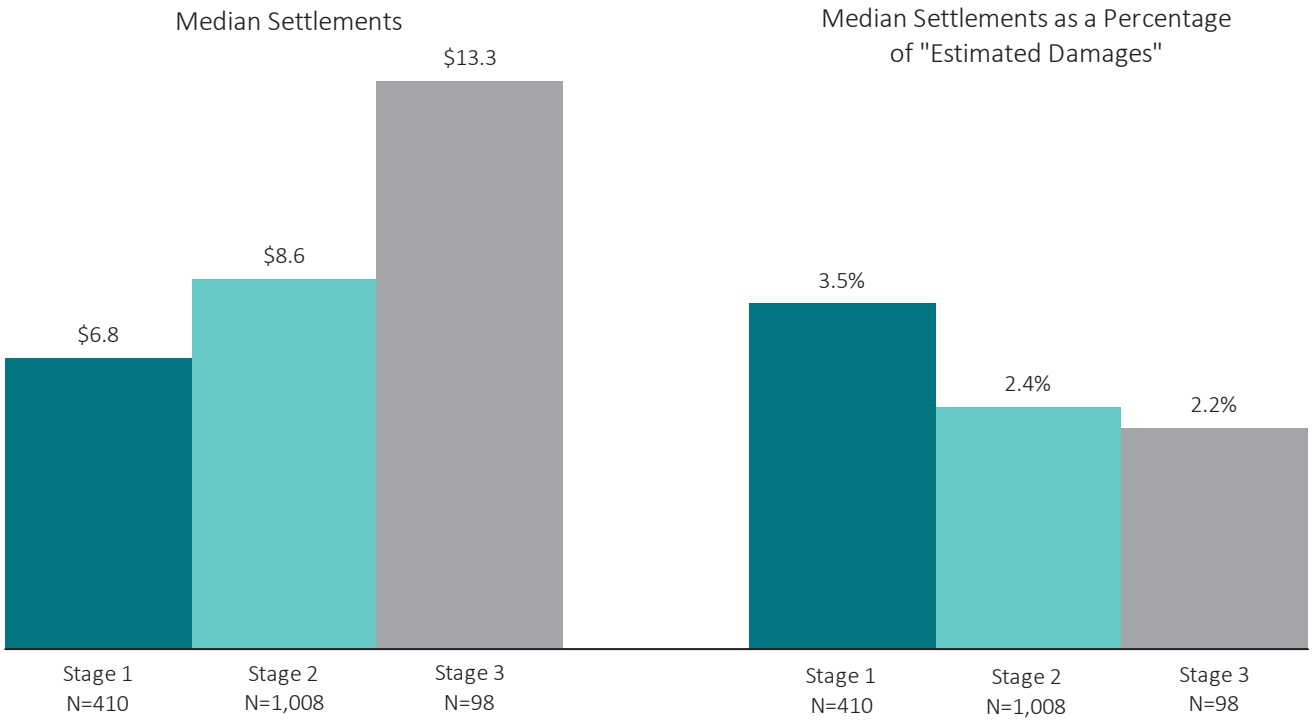
Stage 2: Settlement after a ruling on motion to dismiss, but before a ruling on motion for summary judgment

Stage 3: Settlement after a ruling on motion for summary judgment

- In 2016, 25 percent of settlements occurred in Stage 1, an increase from 18 percent for cases settled in 2015.
- Among all post–Reform Act settlements, cases settling in Stage 1 have the smallest median "estimated damages" and the smallest median assets whereas Stage 3 settlements have the highest medians.
- Public pensions are involved as lead plaintiffs in 17 percent of cases that settle in Stage 1 and in 30 percent of cases that settle in Stage 3.

Higher settlement amounts but lower settlements as a percentage of "estimated damages" are associated with cases settling after a ruling on motion for summary judgment.

Figure 17: Litigation Stages
2007–2016
(Dollars in Millions)



Note: Settlement dollars are adjusted for inflation; 2016 dollar equivalent figures are used.

Cornerstone Research's Settlement Prediction Analysis

This research applies regression analysis to examine which characteristics of securities cases were associated with settlement outcomes. The regression analysis is designed to better understand and predict the total settlement amount, given the characteristics of a particular securities case. This analysis can also be applied to estimate the probabilities associated with reaching alternative settlement levels as well as to explore hypothetical scenarios, including, but not limited to, the effects on settlement amounts given the presence or absence of particular factors found to significantly affect settlement outcomes.

- Settlements were higher when "estimated damages," DDL, defendant asset size, or the number of docket entries were larger.
- Settlements were also higher in cases involving intentional misstatements or omissions in the issuer's financial statements, financial restatements, a corresponding SEC action, a codefendant underwriter and/or auditor, an accompanying derivative action, a public pension involved as lead plaintiff, a noncash component to the settlement, filed criminal charges, or securities other than common stock alleged to be damaged.
- Settlements were lower if the settlement occurred in 2009 or later, if the issuer was distressed, or if the issuer traded on a non-major exchange.

Determinants of Settlement Outcomes

Based on the research sample of post–Reform Act cases that settled through December 2016, the factors that were important determinants of settlement amounts included the following:

- "Estimated damages"
- Disclosure Dollar Loss (DDL)
- Most recently reported total assets of the defendant firm
- Number of entries on the lead case docket
- The year in which the settlement occurred
- Whether the issuer reported intentional misstatements or omissions in financial statements
- Whether a restatement of financials related to the alleged class period was announced
- Whether there was a corresponding SEC action against the issuer, other defendants, or related parties
- Whether the plaintiffs named an auditor and/or underwriter as a codefendant
- Whether the issuer defendant was distressed
- Whether a companion derivative action was filed
- Whether a public pension was a lead plaintiff
- Whether noncash components, such as common stock or warrants, made up a portion of the settlement fund
- Whether the plaintiffs alleged that securities other than common stock were damaged
- Whether criminal charges/indictments were brought with similar allegations to the underlying class action
- Whether the issuer traded on a non-major exchange

Research Sample

- The database used in this report focuses on cases alleging fraudulent inflation in the price of a corporation's common stock (i.e., excluding cases with alleged classes of only bondholders, preferred stockholders, etc., and excluding cases alleging fraudulent depression in price and M&A cases).
- The sample is limited to cases alleging Rule 10b-5, Section 11, and/or Section 12(a)(2) claims brought by purchasers of a corporation's common stock. These criteria are imposed to ensure data availability and to provide a relatively homogeneous set of cases in terms of the nature of the allegations.
- The current sample includes 1,621 securities class actions filed after passage of the Reform Act (1995) and settled from 1996 through 2016. These settlements are identified based on a review of case activity collected by Securities Class Action Services LLC (SCAS).[12]
- The designated settlement year, for purposes of this report, corresponds to the year in which the hearing to approve the settlement was held.[13] Cases involving multiple settlements are reflected in the year of the most recent partial settlement, provided certain conditions are met.[14]

Data Sources

In addition to SCAS, data sources include Dow Jones Factiva, Bloomberg, the Center for Research in Security Prices (CRSP) at University of Chicago Booth School of Business, Standard & Poor's Compustat, court filings and dockets, SEC registrant filings, SEC litigation releases and administrative proceedings, LexisNexis, and public press.

Endnotes

1 *Securities Class Action Filings—2016 Year in Review*, Cornerstone Research, 2017.

2 The simplified "estimated damages" model is applied to common stock only. For all cases involving Rule 10b-5 claims, damages are calculated using a market-adjusted, backward-pegged value line. For cases involving only Section 11 and/or Section 12(a)(2) claims (1933 Act Claims), damages are calculated using a model that caps the purchase price at the offering price. Volume reduction assumptions are based on the exchange on which the issuer's common stock traded. Finally, no adjustments for institutions, insiders, or short sellers are made to the underlying float.

3 The dates used to identify the applicable inflation bands may be supplemented with information from the operative complaint at the time of settlement.

4 Tiered damages are calculated for cases that settled after 2005. The calculation of tiered damages utilizes a single value line when there is one alleged corrective disclosure date (at the end of the class period) or a tiered value line when there are multiple dates identified in the settlement notice.

5 This measure does not incorporate additional stock price declines during the alleged class period that may affect certain purchasers' potential damages claims. As this measure does not isolate movements in the defendant's stock price that are related to case allegations, it is not intended to represent an estimate of investor losses. The DDL calculation also does not apply a model of investors' share-trading behavior to estimate the number of shares damaged.

6 Intensified activity in the U.S. IPO market in recent years, in tandem with the increase in Section 11 filings (either alone or together with Rule 10b-5 claims), suggests that these cases are likely to be more prevalent in the near future. However, a slowdown in IPO activity reported in 2016 may eventually contribute to a reduction in '33 Act claim only cases.

7 See *Securities Class Action Filings—2016 Year in Review,* Cornerstone Research, 2017, page 4.

8 The three categories of accounting issues analyzed in this report are: (1) GAAP violations—cases with allegations involving Generally Accepted Accounting Principles (GAAP); (2) restatements—cases involving a restatement (or announcement of a restatement) of financial statements; and (3) accounting irregularities—cases in which the defendant has reported the occurrence of accounting irregularities (intentional misstatements or omissions) in its financial statements.

9 This is true whether or not the settlement of the derivative action coincides with the settlement of the underlying class action, or occurs at a different time.

10 It could be that the merits in such cases are stronger, or simply that the presence of an accompanying SEC action provides plaintiffs with increased leverage when negotiating a settlement.

11 The Securities Enforcement Empirical Database (SEED) tracks and records information for SEC enforcement actions filed against public companies traded on major U.S. exchanges and their subsidiaries. Created by the NYU Pollack Center for Law & Business in cooperation with Cornerstone Research, SEED facilitates the analysis and reporting of SEC enforcement actions through regular updates of new filings and settlement information for ongoing enforcement actions.

12 Available on a subscription basis.

13 Movements of partial settlements between years can cause differences in amounts reported for prior years from those presented in earlier reports.

14 This categorization is based on the timing of the settlement approval. If a new partial settlement equals or exceeds 50 percent of the then-current settlement fund amount, the entirety of the settlement amount is re-categorized to reflect the settlement hearing date of the most recent partial settlement. If a subsequent partial settlement is less than 50 percent of the then-current total, the partial settlement is added to the total settlement amount and the settlement hearing date is left unchanged.

Appendices

Appendix 1: Settlement Percentiles

(Dollars in Millions)

	Average	10th	25th	Median	75th	90th
2016	$70.5	$1.9	$4.2	$8.6	$33.0	$146.0
2015	$38.4	$1.3	$2.1	$6.1	$15.5	$92.1
2014	$18.5	$1.7	$2.9	$6.1	$13.4	$50.7
2013	$74.5	$2.0	$3.1	$6.7	$22.8	$85.0
2012	$64.0	$1.3	$2.8	$9.8	$37.1	$120.2
2011	$22.4	$2.0	$2.7	$6.1	$19.2	$44.6
2010	$39.2	$2.2	$4.7	$12.4	$27.5	$87.6
2009	$42.0	$2.6	$4.3	$9.0	$22.4	$74.3
2008	$31.8	$2.2	$4.2	$8.9	$21.2	$56.2
2007	$76.9	$1.7	$3.4	$10.4	$20.3	$92.4
1996–2016	$43.7	$1.7	$3.5	$8.3	$20.9	$74.0

Note: Settlement dollars are adjusted for inflation; 2016 dollar equivalent figures are used.

Appendix 2: Select Industry Sectors 1996–2016

(Dollars in Millions)

Industry	Number of Settlements	Median Settlement	Median "Estimated Damages"	Median Settlement as a Percentage of "Estimated Damages"
Technology	361	$7.8	$324.9	2.8%
Financial	195	$14.5	$812.8	2.5%
Telecommunications	151	$9.1	$501.8	2.2%
Retail	131	$7.1	$246.7	3.8%
Pharmaceuticals	125	$8.3	$387.6	2.4%
Healthcare	64	$8.6	$296.1	3.3%

Note: Settlement dollars and "estimated damages" are adjusted for inflation; 2016 dollar equivalent figures are used. "Estimated damages" are adjusted for inflation based on class period end dates.

Appendix 3: Settlements by Federal Circuit Court
2007–2016

(Dollars in Millions)

Circuit	Number of Settlements	Median Number of Docket Entries	Median Settlement	Median Settlement as a Percentage of "Estimated Damages"
First	34	143	$7.0	2.6%
Second	204	117	$11.9	2.1%
Third	76	113	$9.0	2.2%
Fourth	33	137	$8.3	1.8%
Fifth	44	104	$6.6	2.0%
Sixth	38	140	$19.8	3.1%
Seventh	44	146	$10.2	2.7%
Eighth	20	195	$10.7	3.3%
Ninth	206	164	$7.9	2.2%
Tenth	23	153	$8.4	1.6%
Eleventh	53	134	$5.2	2.2%
DC	3	267	$48.1	5.0%

Note: Settlement dollars and "estimated damages" are adjusted for inflation; 2016 dollar equivalent figures are used. "Estimated damages" are adjusted for inflation based on class period end dates.

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Laarni Bulan is a principal in Cornerstone Research's Boston office, where she specializes in finance. Her work has focused on securities damages and class certification issues, insider trading, merger valuation, risk management, market manipulation and trading behavior, and real estate markets. She has consulted on cases related to financial institutions and the credit crisis, municipal bond mutual funds, asset-backed commercial paper conduits, credit default swaps, foreign exchange, and securities clearing and settlement. Dr. Bulan has published several academic articles in peer-reviewed journals. Her research covers topics in dividend policy, capital structure, executive compensation, corporate governance, and real options. Prior to joining Cornerstone Research, Dr. Bulan had a joint appointment at Brandeis University as an assistant professor of finance in its International Business School and in the economics department.

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Laura Simmons is a senior advisor with Cornerstone Research. She is a certified public accountant (CPA) and has more than 25 years of experience in accounting practice and economic and financial consulting. Dr. Simmons has focused on damages and liability issues in litigation, as well as on accounting issues arising in a variety of complex commercial litigation matters. She has served as a testifying expert in cases involving accounting analyses, securities case damages, research on securities lawsuits, and other issues involving empirical analyses.

Dr. Simmons's research on pre– and post–Reform Act securities litigation settlements has been published in a number of reports and is frequently cited in the public press and legal journals. She has spoken at various conferences and appeared as a guest on CNBC addressing the topic of securities case settlements. She has also published in academic journals, with recent research focusing on the intersection of accounting and litigation. Dr. Simmons was previously an accounting faculty member at the Mason School of Business at the College of William & Mary. From 1986 to 1991, she was an accountant with Price Waterhouse.

The authors acknowledge the research efforts and significant contributions of their colleagues at Cornerstone Research. Please direct any questions and requests for additional information to the settlement database administrator at settlement.database@cornerstone.com.

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Exhibit 11

NERA
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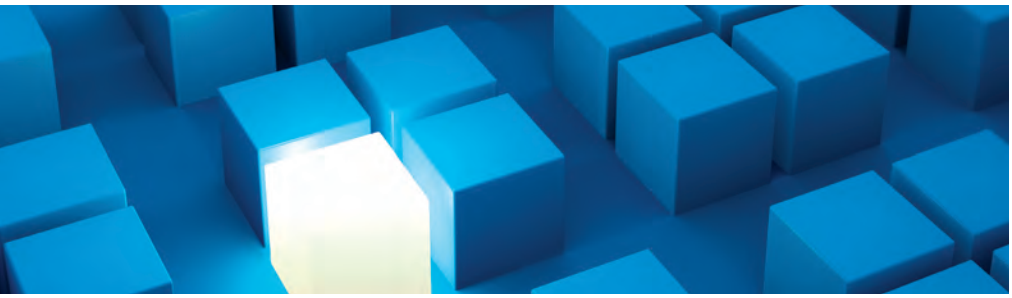
January 2017



Recent Trends in Securities Class Action Litigation: 2016 Full-Year Review

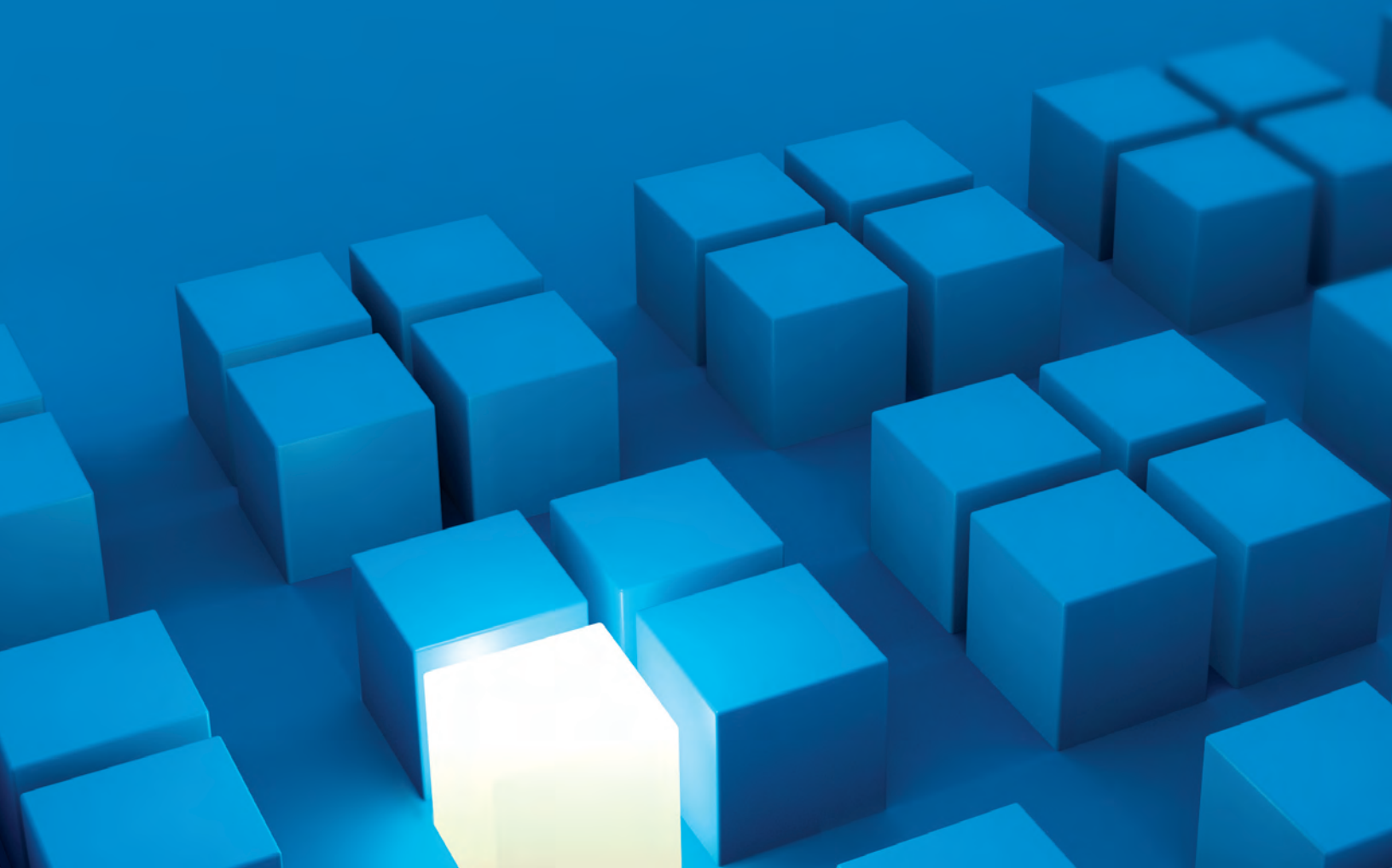
Record Number of Cases Filed, Led By Growth in Merger Objections
Highest Number of Dismissals in the Shortest Amount of Time

By Stefan Boettrich and Svetlana Starykh

Insight in Economics™

"I am excited to share NERA's *Recent Trends in Securities Class Action Litigation: 2016 Full-Year Review* with you. This year's edition continues work from past years by members of NERA's Securities and Finance Practice. In the 2016 edition, we document a sharp increase in filings, led by a doubling of merger-objection filings. While a discussion of that change features prominently in this edition, there are also interesting developments in filings against foreign-domiciled firms and in the magnitude of NERA-defined Investor Losses involved in cases filed in 2016. While space limitations prevent us from showing all of the analyses that the authors have undertaken to create this new edition of our series, we hope that you will contact us if you want to learn more or just want to discuss our findings and analyses. On behalf of NERA's Securities and Finance Practice, I thank you for taking the time to review our work and hope that you will find it informative."

Dr. David Tabak, Managing Director



Recent Trends in Securities Class Action Litigation: 2016 Full-Year Review

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Highest Number of Dismissals in the Shortest Amount of Time

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23 January 2017

Introduction and Summary[2]

The pace of securities class action filings was the highest since the aftermath of the 2000 dot-com crash. Growth in filings was dominated by federal merger objections, which reached a record high, and followed various state court decisions restricting "disclosure-only" settlements, the most prominent being the 2016 *Trulia* decision in the Delaware Court of Chancery. Filings alleging violations of Rule 10b-5, Section 11, or Section 12 grew for a record fourth straight year and reached levels not seen since 2008.

NERA-defined Investor Losses, a proxy for filed case size, reached a record $468 billion in 2016, 44% of which arose from securities cases claiming damages due to regulatory violations. Of those, several large securities cases stemmed from a US Department of Justice (DOJ) probe into alleged price collusion in generic pharmaceuticals. Those cases contributed to a high concentration of filings in the Health Technology and Services sector.

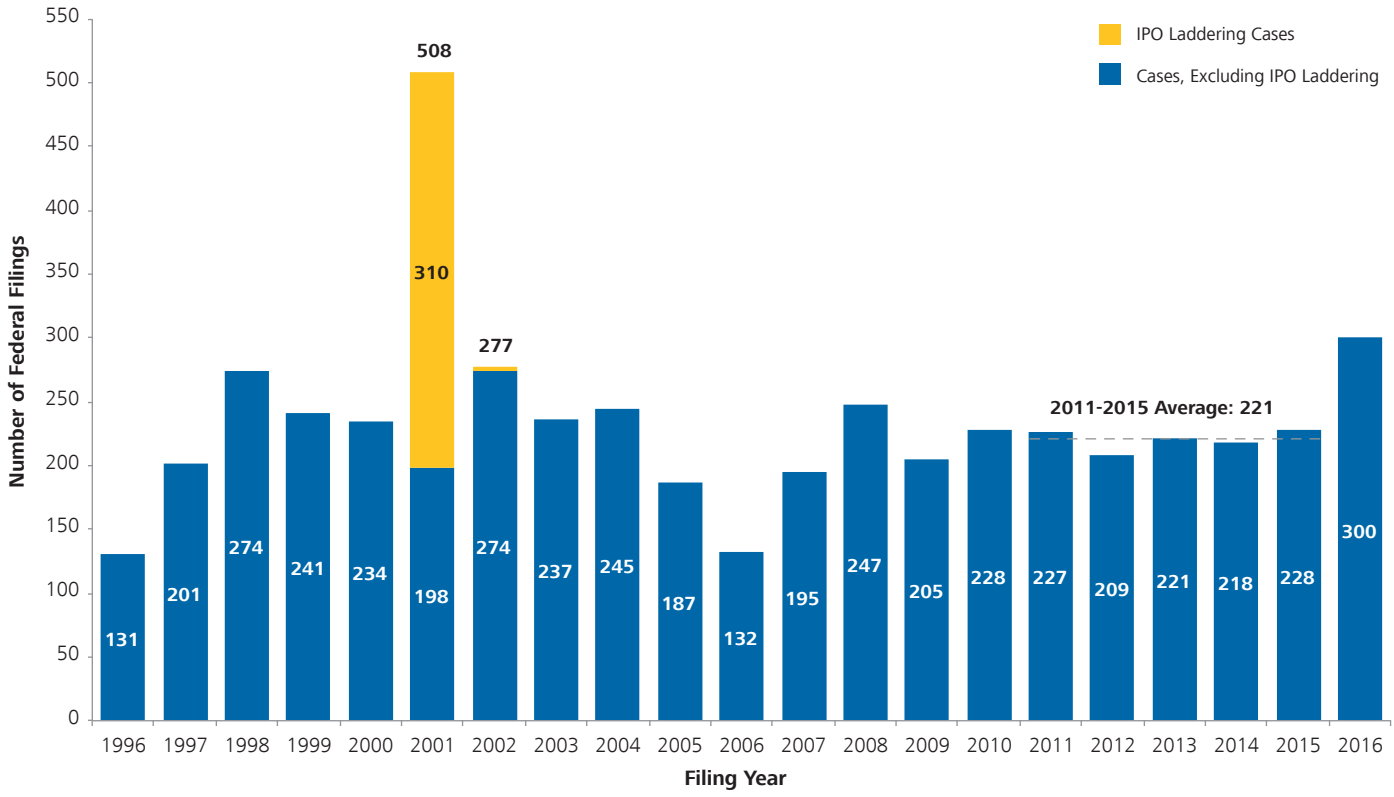
In 2016, a total of 262 securities class actions were resolved, but for the first time since passage of the Private Securities Litigation Reform Act (PSLRA), more cases were dismissed than settled. This is due to a record number of dismissals, at an especially fast pace post-filing, coupled with a settlement rate that remains close to an all-time low. The average settlement amount grew 36% in 2016, marking the second consecutive year of strong growth, partially driven by settlements in two longstanding large cases: *Household International* and *Merck*.

Trends in Filings

Number of Cases Filed

In 2016, 300 securities class actions were filed in federal courts, the highest of any year since the aftermath of the 2000 dot-com crash (see Figure 1). The number of filings in 2016 was 32% higher than in 2015 and 36% higher than the average rate over the prior five years, marking a departure from the remarkably stable rate of filings from 2010 to 2015, following the financial crisis. The level of 2016 filings was also well above the post-PSLRA average of approximately 217 cases per year, excluding IPO laddering cases.

Figure 1. **Federal Filings**
January 1996–December 2016



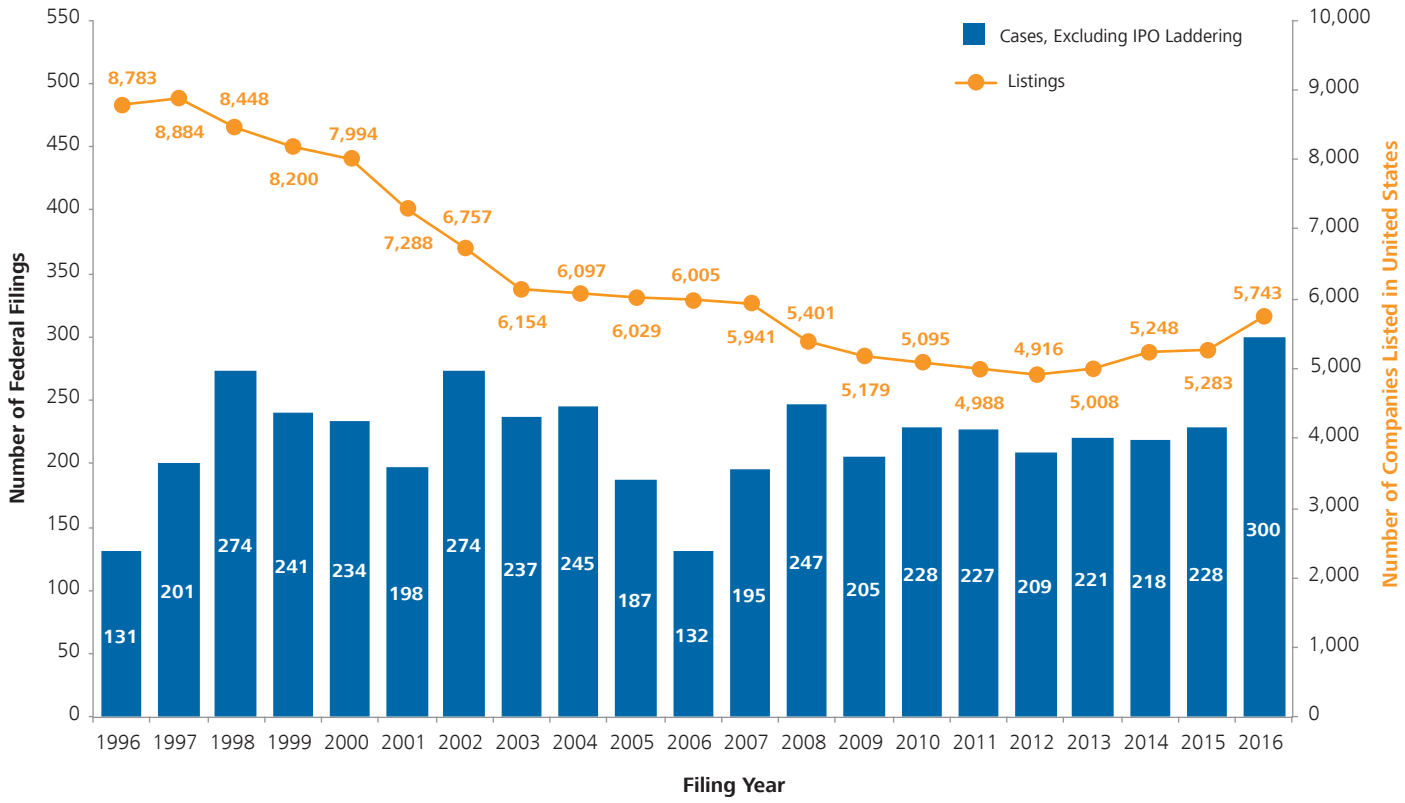
As of November 2016, 5,743 companies were listed on the major US securities exchanges, including the NYSE and Nasdaq (see Figure 2). The 300 federal securities class action suits filed in 2016 involved approximately 5.2% of publicly traded companies.

While the number and composition of securities class actions have fluctuated historically, the number of listed companies at risk of such actions has dropped considerably. Over the past 20 years, the number of publicly listed companies in the US has steadily declined by more than a third, or by about 3,000 listings. Recent research attributed this decline to fewer new listings and an increase in delistings, mostly through mergers and acquisitions, while ruling out the regulatory reforms of the early 2000s as the explanation.[3]

Despite the large drop in the number of listed companies, the average number of filings of securities class actions over the preceding five years, about 221 per year, is higher than the average number of filings over the first five years after the PSLRA went into effect, about 216 per year. The long-term trend in the number of listed companies coupled with the number of class actions filed imply that the average probability of being sued has increased from 3.2% for the 2000-2002 period to 5.2% in 2016.

The average probability of a firm being targeted by what is often regarded as a "standard" securities class action—one that alleges violations of Rule 10b-5, Section 11, and/or Section 12—was only 3.4% in 2016 and only slightly higher than the average probability of 3.0% between 2000 and 2002.

Figure 2. **Federal Filings and Number of Companies Listed in the United States**
January 1996–December 2016



Note: The source for number of companies listed in US is Meridian Securities Markets; 1996-2015 values are year-end; 2016 value is as of November 2016.

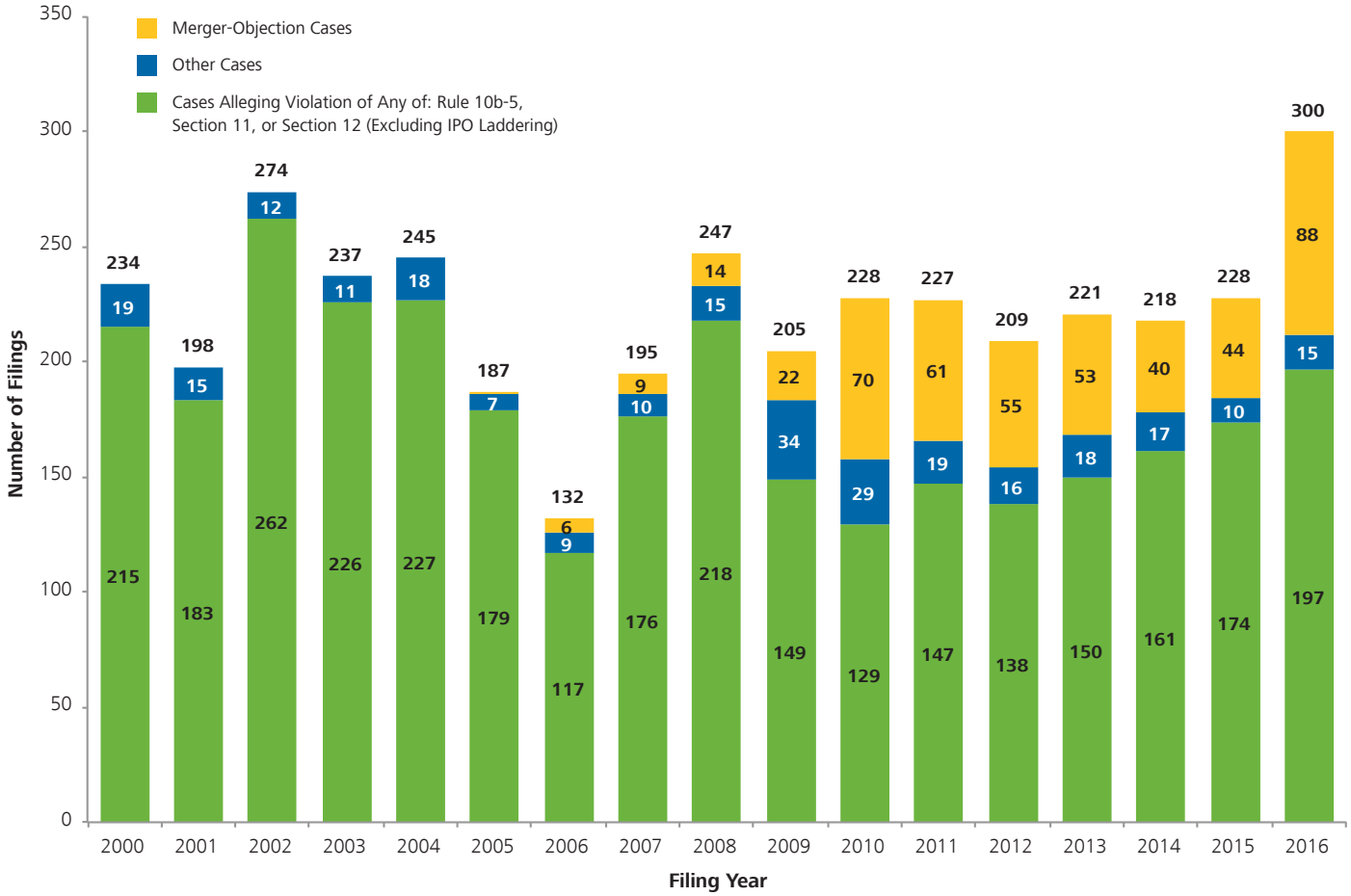
Filings by Type

Overall, the considerable growth in filings in 2016 was driven by dramatic growth in federal merger-objection cases, which typically allege a breach of fiduciary duty by directors and officers, and also driven by steady growth in standard securities class actions (see Figure 3). Despite fluctuating near record lows during the 2010-2012 period, the number of standard case filings has increased moderately in each of the previous four years, the longest expansion on record. In 2016, 197 standard cases were filed.

While standard filings still dominate federal dockets, the record number of filings this year was largely attributable to new merger-objection cases, which numbered 88. The jump likely stemmed from federal merger-objection suits that would have been filed in other jurisdictions but for various state-level decisions limiting "disclosure-only" settlements, with the most prominent being the 22 January 2016 *Trulia* decision in the Delaware Court of Chancery.[4] Mergers and acquisitions (M&A) activity does not appear to be the primary driver of federal merger-objection case counts because the number of federal merger-objection filings generally fell between 2010 and 2015, despite increased M&A activity over this period. In 2016, notwithstanding a 13% year-over-year drop in M&A deals targeting US companies, merger-objection suits doubled from 2015 levels.[5]

Rounding out the total counts of federal filings in 2016 were a variety of other cases alleging breach of fiduciary duty, management self-dealing, and violation of security-holder contractual rights, among other improper actions.

Figure 3. **Federal Filings by Type**
January 2000–December 2016



Notes: Before 2005, merger objections (if any) were not disaggregated. This figure omits IPO laddering cases.

Merger-Objection Filings

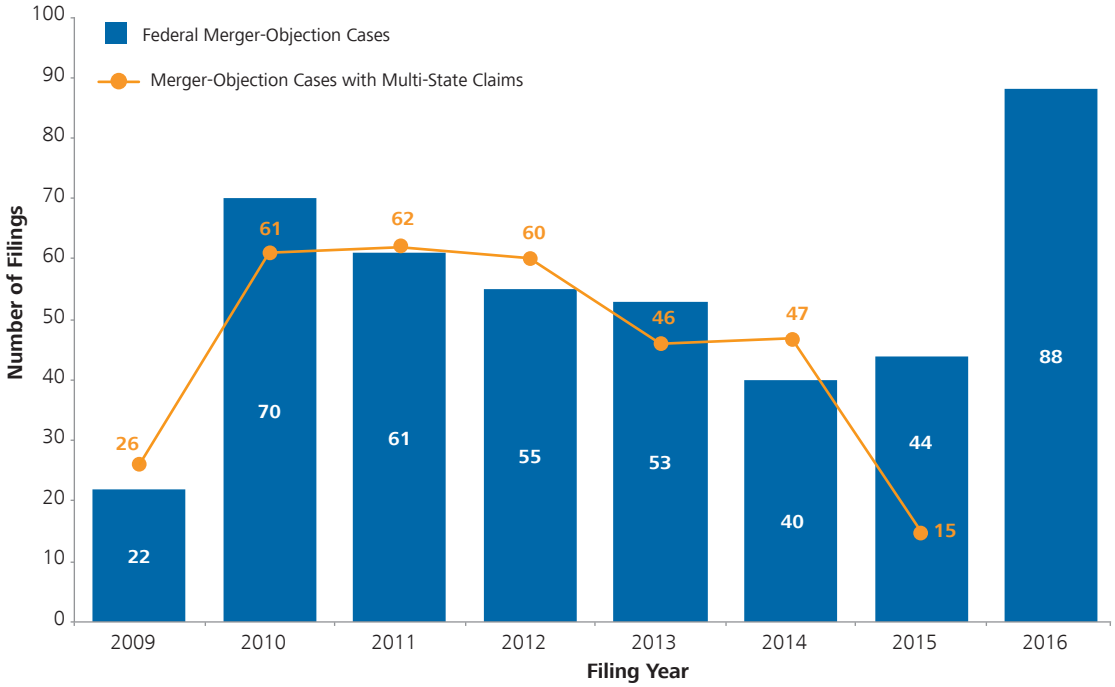
In 2016, federal merger-objection filings grew at the fastest rate since 2010, although recent growth was more likely due to court decisions than due to increased M&A activity (see Figure 4). The 2010 spike in federal merger-objection cases coincided with a doubling of M&A deals and growth in the rate of merger objections, contrasting with a 2016 slowdown in dealmaking.[6]

Historically, state courts, rather than federal courts, have been the primary jurisdiction of merger-objection cases.[7] Between 2010 and 2015, the slowdown in federal merger-objection filings largely mirrored the slowdown in multi-state merger-objection filings (those filed in multiple state courts), which researchers have indicated may be due to the increased use and effectiveness of forum selection corporate bylaws that limit the ability of plaintiffs to file claims outside of stipulated jurisdictions.[8]

The increased adoption of forum selection bylaws coincided with various state court decisions in 2015 and 2016, particularly those against "disclosure-only" settlements, the most prominent being the 22 January 2016 *Trulia* decision in the Delaware Court of Chancery.[9] Delaware attracted about half of eligible merger-objection cases prior to the *Trulia* decision, and researchers have suggested that, as a result of the decision, there may be a trend toward litigating merger objections in courts outside of Delaware.[10] While the full extent of such a shift remains to be seen, early signs of a contemporaneous slowdown in merger-objection filings in Delaware and a spike in federal merger-objection filings support such a conjecture.[11]

Whether any apparent shift in merger-objection suits out of Delaware continues will likely depend on the extent to which other jurisdictions adopt the Delaware Court of Chancery's lead on disclosure-only settlement disapproval, as well as on the rate of corporate adoption of forum selection bylaws.[12] In 2015, multiple opinions in New York Superior Court rejected disclosure-only settlements, and in 2016, the Seventh Circuit also ruled against a disclosure-only settlement in the case, *In re: Walgreen Co. Stockholder Litigation*.[13]

Figure 4. **Federal Merger-Objection Cases and Merger-Objection Cases with Multi-State Claims**
January 2009–December 2016



Note: Counts of merger-objection cases with multi-state claims are calculated based on data obtained from M. D. Cain and S. D. Solomon, "Takeover Litigation in 2015," Berkeley Center for Law Business and the Economy, 14 January 2016.

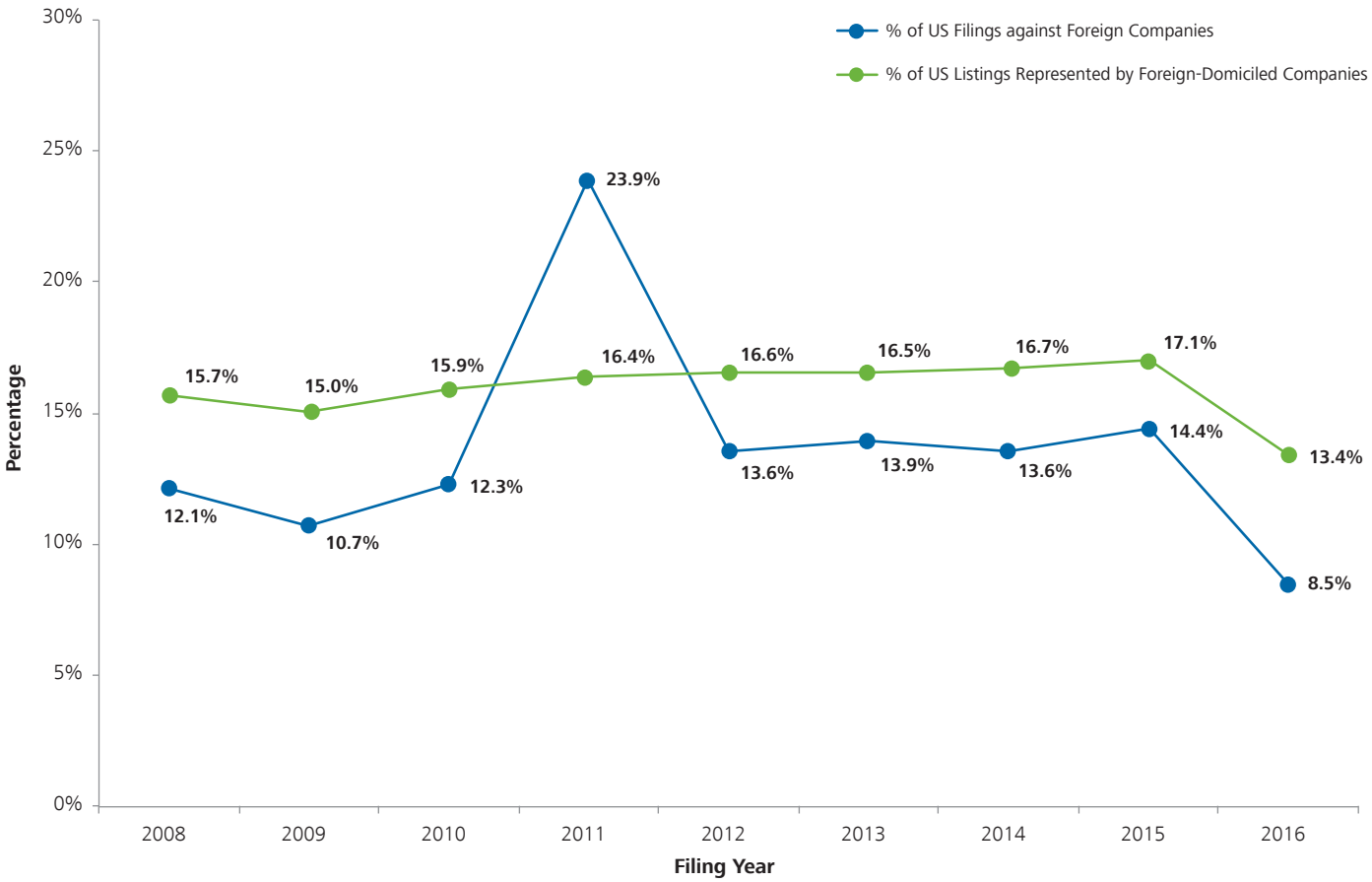
Filings by Issuers' Country of Domicile

In 2011, mostly due to a surge in filings against companies domiciled (or with principal offices) in China, a record 23.9% of cases were filed against foreign issuers (see Figure 5). That year marked the only recent period in which foreign domiciled companies were disproportionally targeted by securities class actions; in other years, the proportion of class actions against foreign-domiciled companies was less than the proportion of foreign listings.

While the proportion of filings against foreign issuers remained above historic levels for a few years following the wave of Chinese cases, the foreign issuer filing rate in 2016 dropped well below levels seen since at least before 2008. This is partially explained by a decline in the percent of overall US listings represented by foreign-domiciled companies. The decline also coincides with a 50% increase in the proportion of filings involving merger-objection claims, which less frequently target non-US companies.[14]

The drop in filings against Chinese-domiciled companies in 2016 was especially pronounced, with the fewest filings against such companies since 2009. This may be due to a record number of Chinese companies delisting in the United States and relisting their shares in Chinese markets, "hoping to benefit from higher valuations" there.[15] In addition to reducing the overall count of listed Chinese companies in the United States, the relisting mechanism is more likely to be taken advantage of by firms with relatively weaker accounting or disclosure practices.

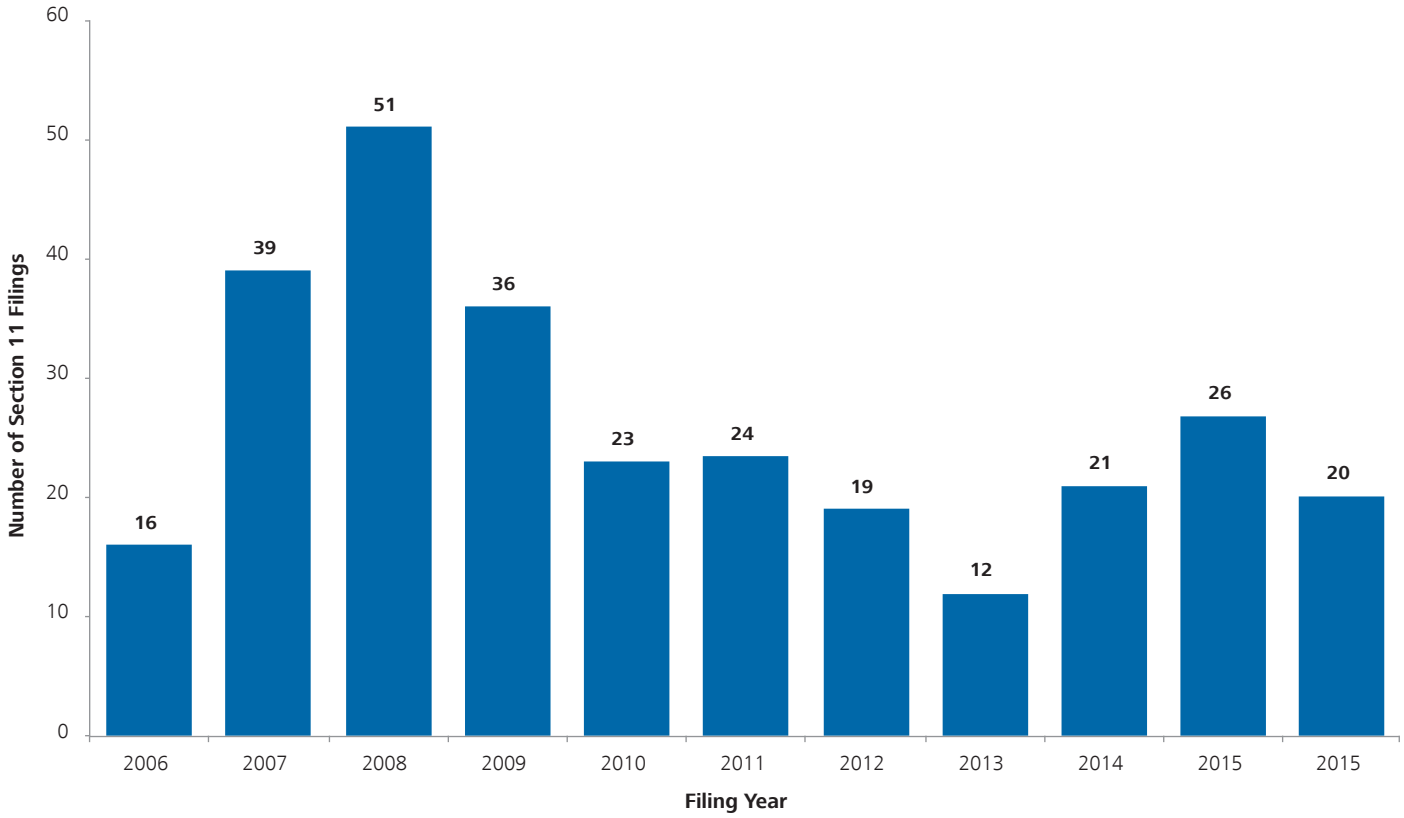
Figure 5. **Foreign-Domiciled Companies: Share of Filings and Share of All Companies Listed in United States**
January 2008–December 2016



Section 11 Filings

In 2016, there were 20 filings alleging violations of Section 11, which is approximately equal to the average rate since 2010 though 23% lower than the rate of such filings in 2015 (see Figure 6). Section 11 filings more than doubled between 2013 and 2015, largely mirroring growth in initial public offerings (IPOs) in prior years. Following what the *Financial Times* cited as a "bumper IPO year" in 2014, offerings slowed by almost 40% in 2015, which, in turn, was followed by a slowdown in Section 11 filings in 2016.[16] Section 11 filings in 2016 spanned many economic sectors and were roughly equally split among the Second, Ninth, and all other Circuits.

Figure 6. **Section 11 Filings**
January 2006–December 2016



Aggregate NERA-Defined Investor Losses

In addition to the number of cases filed, we also consider the total potential size of these cases using a metric we label "NERA-defined Investor Losses."

NERA's Investor Losses variable is a proxy for the aggregate amount that investors lost from buying the defendant's stock, rather than investing in the broader market during the alleged class period. Note that the NERA-defined Investor Losses variable is not a measure of damages because any stock that underperforms the S&P 500 would have Investor Losses over the period of underperformance; rather, it is a rough proxy for the relative size of investors' potential claims. Historically, Investor Losses have been a powerful predictor of settlement size. Investor Losses can explain more than half of the variance in the settlement values in our database.

We do not compute NERA-defined Investor Losses for all cases included in this publication. For instance, class actions in which only bonds and not common stock are alleged to have been damaged are not included. The largest excluded groups are IPO laddering cases and merger-objection cases. Some previous NERA reports on securities class actions did not include Investor Losses for cases with only Section 11 allegations, but such cases are included here.[17]

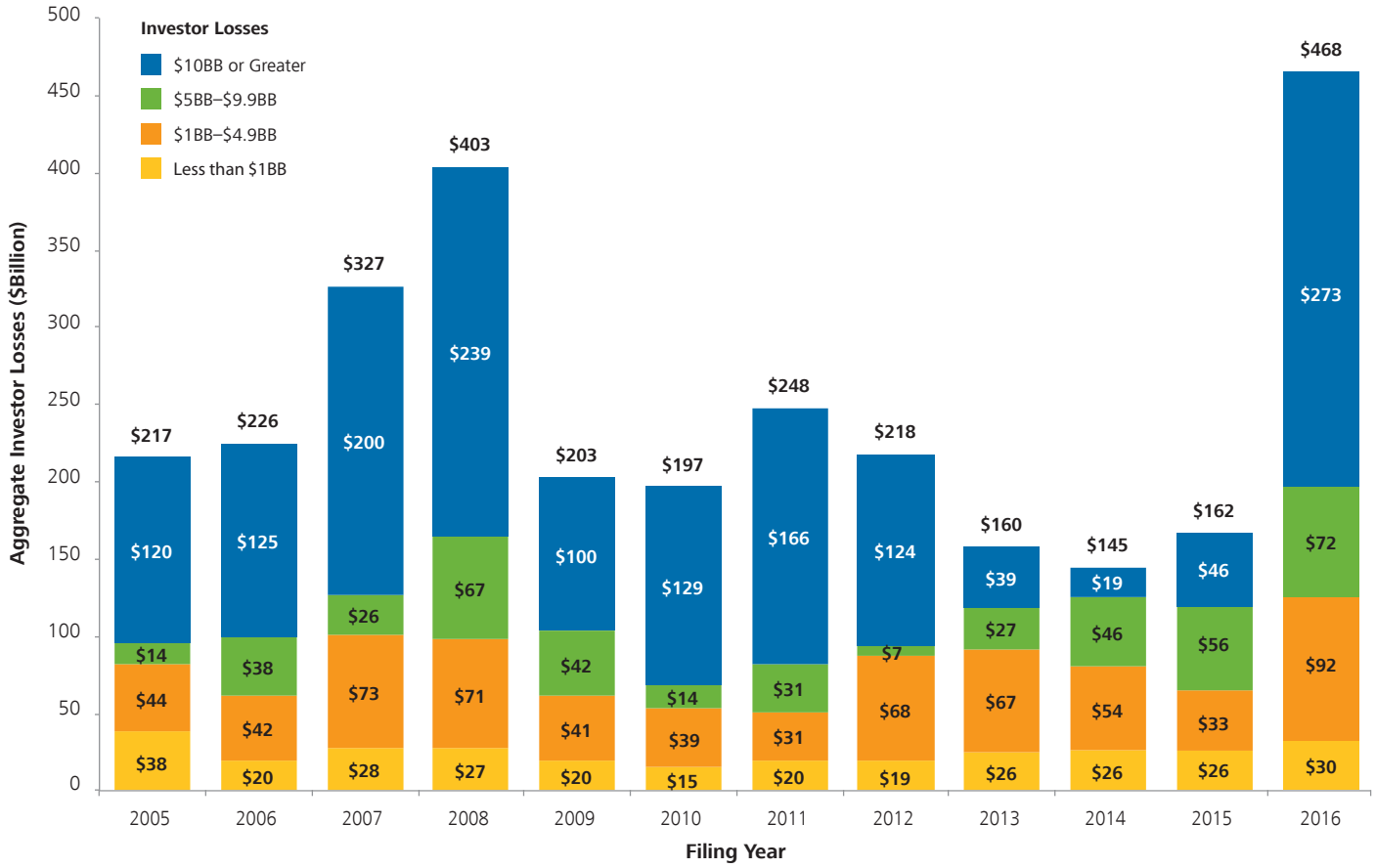
For each year since 2005, we calculate NERA-defined Investor Losses at the time of filing for each case for which losses can be computed. Yearly Investor Losses are grouped by magnitude and aggregated, as shown in Figure 7.

In 2016, aggregate NERA-defined Investor Losses jumped to a record $468 billion, more than 2.75 times the 2015 rate and exceeded the level of losses in 2008, at the height on the financial crisis. While Investor Losses in each stratum increased from 2015, the 2016 level of losses was driven to a record due to a dramatic increase in (and record amount of) losses attributable to cases with very large Investor Losses (over $10 billion, shown in dark green in Figure 7).[18] This year marked the first time since 2012 during which Investor Losses stemming from large cases made up most of the total loss for the year.

Claims related to regulatory violations (i.e., those alleging a failure to disclose a regulatory issue) made up a record 44% of NERA-defined Investor Losses in 2016, totaling about $220 billion. Much of this loss stemmed from price collusion cases spanning the pharmaceutical and poultry industries. Several pharmaceutical companies were caught up in a long-running DOJ probe into alleged generic drug price collusion.[19] In September 2016, a leading poultry distributor sued several poultry producers, alleging price fixing of broiler chickens.[20] Our data includes nine securities class actions related to such investigations in the pharmaceutical industry and four securities class actions related to such investigations in the poultry industry. These account for more than $173 billion in Investor Losses, or about 57% of the growth from 2015 levels. Securities class actions stemming from these investigations also make up more than a third of 2016 aggregate Investor Losses and 60% of losses in the high Investor Losses category.

Even excluding cases stemming from the described allegations of price collusion, 2016 NERA-defined Investor Losses jumped substantially to more than $295 billion. More than $109 billion of those losses may be traced to six cases with very large Investor Losses, half of which are in the Health Technology and Services sector. The largest of the six, representing about 8.8% of aggregate Investor Losses, was brought against Wells Fargo, in the Finance sector.

Figure 7. **Aggregate NERA-Defined Investor Losses—Shareholder Class Actions with Alleged Violations of Rule 10b-5, Section 11, or Section 12**
January 2005–December 2016



Filings by Circuit

Filings continued to be concentrated in the Second and Ninth Circuits, where more cases were filed than in all other circuits combined (see Figure 8).

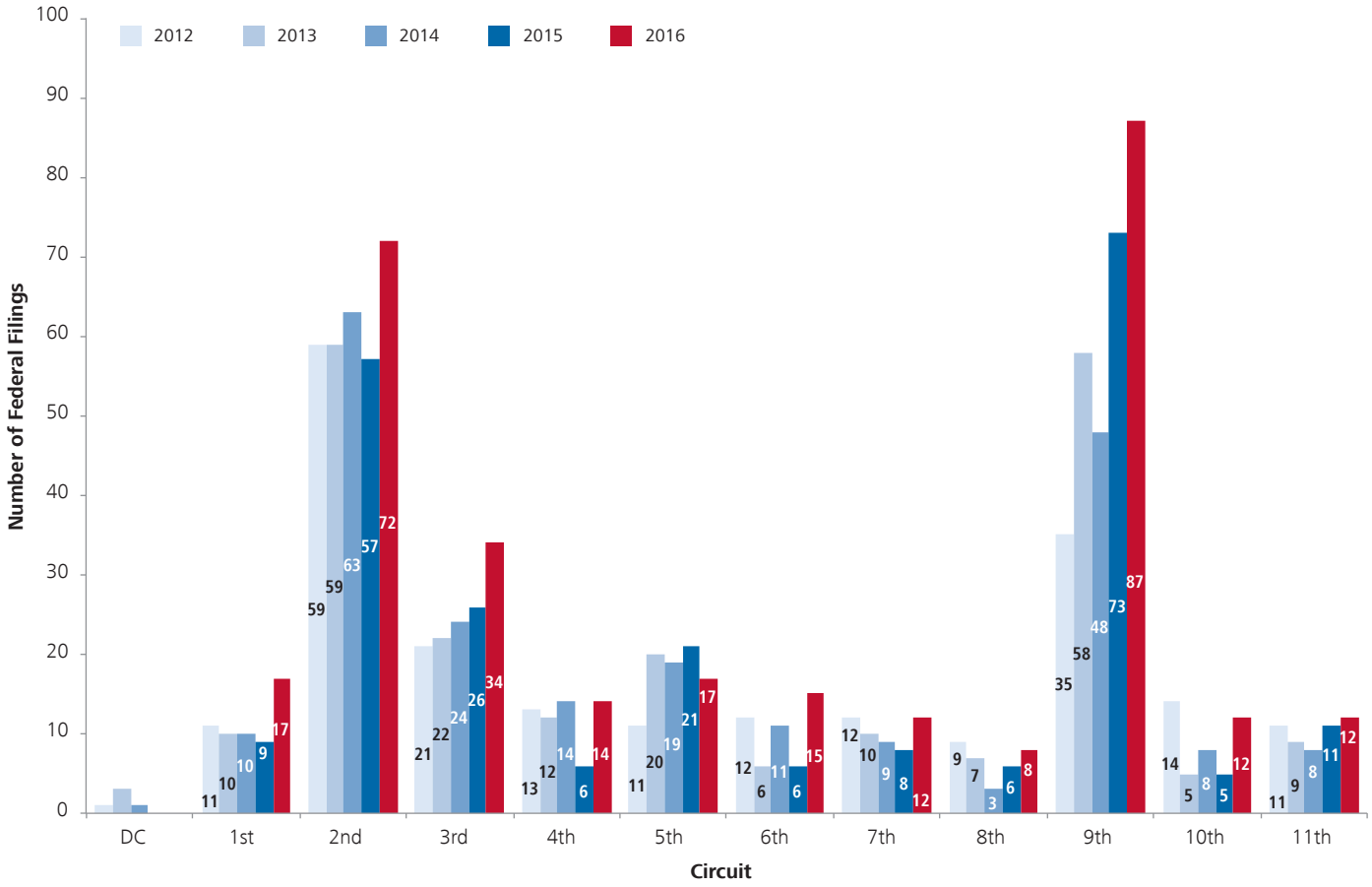
In the Ninth Circuit, the number of filings grew nearly 20%, to 87. Filings of merger-objection cases were a major growth factor, tripling to 27. Filings alleging violations of Rule 10b-5, Section 11, and/or Section 12, fell 11% to 55. Of these, seven cases alleged violations of Section 11, down marginally from 2015 but remaining near a five-year high and constituting about a third of all Section 11 cases.

Filings in the Second Circuit have grown over the past five years and reached an all-time high of 72 in 2016. As in 2015, the Second Circuit accepted disproportionately fewer merger-objection cases in 2016—while about a quarter of all securities class actions were filed in that Circuit, only about nine percent of merger-objection cases were filed there. Merger-objection suits may be less common in the Second Circuit, as multiple 2015 opinions in New York Superior Court rejected disclosure-only settlements either as "relatively worthless settlements" or discounted them as "merger tax suits."[21]

Filings of "standard" securities class actions in the Second Circuit made up the difference; despite lagging behind the overall filing load of Ninth Circuit, six more standard cases were filed in the Second Circuit than in the Ninth Circuit.

Recent steady growth in filings in the Third Circuit, which includes Delaware, continued in 2016. Third Circuit filings reached 34, up from 21 in 2012. As in the Ninth Circuit, growth of merger-objection cases was a factor. The number of such cases increased by nearly 43% in 2016, representing a bit less than a third of all filings in the Circuit. In the Fifth Circuit, 17 securities class actions were filed, the fewest in four years, and standard cases outnumbered merger objections by two-thirds.

Figure 8. **Federal Filings by Circuit and Year**
January 2012–December 2016



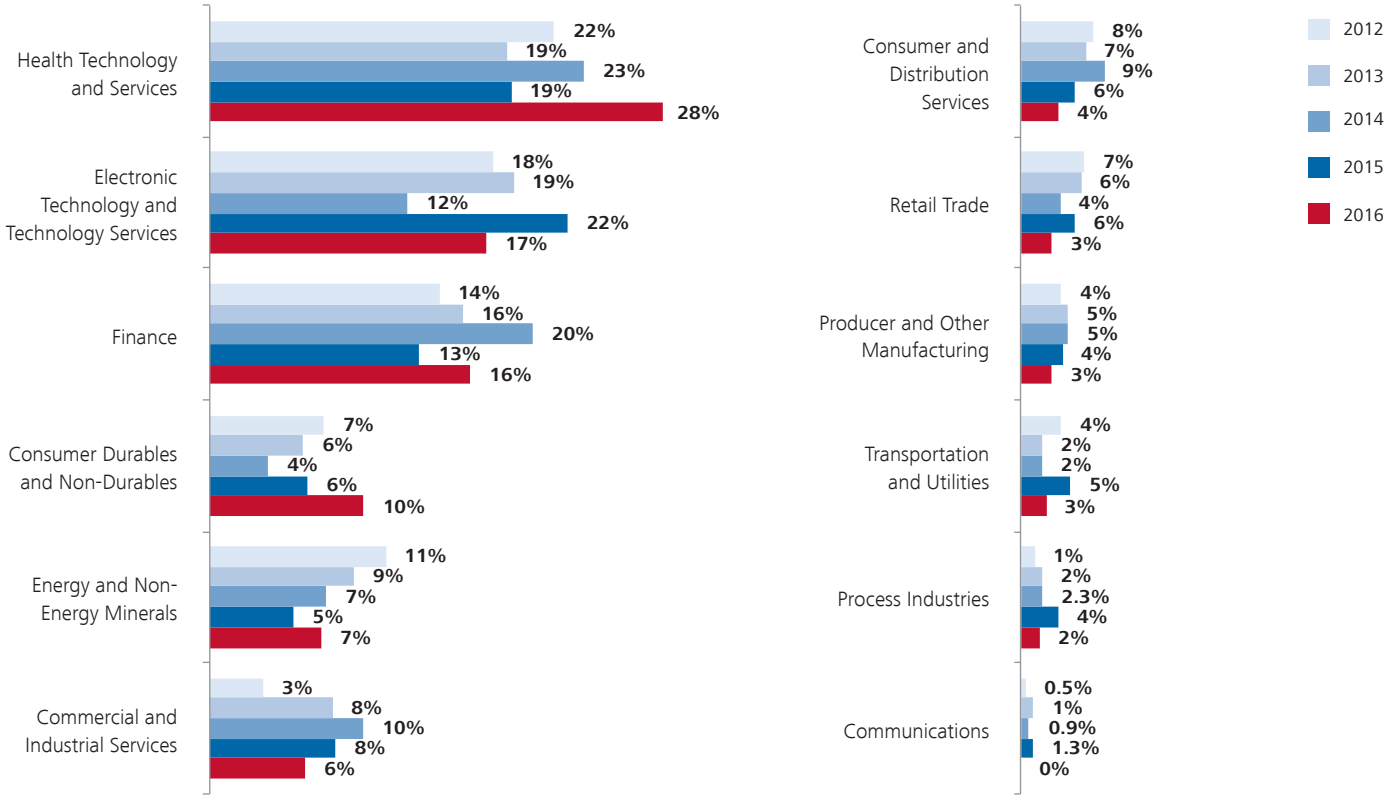
Filings by Sector

In 2016, 28% percent of securities class action cases were brought against firms in the Health Technology and Services sector (see Figure 9). Other than Finance sector filings between 2007 and 2009, filings have not been so concentrated in a single sector since at least 2005. There were 85 filings in the Health Technology and Services sector, almost doubling from 2015 levels. While the nine securities class actions stemming from DOJ probes into generic pharmaceutical price collusion contributed to the growth of cases in the sector, most cases in the sector were driven by claims related to financial performance or other regulatory actions.

The rate of filings against firms in the Electronic Technology and Technology Services sector was approximately equal to the five-year average rate and was a reversion from a large upward movement observed last year. Filings against firms in this sector would have fallen even more but for a jump in merger-objection cases, which made up nearly 45% of filings and possibly resulted from the technology sector's lead over other industries in 2016 M&A activity.[22]

Finance sector filings made up 16% of total filings, reverting to approximately the five-year average rate after a large downward movement last year.

Figure 9. **Percentage of Filings by Sector and Year**
January 2012–December 2016



Note: This analysis is based on the FactSet Research Systems, Inc. economic sector classification. Some of the FactSet economic sectors are combined for presentation.

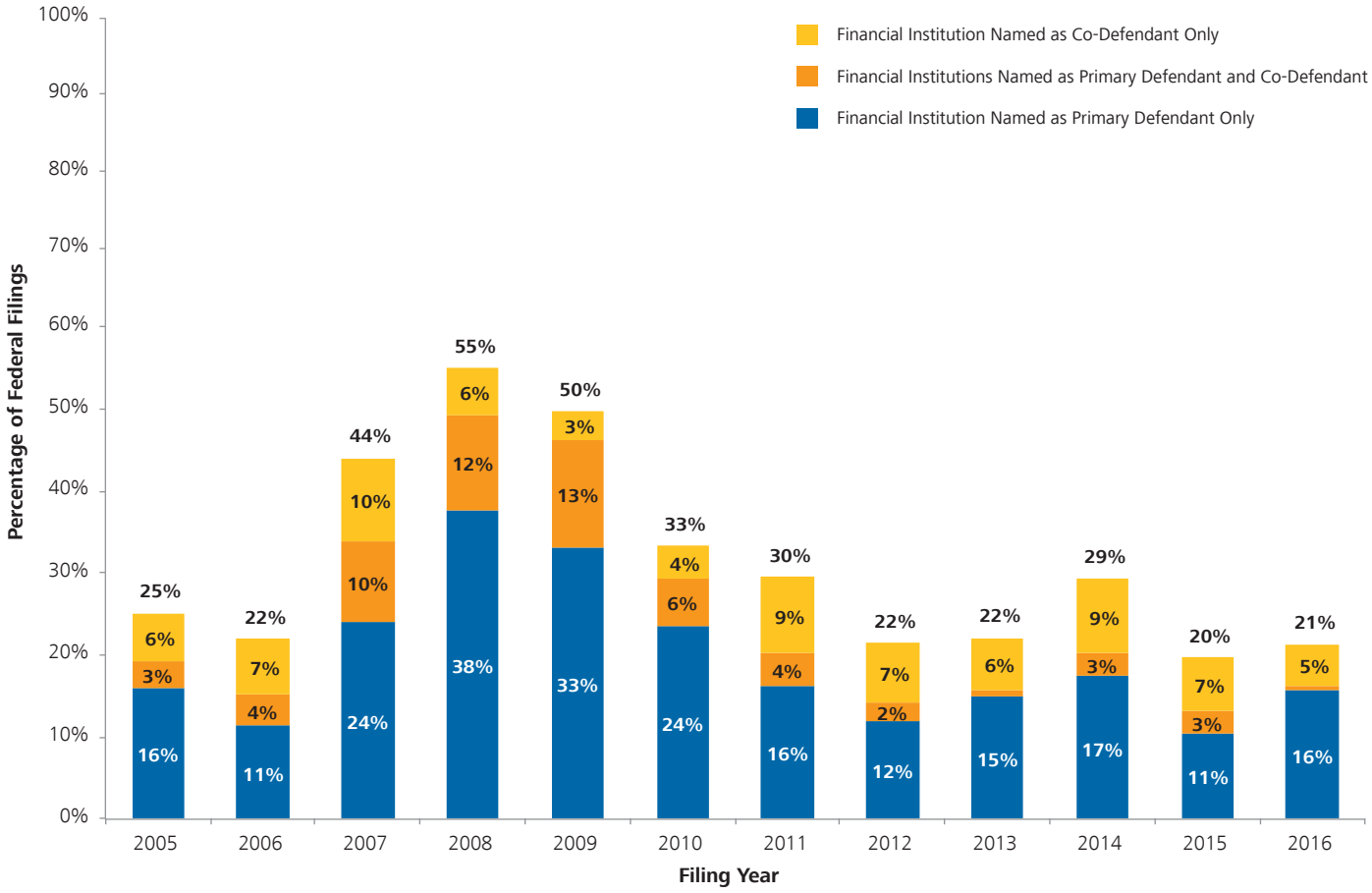
Defendants in the Finance Sector

In addition to being targeted as primary defendants, companies in the Finance sector are often named as co-defendants, potentially as underwriters of the securities at issue.

In 2016, 21% of securities class actions filed had a defendant in the Finance sector (whether a primary defendant or co-defendant) (see Figure 10). The concentration of filings in the sector peaked to more than 50% of all filings during the financial crisis and has tailed off since then. Although filings listing Finance sector firms as the primary defendant ticked up last year, the rate of filings in the sector is roughly equal to that in the 2005 and 2006 pre-crisis period.

Thirteen of the 15 cases filed in 2016 with financial institution co-defendants were Section 11 cases with an underwriter co-defendant, a rate consistent with previous years.

Figure 10. **Federal Cases in which Financial Institutions Are Named Defendants**
January 2005–December 2016



Accounting Co-Defendants

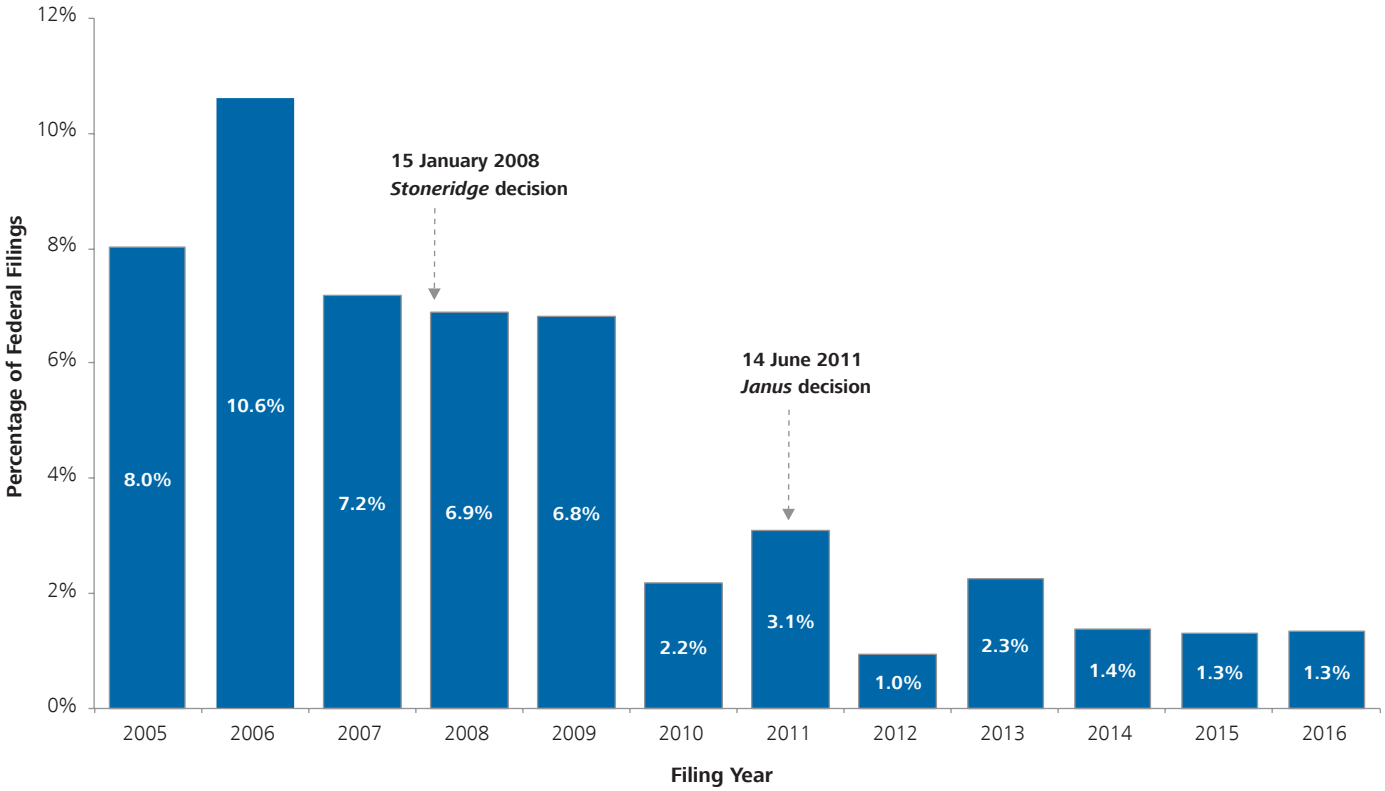
Accounting firms were co-defendants in only four securities class actions in 2016, three of which included allegations against a Big Four accounting firm.

Despite a marginal increase in the number of federal filings with an accounting firm co-defendant in 2016, such filings are still much rarer than in the years prior to the financial crisis. This trend is likely the result of two factors: (1) fewer cases that include accounting allegations being filed and (2) changes in the legal environment related to accounting co-defendants.

First, since 2005, the percent of filings with accounting claims dropped from about 56% to about 20% in 2016, while the percent of cases with an accounting co-defendant dropped from 8% to less than a fifth of that (see Figure 11).[23]

Second, the drop in the relative percent of filings with an accounting co-defendant, however, exceeded the decline of filings with accounting allegations, potentially due to changes in the legal environment, which was affected by two US Supreme Court rulings over the period. The Supreme Court's *Janus* decision in 2011 restricted the ability of plaintiffs to sue parties not directly responsible for misstatements.[24] Along with the High Court's *Stoneridge* decision in 2008, which limited scheme liability, the *Janus* decision may have made accounting firms less appealing targets for securities class action litigation.[25]

Figure 11. **Percentage of Federal Filings in which an Accounting Firm Is a Co-Defendant**
January 2005–December 2016



Notes: Coded on the basis of first (available) complaint.

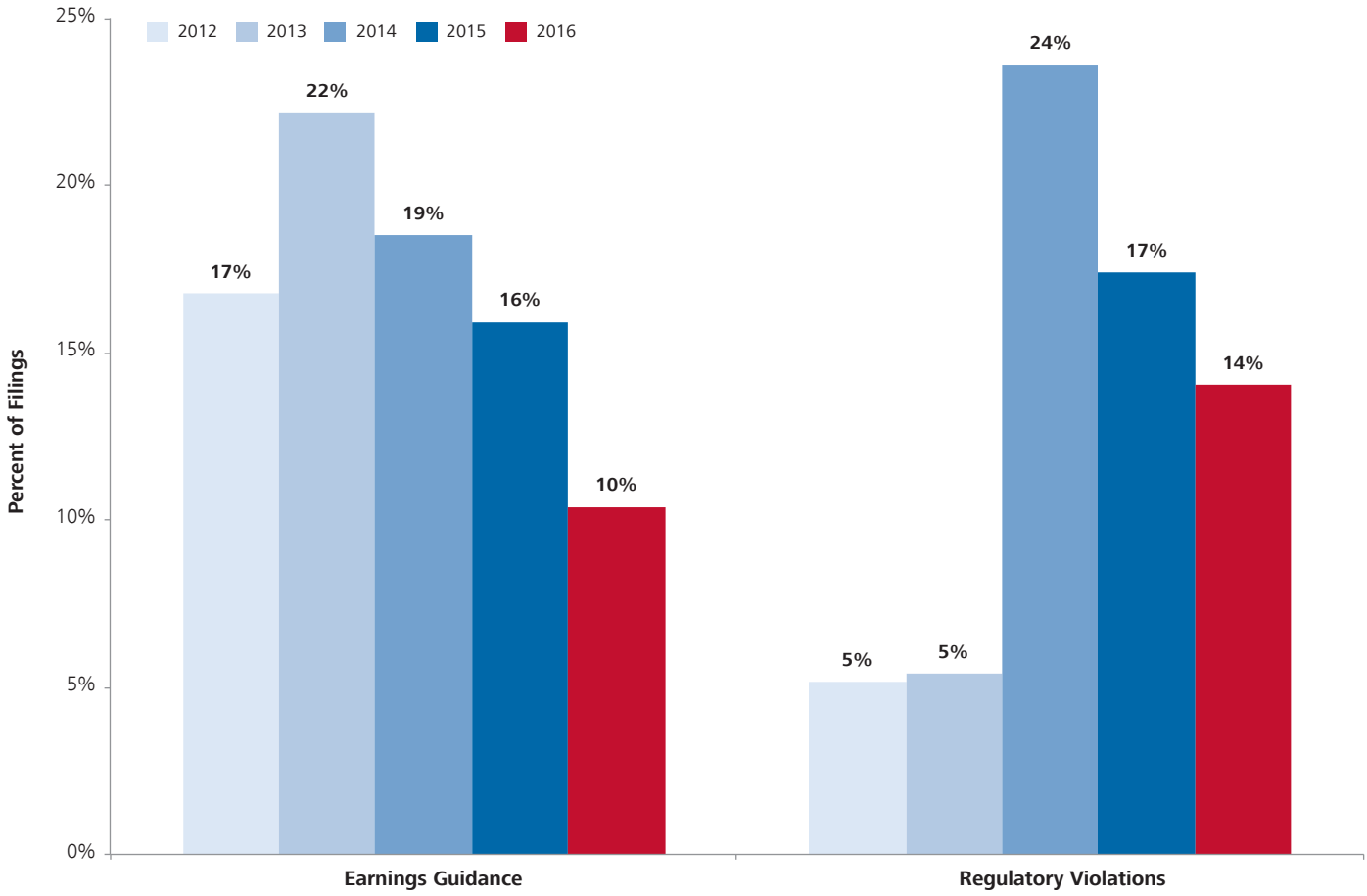
Allegations

In 2016, only about one in 10 filings contained allegations related to misleading earnings guidance, a continuation of the precipitous fall in such allegations in recent years (see Figure 12). The decline is partially explained by an increase in merger-objection cases, which don't generally include claims of misleading guidance. The decline also correlates with a decline in technology sector 10b-5s, which historically constituted about a third of all earnings guidance cases. In 2016, the number of cases in the technology sector claiming misleading earnings guidance fell by more than 60% and constituted only about 16% of all earnings guidance cases. Nearly 60% of 10b-5 filings in the technology sector alleged accounting or regulatory violations.

In 2014, there was a dramatic increase in the number of securities class actions related to regulatory violations. Since then, most securities cases with regulatory violations have been concentrated in the Finance sector and the Health Technology and Services sector, with the latter driving filings in 2016; at least partially due to generic drug price collusion cases. In 2016, securities cases stemming from price collusion allegations in the market for broiler chickens resulted in filings against Tyson Foods, Pilgrim's Pride Corporation, and Sanderson Farms.[26]

Most complaints include a wide variety of allegations, not all of which are depicted here. Due to multiple types of allegations in complaints, the same case may be included in both the earnings guidance and regulatory violations categories.

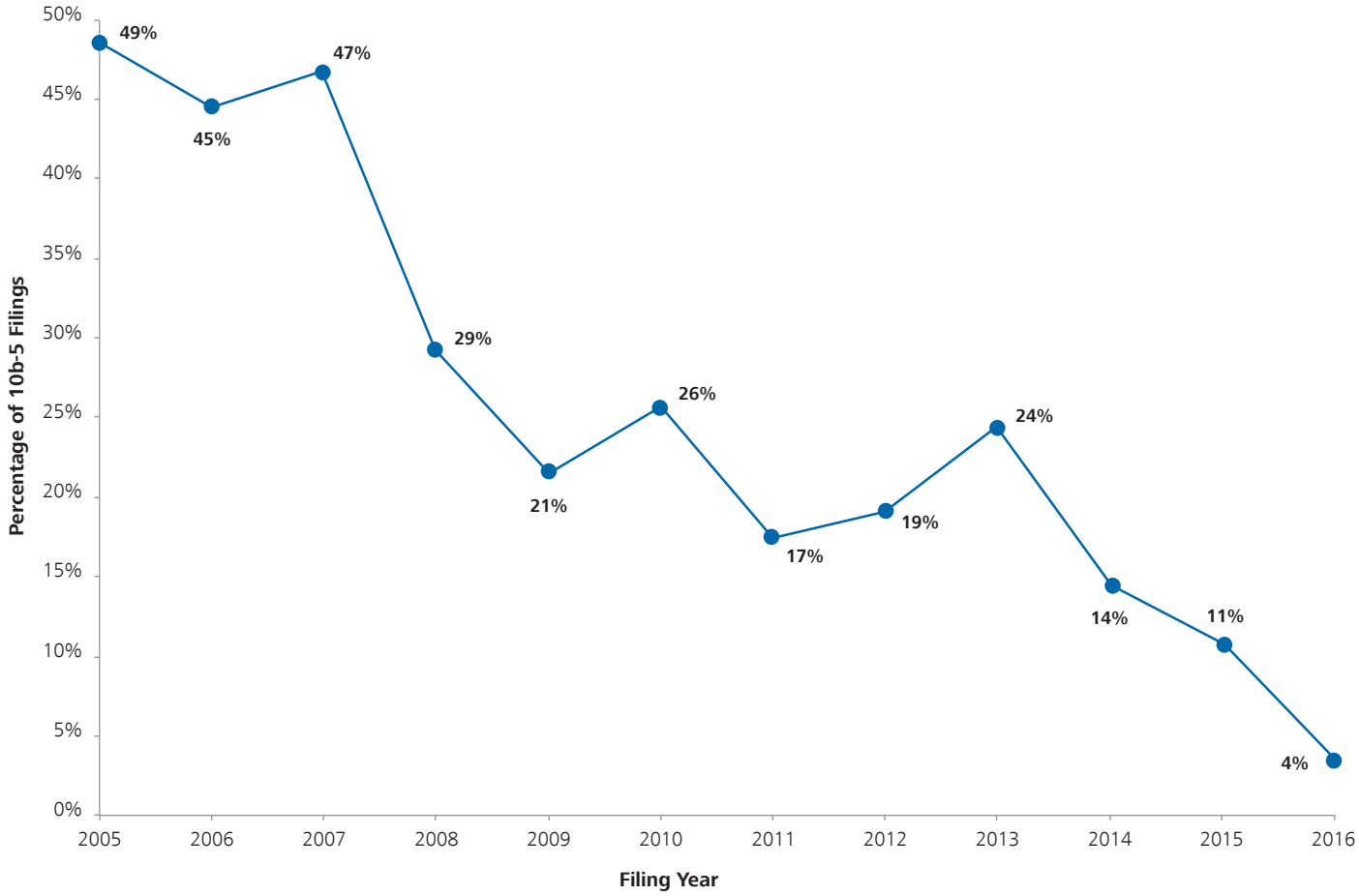
Figure 12. **Allegations Related to Earnings Guidance and Regulatory Violations**
January 2012–December 2016



Alleged Insider Sales

The percentage of 10b-5 class actions that also alleged insider sales decreased in 2016, dropping to 4% and marking a second consecutive record low. Cases alleging insider sales were much more common prior to the financial crisis, having peaked at 49% in 2005 (see Figure 13).

Figure 13. **Percentage of Rule 10b-5 Filings Alleging Insider Sales by Filing Year**
January 2005–December 2016

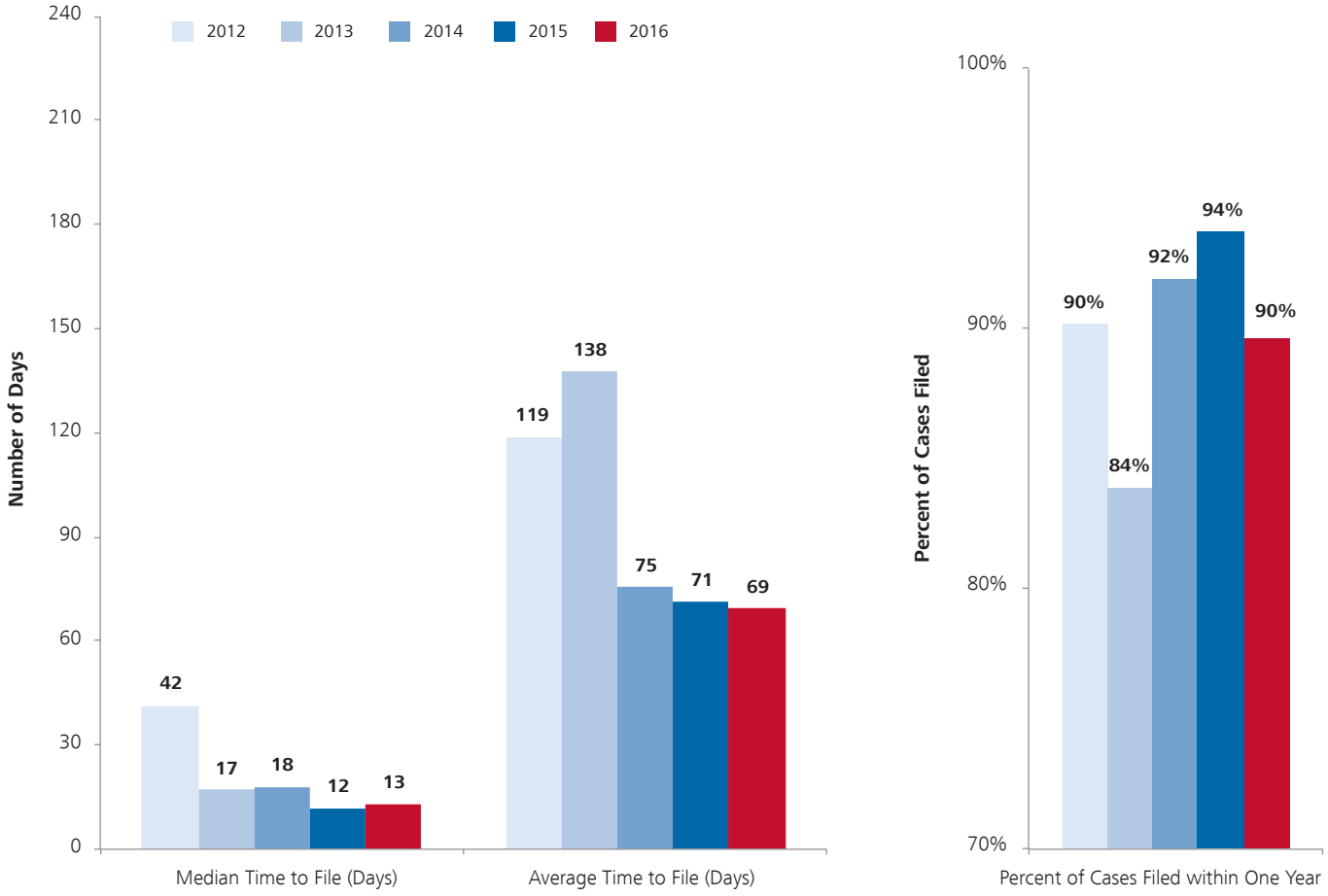


Time to File

The term "time to file" denotes the time that has elapsed between the end of the alleged class period and the filing date of the first complaint. Figure 14 illustrates how the median time and average time to file (in days) have changed over the past five years.

The time to file in securities cases remained near record-low levels for a second consecutive year in 2016. The average time to file was 69 days, while half of all cases were filed within 13 days or less. We also observe that the percent of complaints filed within one year of the end of the class period remained at approximately 90% in 2016. These metrics indicate a trend toward a lower frequency of cases with long periods between the date when an alleged fraud was revealed and the date a related claim is filed.

Figure 14. **Time to File from End of Alleged Class Period to File Date for Rule 10b-5 Cases**
January 2012–December 2016



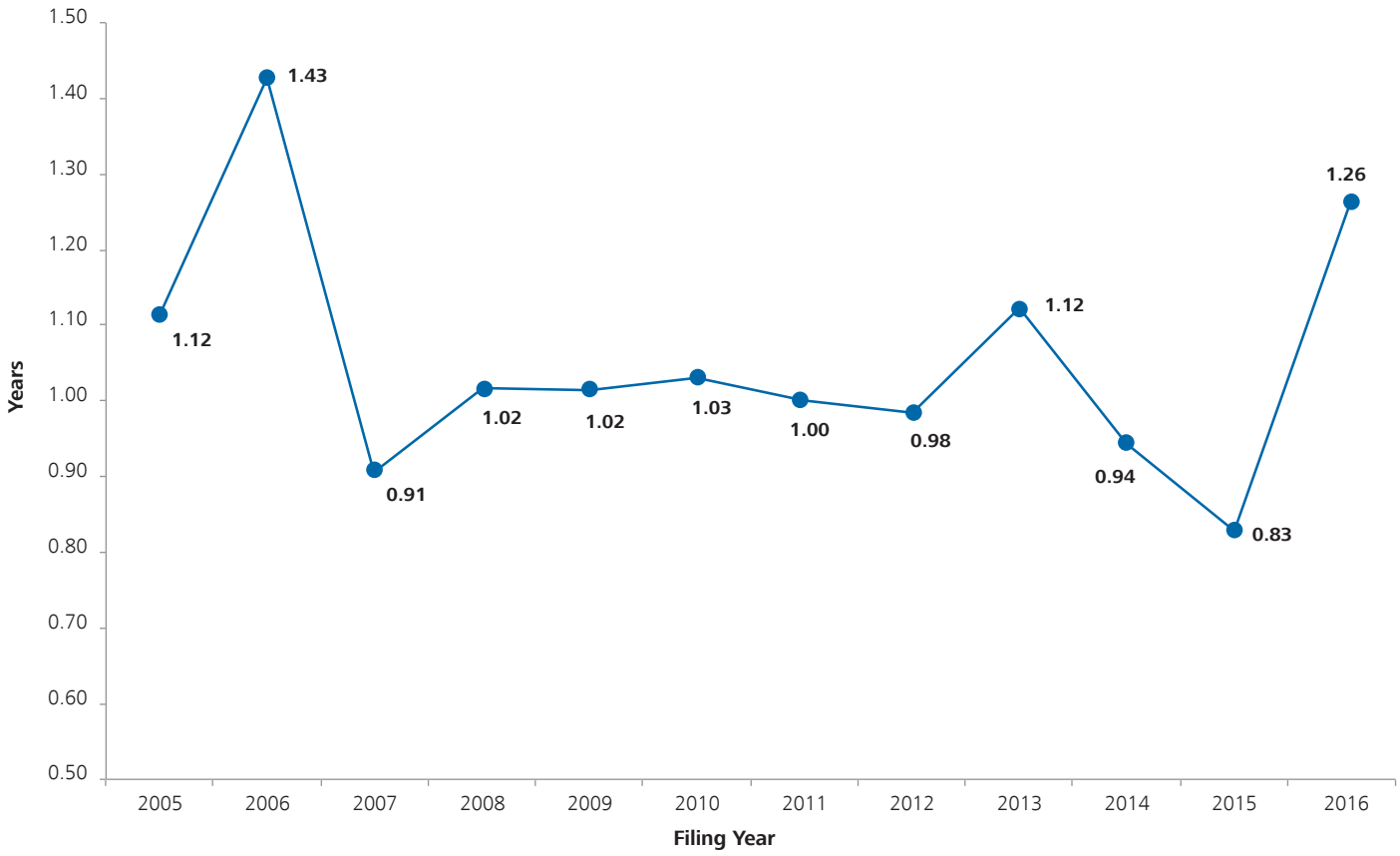
Note: This analysis excludes cases in which the alleged class period could not be unambiguously determined.

Class Period Length

The median class period was 0.83 years, a ten-year low, in 2015; in 2016, the median duration increased to more than 1.26 years (see Figure 15). This is a deviation from the longer-term trend toward shorter class periods and is partially explained by filings related to regulatory violations, which generally have longer class periods. In 2016, cases alleging regulatory violations had especially long class periods; the proportion of such filings in the top third of class period lengths rose from 29% in 2015 to 42% in 2016, and included 77% of securities cases related to industrial price collusion.

One reason class periods have generally been shorter may be that alleged malfeasance is being detected sooner.[27] For example, earlier detection over the last couple years may be related to recent regulatory changes. In recent years, the SEC has enacted new regulations to combat securities fraud, including a mandate that all financial statements be filed in a machine-readable format. These filing guidelines were designed to increase transparency and to facilitate more rapid detection of accounting anomalies.[28] For example, analysts can now use "data-scraping" programs to download financial data from numerous firms in a similar industry, so as to compare the financial figures of one company to those of its peers, enabling interested parties to more easily investigate whether an apparently unusual financial result is a reflection of something company-specific or is part of a broader industry trend. In August 2011, the SEC also adopted rules to reward individuals who expose violations of securities laws, thus motivating whistleblowers.[29]

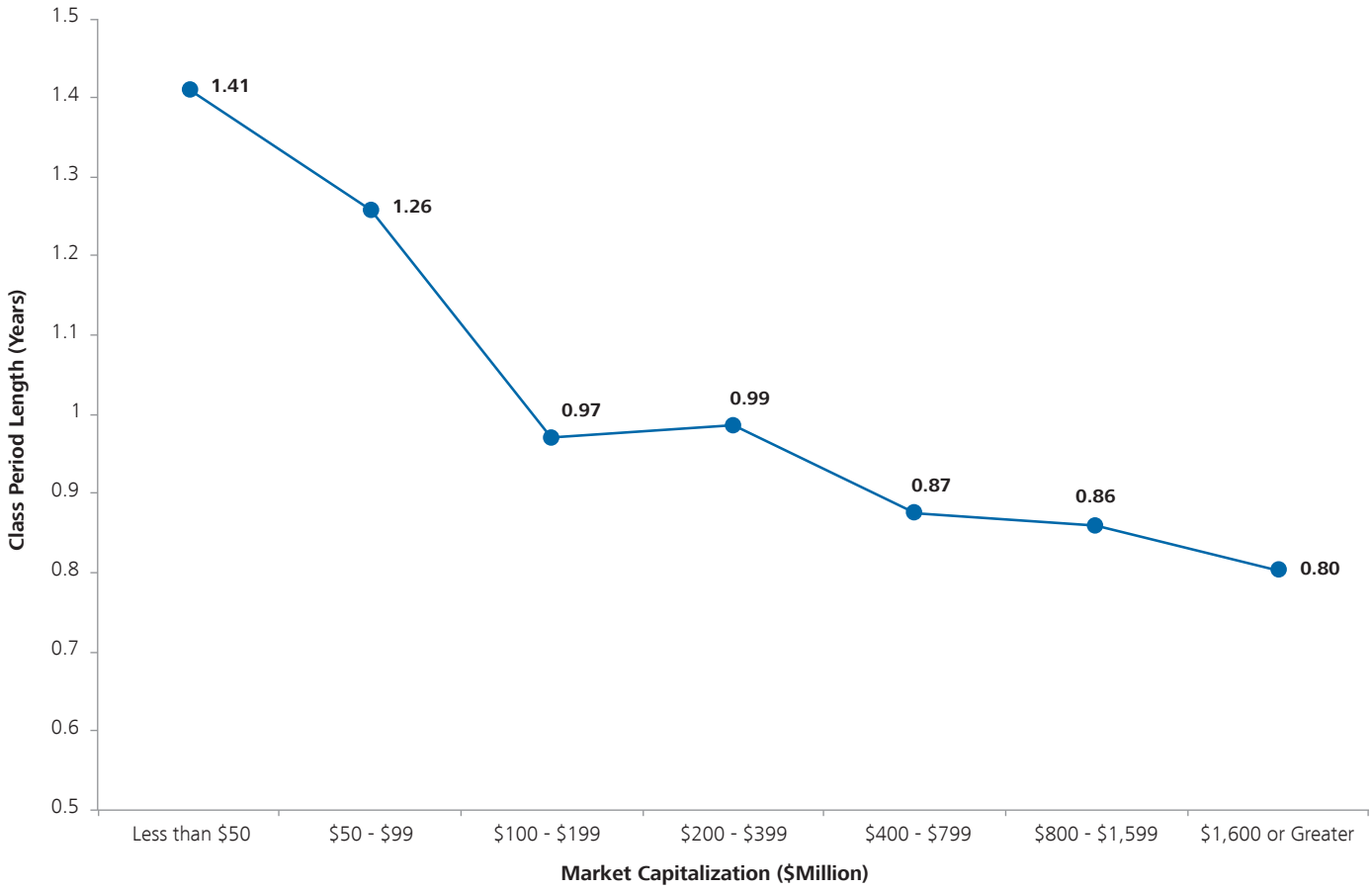
Figure 15. **Median Class Period Length**
January 2005–December 2016



Note: The figure excludes merger-objection cases, cases without class data, and class periods longer than five years.

We also observe that class period length tends to be negatively correlated with the market capitalization of the defendant firm, especially in cases not claiming failures to disclose regulatory violations (see Figure 16). Firm size may be a proxy for a firm's ability to catch or address potential errors more quickly, if larger firms likely have more comprehensive control systems. Between 2013 and 2016, the yearly median market capitalization of the primary defendant firm in 10b-5 filings not claiming failures to disclose regulatory violations was $578 million on average, up about 27% from $454 million between 2009 and 2012. Over this same time, class period lengths in such cases decreased.

Figure 16. **Class Period Length vs. Issuer Market Capitalization**
January 2011–December 2016



Note: The figure excludes merger-objection cases, cases without class data, and class periods longer than five years.

Analysis of Motions

NERA's statistical analysis has found robust relationships between settlement amounts and the litigation stage at which settlements occur. We track three types of motions: motion to dismiss, motion for class certification, and motion for summary judgment. For this analysis, we track securities class actions in which holders of common stock are part of the class and in which a violation of Rule 10b-5 or Section 11 is alleged.

As shown in the below figures, we record the status of any motion as of the resolution of the case. For example, a motion to dismiss which had been granted but was later denied on appeal is recorded as denied, even if the case settles without the motion being filed again.

Motions for summary judgment were filed by defendants in 7.5%, and by plaintiffs in only 2.1%, of the securities class actions filed and resolved over the 2000-2016 period, among those we tracked.[30]

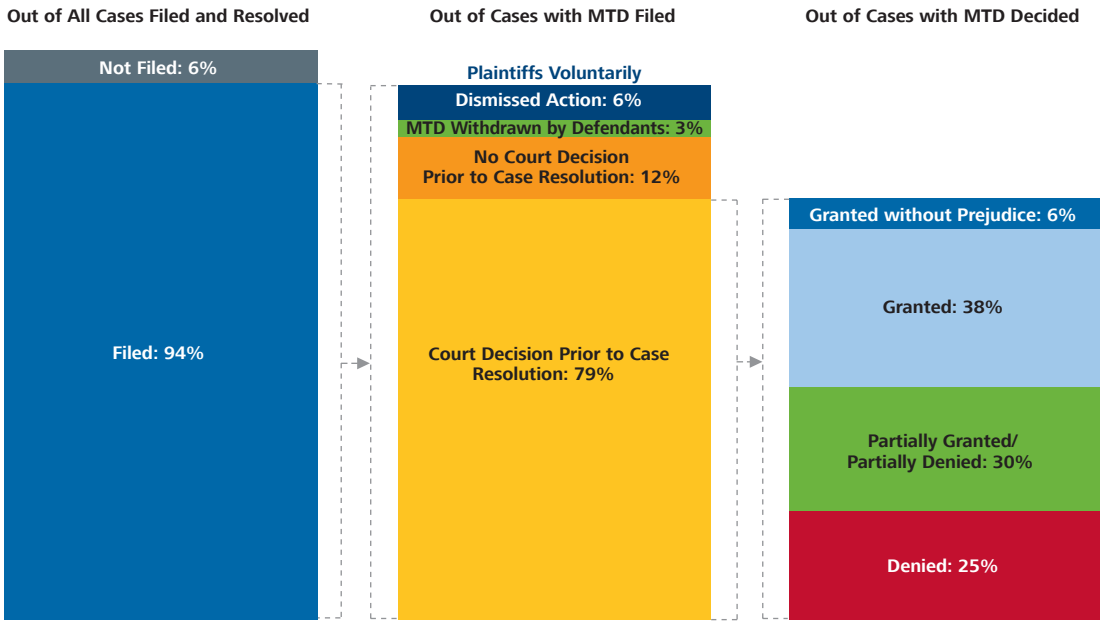
Outcomes of motions to dismiss and motions for class certification are discussed below.

Motion to Dismiss

A motion to dismiss was filed in 94% of the securities class actions tracked. However, the court reached a decision on only 79% of the motions filed. In the remaining 21% of cases in which a motion to dismiss was filed, either the case resolved before a decision was taken, plaintiffs voluntarily dismissed the action, or the motion to dismiss itself was withdrawn by defendants (see Figure 17).

Out of the motions to dismiss for which a court decision was reached, the following three outcomes classify all of the decisions: granted with or without prejudice (44%), granted in part and denied in part (30%), and denied (25%).

Figure 17. **Filing and Resolutions of Motions to Dismiss**
Cases Filed and Resolved January 2000–December 2016



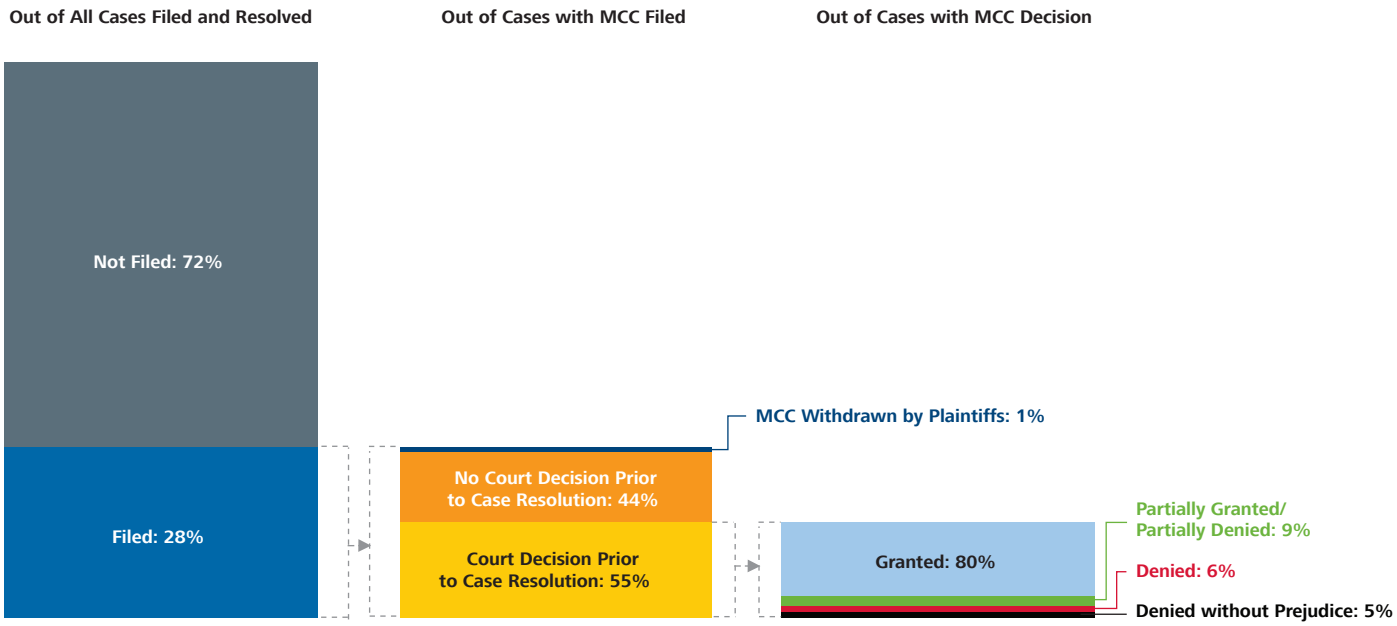
Note: Includes cases in which holders of common stock are part of the class and a 10b-5 or Section 11 violation is alleged. Excludes IPO Laddering cases.

Motion for Class Certification

Most cases were settled or dismissed before a motion for class certification was filed: 72% of cases fell into this category. Of the remaining 28%, the court reached a decision in only in 55% of the cases where a motion for class certification was filed. So, overall, only 15% of the securities class actions filed (or 55% of the 28%) reached a decision on the motion for class certification (see Figure 18).

According to our data, 89% of the motions for class certification that were decided were granted in full or partially.

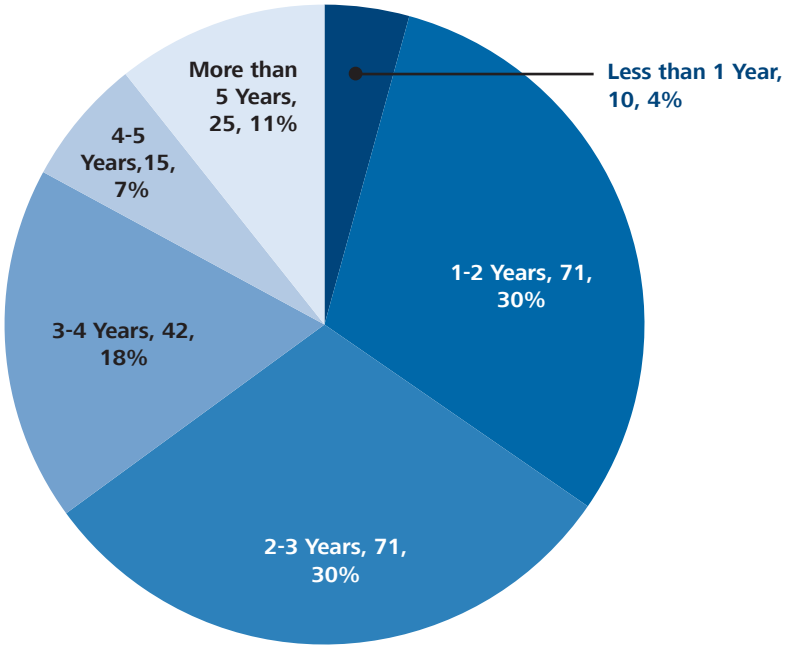
Figure 18. **Filing and Resolutions of Motions for Class Certification**
Cases Filed and Resolved January 2000–December 2016



Note: Includes cases in which holders of common stock are part of the class and a 10b-5 or Section 11 violation is alleged. Excludes IPO Laddering cases.

Approximately 64% of the decisions handed down on motions for class certification were reached within three years from the original filing date of the complaint (see Figure 19). The median time was about 2.5 years.

Figure 19. **Time from First Complaint Filing to Class Certification Decision**
Cases Filed and Resolved January 2000–December 2016



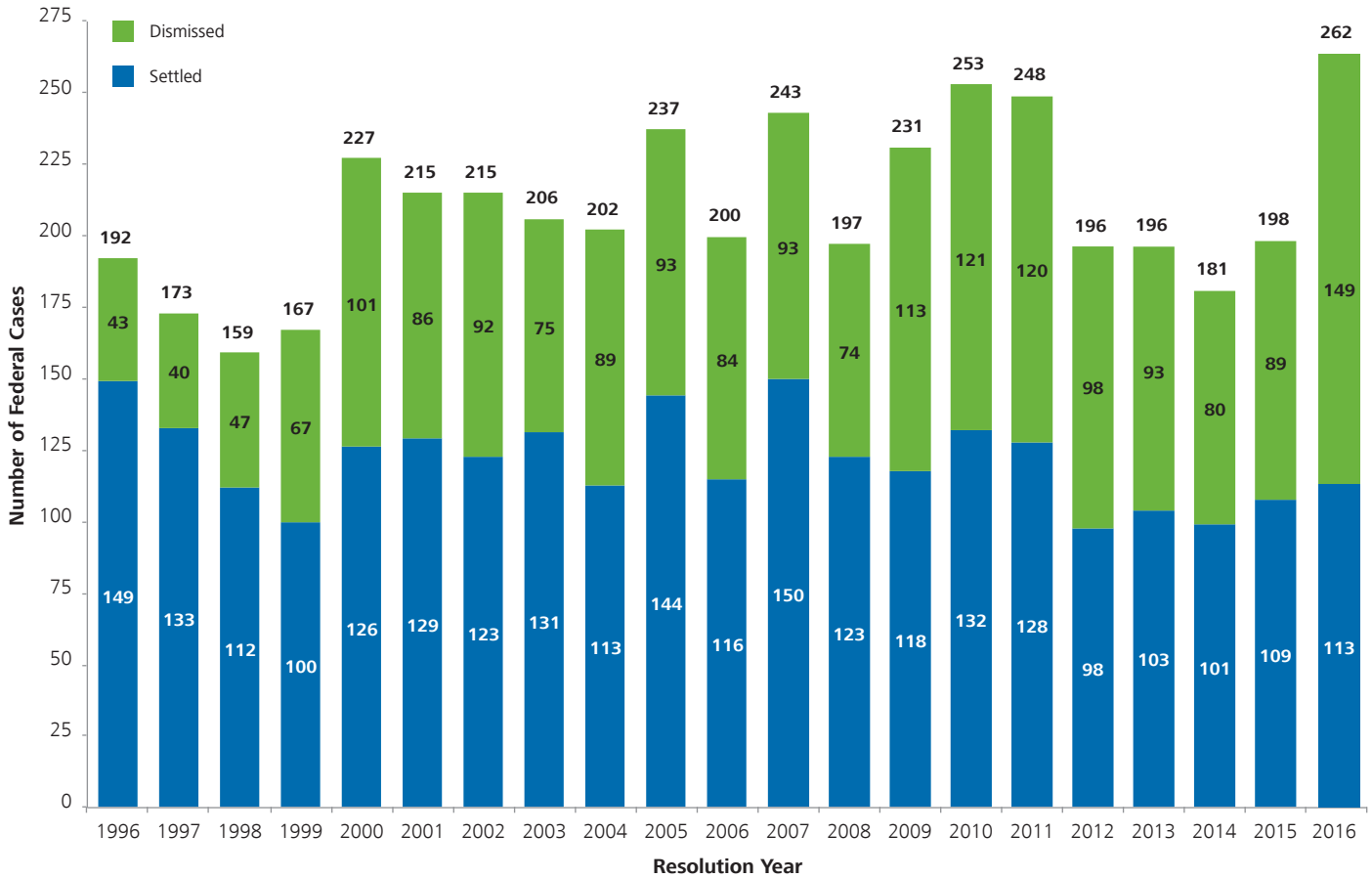
Trends in Case Resolutions

Number of Cases Settled or Dismissed

A total of 113 securities class actions settled in 2016, which is near the post-PSLRA lows seen over the prior four years (see Figure 20). Despite 2016 having the highest number of settlements since 2011, there were 12% fewer settlements in 2016 than in 2011. For the first time since passage of the PSLRA, more cases were dismissed than settled—in fact, almost a third more cases were dismissed than settled. There were a record 149 dismissals in 2016, resulting in a near-record level of overall case resolutions.

Half of the cases dismissed in 2016 were done so within about 11 months of filing, the fastest pace since passage of the PSLRA, and more than 35% lower than the five-year trailing average of 17 months. The faster time-to-dismissal rate was driven by merger-objection cases which, despite making up only 28% of all cases dismissed, made up 52% of cases dismissed in less than 11 months. Moreover, of the merger-objection cases dismissed in 2016, 88% were done so within 11 months of filing.[31]

Figure 20. **Number of Resolved Cases: Dismissed or Settled**
January 1996–December 2016



Note: Analysis excludes IPO laddering cases. Dismissals may include dismissals without prejudice and dismissals under appeal.

Case Status by Year

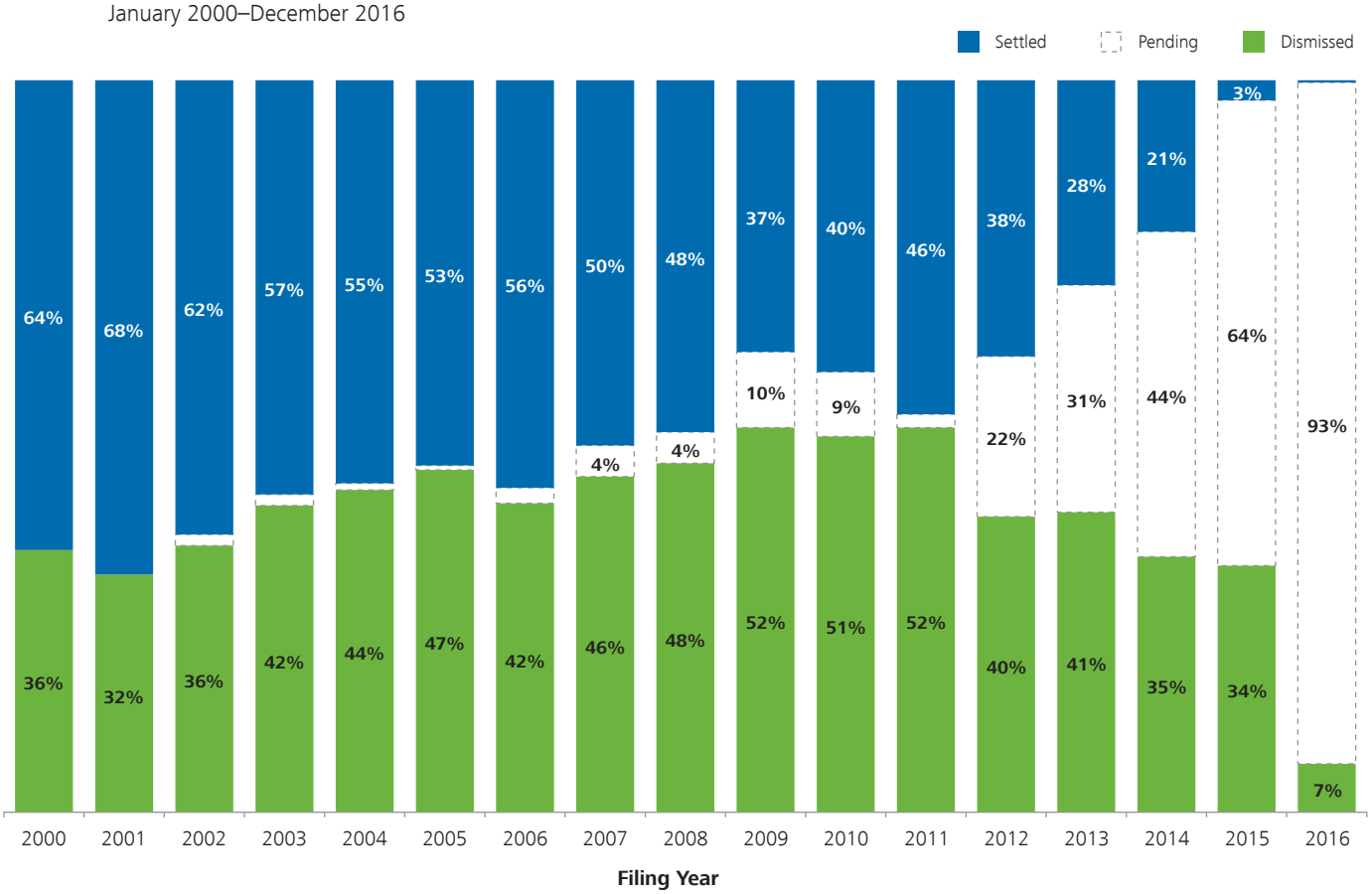
Figure 21 shows the rate of cases settled or dismissed, and the percent of pending cases by filing year. These rates are calculated as the fraction of cases by current status out of all cases filed in a given year, and they exclude IPO laddering cases, merger-objection cases, and verdicts.

The rate of case dismissal has steadily increased between the 2000 and 2011 filing years. While only about a third of cases were dismissed in the 2000-2002 filing period, cases filed between 2003 and 2007 were dismissed at a rate of about 42% to 47%. Between 2008 and 2011, the most recent years with a substantial resolution rate, about half of the cases filed were dismissed. Nearly 90% of cases filed before 2012 have been resolved, providing evidence of longer-term trends about dismissal and settlement rates.

For more recent filings, we can look at the percent of cases that were quickly resolved. We observe that seven percent of cases filed in 2016 were dismissed by the end of the year, in contrast to more than nine percent of cases filed and dismissed within calendar year 2015.[32]

While dismissal rates have been climbing since 2000, at least up until 2011, the ultimate dismissal rate for cases filed in more recent years is less certain. On one hand, it may increase further, as there are more pending cases awaiting resolution. On the other hand, it may decrease because recent dismissals have more potential than older ones to be appealed or re-filed, so these cases that were recently dismissed without prejudice may ultimately result in settlements.

Figure 21. **Status of Cases as Percentage of Federal Filings by Filing Year**
January 2000–December 2016



Note: Analysis excludes IPO laddering, merger-objection cases, and verdicts. Dismissals may include dismissals without prejudice and dismissals under appeal.

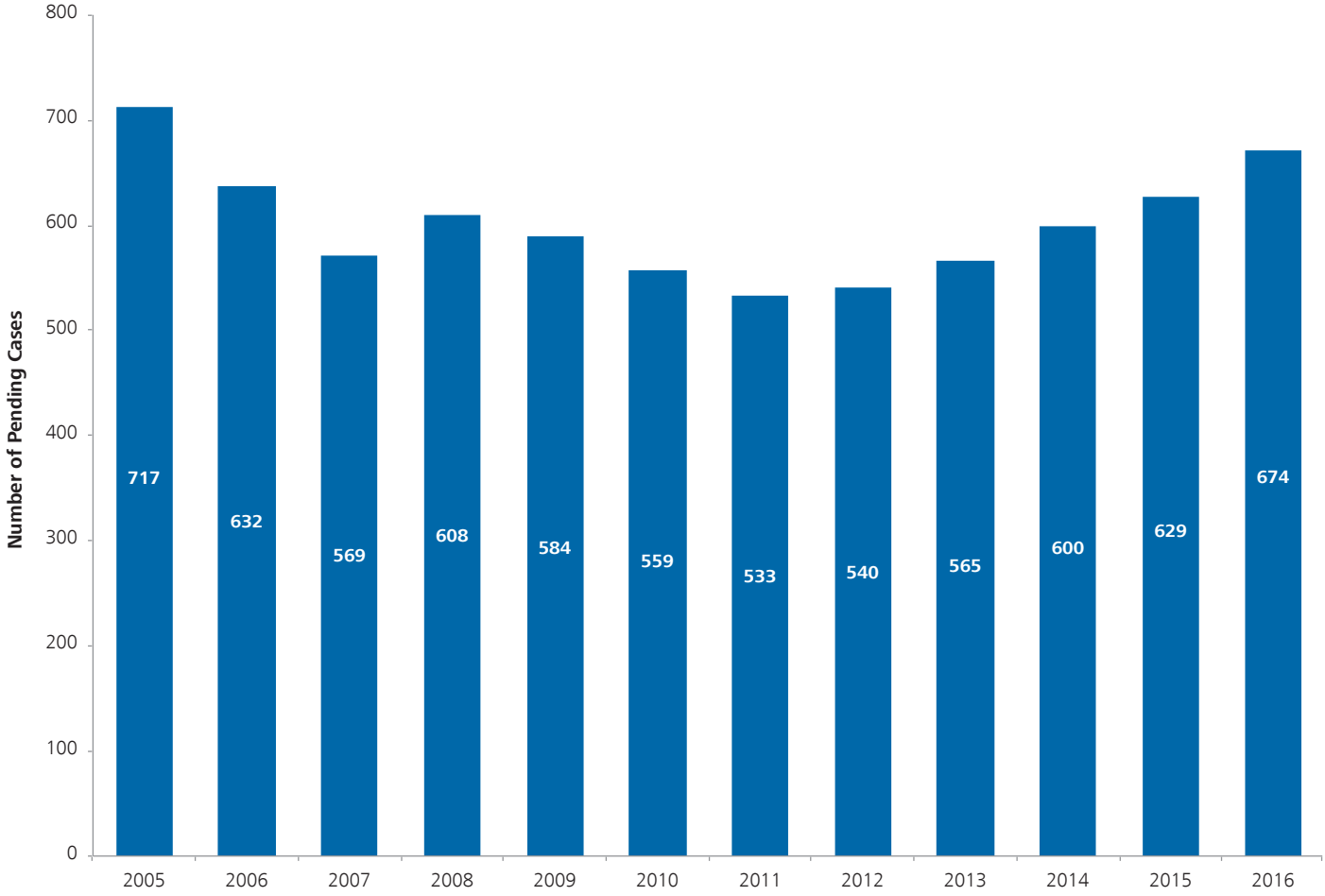
Number of Cases Pending

The number of securities class actions pending in the federal system decreased from a record high of 717 in 2005 to 533 in 2011. Since then, the number of pending cases has increased every year, reaching 674 in 2016, an increase of about 26% from the trough (see Figure 22).

Since cases are either pending or resolved, a decline in the number of filings or a lengthening of the time to case resolution also potentially contribute to changes in the number of cases pending. If the number of new filings is constant, the change in the number of pending cases can be indicative of whether the time to case resolution is generally shortening or lengthening.

In 2016, the seven percent increase in pending cases over the prior year stemmed from the record number of filings, which was only partially offset by the record number of case resolutions (most of which were dismissals). Given the relatively constant case filing rate until this year, the increase in pending cases between 2012 and 2015 suggests a slowdown of the resolution process.

Figure 22. **Number of Pending Federal Cases**
January 2005–December 2016



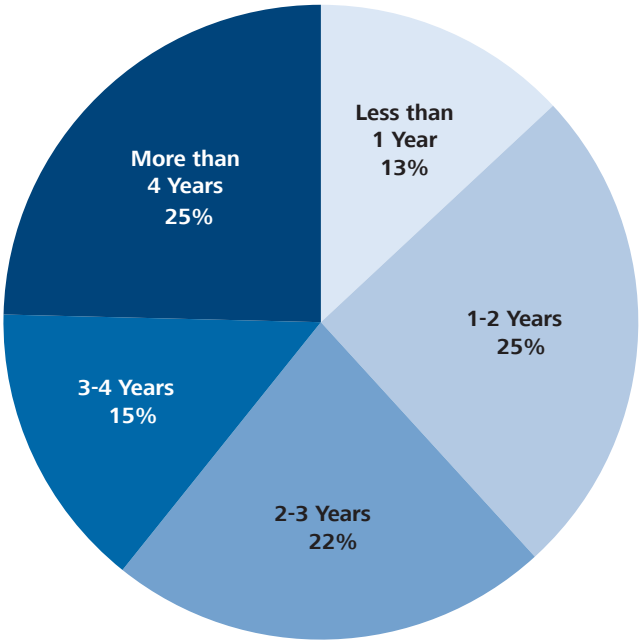
Note: The figure excludes, in each year, cases that had been filed more than eight years earlier. The figure also excludes IPO laddering cases.

Time to Resolution

The term "time to resolution" denotes the time between the filing of the first complaint and resolution (whether through settlement or dismissal). Figure 23 illustrates the time to resolution for all securities class actions filed between 2001 and 2012, and shows that almost 40% of cases are resolved within two years of initial filing and about 60% are resolved within three years.[33]

The median time to resolution for cases filed in 2014 was 2.4 years, similar to the range over the past five years. Over the past decade, the median time to resolution declined by more than 10%, primarily due to an increase in the dismissal rate (dismissals are generally resolved faster than settlements) and due to shorter times to case settlement, as opposed to a shortening of the time it takes for cases to be dismissed.

Figure 23. **Time from First Complaint Filing to Resolution**
Cases Filed January 2001–December 2012



Trends in Settlements

We present several settlement metrics to highlight attributes of cases that settled in 2016 and to compare them with cases settled in past years. We discuss two ways of measuring average settlement amounts and calculate the median settlement amount. Each calculation excludes IPO laddering cases, merger-objection cases, and cases that settle with no cash payment to the class, as settlements of such cases may obscure trends in what have historically been more typical cases.

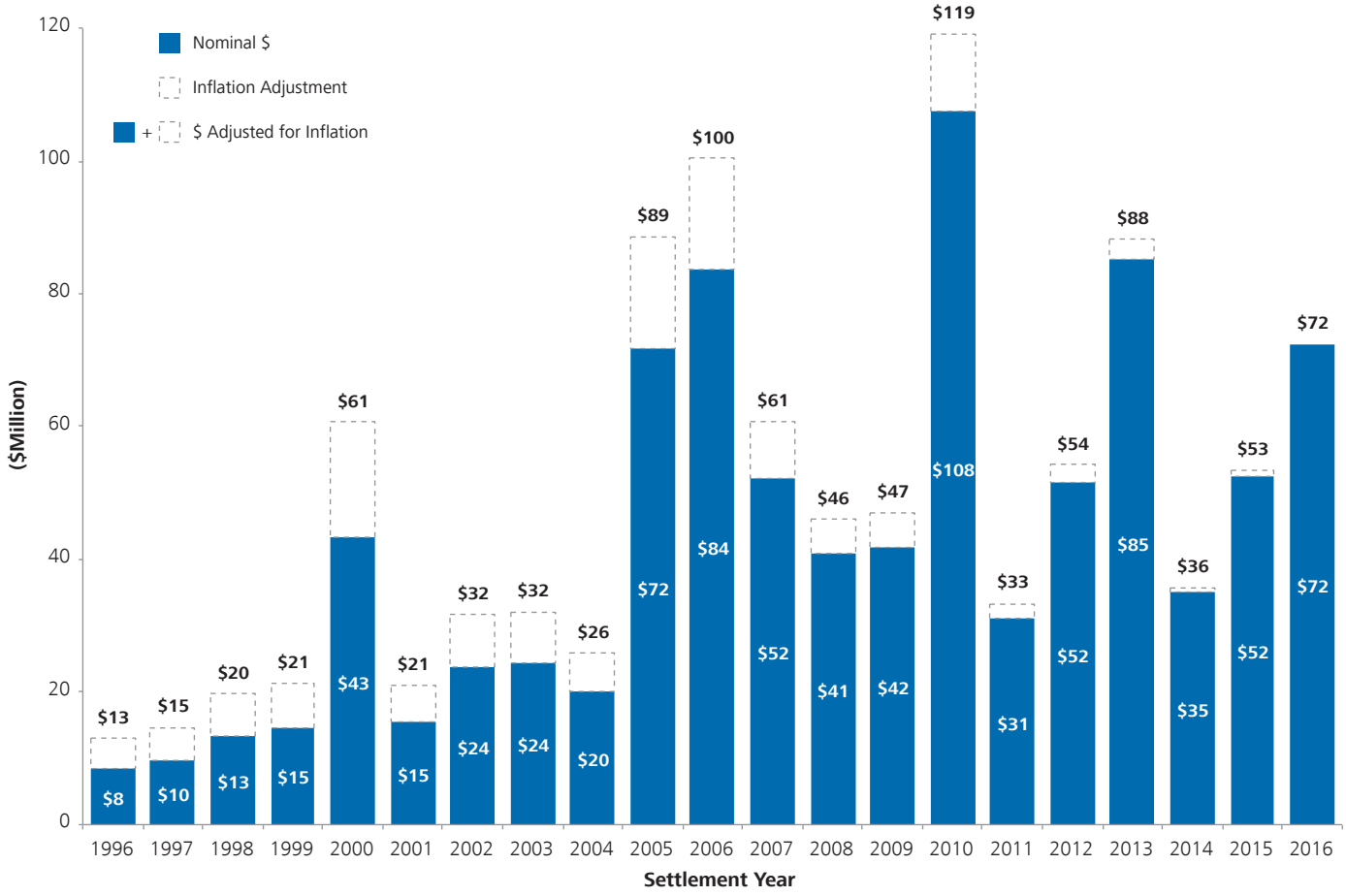
The average settlement amount increased substantially for a second straight year, reaching $72 million in 2016, up by more than 35% compared to the 2015 figure. Excluding cases that settled for more than $1 billion dollars, the average settlement amount for 2016 fell to $43 million from last year's near-record $53 million. The median 2016 settlement amount, which is more robust to extreme values, increased by more than a fifth from the 2015 median of $9.1 million.

The settlement of two longstanding large cases in 2016 affected the average settlement statistics. To illustrate how many cases settled over various ranges in 2016 compared to prior years, we provide a distribution of settlements over the past five years. To supplement this, we tabulate the 10 largest settlements of the year.

Average and Median Settlement Amounts

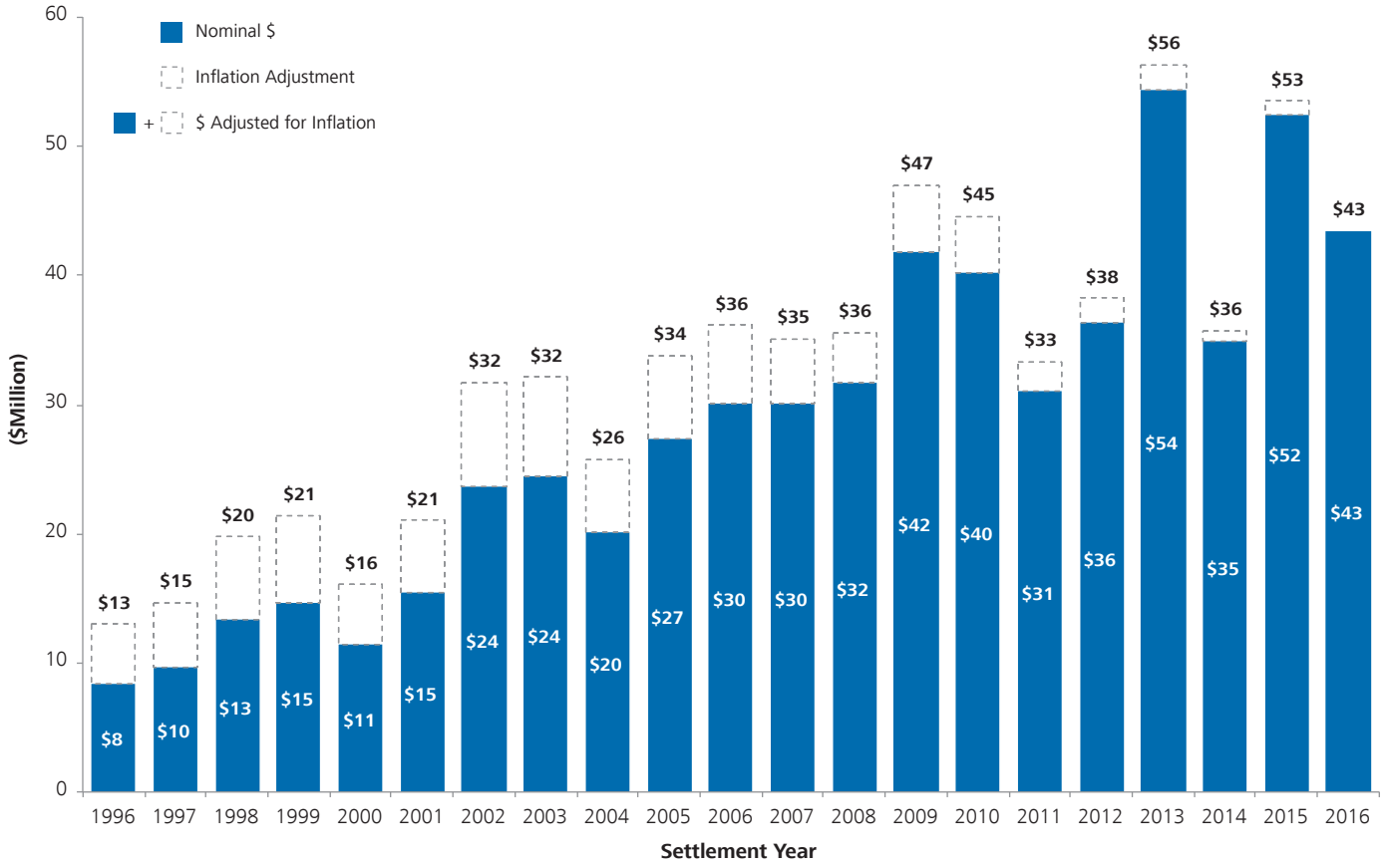
The average settlement amount exceeded $72 million in 2016, an increase of more than 35% over the average of $53 million in 2015, adjusted for inflation (see Figure 24). This follows a steep 47% increase in 2015 from a near ten-year low of $36 million in 2014. Infrequent large settlements are generally responsible for the wide variability in average settlement amounts over the past decade. For example, without the settlements of *WorldCom, Inc*. in 2005 and *Enron Corp*. in 2010, the average settlement amounts in those years would have been more than 60% lower.

Figure 24. **Average Settlement Value—Excluding IPO Laddering, Merger Objections, and Settlements for $0 to the Class**
January 1996–December 2016



Excluding two settlements that exceed $1 billion to account for these extreme outliers, the average 2016 settlement amount was $43 million, a decrease of 19% over 2015, adjusted for inflation (see Figure 25). Despite the year-over-year decline, the average settlement amount for 2016 was still higher than the five-year average and substantially higher than the average since passage of the PSLRA, fitting the general uptrend in average settlement amounts since passage of that regulation. Unlike in 2014 and in 2015, there were settlements for more than $1 billion in 2016. Specifically, the longstanding *Household International, Inc.* (N.D. Ill.) case settled for more than $1.5 billion, and the *Merck & Co., Inc.* (E.D. La.) case settled for slightly more than $1 billion.

Figure 25. **Average Settlement Value—Excluding Settlements over $1 Billion and Excluding IPO Laddering, Merger Objections, and Settlements for $0 to the Class**
January 1996–December 2016

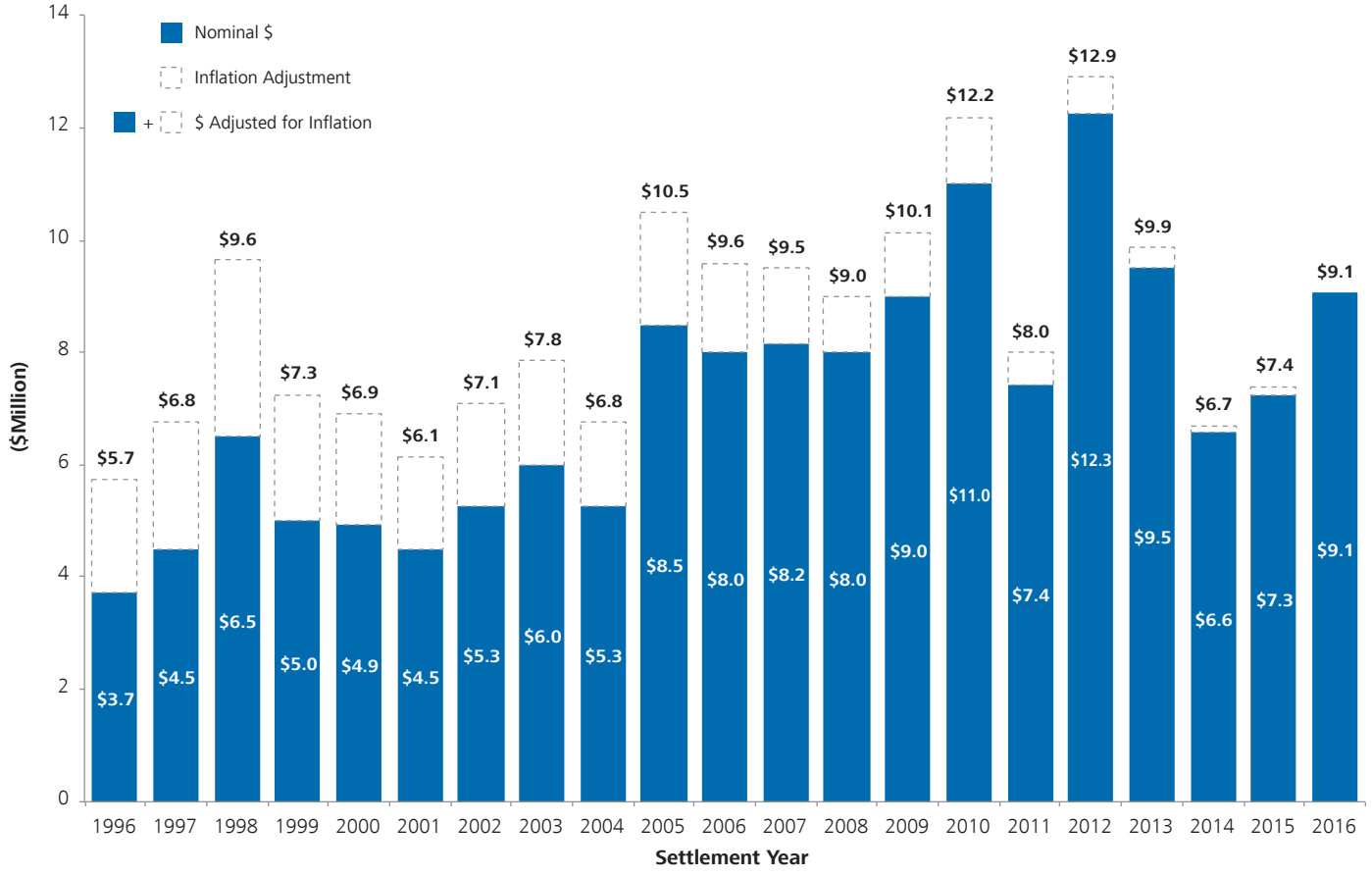


Inclusion of these two very large settlements pushed the overall 2016 average settlement amount up by more than 67%.

Even though the average settlement amount for each year has increased over the last two decades, cases have not become dramatically more expensive to settle across the board over the long term. The 2016 median settlement amount, or the amount that is larger than half of the settlement values over the year, is within the range of median settlements between 2005 and 2009, after adjusting for inflation (see Figure 26).

The ten-year trend in average and median settlements reflects two different facets of settlement activity: a few large settlements drove up the average, while many small settlements kept the median relatively stable.

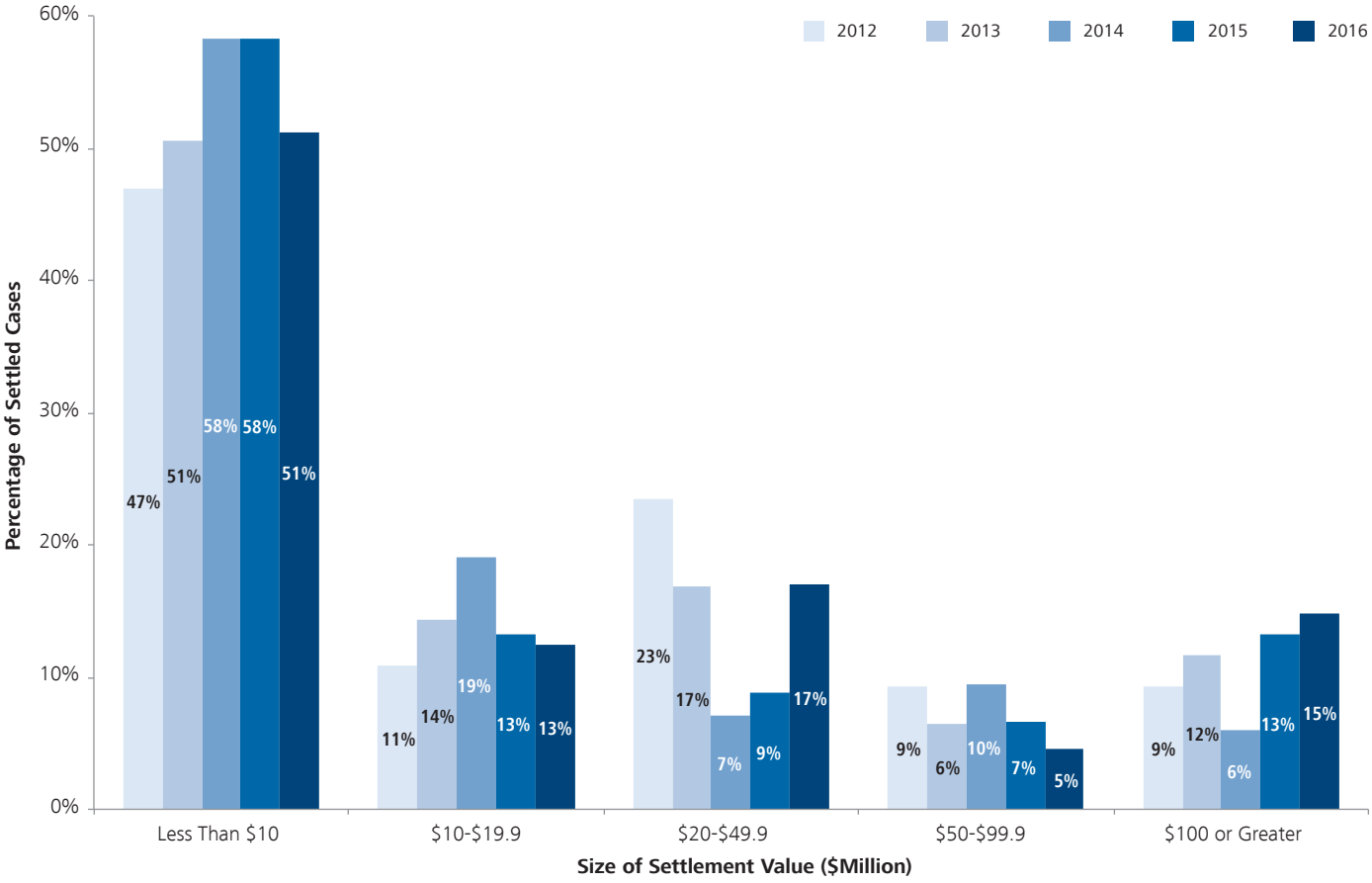
Figure 26. **Median Settlement Value—Excluding IPO Laddering, Merger Objections, and Settlements for $0 to the Class**
January 1996–December 2016



Distribution of Settlement Amounts

The second consecutive yearly jump in average settlement amounts was partially driven by settlements of an increasing number of cases for more than $100 million (see Figure 27). The fraction of cases that settled for more than $100 million reached nearly 15% in 2016, the highest since passage of the PSLRA.[34] While more than half of cases with a cash settlement in 2016 settled for less than $10 million, this represented a decrease from the previous two years as settlements shifted toward the middle and upper tail of the distribution.

Figure 27. **Distribution of Settlement Values—Excluding Merger Objections and Settlements for $0 to the Class**
January 2012–December 2016



The Ten Largest Settlements of Securities Class Actions of 2016

The 10 largest securities class action settlements of 2016 are shown in Table 1. Six of the 10 largest settlements involved defendants in the Finance sector, as was the case in 2015. Overall, these ten cases accounted for more than $4.8 billion out of about $6.4 billion in aggregate settlements (76%) over the period. The largest, *Household International, Inc*. (N.D. Ill.), settled for $1,576.5 million, making up nearly a quarter of total dollars spent on settling litigation during the year.

Until the later *Household International* settlement, the settlement of the *Merck & Co., Inc*. (E.D. La.) litigation for $1,062 million in early 2016 was also within the top 10 largest settlements on record. While large, these settlements are still only a fraction of the largest historical settlements. *Enron Corp*. settled for more than $7.2 billion in aggregate settlements, while *Bank of America Corp*. settled for more than $2.4 billion in 2013 and was largest Finance sector settlement ever (see Table 2).

Table 1. **Top 10 2016 Securities Class Action Settlements**

Ranking	Defendant	Total Settlement Value ($Million)	Plaintiffs' Attorneys' Fees and Expenses Value ($Million)
1	Household International, Inc.	$1,577	$427
2	Merck & Co., Inc. (2003)	$1,062	$232
3	Pfizer Inc. (2004)	$486	$171
4	Bank of America Corporation (2011) (MERS and MBS)	$335	$54
5	General Motors Company	$300	$22
6	GS Mortgage Securities Corp. (2008)	$272	$59
7	MF Global Holdings Ltd.	$234	N/A
8	Genworth Financial, Inc. (2014)	$219	$4
9	HCA Holdings, Inc.	$215	$67
10	JPMorgan Chase & Co.	$150	$40
	Total	**$4,850**	**$1,075**

Table 2. **Top 10 Securities Class Action Settlements**
As of 31 December 2016

Ranking	Defendant	Settlement Years	Total Settlement Value ($Million)	Settlements with Co-Defendants that Were		
				Financial Institutions Value ($Million)	Accounting Firms Value ($Million)	Plaintiffs' Attorneys' Fees and Expenses Value ($Million)
1	ENRON Corp.	2003-2010	$7,242	$6,903	$73	$798
2	WorldCom, Inc.	2004-2005	$6,196	$6,004	$103	$530
3	Cendant Corp.	2000	$3,692	$342	$467	$324
4	Tyco International Ltd.	2007	$3,200	No Co-Defendant	$225	$493
5	AOL Time Warner Inc.	2006	$2,650	No Co-Defendant	$100	$151
6	Bank of America Corp.	2013	$2,425	No Co-Defendant	No Co-Defendant	$177
7	Household International, Inc.	2006-2016	$1,577	$1.5	Dismissed	$427
8	Nortel Networks (I)	2006	$1,143	No Co-Defendant	$0	$94
9	Royal Ahold NV	2006	$1,100	$0	$0	$170
10	Nortel Networks (II)	2006	$1,074	No Co-Defendant	$0	$89
	Total		**$30,298**	**$13,250**	**$967**	**$3,252**

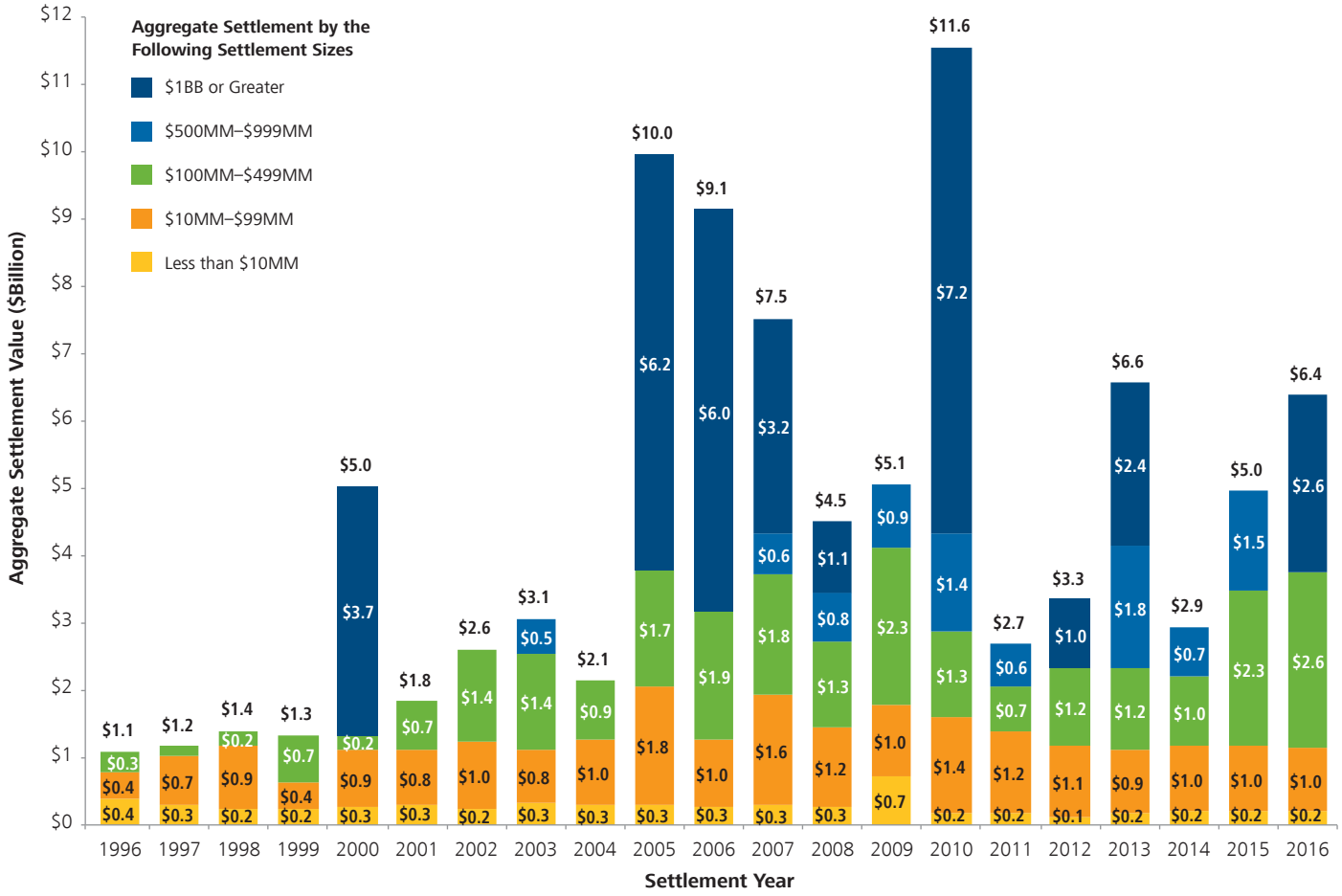
Aggregate Settlements

We use the term "aggregate settlements" to denote the total amount of money to be paid as settlement by (non-dismissed) defendants based on the court-approved settlements during a year.

Aggregate settlements were about $6.4 billion in 2016, a 28% increase from last year and more than double the amount in 2014 (see Figure 28). Although aggregate settlements are at their second highest level since 2010, this result was driven by the settlement of two longstanding very large cases; no cases settled for between $500 million and $1 billion.

Figure 28 reinforces the point that much of the large fluctuation in aggregate settlements, especially since 2005, are driven by cases that settle for more than $1 billion. In contrast, settlements under $10 million, despite often accounting for the majority of settlements in a given year, account for a very small fraction of aggregate settlements.

Figure 28. **Aggregate Settlement Value by Settlement Size**
January 1996–December 2016



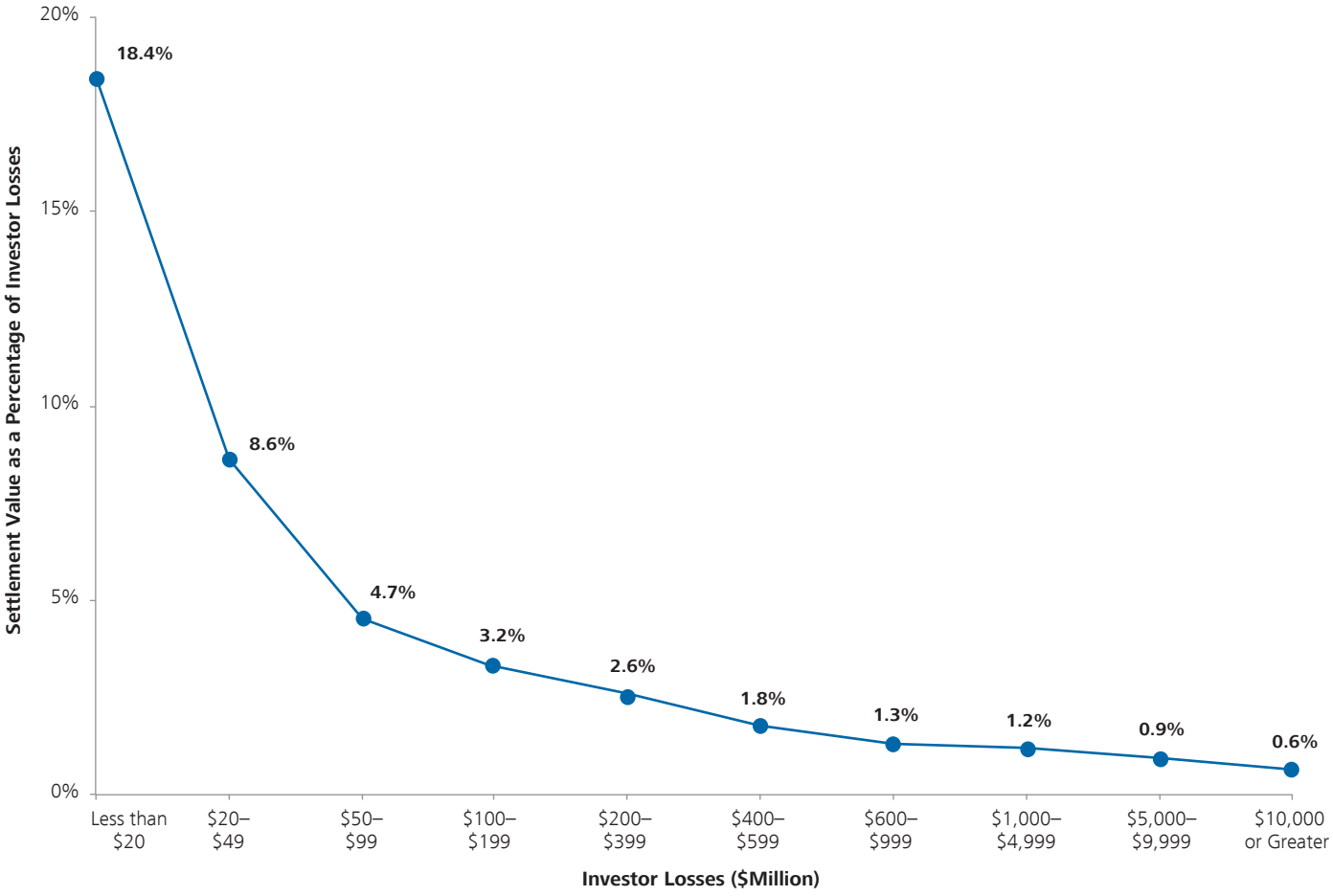
NERA-Defined Investor Losses vs. Settlements

As noted above, our proxy for case size, NERA-defined Investor Losses, is a measure of the aggregate amount that investors lost from buying the defendant's stock rather than investing in the broader market during the alleged class period.

In general, settlement size grows as NERA-defined Investor Losses grow, but the relation is not linear. Settlement size grows less than proportionately with Investor Losses, based on our analysis of data from 1996 to 2016. Small cases typically settle for a higher fraction of Investor Losses (i.e., more cents on the dollar) than larger cases. For example, the median ratio of settlement to Investor Loss was 18.4% for cases with Investor Losses of less than $20 million, while it was 0.6% for cases with Investor Losses over $10 billion (see Figure 29).

Our findings about the ratio of settlement amount to NERA-defined Investor Losses should not be interpreted as the share of damages recovered in settlement but rather as the recovery compared to a rough measure of the "size" of the case. Notably, the percentages given here apply *only* to NERA-defined Investor Losses. Use of a different definition of investor losses would result in a different ratio.

Figure 29. **Median of Settlement Value as a Percentage of NERA-Defined Investor Losses by Level of Investor Losses**
January 1996–December 2016



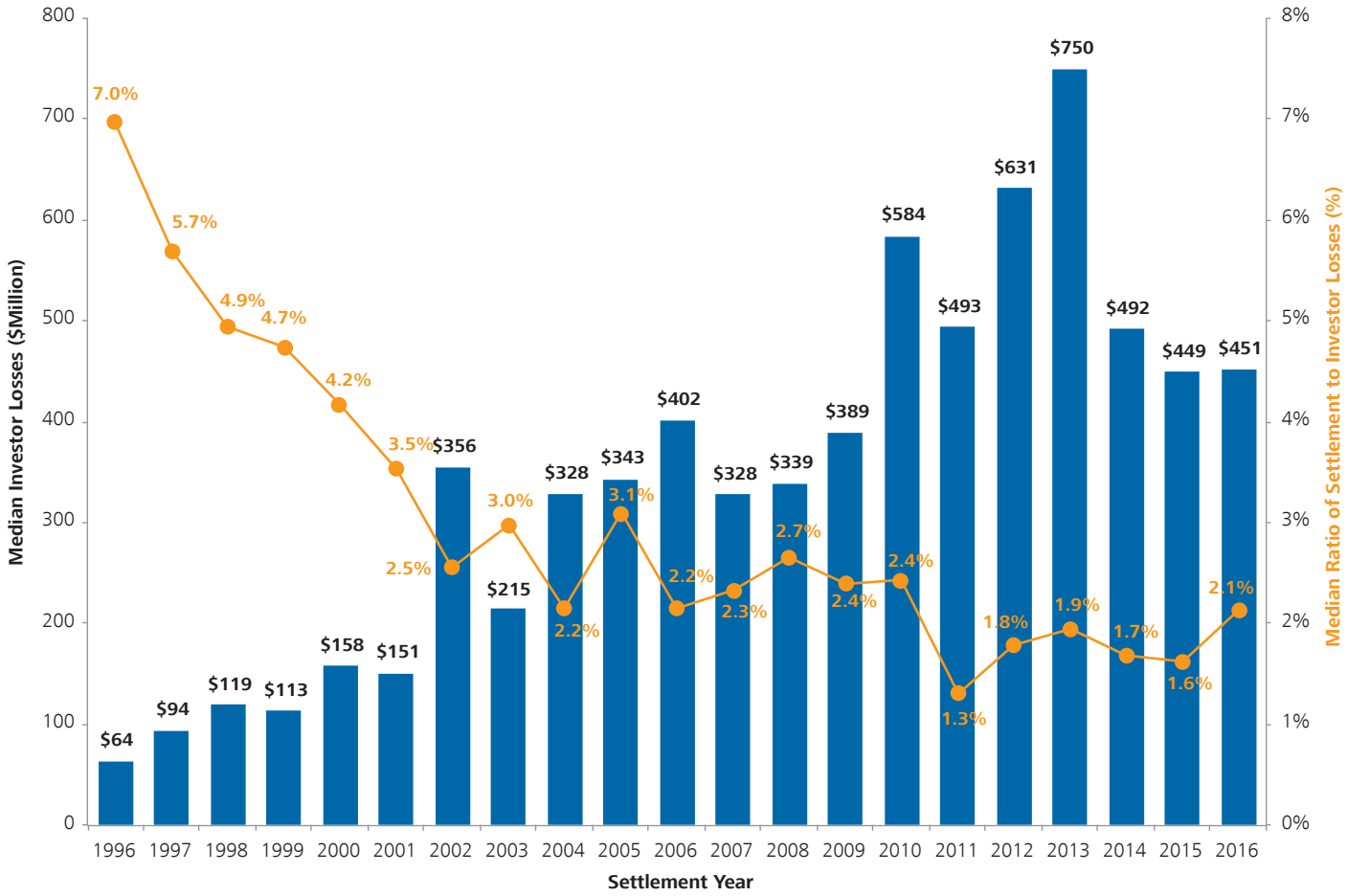
Note: Excludes settlements for $0 to the class.

Median NERA-Defined Investor Losses over Time

Median NERA-defined Investor Losses for settled cases have been on an upward trend since passage of the PSLRA. As described above, the median ratio of settlement size to Investor Losses generally decreases as Investor Losses increase. Over time, the increase in median Investor Losses has coincided with a decreasing trend in the median ratio of settlement to Investor Losses. Of course, there are year-to-year fluctuations.

As shown in Figure 30, the median ratio of settlements to NERA-defined Investor Losses was 1.6% in 2015. In 2016, the overall ratio increased to 2.1%, the highest level since 2010.

Figure 30. **Median NERA-Defined Investor Losses and Median Ratio of Settlement to Investor Losses by Settlement Year**
January 1996–December 2016



Explaining Settlement Amounts

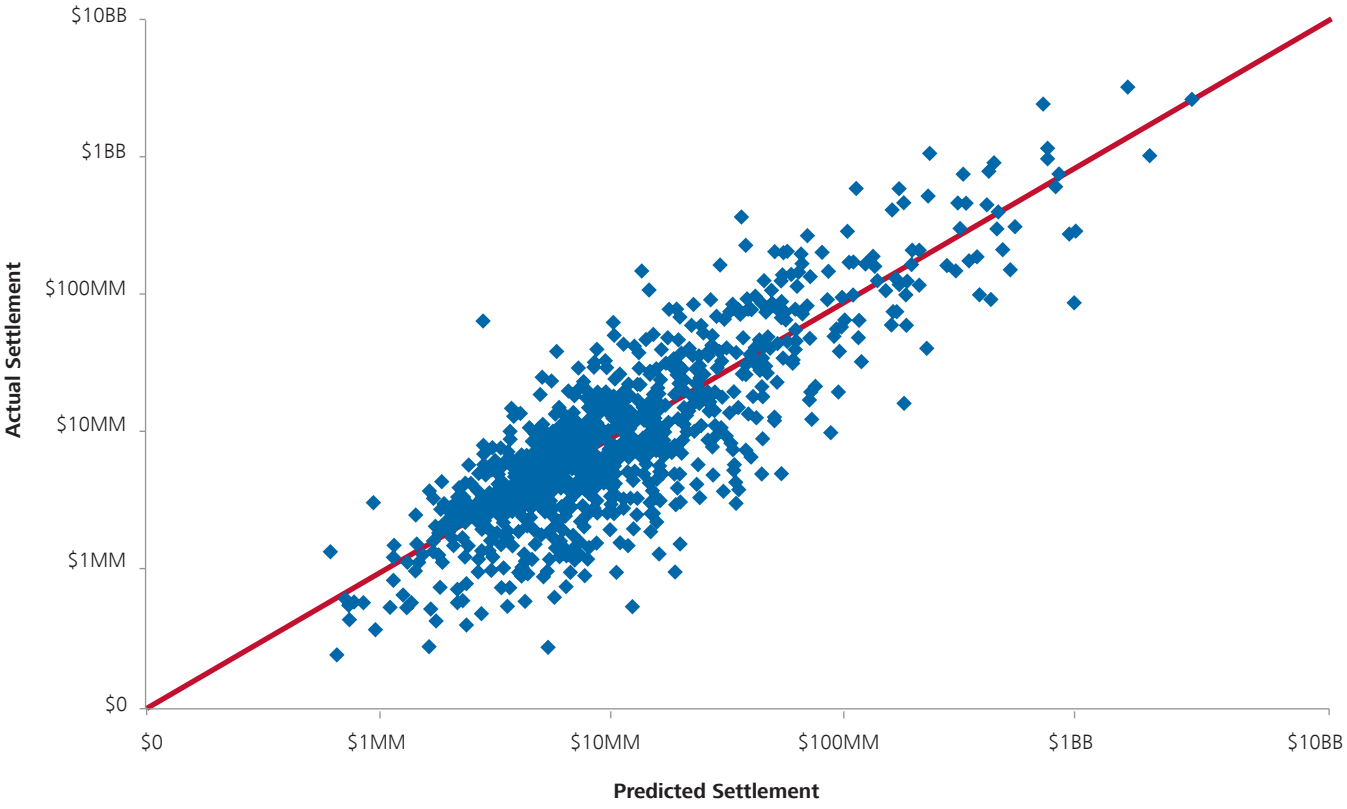
The historical relationship between case attributes and other case- and industry-specific factors can be used to measure the factors that are correlated with settlement amounts. NERA has examined settlements in more than 1,000 securities class actions and identified key drivers of settlement amounts, many of which have been summarized in this report.

Generally, we find that the following factors have historically been significantly correlated with settlements:

- NERA-defined Investor Losses (a proxy for the size of the case);
- The market capitalization of the issuer;
- Types of securities alleged to have been affected by the fraud;
- Variables that serve as a proxy for the "merit" of plaintiffs' allegations (such as whether the company has already been sanctioned by a governmental or regulatory agency or paid a fine in connection with the allegations);
- Admitted accounting irregularities or restated financial statements;
- The existence of a parallel derivative litigation; and
- An institution or public pension fund as lead plaintiff.

Together, these characteristics and others explain most of the variation in settlement amounts, as illustrated in Figure 31.[35]

Figure 31. **Predicted vs. Actual Settlements**



Plaintiffs' Attorneys' Fees and Expenses

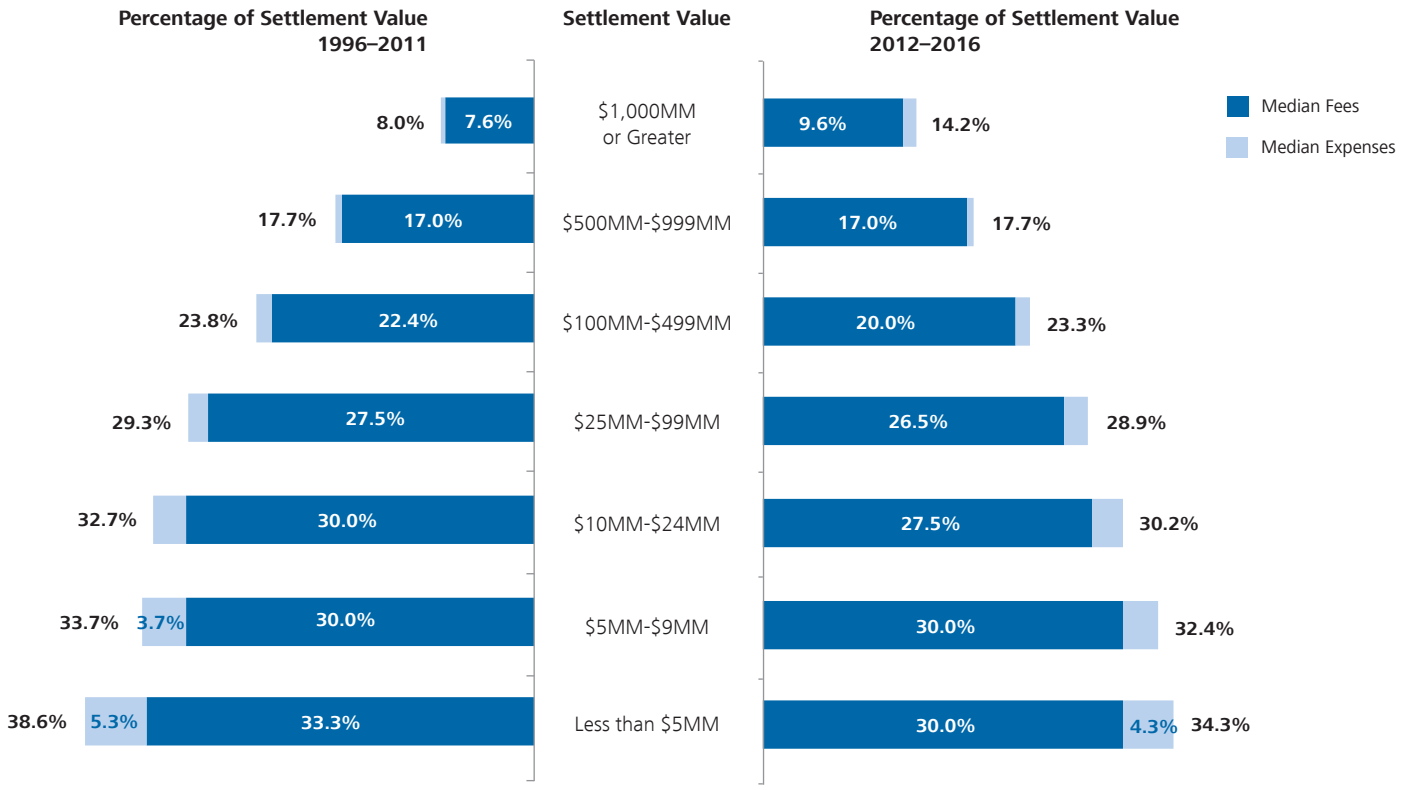
Usually, plaintiffs' attorneys' remuneration is determined as a fraction of any settlement amount in the form of fees, plus expenses. Figure 32 depicts plaintiffs' attorneys' fees and expenses as a proportion of settlement values over ranges of settlement amounts. The data shown in this figure excludes settlements for merger-objection cases and cases with no cash payment to the class.

A strong pattern is evident in Figure 32: typically, fees grow with settlement size but less than proportionally (i.e., the fee percentage shrinks as the settlement size grows).

To illustrate that the fee percentage typically shrinks as settlement size grows, we grouped settlements by settlement value and reported the median fee percentage for each group. While fees are stable at around 30% of settlements below $10 million, they clearly decline with settlement size.

We also observe that fee percentages have been decreasing over time, except for fees awarded on very large settlements. For settlements above $1 billion, fee rates have increased.

Figure 32. **Median of Plaintiffs' Attorneys' Fees and Expenses by Size of Settlement**



Notes: Excludes merger objections and settlements for $0 to the class.

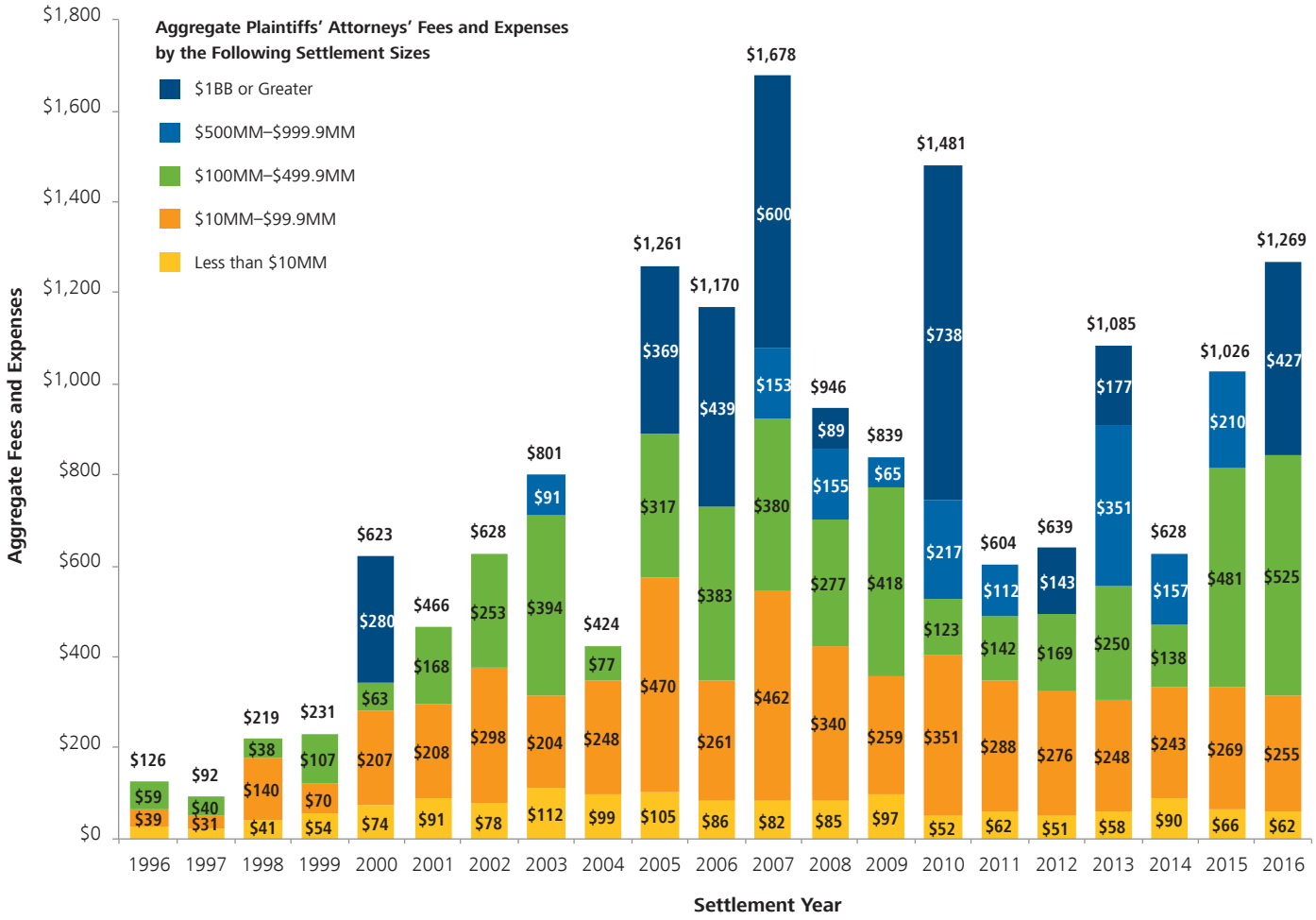
Aggregate Plaintiffs' Attorneys' Fees and Expenses

Aggregate plaintiffs' attorneys' fees and expenses are the sum of all fees and expenses received by plaintiffs' attorneys for all securities class actions that receive judicial approval in a given year.

In 2016, aggregate plaintiffs' attorneys' fees and expenses were $1.269 billion, an increase of nearly 24% over 2015 and mirroring the increase in settlement amounts discussed earlier (see Figure 33).

Note that this figure differs from the other figures in this section, because the aggregate includes fees and expenses that plaintiffs' attorneys receive for settlements in which no cash payment was made to the class.

Figure 33. **Aggregate Plaintiffs' Attorneys' Fees and Expenses by Settlement Size**
January 1996–December 2016



Trials

Very few securities class actions reach the trial stage and even fewer reach a verdict. Table 3 summarizes the outcome for all federal securities class actions that went to trial among almost 5,000 that were filed since the passage of the PSLRA. Only 21 cases have gone to trial, and only 16 have reached a verdict or a judgment.

In 2015, HSBC won a reversal of an earlier $2.46 billion judgment in a securities class action targeting Household International, a consumer finance business it acquired in 2003. In June 2016, shortly before a new trial was to begin, the case was settled for $1.575 billion.

Table 3. **Post-PSLRA Securities Class Actions that Went to Trial**
As of 31 December 2014

					Appeal and Post-Trial Proceedings	
Case Name	Federal Circuit	File Year	Trial Start Year	Verdict	Date of Last Decision	Outcome
Verdict or Judgment Reached						
In re Health Management, Inc. Securities Litigation	2	1996	1999	Verdict in favor of defendants	2000	Settled during appeal
Koppel, et al v. 4987 Corporation, et al	2	1996	2000	Verdict in favor of defendants	2002	Judgment of the District Court in favor of defendants was affirmed on appeal
In re JDS Uniphase Corporation Securities Litigation	9	2002	2007	Verdict in favor of defendants		
Joseph J Milkowski v. Thane Intl Inc, et al	9	2003	2005	Verdict in favor of defendants	2010	Judgment of the District Court in favor of defendants was affirmed on appeal
In re American Mutual Funds Fee Litigation	9	2004	2009	Judgment in favor of defendants	2011	Judgment of the District Court in favor of defendants was affirmed on appeal
Claghorn, et al v. EDSACO, Ltd., et al	9	1998	2002	Verdict in favor of plaintiffs	2002	Settled after verdict
In re Real Estate Associates Limited Partnership Litigation	9	1998	2002	Verdict in favor of plaintiffs	2003	Settled during appeal
In re Homestore.com, Inc. Securities Litigation	9	2001	2011	Verdict in favor of plaintiffs		
In re Apollo Group, Inc. Securities Litigation	9	2004	2007	Verdict in favor of plaintiffs	2012	Judgment of the District Court in favor of defendants was overturned and jury verdict reinstated on appeal; case settled thereafter
In re BankAtlantic Bancorp, Inc. Securities Litigation	11	2007	2010	Verdict in favor of plaintiffs	2012	Judgment of the District Court in favor of defendants was affirmed on appeal
In re Longtop Financial Technologies Securities Litigation	2	2011	2014	Verdict in favor of plaintiffs		
In re Clarent Corporation Securities Litigation	9	2001	2005	Mixed verdict		
In re Vivendi Universal, S.A. Securities Litigation	2	2002	2009	Mixed verdict		
Jaffe v. Household Intl Inc, et al	7	2002	2009	Mixed verdict		
In re Equisure, Inc. Sec, et al v., et al	8	1997	1998	Default judgment		
Settled with at Least Some Defendants before Verdict						
Goldberg, et al v. First Union National, et al	11	2000	2003	Settled before verdict		
In re AT&T Corporation Securities Litigation	3	2000	2004	Settled before verdict		
In re Safety Kleen, et al v. Bondholders Litigati, et al	4	2000	2005	Partially settled before verdict, default judgment		
White v. Heartland High-Yield, et al	7	2000	2005	Settled before verdict		
In re Globalstar Securities Litigation	2	2001	2005	Settled before verdict		
In re WorldCom, Inc. Securities Litigation	2	2002	2005	Settled before verdict		

Note: Data are from case dockets and news.

Notes

[1] This edition of NERA's report on recent trends in securities class action litigation expands on previous work by our colleagues Lucy Allen, Dr. Renzo Comolli, the late Dr. Frederick C. Dunbar, Dr. Vinita M. Juneja, Sukaina Klein, Dr. Denise Neumann Martin, Dr. Jordan Milev, Dr. John Montgomery, Robert Patton, Dr. Stephanie Plancich, and others. The authors also thank Dr. Stephanie Plancich for helpful comments on this edition. In addition, we thank Edward Flores and other researchers in NERA's Securities and Finance Practice for their valuable assistance. These individuals receive credit for improving this paper; all errors and omissions are ours.

[2] Data for this report are collected from multiple sources, including Institutional Shareholder Services Inc., complaints, case dockets, Dow Jones Factiva, Bloomberg Finance L.P., FactSet Research Systems, Inc., US Securities and Exchange Commission (SEC) filings, and public press reports.

[3] Craig Doidge, G. Andrew Karolyi, and René M. Stulz, "The U.S. Listing Gap," National Bureau of Economic Research Working Paper No. 21181, May 2015.

[4] *In re Trulia, Inc. Stockholder Litigation*, C.A. No. 10020-CB (Del. Ch. Jan. 22, 2016).

[5] "Global M&A Review: Full Year 2016 Final Results," Dealogic, January 2007.

[6] 2010 deal growth and litigation rates obtained from M. D. Cain and S. D. Solomon, "A Great Game: The Dynamics of State Competition and Litigation," *Iowa Law Review*, Vol. 100, No. 165, 2015, Table 1. 2016 M&A activity growth obtained from "Global M&A Review: Full Year 2016 Final Results," Dealogic, January 2007.

[7] M. D. Cain and S. D. Solomon, "A Great Game: The Dynamics of State Competition and Litigation," *Iowa Law Review*, Vol. 100, No. 165, 2015.

[8] M. D. Cain and S. D. Solomon, "Takeover Litigation in 2015," Berkeley Center for Law Business and the Economy, 14 January 2016.

Alison Frankel, "Forum Selection Clauses Are Killing Multiforum M&A litigation," *Reuters*, 24 June 2014.

[9] *In re Trulia, Inc. Stockholder Litigation*, C.A. No. 10020-CB (Del. Ch. Jan. 22, 2016), n. 36. The Seventh Circuit decision is *In re Walgreen Co. Stockholder Litigation*, No. 15-3799 (7th Cir. Aug. 10, 2016).

[10] M. D. Cain and S. D. Solomon, "Takeover Litigation in 2015," Berkeley Center for Law Business and the Economy, 14 January 2016.

[11] Daniel Wolf, "Whack-a-Mole: The Evolving Landscape in M&A Litigation Following Trulia," Harvard Law School Forum on Corporate Governance and Financial Regulation, 25 August 2016.

Donald H. Tucker Jr. and Clifton L. Brinson, "The Death of Merger Litigation?" Commercial & Business Litigation Committee, Section of Litigation, American Bar Association, 8 August 2016.

[12] Warren S. de Wied, "Delaware Forum Selection Bylaws After Trulia," Harvard Law School Forum on Corporate Governance and Financial Regulation, 25 February 2016.

[13] New York Superior Court decisions include: *In re Allied Healthcare Shareholder Litigation*, 2015 WL 6499467, (N.Y. Sup. Ct. Oct. 23, 2015) and *City Trading Fund v. Nye*, 2015 WL 93894 (N.Y. Sup. Ct. Jan. 7, 2015). As referenced in *In re Trulia, Inc. Stockholder Litigation*, C.A. No. 10020-CB (Del. Ch. Jan. 22, 2016), footnote 36. The Seventh Circuit decision is *In re Walgreen Co. Stockholder Litigation*, No. 15-3799 (7th Cir. Aug. 10, 2016).

[14] Robert Patton, "Recent Trends in US Securities Class Actions against Non-US Companies," NERA Working Paper, 24 October 2012, available at http://www.nera.com/publications/archive/2012/recent-trends-in-us-securities-class-actions-against-nonus-comp.html.

[15] Kane Wu, "U.S.-Listed China Firms Hurry Homeward," *The Wall Street Journal*, 17 November 2015.

[16] Andrew Bolger, "Warning signs appear after bumper IPO year," *Financial Times*, 26 December 2014.

[17] The calculation for these cases is somewhat different than for cases with 10b-5 claims.

[18] In 2016, 13 cases constituted the largest category of Investor Losses.

[19] Andrew Bolger, "U.S. Charges in Generic-Drug Probe to Be Filed by Year-End," *Bloomberg Markets*, 3 November 2016.

[20] Eric Kroh, "Poultry Producers Hit With Chicken Price Antitrust Suit," *Law360*, 3 September 2016.

[21] See *In re Allied Healthcare Shareholder Litigation.*, 2015 WL 6499467 (N.Y. Sup. Ct. Oct. 23, 2015) and *City Trading Fund v. Nye* , 2015 WL 93894 (N.Y. Sup. Ct. Jan. 7, 2015). As referenced in footnote 36 of *In re Trulia, Inc. Stockholder Litigation*, C.A. No. 10020-CB (Del. Ch. Jan. 22, 2016).

[22] Fraser Tennant, "Global M&A activity down 18 percent in 2016 says new review," *Financier Worldwide*, 5 January 2017.

[23] For the purposes of this figure, we considered only co-defendants listed in the first identified complaint. Based on past experience, accounting co-defendants are sometimes added to or excluded from later complaints.

[24] *Janus Capital Group, Inc., et al. v. First Derivative Traders* (Docket No. 09-525)

[25] *Stoneridge Investment Partners v. Scientific-Atlanta, Inc.* (Docket No. 06-43)

[26] Deena Shanker, "Why America Pays 50% More for Chicken," *Bloomberg*, 28 September 2016.

[27] An alternative possibility is that once detected, full disclosure is made earlier, turning what would have been a "partial disclosure" into a complete disclosure.

[28] Douglas M. Boyle, James F. Boyle, and Brian W. Carpenter, "The SEC's Renewed Focus on Accounting Fraud, Insights and Implications for Auditors and Public Companies," *The CPA Journal*, February 2014.

[29] "SEC's New Whistleblower Program Takes Effect Today," US Securities and Exchange Commission, 12 August 2011.

[30] Outcomes of the motions for summary judgment are available from NERA but not shown in this report.

[31] Historically, merger-objection cases tend to be dismissed within 221 days, compared to an average of 638 days for other cases. Half of merger-objection cases have historically been dismissed within 125 days, versus 524 days for other cases.

[32] Svetlana Starykh and Stefan Boettrich, "Recent Trends in Securities Class Action Litigation: 2015 Full-Year Review," NERA Working Paper, 25 January 2016, available at http://www.nera.com/publications/archive/2016/2015-Securites-Trends-Report.html.

[33] Each of these analyses excludes IPO laddering cases and merger-objection cases because the former usually take much longer to resolve and the latter are usually much shorter to resolve.

[34] These settlements exclude those of merger-objection cases and in cases that settled with no cash payment to the class.

[35] The axes are in logarithmic scale, and the two largest settlements are excluded from this figure.

About NERA

NERA Economic Consulting (**www.nera.com**) is a global firm of experts dedicated to applying economic, finance, and quantitative principles to complex business and legal challenges. For over half a century, NERA's economists have been creating strategies, studies, reports, expert testimony, and policy recommendations for government authorities and the world's leading law firms and corporations. We bring academic rigor, objectivity, and real world industry experience to bear on issues arising from competition, regulation, public policy, strategy, finance, and litigation.

NERA's clients value our ability to apply and communicate state-of-the-art approaches clearly and convincingly, our commitment to deliver unbiased findings, and our reputation for quality and independence. Our clients rely on the integrity and skills of our unparalleled team of economists and other experts backed by the resources and reliability of one of the world's largest economic consultancies. With its main office in New York City, NERA serves clients from more than 25 offices across North America, Europe, and Asia Pacific.

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Exhibit 12

Compendium of Unreported Cases Cited in Lead Counsel's Memorandum of Law in Support of Motion for Award of Attorneys' Fees and Payment of Litigation Expenses

Tab #

TAB 1

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

---------- X

IN RE AMARANTH NATURAL GAS COMMODITIES LITIGATION

MEMORANDUM OPINION AND ORDER

07 Civ. 6377 (SAS)

---------- X

SHIRA A. SCHEINDLIN, U.S.D.J.:

I. INTRODUCTION

Plaintiffs filed this class action on behalf of futures traders that purchased, sold, or held natural gas futures or options on futures contracts between February 16, 2006 and September 28, 2006 (the "Class Period"). Plaintiffs allege that during the Class Period, the Amaranth Defendants manipulated the prices of New York Mercantile Exchange ("NYMEX") natural gas futures contracts in violation of sections 6(c), 6(d), and 9(a)(2) of the Commodity Exchange Act (the "CEA") and the remaining defendants were secondarily liable for such manipulation.

On December 13, 2011, the parties executed a Stipulation of Settlement ("Stipulation") that settled these claims in exchange for $77.1 million in cash. Following the Court's preliminary approval of the proposed settlement,[1]

[1] *See* 1/3/12 Order [Docket No. 376].

plaintiffs moved for Final Approval of Class Action Settlements.[2] Plaintiffs' counsel also moved for an Award of Attorneys' Fees and Reimbursement of Expenses.[3] A fairness hearing was held on April 9, 2012, and two groups of objectors were heard. I approved the settlement and entered final judgment on April 10, 2012, while retaining jurisdiction over the plan of allocation and attorneys' fees.[4] On May 22, 2012, I approved an amended plan of allocation. In this Memorandum Opinion and Order I resolve the sole remaining issue – attorneys' fees and expenses. For the reasons stated below, plaintiffs' counsels' motion for an Award of Attorneys' Fees and Reimbursement of Expenses is granted, but not for the amounts requested.

II. ATTORNEYS' FEES AND EXPENSES

Plaintiffs' counsel request $1,662,613.08 in expenses. In support of these expenses, plaintiffs' counsel have submitted a summary expense report for each firm. These costs include routine expenses relating to copying, court fees, postage and shipping, phone charges, legal research, and travel and transportation.

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[2] *See* Docket No. 379.

[3] *See* Docket No. 382.

[4] *See* Docket No. 404.

The bulk of the expenses were used to pay for experts and consultants.[5] One group of objectors has filed an objection to plaintiffs' expenses and fees.[6] At a conference held on May 22, 2012, the Floor Broker Objectors withdrew this objection.[7] The expenses total approximately two percent of the Settlement Amount.

I find that these expenses are reasonable. These expenses, particularly those attributable to professional services, were a contributing factor to achieving

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[5] *See* 3/12/12 Declaration of Christopher M. McGrath in Support of Lead Counsel's Motion for an Award of Attorneys' Fees and Reimbursement of Expenses; 3/12/12 Declaration of Geoffrey M. Horn in Support of Plaintiffs' and Class Counsel's Motion for an Award of Attorneys' Fees and Reimbursement of Expenses; 3/12/12 Declaration of Louis F. Burke in Support of Plaintiffs' and Class Counsel's Motion for an Award of Attorneys' Fees and Reimbursement of Expenses; 3/8/12 Declaration of Christopher J. Gray in Support of Plaintiffs' and Class Counsel's Motion for an Award of Attorneys' Fees and Reimbursement of Expenses; 3/7/12 Declaration of Bernard Persky in Support of Plaintiffs' and Class Counsel's Motion for an Award of Attorneys' Fees and Reimbursement of Expenses; 3/8/12 Declaration of Robert M. Rothman on Behalf of Robbins Geller Rudman & Dowd LLP in Support of Plaintiffs' and Class Counsel's Motion for an Award of Attorneys' Fees and Expenses.

[6] 3/19/12 Objections to Class Action Settlement and Notice of Intent to Appear of Class Members James McCormack, et al. (the "Floor Broker Objectors"). The Floor Broker Objectors consist of twenty-seven individuals who were members of NYMEX and traded natural gas futures contracts during the Class Period.

[7] *See* 5/22/12 Tr.

the settlement[8] because commodities litigation requires extensive amounts of expert testimony. Accordingly, I grant plaintiffs' counsel $1,662,613.08 in expenses.

In addition to expenses, plaintiffs' counsel also request a fee of one-third of the Settlement Amount, or $25.7 million.[9] Although I intend to use the percentage method to award fees in this matter, the lodestar is often used as a cross-check. Plaintiffs represent that the aggregate loadstar for all plaintiffs' firms is $28,014,724.20 for 49,113.54 hours.[10] Thus, the requested fee represents a multiplier of 0.92. Because the lodestar is being used merely as a cross-check, it is unnecessary for the Court to delve into each hour of work that was performed by counsel to ascertain whether the number of hours reportedly expended was reasonable.[11] After reviewing the supporting declarations, which include a

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[8] *See In re Global Crossing Sec. & ERISA Litig.*, 225 F.R.D. 436, 468 (S.D.N.Y. 2004).

[9] *See* Memorandum in Support of Lead Counsel's Motion for an Award of Attorneys' Fees and Reimbursement of Expenses at 1.

[10] *See id.* at 7.

[11] *See Goldberger v. Intergrated Res., Inc.*, 209 F.3d 43, 50 (2d Cir. 2000) (citing *In re Prudential Ins. Co. Am. Sales Litig.*, 148 F.3d 283, 342 (3d Cir. 1998) ("Of course, where [the lodestar is] used as a mere cross-check, the hours documented by counsel need not be exhaustively scrutinized by the district court.").

summary of the hours expended by and the billing rates for every attorney, paralegal, and staff member that worked on this litigation, I find that $28,014,724.20 is a reasonable lodestar for the time expended by plaintiffs' firms.

I further find that a fee of thirty percent, or $23,130,000, is reasonable after assessing the *Goldberger* factors. This fee is close to the standard range for fee awards given under *Goldberger*.[12]

First, I find that the time and labor expended by plaintiffs' counsel support a thirty-percent fee. Plaintiffs' counsel have invested approximately 49,113 hours in these actions. They have survived a motion to dismiss and successfully moved for class certification. They also expect additional time to be expended administering and distributing the settlement funds. Plaintiffs' counsel have devoted substantial time and effort to this matter, justifying the awarded fee.

Second, this action, like the relatively few commodities manipulation class actions, has been complex and time consuming. The awarded fee is reasonable compensation considering the size and complexity of this litigation.

Third, the risk of this litigation also supports the awarded fee. "It is

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[12] *See* Theodore Eisenberg & Geoffrey Miller, *A New Look at Judicial Impact: Attorneys' Fees in Securities Class Actions After* Goldberger v. Integrated Resources, Inc., 29 Wash. U. J.L. & Pol'y 5, 18 (2009) (noting that mean and median fee awards under *Goldberger* have been 26.03% and 27.25%, respectively).

well-established that litigation risk must be measured as of when the case is filed."[13] Commodities litigation entails ample risks to plaintiffs in establishing liability and damages. However, in this case, plaintiffs followed in the footsteps of investigations by NMYEX and the Commodity Futures Trading Commission ("CFTC").[14] Certain defendants in this action were also defendants in an action brought by the CFTC that related to the same underlying facts.[15] The CFTC action resulted in a consent order in which Amaranth settled for $7.5 million and was enjoined from further violations of the relevant provisions of the Commodity Exchange Act.[16] Given the assistance provided by the NYMEX and CFTC investigations and the rather small size of the settlement in comparison to the amount of time expended by plaintiffs' counsel, a multiplier of 0.825 is necessary so that class members will receive adequate compensation.

Fourth, I find that plaintiffs' counsel ably represented the interests of

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[13] *Id.* at 55 (citations omitted).

[14] *See In re Amaranth Natural Gas Commodities Litig.*, 587 F. Supp. 2d 513, 526 (S.D.N.Y. 2008).

[15] *See CFTC v. Amaranth Advisors, LLC*, 554 F. Supp. 2d 523 (S.D.N.Y. 2008).

[16] *See CFTC v. Amaranth Advisors, LLC*, No. 07 Civ. 6682, Docket No. 73 (S.D.N.Y. Aug. 12, 2008). The consent order was entered only with respect to the Amaranth entities; proceedings against individual defendant Brian Hunter are still ongoing.

the Class. This factor supports the awarded fee.

Fifth, I find that a 30% fee is reasonable in relation to the settlement. Plaintiffs' counsel have obtained a reasonable settlement in light of the Amaranth Defendants' financial difficulties, but the settlement amount is by no means extraordinary. A 30% fee is reasonable in relation to the amount of the settlement because it compensates plaintiffs' counsel for their efforts, but it also ensures that class members receive an adequate recovery.

Sixth, I find that the awarded fee is adequate to further the public policy of encouraging private lawsuits to protect investors. Plaintiffs' counsel will recover most of their lodestar and will recover all expenses invested in these lawsuits. In these actions, the awarded fee sufficient to further public policy goals. Plaintiffs' counsel should not be encouraged to bring suits where the costs pale in comparison to the potential recovery.

After reviewing the *Goldberger* factors I award plaintiffs' counsel fees of 30% of the Settlement Amount, or $23,130,000. This fee should adequately compensate – but not overcompensate – counsel for their time and labor. The award of fees and expenses are intended to compensate plaintiffs' counsel for all of the time and labor spent until the conclusion of this litigation, including that associated with the distribution of the settlement fund.

III. CLASS REPRESENTATIVES

The Class Notice stated that class representatives could seek reimbursement of expenses and compensation for time devoted to the litigation in an amount not to exceed $200,000, indicating that such a request would be made at the time the settlement fund was disbursed. Because plaintiffs' counsel have not yet moved for an award for class representatives, I retain jurisdiction over awards for class representatives if any such motion is made in the future.

IV. CONCLUSION

For the reasons stated above, Plaintiffs' Motion for Award of Attorneys' Fees and Reimbursement of Expenses is granted, but not for the amounts requested. This case, and all related cases, shall remain closed.

SO ORDERED:

Shira A. Scheindlin
U.S.D.J.

Dated: New York, New York
June 8, 2012

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TAB 2

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE CELESTICA INC. SEC. LITIG.	:	Civil Action No.: 07-CV-00312-GBD
	:	(ECF CASE)
	:	Hon. George B. Daniels

[redacted]ORDER AWARDING ATTORNEYS' FEES AND EXPENSES

THIS MATTER having come before the Court on July 28, 2015 for a hearing to determine, among other things, whether and in what amount to award Class Counsel in the above-captioned consolidated securities class action (the "Action") attorneys' fees and litigation expenses and Class Representative New Orleans Employees' Retirement System ("New Orleans") expenses relating to its representation of the Class. All capitalized terms used herein have the meanings as set forth and defined in the Stipulation and Agreement of Settlement, dated as of April 17, 2015 (the "Stipulation"). The Court having considered all matters submitted to it at the hearing and otherwise; and it appearing that a notice of the hearing, substantially in the form approved by the Court (the "Notice"), was mailed to all reasonably identified Class Members; and that a summary notice of the hearing (the "Summary Notice"), substantially in the form approved by the Court, was published in *The Wall Street Journal* and transmitted over *PR Newswire*; and the Court having considered and determined the fairness and reasonableness of the award of attorneys' fees and expenses requested;

NOW, THEREFORE, IT IS HEREBY ORDERED that:

1. The Court has jurisdiction over the subject matter of this Action and over all parties to the Action, including all Class Members and the Claims Administrator.

2. Notice of Class Counsel's motion for attorneys' fees and payment of expenses was given to all Class Members who could be identified with reasonable effort. The form and method of notifying the Class of the motion for attorneys' fees and expenses met the requirements of Rules 23 and 54 of the Federal Rules of Civil Procedure, Section 21D(a)(7) of the Securities Exchange Act of 1934, 15 U.S.C. § 78u-4(a)(7), as amended by the Private Securities Litigation Reform Act of 1995 (the "PSLRA"), due process, and any other applicable law, constituted the best notice practicable under the circumstances, and constituted due and sufficient notice to all persons and entities entitled thereto.

3. Class Counsel is hereby awarded attorneys' fees in the amount of $9,000,000 plus interest at the same rate earned by the Settlement Fund (or 30% of the Settlement Fund, which includes interest earned thereon) and payment of litigation expenses in the amount of $1,392,450.33, plus interest at the same rate earned by the Settlement Fund, which sums the Court finds to be fair and reasonable.

4. In accordance with 15 U.S.C. §78u-4(a)(4), for its representation of the Class, the Court hereby awards New Orleans reimbursement of its reasonable lost wages and expenses directly related to its representation of the Class in the amount of $3,645.18.

5. The award of attorneys' fees and expenses may be paid to Class Counsel from the Settlement Fund immediately upon entry of this Order, subject to the terms, conditions, and obligations of the Stipulation, which terms, conditions, and obligations are incorporated herein.

6. In making the award to Class Counsel of attorneys' fees and litigation expenses to be paid from the Settlement Fund, the Court has considered and found that:

(a) The Settlement has created a common fund of $30 million in cash and that numerous Class Members who submit acceptable Proofs of Claim will benefit from the

Settlement created by the efforts of plaintiffs' counsel;

(b) The requested attorneys' fees and payment of litigation expenses have been reviewed and approved as fair and reasonable by Class Representatives, sophisticated institutional investors that have been directly involved in the prosecution and resolution of the Action and which have a substantial interest in ensuring that any fees paid to Class Counsel are duly earned and not excessive;

(c) Notice was disseminated to putative Class Members stating that Class Counsel would be moving for attorneys' fees in an amount not to exceed 30% of the Settlement Fund, plus accrued interest, and payment of litigation expenses, and the expenses of Class Representatives for reimbursement of their reasonable lost wages and costs directly related to their representation of the Class, in an amount not to exceed $2 million, plus accrued interest;

(d) There were no objections to the requested litigation expenses or to the expense request by New Orleans. The Court has received one objection to the fee request, which was submitted by Jeff M. Brown. The Court finds and concludes that Mr. Brown has not established that he is a Class Member with standing to bring the objection and it is overruled on that basis. The Court has also considered the issues raised in the objection and finds that, even if Mr. Brown were to have standing to object, the objection is without merit. The objection is therefore overruled in its entirety;

(e) Plaintiffs' counsel have expended substantial time and effort pursuing the Action on behalf of the Class;

(f) The Action involves complex factual and legal issues and, in the absence of settlement, would involve lengthy proceedings whose resolution would be uncertain;

(g) Plaintiffs' counsel pursued the Action on a contingent basis, having

received no compensation during the Action, and any fee award has been contingent on the result achieved;

(h) Plaintiffs' counsel conducted the Action and achieved the Settlement with skillful and diligent advocacy;

(i) Public policy concerns favor the award of reasonable attorneys' fees in securities class action litigation;

(j) The amount of attorneys' fees awarded are fair and reasonable and consistent with awards in similar cases; and

(k) Plaintiffs' counsel have devoted more than 28,130.35 hours, with a lodestar value of $14,324,709.25 to achieve the Settlement.

7. Any appeal or any challenge affecting this Court's approval of any attorneys' fee and expense application shall in no way disturb or affect the finality of the Judgment entered with respect to the Settlement.

8. Exclusive jurisdiction is hereby retained over the subject matter of this Action and over all parties to the Action, including the administration and distribution of the Net Settlement Fund to Class Members.

9. In the event that the Settlement is terminated or does not become Final or the Effective Date does not occur in accordance with the terms of the Stipulation, this order shall be rendered null and void to the extent provided by the Stipulation and shall be vacated in accordance with the Stipulation.

IT IS SO ORDERED.

JUL 28 2015

Dated: _____, 2015

George B. Daniels

Honorable George B. Daniels
UNITED STATES DISTRICT JUDGE

TAB 3

IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

CENTRAL LABORERS' PENSION FUND,

Plaintiff,

v.

SIRVA, INC., BRIAN P. KELLEY, JOAN E. RYAN, JAMES W. ROGERS, RICHARD J. SCHNALL, CARL T. STOCKER, CREDIT SUISSE FIRST BOSTON LLC, GOLDMAN, SACHS & CO., DEUTSCHE BANK SECURITIES INC., CITIGROUP GLOBAL MARKETS INC., J.P. MORGAN SECURITIES INC., BANC OF AMERICA SECURITIES LLC, MORGAN STANLEY & CO. INCORPORATED, PRICEWATERHOUSECOOPERS LLP, and CLAYTON DUBILIER & RICE, INC.

Defendants.

No. 04 C-7644
Judge Ronald A. Guzmán

ORDER AND FINAL JUDGMENT

On the 2nd day of October, 2007, a hearing having been held before Magistrate Judge Denlow to determine: whether the terms and conditions of the Settlement Agreement filed on June 20, 2007 are fair, reasonable and adequate for the settlement of all claims asserted by Plaintiff on behalf of the Settlement Class against Defendants in the Action now pending in this Court under the above caption, including the release of Defendants and the Releasees, and should be approved; whether judgment should be entered dismissing the Action on the merits and with prejudice in favor of Defendants and as against all persons or entities who are members of the Settlement Class who have not requested exclusion therefrom; whether to approve the Plan of Allocation as a fair and reasonable method to allocate the settlement proceeds among the members of the Settlement Class; and whether and in what amount to award Lead Counsel fees and reimbursement of expenses. The Court having heard from Magistrate Judge Denlow, having

reviewed his Report and Recommendation, and considered all matters submitted at the hearing and otherwise; and it appearing that a notice of the hearing substantially in the form approved by the Court was mailed to all persons or entities reasonably identifiable, who purchased or otherwise acquired the common stock of SIRVA, Inc. ("SIRVA") through any public offering or on the open market between November 25, 2003 and January 31, 2005, inclusive ("Settlement Class Period"), as shown by the records of SIRVA's transfer agent, at the respective addresses set forth in such records, and that a summary notice of the hearing substantially in the form approved by the Court was published in *Businesswire* pursuant to the specifications of the Court; and the Court having considered and determined the fairness and reasonableness of the award of attorneys' fees and expenses requested; and all capitalized terms used herein having the meanings as set forth and defined in the Settlement Agreement.

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

1. The Court has jurisdiction over the subject matter of the Action, the Class Representative, all Settlement Class Members, and Defendants.

2. The Court finds that the prerequisites for a class action under Federal Rules of Civil Procedure 23(a) and (b)(3) have been satisfied in that: i) the number of Settlement Class Members is so numerous that joinder of all members thereof is impracticable; ii) there are questions of law and fact common to the Settlement Class; iii) the claims of the Class Representative are typical of the claims of the Settlement Class it seeks to represent; iv) the Class Representative has represented, and will represent, fairly and adequately the interests of the Settlement Class; v) the questions of law and fact common to the members of the Settlement

Class predominate over any questions affecting only individual members of the Settlement Class; and vi) a class action is superior to other available methods for the fair and efficient adjudication of the controversy.

3. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, this Court hereby finally certifies this Action as a class action on behalf of a Settlement Class consisting of all persons or entities who purchased or otherwise acquired the common stock of SIRVA through any public offering or on the open market between November 25, 2003 and January 31, 2005, inclusive. Excluded from the Class are: (a) such persons or entities who have submitted valid and timely requests for exclusion from the Settlement Class in accordance with the procedures set out in Section VI of the Settlement Agreement and described in the Notice (as listed on Exhibit 1 annexed hereto); (b) such persons or entities who are Defendants, Family Members of the Individual Defendants, or the legal representatives, heirs, executors, successors, assigns or majority-owned affiliates (including without limitation Clayton, Dubilier & Rice Fund V Limited Partnership ("CD&R Fund V") and Clayton, Dubilier & Rice Fund VI Limited Partnership ("CD&R Fund VI")) of any such excluded person or entity; or (c) any directors or officers of any such excluded person or entity during the Settlement Class Period.

4. Notice of the pendency of this Action as a class action and of the terms and conditions of the Settlement was given to all Settlement Class Members who could be identified with reasonable effort. The form and method of such notice to the Settlement Class: (a) met the requirements of Rule 23 of the Federal Rules of Civil Procedure, Section 21D(a)(7) of the Securities Exchange Act of 1934, 15 U.S.C. § 78u-4(a)(7)—as amended by the Private Securities

Litigation Reform Act of 1995—due process, and any other applicable law; (b) constituted the best notice practicable under the circumstances; and (c) constituted due and sufficient notice to all persons and entities entitled thereto.

5. The Settlement is approved as fair, reasonable and adequate, and the Settlement Class Members and the parties are directed to consummate the Settlement in accordance with the terms and provisions of the Settlement Agreement.

6. The Complaint, which the Court finds was filed in good faith in accordance with the Private Securities Litigation Reform Act and Rule 11 of the Federal Rules of Civil Procedure based upon all publicly available information, is hereby dismissed with prejudice with each party paying his, her or its own costs of court, except as provided in the Settlement Agreement.

7. "Releasees" means all of the following: (a) SIRVA, CD&R, PwC, the Underwriter Defendants, the Insurers (as defined in the Settlement Agreement) and all of their predecessors and present and former parents, subsidiaries and Affiliates, and each and all of their respective past and present directors, managing directors, officers, employees, members, partners, principals, agents, attorneys, advisors, insurers, trustees, administrators, fiduciaries, consultants, representatives, accountants and auditors (including Ernst & Young LLP); and (b) all investment funds sponsored by CD&R, including, without limitation, CD&R Fund V and CD&R Fund VI; and (c) the Individual Defendants and each of their heirs, executors, trusts, trustees, administrators and assigns.

8. Class Representative and members of the Settlement Class are hereby permanently barred and enjoined from instituting, commencing or prosecuting any Claim or Unknown Claim, whether arising under any federal, state, or foreign statutory or common law or rule—including, without limitation, any Claim or Unknown Claim for negligence, gross negligence, negligent misrepresentation, indemnification, breach of contract, breach of any duty, or fraud—that has been, could have been, or could be asserted against any of the Releasees at any time by or on behalf of Lead Plaintiff or any Settlement Class Member, in any capacity, in the Action or in any court, tribunal, or other forum of competent jurisdiction, arising out of or related, directly or indirectly, to the purchase, acquisition, exchange, retention, transfer or sale of, or Investment Decision involving, SIRVA common stock during the Settlement Class Period, or to other matters and facts at issue in the Action. ("Released Claims") Without limiting the generality of the foregoing, the term Released Claims includes, without limitation, any Claims or Unknown Claims arising out of or relating to: (i) any or all of the acts, failures to act, omissions, facts, events, matters, transactions, occurrences, statements, or representations that have been, could have been or could be directly or indirectly alleged, complained of, asserted, described, or otherwise referred to in this Action; (ii) the contents of any prospectus or SEC Filing relating to SIRVA common stock or SIRVA, including the Registration Statements dated November 24, 2003 and June 10, 2004, during or relating to the Settlement Class Period; (iii) any forward-looking statement made by any of the Releasees during or relating to the Settlement Class Period that have been, could have been or could be directly or indirectly alleged, embraced, complained of, asserted, described, set forth or otherwise referred to in this Action; (iv) any adjustments of financial information of SIRVA during or relating to the Settlement Class Period; (v) any

statements or disclosures of any sort made by any of the Releasees during, or relating in any way to, the Settlement Class Period to any person or entity, or to the public at large, regarding, without limitation, SIRVA's business, its financial condition, its operational results and/or its financial or operational prospects, including, without limitation, any prospectus, press releases and/or press reports, earnings calls, memoranda (whether internally or externally circulated), and presentations to analysts, rating agencies, creditors, banks or other lenders, investment bankers, broker/dealers, investment advisors, investment companies, SIRVA employees, potential investors and/or shareholders; (vi) any internal and/or external accounting and/or actuarial memoranda, reports or opinions relating to SIRVA prepared by or for any of the Releasees during, or relating in any way to, the Settlement Class Period; (vii) SIRVA's accounting practices and procedures, internal accounting controls and recordkeeping practices during or relating in any way to the Settlement Class Period; (viii) any financial statement, audited or unaudited, and any report or opinion on any financial statement relating to SIRVA that was prepared or issued by or for any of the Releasees during, or relating in any way to, the Settlement Class Period, or on which any Settlement Class Member allegedly relied (directly or indirectly) during the Settlement Class Period in purchasing, acquiring, exchanging, retaining, transferring, selling or making an Investment Decision with respect to SIRVA common stock; (ix) any statements or omissions by any of the Releasees as to quarterly or annual results of SIRVA during or relating in any way to the Settlement Class Period; (x) any internal accounting controls or internal audits of SIRVA during or relating in any way to the Settlement Class Period; (xi) any purchases, acquisitions, exchanges, sales, transfers or other trading of SIRVA common stock during or relating in any way to the Settlement Class Period by any of the

Releasees, or any acts taken by Releasees to finance or pay for such trades, including, but not limited to, any profits made or losses avoided in connection with such transactions; and (xii) any or all Claims against an individual Releasee that are based upon or arise out of the Releasee's (*a*) status as a director, officer or employee of, or investor in, SIRVA; (*b*) acts or omissions in his or her capacity as a director, officer or employee of, or investor in, SIRVA; (*c*) acts or omissions in his or her or its capacity as a private equity sponsor of SIRVA; (*d*) acts or omissions in his or her or its capacity as an underwriter of SIRVA common stock; or (*e*) acts or omissions in his or her or its capacity as SIRVA's outside auditor or provider of actuarial services. The Released Claims are hereby compromised, settled, released, discharged and dismissed as against the Releasees on the merits and with prejudice by virtue of the proceedings herein and this Order and Final Judgment.

9. The Releasees are hereby permanently barred and enjoined from instituting, commencing or prosecuting any and all claims, rights, causes of action or liabilities, of every nature and description whatsoever, whether based in law or equity, on federal, state, local, statutory or common law or any other law, rule or regulation, including both known Claims and Unknown Claims, that have been or could have been asserted in the Action or any forum by the Releasees or any of them against any of the Plaintiff, Settlement Class Members or their attorneys, which arise out of or relate in any way to the institution, prosecution, or settlement of the Action, except for claims to enforce the Settlement. All the claims and Unknown Claims of all the Releasees are hereby compromised, settled, released, discharged and dismissed on the merits and with prejudice by virtue of the proceedings herein and this Order and Final Judgment.

10. Defendants, all the Releasees, their heirs, executors, administrators, predecessors, successors, Affiliates, attorneys, and assigns, and any person or entity claiming by or through any of them, are hereby permanently barred and enjoined from commencing or prosecuting (and by operation of law and of this Order & Final Judgment shall have, fully, finally, and forever released, relinquished, settled, and discharged each other from) any and all Claims and Unknown Claims that they could have asserted against each other relating directly or indirectly to the matters alleged in the Action, including but not limited to (i) any claims for indemnification or contribution arising out of the Action, (ii) any claims for breach of fiduciary duty, (iii) any derivative claims, and (iv) any claims for reimbursement of legal fees or costs incurred in defense of the Action (other than the claims for reimbursement of Joan Ryan referred to in this paragraph); provided that nothing in this paragraph shall act to modify, amend, supersede, discharge, or release the terms of the Underwriting Agreements previously entered into by and between SIRVA and the Underwriter Defendants in connection with SIRVA's IPO and SPO, including provisions therein relating to indemnification. Nothing in this paragraph shall act to release or modify any indemnification obligations owed by SIRVA to CD&R or any of the Individual Defendants (including but not limited to, with respect to the Individual Defendants, any indemnification obligations arising under Delaware law or under SIRVA's Charter or By-laws from and after the Final Settlement Date, and, with respect to CD&R, any indemnification obligations arising under the Indemnification Agreement and the Consulting Agreement both dated March 30, 1998 and the Amended and Restated Consulting Agreement dated January 1, 2001, including any amendments thereto or restatements thereof), except that CD&R shall be deemed to have released and settled any and all Claims and Unknown Claims for

indemnification with respect to their obligations pursuant to this Settlement Agreement and with respect to their attorneys' fees and costs in connection with the Action (including such fees and costs incurred in connection with this Settlement Agreement) and except that Joan Ryan shall be reimbursed for reasonable attorneys' fees and expenses related to the Action through the Final Settlement Date.

11. Neither this Order and Final Judgment nor the Settlement Agreement, any of its terms and provisions, the negotiations or proceedings in connection therewith or the documents or statements referred to therein shall be:

(a) offered or received against Defendants as evidence of or construed as or deemed to be evidence of any presumption, concession, or admission by any of the Defendants with respect to the truth of any fact alleged by Plaintiff or the validity of any claim that has been or could have been asserted in the Action or in any litigation, or the deficiency of any defense that has been or could have been asserted in the Action or in any litigation, or of any liability, negligence, fault, or wrongdoing of Defendants;

(b) offered or received against Defendants as evidence of a presumption, concession or admission of any fault, misrepresentation or omission with respect to any statement or written document approved or made by any Defendant;

(c) offered or received against Defendants as evidence of a presumption, concession or admission with respect to any liability, negligence, fault or wrongdoing, or in any way referred to for any other reason as against any of the Defendants, in any other civil, criminal

or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of the Settlement Agreement; provided, however, that Defendants may refer to it to effectuate the liability protection granted them hereunder;

(d) construed against Defendants as an admission or concession that the consideration to be given hereunder represents the amount which could be or would have been recovered after trial; or

(e) construed as or received in evidence as an admission, concession or presumption against Plaintiff or any of the Settlement Class Members that any of their claims are without merit, or that any defenses asserted by Defendants have any merit, or that damages recoverable under the Complaint would not have exceeded the Cash Settlement Fund.

12. The Plan of Allocation is approved as fair and reasonable, and Lead Counsel and the Administrator are directed to administer the Settlement in accordance with the terms and provisions of the Settlement Agreement.

13. The Court finds that all parties and their counsel have complied with each requirement of Rule 11 of the Federal Rules of Civil Procedure as to all proceedings herein.

14. Lead Counsel are hereby awarded 29.85% of the Cash Settlement Fund in fees, which sum the Court finds to be fair and reasonable, and $898,103.22 in reimbursement of expenses, which expenses shall be paid to Lead Counsel from the Cash Settlement Fund with interest from the date such Cash Settlement Fund was funded to the date of payment at the same net rate that the Cash Settlement Fund earns. The award of attorneys' fees may be allocated

among all of Plaintiffs' Counsel in a fashion which, in the opinion of Lead Counsel, fairly compensates Plaintiffs' Counsel for their respective contributions in the prosecution of the Action.

15. In making this award of attorneys' fees and reimbursement of expenses to be paid from the Cash Settlement Fund, the Court has considered and found that:

(a) the Settlement has created a fund of $53,300,000.00 in cash that is already on deposit, plus interest thereon, and that numerous Settlement Class Members who submit acceptable Proofs of Claim will benefit from the Settlement achieved by Lead Counsel;

(b) Over 22,907 copies of the Notice were disseminated to putative Settlement Class Members indicating that Lead Counsel was moving for attorneys' fees in an amount not to exceed 33⅓ percent of the Cash Settlement Fund and for reimbursement of expenses in an amount of approximately $950,000 and only a single objection (which was later withdrawn) was filed against the ceiling on the fees and expenses to be requested by Lead Counsel as disclosed in the Notice;

(c) Lead Counsel have conducted the litigation and achieved the Settlement with skill, perseverance and diligent advocacy;

(d) The Action involves complex factual and legal issues and, in the absence of a settlement, would involve further lengthy proceedings with uncertain resolution of the complex factual and legal issues;

(e) Had Lead Counsel not achieved the Settlement, there would remain a significant risk that Plaintiff and the Settlement Class may have recovered less or nothing from Defendants;

(f) The amount of attorneys' fees awarded and expenses reimbursed from the Cash Settlement Fund are fair and reasonable and consistent with awards in similar cases.

16. Exclusive jurisdiction is hereby retained over the parties and the Settlement Class Members for all matters relating to this Action, including the administration, interpretation, effectuation or enforcement of the Settlement Agreement and this Order and Final Judgment, and including any application for fees and expenses incurred in connection with administering and distributing the settlement proceeds to the members of the Settlement Class.

17. Without further order of the Court, the parties may agree to reasonable extensions of time to carry out any of the provisions of the Settlement Agreement.

SO ORDERED. **ENTERED:** October 31, 2007

HON. RONALD A GUZMAN
United States District Judge

TAB 4

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

HOI MING MICHAEL HO, et al.,

Plaintiffs,

vs.

DUOYUAN GLOBAL WATER, INC., et al.,

Defendants.

Civil Action No. 1:10-cv-07233 (GBD)

[redacted] FINAL JUDGMENT

[redacted] FINAL JUDGMENT

GBD

On the 5TH day of February, 2014, a hearing having been held before this Court to determine: (1) whether the terms and conditions of the Stipulation and Agreement of Settlement dated September 10, 2013 (the "Stipulation") are fair, reasonable and adequate for the settlement of all claims against defendants Duoyuan Global Water, Inc. ("DGW"), Wenhua Guo, Stephen Park, Charles V. Firlotte, Christopher P. Holbert, Joan M. Larrea, Thomas S. Rooney Jr., Ping Wei, Yuefeng Yu, Piper Jaffray & Co., Oppenheimer & Co. Inc., Janney Montgomery Scott LLC, Global Environment Fund ("GEF"), and GEEMF III Holdings MU ("GEEMF") (collectively, the "Settling Defendants"), Ping Wei, Credit Suisse Securities (USA) LLC, Macquarie Capital (USA) Inc., Rodman & Renshaw, LLC (collectively, with the Settling Defendants, the "Defendants"); (2) whether judgment should be entered dismissing the claims in the Corrected Amended Complaint (the "Complaint") against the Defendants, on the merits and with prejudice, of Plaintiffs and all Persons or entities who are members of the Settlement Class and have not requested exclusion therefrom; (3) whether to approve the proposed Plan of Distribution (described in the Notice) as a fair and reasonable method to allocate the settlement

proceeds among members of the Settlement Class; and (4) whether and in what amount to award fees and reimbursement of expenses to Lead Counsel and reimbursement to Lead Plaintiffs;

The Court having considered all matters submitted to it at the hearing and otherwise; and

It appearing that notice of the Final Approval Hearing, and the issues to be considered therein, was provided to potential Settlement Class Members in the forms approved in the Preliminary Approval Order dated October 4, 2013, including by mail to all reasonably identifiable potential Settlement Class Members and otherwise by publication;

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

1. This Court has jurisdiction over the subject matter of the Litigation, Plaintiffs, all Settlement Class Members, and the Defendants.

2. All capitalized terms used herein shall have the same meaning as in the Stipulation.

3. The Court finds that the prerequisites for a class action under Rule 23 (a) and (b)(3) of the Federal Rules of Civil Procedure have been satisfied, for settlement purposes only, in that: (a) the number of Settlement Class Members is so numerous that joinder of all members thereof is impracticable; (b) there are questions of law and fact common to the Settlement Class; (c) the claims of the Lead Plaintiffs are typical of the claims of the Settlement Class they seek to represent; (d) Lead Plaintiffs fairly and adequately represent the interests of the Settlement Class; (e) the questions of law and fact common to the members of the Settlement Class predominate over any questions affecting only individual members of the Settlement Class; and (f) a class action is superior to other available methods for the fair and efficient adjudication of the controversy.

4. Pursuant to Rule 23(a) and (b)(3) of the Federal Rules of Civil Procedure and for purposes of the Settlement only, the Court hereby certifies this action as a class action on behalf of all Persons who purchased or otherwise acquired DGW ADSs in or traceable to the IPO or SPO, as well as all Persons who purchased on the open market or otherwise acquired DGW ADSs between June 24, 2009 and April 5, 2011, inclusive; provided that excluded from the Settlement Class are (a) any putative members of the Settlement Class who submitted valid and timely requests for exclusion from the Settlement Class in accordance with the requirements set forth in the Notice and Rule 23 of the Federal Rules of Civil Procedure; and (b) Defendants, members of the immediate family of any such Defendant, any parent or subsidiary of any such Defendant, any person, firm, trust, corporation, officer, director, or other individual or entity in which any Defendant has or had a controlling interest during the Settlement Class Period, the officers and directors of any Defendant during the Settlement Class Period, and legal representatives, agents, executors, heirs, successors, or assigns of any such excluded Person. The Defendants or any entity in which any of the Defendants has or had a controlling interest (for purposes of this paragraph, together a "Defendant-Controlled Entity") are excluded from the Settlement Class only to the extent that such Defendant-Controlled Entity itself purchased a proprietary (*i.e.*, for its own account) interest in DGW ADSs. To the extent that a Defendant-Controlled Entity purchased any DGW ADSs in a fiduciary capacity or otherwise on behalf of any third-party client, account, fund, trust, or employee benefit plan that otherwise falls within the Settlement Class, neither such Defendant-Controlled Entity nor the third-party client, account, fund, trust, or employee benefit plan shall be excluded from the Settlement Class with respect to such purchase.

5. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, and for purposes of the Settlement only, Lead Plaintiffs are certified as class representatives and the Lead Counsel previously selected by Lead Plaintiffs and appointed by the Court are hereby appointed as Lead Counsel for the Settlement Class.

6. The Stipulation, which is incorporated and made a part of this Order and Final Judgment, is approved as fair, reasonable, and adequate, and in the best interests of the Settlement Class. Lead Plaintiffs and the Settling Defendants are directed to consummate the Settlement in accordance with the terms and provisions set forth in the Stipulation.

7. All claims made in the Litigation as to all Defendants are hereby dismissed with prejudice and without costs.

8. Upon the Effective Date hereof, Plaintiffs and each of the Settlement Class Members on behalf of themselves, their current or former heirs, joint tenants, tenants in common, beneficiaries, executors, administrators, successors, attorneys, insurers and assigns, and any person they represent, hereby release and forever discharge, and shall be deemed to have released, dismissed and forever discharged, the Released Claims against each and all of the Defendants' Released Persons, with prejudice and on the merits, without costs to any party. Further, Lead Plaintiffs and all Settlement Class Members, on behalf of themselves, their current and former heirs, joint tenants, tenants in common, beneficiaries, executors, administrators, successors, attorneys, insurers and assigns, and any person they represent, expressly covenant not to assert any claim or action against any of the Defendants' Released Persons, or any of their agents, insurers, or their re-insurers, or derivatively on behalf of DGW, that (a) arises out of or relates to any of the allegations, transactions, facts, matters, events, acts, representations or omissions asserted, set forth, or referred to in the Complaint or otherwise alleged, asserted, or

contended in the Litigation, or (b) could have been alleged, asserted or contended in any forum by the Plaintiffs, Settlement Class or any of the Settlement Class Members against any of the Defendants' Released Persons which arises out of, relates to, or is based upon any of the allegations, transactions, facts, matters, events, acts, representations, or omissions asserted, set forth, or referred to in the Complaint, or otherwise alleged, asserted, or contended in the Litigation; and such Persons shall forever be barred and enjoined from the assertion, institution, maintenance, prosecution, or enforcement against any of Defendants' Released Persons, in any state or federal court or arbitral forum, or in the court of any foreign jurisdiction, of any and all such claims as well as any and all claims arising out of, relating to, or in connection with the defense, settlement, or resolution of the Litigation or the Released Claims. Plaintiffs and all Settlement Class Members, whether or not any such person submits a Proof of Claim and Release, or otherwise shares in the Settlement Fund, on behalf of themselves and each of their current or former heirs, joint tenants, tenants in common, beneficiaries, executors, administrators, predecessors, successors, insurers, assigns, personal representatives, heirs, any person they represent, and any other person who purports to claim through them, are hereby deemed by this Final Judgment to have released and forever discharged the Defendants' Released Persons from any and all of the Released Claims.

9. Upon the Effective Date hereof, each of the Defendants' Released Persons shall be deemed to have, and by operation of this Final Judgment shall have, fully, finally, and forever released, relinquished and discharged the Lead Plaintiffs, each and all of the Settlement Class Members, and Plaintiffs' counsel (including Lead Counsel) from all claims (including Unknown Claims and Released Defendants' Claims), arising out of, relating to, or in connection with the institution, prosecution, assertion, settlement or resolution of the Litigation.

10. Plaintiffs and all Settlement Class Members, and anyone claiming through or on behalf of any of them, are forever barred and enjoined from commencing, instituting, prosecuting, or continuing to prosecute any action or other proceeding in any court of law or equity, arbitration tribunal, administrative forum, or other forum of any kind, asserting against any of the Defendants' Released Persons, and each of them, any of the Released Claims.

11. In accordance with Section 21D-4(f)(7)(A) of the Private Securities Litigation Reform Act of 1995, 15 U.S.C. § 78U-4(f)(7)(A), the Defendants are discharged and/or released from all claims for contribution that have been or may be brought by or on behalf of any Persons relating to the Settlement of the Released Claims. As of the Effective Date, any and all Persons are forever barred and enjoined from commencing, instituting, prosecuting, or continuing to prosecute any action or proceeding asserting any such claim for contribution.

12. Neither this Final Judgment, nor the Stipulation, nor any of the negotiations, documents, or proceedings connected with them shall be:

(a) referred to or used against the Defendants' Released Persons or against the Settlement Class and Plaintiffs' Released Persons as evidence of wrongdoing by anyone;

(b) construed against the Defendants' Released Persons as an admission or concession that the consideration to be given hereunder represents an amount which could be or would have been recovered after trial; or

(c) construed as, or received in evidence as, an admission, concession or presumption against the Settlement Class or any of the Settlement Class Members, that any of their claims are without merit, or that damages recoverable under the Complaint would not have exceeded the Settlement Fund.

13. Exclusive jurisdiction is hereby retained over the Plaintiffs, Defendants, and Settlement Class Members for all matters relating to the Litigation, including the administration, interpretation, effectuation, and/or enforcement of the Stipulation and this Final Judgment, and including any application for fees and expenses incurred in connection with administering and distributing the settlement proceeds to the Settlement Class Members. Notwithstanding the foregoing, the Defendants' Released Persons may file the Stipulation and/or this Final Judgment in any action that may be brought against them in order to support a defense or counterclaim based on principles of *res judicata*, collateral estoppel, release, good faith settlement, judgment bar or reduction or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim.

14. Without further order of the Court, the parties may agree to reasonable extensions of time to carry out any of the provisions of the Stipulation.

15. There is no just reason for delay in the entry of this Order and Final Judgment and immediate entry by the Clerk of the Court is directed pursuant to Rule 54(b) of the Federal Rules of Civil Procedure.

16. The finality of this Final Judgment shall not be affected, in any manner, by rulings that the Court may make on the Lead Counsel's application for an award of attorneys' fees and reimbursement of expenses and/or for reimbursement awards to Lead Plaintiffs.

17. The Court hereby finds that the proposed Plan of Allocation is a fair and reasonable method to allocate the settlement proceeds among the Settlement Class Members.

18. The Court hereby finds that the notice provided to the Settlement Class provided the best notice practicable under the circumstances. Said notice provided due and adequate notice of these proceedings and the matters set forth herein, including the Settlement and Plan of

Allocation, to all persons entitled to such notice, and said notice fully satisfied the requirements of Rule 23 of the Federal Rules of Civil Procedure and the requirements of due process. A full opportunity has been offered to the Settlement Class Members to object to the proposed Settlement and to participate in the hearing thereon. Thus, it is hereby determined that all Settlement Class Members are bound by this Final Judgment [except those persons set forth on Exhibit A].

19. In the event that the Settlement does not become final and effective in accordance with the terms and conditions set forth in the Stipulation, then this Final Judgment shall be rendered null and void and be vacated, and the Settlement and all orders entered in connection therewith shall be rendered null and void (except as provided in ¶¶ 1.1-1.28, 3.6-3.8, the last sentence of 7.2, 8.4, 8.5, 9.4 and 9.5 in the Stipulation), and the parties shall be returned to their respective positions in the Litigation as of the date the Stipulation was executed.

20. The Court finds that during the course of the Litigation and after review of the record of this case, the Settling Parties and their respective counsel at all times complied with the requirements of Federal Rule of Civil Procedure 11 and particularly with Rule 11(b) of the Federal Rules of Civil Procedure.

21. In the event that the Settlement does not become effective in accordance with the terms of the Stipulation or the Effective Date does not occur, then this Judgment shall be rendered null and void and shall be vacated and, in such event, all orders entered and releases delivered in connection herewith shall be null and void.

22. The Court hereby **GRANTS** Lead Counsel's attorneys' fees of 1,716,666 % of the Settlement Fund and expenses in an amount of $ 116,107.32 together with the interest earned thereon for the same time period and at the same rate as that earned on the Settlement

Fund until paid. Said fees shall be allocated by Lead Counsel among Plaintiffs' counsel in a manner which, in Lead Counsel's good-faith judgment, reflects each counsel's contribution to the institution, prosecution and resolution of the Litigation. The Court finds that the amount of fees awarded is fair and reasonable in light of the time and labor required, the novelty and difficulty of the case, the skill required to prosecute the case, the experience and ability of the attorneys, awards in similar cases, the contingent nature of the representation and the result obtained for the Settlement Class.

23. The awarded attorneys' fees and expenses, and interest earned thereon, shall be paid to Lead Counsel and Lead Plaintiffs from the Settlement Fund immediately after the date this Order is executed subject to the terms, conditions, and obligations of the Stipulation, which terms, conditions, and obligations are incorporated herein.

Dated: February 5, 2014

FEB 05 2014

George B. Daniels

HON. GEORGE B. DANIELS
UNITED STATES DISTRICT JUDGE

EXHIBIT 1

List of Persons and Entities Excluded from the Settlement Class in

Ho, et al. v. Duoyuan Global Water, Inc., et al.,
Case No. 1:10-cv-07233 (GBD)

The following persons and entities, and only the following persons and entities, properly excluded themselves from the Settlement Class by the January 15, 2014 deadline pursuant to the Court's Order dated October 4, 2013:

IN RESPONSE TO THE NOTICE OF PENDENCY OF CLASS ACTION
Gloria A. Gorby
George and Gertrude Hluchy
Boris Sklar

TAB 5

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF IOWA
CEDAR RAPIDS DIVISION

IN RE MCLEODUSA INCORPORATED SECURITIES LITIGATION

No. C02-0001-MWB

ORDER AND FINAL JUDGMENT

On the day of November 29, 2006, a hearing having been held before this Court to determine: (1) whether the terms and conditions of the Stipulation and Agreement of Settlement dated September 14, 2006 (the "Stipulation") are fair, reasonable and adequate for the settlement of all claims asserted by the Purchaser and Merger Classes (together, the "Class") against the Defendants in the Action now pending in this Court under the above-caption, including the release of all Settled Claims as against the Defendants and the Released Parties, and should be approved; (2) whether judgment should be entered dismissing the Action on the merits and with prejudice in favor of the Defendants only and as against all persons or entities who are members of the Class herein who have not requested exclusion therefrom; (3) whether to approve the Plan of Allocation as a fair and reasonable method to allocate the settlement proceeds among the Class Members; (4) whether and in what amount to award Plaintiffs' Counsel attorneys' fees and reimbursement of expenses; and (5) whether and in what amount to award Lead Plaintiffs for reimbursement of their reasonable costs and expenses (including lost wages) directly relating to their representation of the Class. The court having considered all matters submitted to it at the hearing and otherwise; and it appearing that a notice of the hearing substantially in the form approved by the Court was mailed to (a) the Purchaser Class

consisting of all persons who purchased or otherwise acquired McLeodUSA Incorporated ("McLeodUSA") common stock during the period from and including January 3, 2001 through and including December 3, 2001, and were damaged thereby; and (b) the Merger Class consisting of all persons who acquired McLeodUSA common stock pursuant to the Registration Statement and Prospectus issued in connection with McLeodUSA's June 1, 2001 stock for stock acquisition of Intelispan, Inc. as shown by the records of McLeodUSA's shareholder lists, or otherwise, at the respective addresses set forth in such records, and that a summary notice of the hearing substantially in the form approved by the Court was published in the national edition of *The Wall Street Journal* pursuant to the specifications of the Court; and the Court having considered and determined the fairness and reasonableness of the award of attorneys' fees and expenses requested; and the Court having considered an award to Lead Plaintiffs for reimbursement of their reasonable costs and expenses (including lost wages) directly relating to their representation of the Class; and all capitalized terms used herein having the meanings as set forth and defined in the Stipulation.

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

1. The Court has jurisdiction over the subject matter of the Action, the Lead Plaintiffs, all Class Members and the Defendants.

2. The Court finds that for the purposes of the Settlement, the prerequisites for a class action under Rule 23(a) of the Federal Rules of Civil Procedure have been satisfied in that: (a) the number of Class Members is so numerous that joinder of all members thereof is impracticable; (b) there are questions of law and fact common to the Class; (c) the claims of the Class Representatives are typical of the claims of the Class they seek to represent; (d) the Class Representatives have and will fairly and adequately represent the interests of the Class; (e) the questions of law and fact to the Class Members predominate over any questions affecting only individual Class Members; and (f) a class action is superior to other available methods for the fair and efficient adjudication of the controversy.

3. Pursuant to Rule 23 of the Federal Rules of Civil Procedure and for the purposes of the Settlement, this Court hereby certifies this action as a class action on behalf of (a) the Purchaser Class consisting of all persons who purchased or otherwise acquired

McLeodUSA common stock during the period from and including January 3, 2001, through and including December 3, 2001, and were damaged thereby; and (b) the Merger Class consisting of all person who acquired McLeod USA common stock pursuant to the Registration Statement and Prospectus issued in connection with McLeodUSA's March 19, 2001, stock for stock acquisition of Intelispan, Inc. and were damaged thereby (the Purchaser Class and the Merger Class being collectively the "Class"). Excluded from the Class are Defendants, Forstmann Little & Co. (Forstmann), and partners at Forstmann during Class Period, members of Defendants' immediate families, any entity in which any Defendant, McLeodUSA or Forstmann, and the officers, directors, affiliates, legal representatives, heirs, predecessors, successors, or assigns of any of the Defendants, McLeodUSA or Forstmann. Also excluded from the Class are the putative Class Members listed on Exhibit 1 annexed hereto, who have requested exclusion from the Class. Steven C. Paul, Mary L. Estrin, Robert Estrin, Richard Starch, Susan Starch, Timothy J. Brustkern, Sandra K. Brustkern, John Baltezore, Cindy Baltezore, and Ronna J. Stull timely sought exclusion from the class. Jon Kayyem (IFN, LP-MC & Hi Charitable Rem-MC) did not. However, by agreement of the parties, even though Jon Kayyem and his related entities did not timely file a request for exclusion, they are hereby excluded from the Class.

4. Notice of pendency of this Action as a class action and of the proposed Settlement was given to all Class Members who could be identified with reasonable effort. The form and method of notifying the Class Members of the pendency of the action as a class action and of the terms and conditions of the proposed Settlement met the requirements of Rule 23 of the Federal Rules of Civil Procedure, Section 21(D)(a)(7) of the Exchange Act, 15 U.S.C. 78u-4(a)(7) as amended by the Private Securities Litigation Reform Act of 1995 ("PSLRA"), due process and any other applicable law, constituted the best notice practicable under the circumstances, and constituted due and sufficient notice to all persons and entities entitled thereto.

5. The Settlement is approved as fair, reasonable and adequate, and the Class Members and the Parties are directed to consummate the Settlement in accordance with the terms and provisions of the Stipulation.

6. The Complaint is hereby dismissed with prejudice and without costs as against the Defendants.

7. Upon the Effective Date of this Settlement, Lead Plaintiffs and members of the Class on behalf of themselves, their heirs, executors, administrators, successors and assigns, shall, with respect to each and every Settled Claim, release and forever discharge, and shall forever be enjoined from prosecuting, either directly or in any other capacity, any Settled Claims against any and all of the Released Parties. In addition, except for the claims under the Stipulation, and agreements, and transactions contemplated in the Stipulation, no Lead Plaintiff or Class Member will voluntarily become a party to any suit or proceeding arising from or in connection with an attempt by or on behalf of any third party to enforce or collect an amount, based on any Settled Claim.

8. Upon the Effective Date of this Settlement, each of the Defendants, on behalf of themselves and the Released Parties, shall release and forever discharge each and every of the Settled Defendants' Claims, and shall forever be enjoined from prosecuting the Settled Defendants' Claims.

9. The Stipulation and any proceedings taken pursuant to it:

(a) shall not be offered or received against any of the Defendants as evidence of or construed as or deemed to be evidence of any presumption, concession or admission by any of the Defendants with respect to the truth of any allegation in the CAC, with respect to the truth of any allegation asserted by any of the Lead Plaintiffs or with respect to the validity of any claim that has been or could have been asserted in the Action or in any litigation, or the deficiency of any defense that has been or could have been asserted in the Action or in any litigation, or of any liability, negligence fault or wrongdoing of the Defendants;

(b) shall not be offered or received against the Defendants as evidence of a presumption, concession or admission of any fault, misrepresentation or omission with respect to any statement or written document approved or made by any of the Defendants;

(c) shall not be offered or received against any of the Defendants, Lead Plaintiffs or the Class as evidence of a presumption, concession or admission with respect to

any liability, negligence, fault or wrongdoing, or in any way referred to for any other reason as against any of the Defendants, in any other civil, criminal or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of the Stipulation; provided, however, that once the Stipulation is approved by the Court, Defendants may refer to it to effectuate the liability protection granted them hereunder;

(d) shall not be construed as an admission or concession that the consideration to be given thereunder represents the amount which could be or would have been recovered after trial; and

(e) shall not be construed as or received in evidence as an admission, concession or presumption against Lead Plaintiffs or any of the Class Members that any of their claims are without merit, or that any defenses asserted by the Defendants have any merit, or that damages recoverable under the CAC would not have exceeded the Gross Settlement Fund.

10. The Plan of Allocation is approved as fair and reasonable, and the Claims Administrator is directed to administer the Settlement in accordance with its terms and provisions.

11. The court finds that all Parties and their counsel have complied with each requirement of Rule 11 of the Federal Rules of Civil Procedure as to all proceedings herein.

12. Plaintiffs' Counsel are hereby awarded 30% of the Gross Settlement Fund in fees, which sum the Court finds to be fair and reasonable, and $ 900,000 in reimbursement of expenses, which fees and expenses shall be paid to Plaintiffs' Counsel from the Gross Settlement Fund with interest from the date such Settlement Fund was funded to the date of payment at the same interest rate that the Settlement Fund earns. The award of attorneys' fees shall be allocated among other Plaintiffs' Counsel in a fashion which, in the opinion of Plaintiffs' Counsel, fairly compensate Other Plaintiffs' Counsel for their respective contributions in the prosecution of the Action.

13. In making this award of attorneys' fees and reimbursement of expenses to be paid from the Gross Settlement Fund, the Court has considered and found that:

(a) The Settlement has created a fund of $30,000,000 in cash that is already

on deposit, plus interest thereon and that numerous Class Members who file acceptable Proof of Claim and Release forms will benefit from the Settlement created by Plaintiffs' Counsel;

(b) Plaintiffs' Counsel have litigated this Action on a contingency basis; assuming significant risk in light of the uncertainty of payment for their efforts;

(c) The action involves complex factual and legal issues and was actively prosecuted for over four years and, in the absence of a settlement, would involve further lengthy proceedings with uncertain resolution of the complex factual and legal issues;

(d) Plaintiffs' Counsel and Defendants' Counsel are very experienced in federal securities fraud litigation;

(e) Plaintiffs' Counsel have claimed to have devoted over 29,915.29 hours to achieve the Settlement. The court does not believe that all of the time expended was reasonable. This is true, especially, in light of the massive amount of time allegedly devoted to a review of documents, the vast majority of which appear to the court to be neither relevant or useful in proving any of the allegations contained in Plaintiffs' complaint;

(f) Over 104,872 copies of the Notice were disseminated to putative class Members indicating that Plaintiffs' Counsel were moving for attorneys' fees in the amount of up to 33 1/3% of the Gross Settlement Fund and for reimbursement of expenses in an amount of approximately $900,000 and no objections were filed against the terms of the proposed Settlement or the ceiling on the fees and expenses requested by Plaintiffs' Counsel contained in the Notice; and

(g) The amounts of attorneys' fees awarded and expenses reimbursed from the Settlement Fund are consistent with awards in similar cases.

14. Lead Plaintiffs Ailon Gruhkin for Millennium, Richard C. Chapman, Jeffrey H. Brandes are hereby awarded $ 13,068, $ 13,750, and $ 13,500, respectively, from the Gross Settlement Fund for reimbursement of their reasonable costs and expenses (including lost wages) directly relating to their representation of the Class in prosecuting this Action.

15. Exclusive jurisdiction is hereby retained over the Parties and the Class Members for all matters relating to this Action, including the administration, interpretation, effectuation or enforcement of the Stipulation and this Order and Final Judgment, including any application

for fees and expenses incurred in connection with administering and distributing the settlement proceeds to members of the Class, and to resolve any disputes concerning allocation of the attorneys' fees among Plaintiffs' counsel.

16. Without further order of the Court, the Parties may agree to reasonable extensions of time to carry out any of the provisions of the Stipulation.

17. There is no just reason for delaying the entry of this Order and Final Judgment and immediate entry by the Clerk of Court is expressly directed pursuant to Rule 54(b) of the Federal Rules of Civil Procedure.

18. The Clerk of Court is directed to enter this order in the file of the above-captioned action.

IT IS SO ORDERED.

DATED this 5th day of January, 2007.

Mark W. Bennett

MARK W. BENNETT
U. S. DISTRICT COURT JUDGE
NORTHERN DISTRICT OF IOWA

TAB 6

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

JEFF PERRY and SCOTT P. COLE, On Behalf of All Others Similarly Situated, Plaintiffs, vs. DUOYUAN PRINTING, INC., WENHUA GUO, XIQING DIAO, BAIYUN SUN, WILLIAM D. SUH, CHRISTOPHER P. HOLBERT, LIANJUN CAI, PUNAN XIE, JAMES ZHANG, PIPER JAFFRAY & CO., AND ROTH CAPITAL PARTNERS, INC. Defendants.	Civil Action No. 10 CIV 7235 (GBD) ECF CASE

[redacted] ORDER AWARDING LEAD COUNSEL'S AND LEAD PLAINTIFFS' ADDITIONAL COUNSEL'S ATTORNEYS' FEES, REIMBURSEMENT OF EXPENSES, AND AWARD TO LEAD PLAINTIFFS

WHEREAS, the Court has granted final approval to the Settlement of the above-referenced class action;

WHEREAS, Lead Counsel, the Rosen Law Firm, P.A. and Pomerantz Grossman Hufford Dahlstrom & Gross LLP, appointed by the Court as Co-Lead Counsel, with the assistance of additional counsel Glancy Binkow & Goldberg LLP, for the purposes of the Settlement and have petitioned the Court for the award of attorneys' fees in compensation for the services provided to Lead Plaintiffs and the Class along with reimbursement of expenses incurred in connection with the prosecution of this action, and a nominal award to each of Lead Plaintiffs, to be paid out of the Settlement Fund established pursuant to the Settlement;

WHEREAS, capitalized terms used herein having the meanings defined in the Stipulation and Agreement of Settlement filed with the Court one August 2, 2013 ("Settlement Stipulation"); and

WHEREAS, the Court has reviewed the fee application and the supporting materials filed therewith, and has heard the presentation made by Lead Counsel during the final approval hearing on the 13th day of November, 2013, and due consideration having been had thereon.

NOW, THEREFORE, it is hereby ordered:

1. The Rosen Law Firm P.A., Pomerantz Grossman Hufford Dahlstrom & Gross LL, and Glancy Binkow & Goldberg LLP are awarded one third of the Settlement Fund as attorneys' fees in this action, together with a proportionate share of the interest earned on the fund, at the same rate as earned by the balance of the fund, from the date of the establishment of the fund to the date of payment.

2. Lead Counsel shall be reimbursed out of the Settlement Fund in the amount of $78,104.45 for its expenses and costs.

3. Lead Plaintiffs shall be awarded $1,500 each ($4,500 in total) for an incentive fee award and reimbursement for their lost time in connection with his prosecution of this action.

4. Except as otherwise provided herein, the attorneys' fees, reimbursement of expenses, and award to Lead Plaintiffs shall be paid in the manner and procedure provided for in the Settlement Stipulation.

5. In making this award of attorneys' fees and reimbursement of expenses to be paid from the Settlement Fund, the Court has considered and found that:

(a) the Settlement has created a fund of $4,300,000 in cash, plus interest to be earned thereon; and Class members who file timely and valid claims will benefit from the Settlement created by Lead Counsel;

(b) 12,726 copies of the Notice were disseminated to putative class members indicating that at the November 13, 2013 hearing, Lead Counsel intended to seek a fee of up to one third of the Settlement Fund in attorneys' fees, reimbursement of their litigation expenses in an amount not to exceed $175,000, and an award to Lead Plaintiffs not to exceed $4,500.

(c) the Publication Notice was published electronically on *Globenewswire* and printed in the *Investor's Business Daily* as required by the Court;

(d) Class Members have filed 1,182 proofs of claim to participate in the Settlement Fund;

(e) Lead Counsel have conducted this litigation and achieved the Settlement;

(f) the litigation of this action involved complex factual and legal issues and was actively prosecuted since its filing on and in the absence of a Settlement, this action would have continued to involve complex factual and legal questions;

(g) if Lead Counsel had not achieved the Settlement, there was a risk of either a smaller or no recovery;

(h) Lead Counsel and Lead Plaintiffs' additional counsel have devoted 2,215.95 hours of professional time, with a lodestar value of $1,289,662.75 to achieve the Settlement, which amounts to a 1.11 lodestar multiplier, and

(i) the amount of attorneys' fees awarded and expenses reimbursed from the Settlement Fund and the awards to Lead Plaintiffs are consistent with the awards in similar cases.

Dated: NOV 27 2013

SO ORDERED:

Hon. George B. Daniels
UNITED STATES DISTRICT JUDGE

TAB 7

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

JEFF PERRY and SCOTT P. COLE, On Behalf of All Others Similarly Situated,	Civil Action No. 10 CIV 7235 (GBD)
Plaintiffs,	ECF CASE
vs.	
DUOYUAN PRINTING, INC., WENHUA GUO, XIQING DIAO, BAIYUN SUN, WILLIAM D. SUH, CHRISTOPHER P. HOLBERT, LIANJUN CAI, PUNAN XIE, JAMES ZHANG, PIPER JAFFRAY & CO., AND ROTH CAPITAL PARTNERS, INC.	
Defendants.	

[redacted] ORDER AWARDING LEAD COUNSEL'S AND LEAD PLAINTIFFS' ADDITIONAL COUNSEL'S ATTORNEYS' FEES AND REIMBURSEMENT OF EXPENSES

WHEREAS, the Court has granted final approval to the Settlement of the above-referenced class action;

WHEREAS, Lead Counsel, the Rosen Law Firm, P.A. and Pomerantz LLP, appointed by the Court as Co-Lead Counsel, with the assistance of additional counsel Glancy Prongay & Murray LLP, for the purposes of the Settlement and have petitioned the Court for the award of attorneys' fees in compensation for the services provided to Lead Plaintiffs and the Class along with reimbursement of expenses incurred in connection with the prosecution of this action, to be paid out of the Settlement Fund established pursuant to the Settlement;

WHEREAS, capitalized terms used herein having the meanings defined in the Stipulation and Agreement of Settlement filed with the Court on ("Settlement Stipulation"); and

WHEREAS, the Court has reviewed the fee application and the supporting materials filed therewith, and has heard the presentation made by Lead Counsel during the final approval hearing on the 16th day of June, 2015, and due consideration having been had thereon.

NOW, THEREFORE, it is hereby ordered:

1. The Rosen Law Firm P.A., Pomerantz LLP, and Glancy Prongay & Murray LLP are awarded one third of the Settlement Fund as attorneys' fees in this action, together with a proportionate share of the interest earned on the fund, at the same rate as earned by the balance of the fund, from the date of the establishment of the fund to the date of payment.

2. Lead Counsel shall be reimbursed out of the Settlement Fund in the amount of $7,170.31 for its expenses and costs.

3. Except as otherwise provided herein, the attorneys' fees and reimbursement of expenses shall be paid in the manner and procedure provided for in the Settlement Stipulation.

4. In making this award of attorneys' fees and reimbursement of expenses to be paid from the Settlement Fund, the Court has considered and found that:

(a) the Settlement has created a fund of $1,893,750 in cash, plus interest to be earned thereon; and Class members who file timely and valid claims will benefit from the Settlement created by Lead Counsel;

(b) 16,765 copies of the Notice were disseminated to putative class members indicating that at the June 16 hearing, Lead Counsel intended to seek a fee of up to one third of the Settlement Fund in attorneys' fees, reimbursement of their litigation expenses in an amount not to exceed $30,000.00 and an award to Lead Plaintiffs not to exceed $4,500.

(c) the Publication Notice was published electronically on *Globenewswire* and printed in the *Investor's Business Daily* as required by the Court;

(e) Lead Counsel have conducted this litigation and achieved the Settlement;

(f) the litigation of this action involved complex factual and legal issues and was actively prosecuted since its filing on and in the absence of a Settlement, this action would have continued to involve complex factual and legal questions;

(g) if Lead Counsel had not achieved the Settlement, there was a risk of either a smaller or no recovery;

(h) Since submitting their fee application for a prior partial settlement of this action, Lead Counsel and Lead Plaintiffs' additional counsel have devoted 827.5 hours of professional time, with a lodestar value of $453,083.00, to achieve the Settlement, which amounts to a 1.39 lodestar multiplier;

(i) Lead Counsel and Lead Plaintiffs' additional counsel have devoted 3,072.55 hours of professional time, with a lodestar value of $1,782,692.25, to achieve both this Settlement and the prior partial settlement of this action, which amounts to a 1.16 lodestar multiplier, and

(j) the amount of attorneys' fees awarded and expenses reimbursed from the Settlement Fund and consistent with the awards in similar cases.

Dated: JUN 16 2015, 2015

SO ORDERED:

Judge B. Daniels

Hon. George B. Daniels
UNITED STATES DISTRICT JUDGE

TAB 8

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

LANCE C. PROVO, on behalf of himself and all others similarly situated, Plaintiff, -v- CHINA ORGANIC AGRICULTURE, INC., CHANGQING XU, XUEFENG GUO, HUIZHI XIAO, SHUJIE WU and JIAN LIN, Defendants.	Case No.: 08-cv-10810

FINAL JUDGMENT ORDER[1] OF DISMISSAL WITH PREJUDICE

WHEREAS, the above-captioned litigation is pending before this Court;

WHEREAS, this matter having come before the Court for hearing, pursuant to the Preliminary Order of this Court, on the application of the Class Plaintiffs, for themselves and on behalf of the Class and the Defendants, for approval of the Settlement of the Class Action set forth in the Stipulation and Agreement of Settlement (the "Settlement Agreement"), and due and adequate notice having been given to the Class as required in said Order; and,

WHEREAS, the Court having considered all papers filed and proceedings had herein and otherwise being fully informed in the premises and good cause appearing therefore,

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

1. Jurisdiction. The Court has jurisdiction over the subject matter of the Class Action and over all Parties, other than defendants who have not been served, to the Settlement

[1] All capitalized terms (together with their cognate forms) used herein, and not otherwise defined herein, shall have the same meanings as set forth in the Settlement Agreement.

Agreement, including all Class Members. The Court is a proper and convenient venue for the consideration, approval and administration of the Settlement.

2. Class Certification. For purposes of effectuating the Settlement, the Court approves the maintenance of this Action as a Class Action pursuant to Rule 23 in that: (a) the Class is so numerous that joining all of its members would be impracticable; (b) there are one or more questions of fact and/or law common to the Class; (c) Lead Plaintiffs' claims are typical of the claims of the Class; Lead Plaintiffs will fairly and adequately protect the interests of the Class; (d) the prosecution of separate actions by individual Class Members would create a risk of inconsistent or varying adjudications and/or would, as a practical matter, be dispositive of the interests of other Class Members; and (e) Lead Plaintiffs' Counsel is suitable and appropriate for appointment to represent the Class. For purposes of effectuating the Settlement, the Court certifies the Class, as defined in the Settlement Agreement.

3. Notice. Based upon the evidence submitted, the Court finds that the Notice was disseminated in accordance with the Preliminary Order and that the Notice was distributed in accordance with that Preliminary Order. The Notice given to the Class of the Settlement and other matters set forth therein was the best notice practicable under the circumstances, including individual notice to all Class Members who could be identified through reasonable effort. Said Notice provided due and adequate notice of, among other things, these proceedings and the matters set forth in the Settlement Agreement, including the proposed Class Settlement, to all Persons entitled to such notice, and said Notice fully satisfied the requirements of Rule 23 of the Federal Rules of Civil Procedure and due process.

4. Binding Effect. A full opportunity having been offered to the Class Members to participate in the Settlement Hearing, it is hereby determined that all Class Members, other than

those Persons who have requested exclusion from the Class in accordance with the terms of the Notice, are bound by this Order.

5. Settlement Approval. Pursuant to Rule 23, this Court hereby approves the Settlement as set forth in the Settlement Agreement, finds that said Settlement is, in all respects, fair, adequate and reasonable, meets the requirements of due process, and is in the best interests of the Class Members, especially in light of the complexity, expense and probable duration of further litigation, the risks of establishing liability and damages, and the intensive arm's length negotiation of experienced counsel. The Court further directs that the Class Settlement be consummated in accordance with the terms and conditions set forth in the Settlement Agreement.

6. Exclusion. The Persons, if any, whose names appear on Attachment 1 hereto purport to have been shareholders of China Organic during the Class Period and have duly and timely requested exclusion from the Class, and are hereby excluded from the Class. They are not bound by this Final Judgment Order, and they may not under any circumstances make any claim to or receive any benefits of the Settlement. Said excluded persons may not pursue any Settled Claim on behalf of those who are bound by the Final Judgment Order. Each Class Member not appearing on Attachment 1 is bound by this Final Judgment Order, and will remain forever bound, regardless of whether such member files a Proof of Claim.

7. Dismissal. Pursuant to Fed. R. Civ. P. Rules 41(a)(2) and 23(e), this Court hereby dismisses the this Action with prejudice in its entirety, on the merits, as against all Defendants, as well as all Settled Claims that were made, could have been made, or could be made in the future, in the Class Action, or in any other action or proceeding as against the Defendants on the merits with prejudice in their entirety, and in full and final discharge of any and all Settled Claims against the Defendants and the Released Parties, and without costs (except as set forth in

the Settlement Agreement), such dismissal to be binding on the Class Plaintiffs and all Settling Plaintiffs.

8. Permanent Injunction. Pursuant to 15 U.S.C. § 78u-4 the Court hereby permanently bars and enjoins any future claims for contribution arising out of the Class Action or the Settled Claims: (a) by any Person against the Released Parties; and (b) by the Released Parties against any Person, other than a Person whose liability has not been extinguished by the Settlement reached herein by the Released Parties.

9. Release by Class Plaintiffs. Upon the Effective Date, the Class Plaintiffs and Class Members shall be deemed to have, and by operation of this Final Judgment Order shall have, fully, finally, and forever released, relinquished, and discharged each and all of the Released Parties from all Settled Plaintiffs' Claims.

10. Release by Defendants. Upon the Effective Date, the Defendants shall be deemed to have, and by operation of this Final Judgment Order shall have, fully, finally, and forever released, relinquished, and discharged each and all of the Class Plaintiffs and Lead Plaintiffs' Counsel from all Settled Defendants' Claims.

11. Rule 11. Pursuant to 15 U.S.C. § 78u-4(c)(1), the Court hereby finds that each of the Parties that has filed any paper subject to the requirements of Rule 11 of the Federal Rules of Civil Procedure and each attorney representing any such party in the Class Action complied with the requirements of Rule 11 and the Class Action was not brought for any improper purpose and was not unwarranted under existing law or legally frivolous.

12. No Admission. Neither the Settlement, nor this Final Judgment Order, nor the Settlement Agreement, nor any other papers relating to the Settlement, nor any negotiations, discussions or proceedings connected with it shall: (a) be offered or received against the

Released Parties as evidence of or construed as or deemed to be evidence of any presumption, concession, or admission by any of the Released Parties with respect to the truth of any fact alleged by the Class Plaintiffs or the validity of any claim that has been or could have been asserted in the Class Action or in any other proceeding, or the deficiency of any defense that has been or could have been asserted in the Class Action or in any other proceedings, or of any alleged liability, negligence, fault, or wrongdoing of the Released Parties, or of an admission or concession that the consideration to be given hereunder represents the amount which could be or would have been recovered after trial; (b) be offered or received against the Released Parties as evidence of a presumption, concession or admission of any fault, misrepresentation or omission with respect to any statement or written document approved or made by the Released Parties or against the Class Plaintiffs or the Class as evidence of any infirmity in the claims of the Class Plaintiffs or the Class; (c) be offered or received against the Released Parties or against the Class Plaintiffs or the Class as evidence of a presumption, concession or admission with respect to any alleged liability, negligence, fault or wrongdoing, or in any way referred to for any other reason as against any of the parties to the Settlement Agreement, in any other civil, criminal or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of the Settlement Agreement; provided, however, that the Released Parties may refer to this Final Judgment Order to effectuate the liability protection granted them hereunder, including filing the Settlement Agreement and/or the Final Judgment Order in any action, in order to support a defense or counterclaim based on principles of res judicata, collateral estoppel, release, good faith settlement, judgment bar, or reduction, or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim; (d) be construed as, or received in evidence as, an admission, concession or presumption against the Class Plaintiffs

or the Class or any of them that any of their claims are without merit or that damages recoverable under the operative complaint would not have exceeded the amount paid in settlement of the Class Plaintiffs' and Class Members' claims; and (e) be construed as or received in evidence as an admission, concession or presumption that class certification is appropriate in the Class Action.

13. Plan of Allocation. The Court hereby approves the Plan of Allocation as set forth in the Notice and the Settlement Agreement as fair and reasonable and in the best interests of the Class. Lead Plaintiffs' Counsel and the Claims Administrator are directed to administer the Plan of Allocation in accordance with its terms and provisions. The Court further declares that any appeal of the approval of the Plan of Allocation, attorneys' fees or costs shall not prevent the settlement from becoming effective.

14. Common Stock. The hearing held pursuant to this Court's Order and the Notice given to the Settlement Class complied in all respects with Section 3(a)(10) of the Securities Act of 1933. Accordingly, after sufficient notice and opportunity for objection, the China Organic Common Stock to be paid to the Settlement Fund, if any, is exempt from registration under Section 3(a)(10) of the Securities Act of 1933, as amended.

15. Service Award, Fees and Expenses. Class Plaintiffs and the Named Plaintiff have requested a service award of $500 each and Lead Plaintiffs' Counsel have requested one third of the Gross Settlement Fund in attorneys' fees and the reimbursement of $56,733.71 in costs and other expenses. The Court finds the applications for service awards, attorneys' fees, costs and expenses to be fair and reasonable, and grants these applications in all respects. These amounts shall be paid from the Class Escrow Account, with interest from the date the Class Escrow Account was funded to the date of such payment, as provided for in the Settlement Agreement.

Any award of attorneys' fees shall be allocated among the Lead Plaintiffs' Counsel in a fashion which, in the sole opinion and discretion of the Lead Plaintiffs' Counsel, fairly compensates the Lead Plaintiffs' Counsel for their respective contributions in the prosecution of the Class Action. Lead Plaintiffs' Counsel may, subsequent to the payment of those attorneys' fees hereinbefore described in this paragraph, apply to the Court for an award from the Gross Class Settlement Fund of additional attorneys' fees and for reimbursement of additional costs and other expenses incurred in connection with the further administration of the Settlement.

16. Jurisdiction. Without affecting the finality of this Final Judgment Order in any way, the Court retains jurisdiction over the Class Plaintiffs, the Class Members and those Defendants who have appeared in this action for all matters relating to the Class Action, including the administration, interpretation, effectuation or enforcement of the Settlement Agreement and the Final Judgment Order, and including any application for fees and expenses incurred in connection with the administration and distribution of the settlement proceeds to the Class Members.

17. No Effect. In the event the Effective Date does not occur, this Final Judgment Order shall be rendered null and void and shall be vacated *nunc pro tunc*, and, in such event, all orders entered and releases delivered in connection herewith shall be null and void, and the Gross Class Settlement Fund, or any portion thereof or interest thereon, if previously paid by or on behalf of the Released Parties, shall be returned to Eaton & Van Winkle LLP, attorneys for defendant China Organic, minus the Administration Costs already paid or incurred within the limit permitted by the Settlement Agreement.

18. Reasonable Extension. Without further order of the Court, the parties to the Settlement Agreement may agree in writing according to its terms to reasonable extensions of time to carry out any of the provisions of the Settlement.

Dated: _____, 2010
New York, New York

SO ORDERED: 07 DEC 2010

Honorable George B. Daniels
United States District Judge

Attachment 1

TAB 9

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TENNESSEE
WESTERN DIVISION**

In re REGIONS MORGAN KEEGAN SECURITIES, DERIVATIVE and ERISA LITIGATION	)	
This Document Relates to:	)	
In re Regions Morgan Keegan Closed-End Fund Litigation,	)	No. 2:09-2009 SMH V
No. 2:07-cv-02830-SHM-dkv	)	

ORDER APPROVING PROPOSED SETTLEMENT AND AWARD OF ATTORNEY'S FEES AND EXPENSES

On behalf of the Class and the Subclass, Plaintiffs the Lion Fund L.P., Dr. Samir J. Sulieman, and Larry Lattimore (collectively, "Lead Plaintiffs"), and C. Fred Daniels in his capacity as Trustee Ad Litem for the Leroy S. McAbee, Sr. Family Foundation Trust (the "TAL") (collectively with the Lead Plaintiffs, "Plaintiffs"), filed a Motion on March 8, 2013, for Final Approval of the Proposed Settlement and Plan of Allocation entered into with Defendants Morgan Keegan & Co., Inc. ("Morgan Keegan"), MK Holding, Inc., Morgan Asset Management, Inc., Regions Financial Corporation ("RFC"), the Closed-End Funds, Allen B. Morgan, Jr., J. Kenneth Alderman, Brian B. Sullivan, Joseph Thompson Weller, James C. Kelsoe, Jr., and Carter Anthony (collectively, "Defendants"). (Mot. for Final App., ECF No.

283.) Also before the Court is Plaintiffs' Motion for Award of Attorney's Fees and Expenses. (Mot. for Atty. Fees, ECF No. 285.)

For the following reasons, Plaintiffs' proposed Class is CERTIFIED. Plaintiffs' Motion for Final Approval is GRANTED. Plaintiffs' Motion for Attorney's Fees and Expenses is GRANTED. The parties' joint Stipulation and Agreement of Settlement and their Plan of Allocation are APPROVED.

I. Standard of Review

A. Approval of Settlement and Certification of Class

Under Federal Rule of Civil Procedure 23, a member of a class may bring suit on behalf of all other members if:

> (1) the class is so numerous that joinder of all members is impracticable;
> (2) there are questions of law or fact common to the class;
> (3) the claims or defenses of the representative parties are typical of the claims or defenses of the class; and
> (4) the representative parties will fairly and adequately protect the interests of the class.

Fed. R. Civ. P. 23(a).

If these conditions are met a class action may be maintained if:

> (3) the court finds that the questions of law or fact common to class members predominate over any questions affecting only individual members, and that a class action is superior to other available methods for fairly and efficiently adjudicating the controversy. The matters pertinent to these findings include:
> (A) the class members' interests in individually controlling the prosecution or defense of separate actions;
> (B) the extent and nature of any litigation concerning the

> controversy already begun by or against class members;
> (C) the desirability or undesirability of concentrating the litigation of the claims in the particular forum; and
> (D) the likely difficulties in managing a class action.

Fed. R. Civ. P. 23(b)(3).

The "claims, issues, or defenses of a certified class may be settled, voluntarily dismissed, or compromised only with the court's approval." Fed. R. Civ. P. 23(e). When parties to a class action seek to settle, the Court must comply with the following procedures:

> (1) The court must direct notice in a reasonable manner to all class members who would be bound by the proposal.
> (2) If the proposal would bind class members, the court may approve it only after a hearing and on finding that it is fair, reasonable, and adequate.
> (3) The parties seeking approval must file a statement identifying any agreement made in connection with the proposal.
> (4) If the class action was previously certified under Rule 23(b)(3), the court may refuse to approve a settlement unless it affords a new opportunity to request exclusion to individual class members who had an earlier opportunity to request exclusion but did not do so.
> (5) Any class member may object to the proposal if it requires court approval under this subdivision (e); the objection may be withdrawn only with the court's approval.

Id.

B. Attorney's Fees and Expenses

Under Rule 23(h), in a "certified class action, the court may award reasonable attorney's fees and nontaxable costs that are authorized by law or by the parties' agreement." When parties to a class action seek attorney's fees and costs, the Court must comply with the following procedures:

> (1) A claim for an award must be made by motion under Rule 54(d)(2), subject to the provisions of this subdivision (h), at a time the court sets. Notice of the motion must be served on all parties and, for motions by class counsel, directed to class members in a reasonable manner.
> (2) A class member, or a party from whom payment is sought, may object to the motion.
> (3) The court may hold a hearing and must find facts and state its legal conclusions under Rule 52(a).
> (4) The court may refer issues related to the amount of the award to a special master or a magistrate judge, as provided in Rule 54(d)(2)(D).

Fed. R. Civ. P. 23(h).

II. Analysis

The Court has reviewed the record in this case, the joint Stipulation and Agreement of Settlement, the Plan of Allocation, all attached exhibits, the Plaintiffs' Motions for preliminary and final approval of the Settlement, the supporting memoranda, and the written objections of Class Members. The Court has held a Preliminary Fairness Hearing and a Final Approval Hearing. (Prelim. Hearing, ECF No. 275; Final Hearing, ECF No. 312.) At the Final Approval Hearing, the Court heard presentations from the Lead Plaintiffs, TAL counsel, the Defendants, and objecting Class Members as well as testimony from the Plaintiffs' expert. (Final Hearing.)

Based on its independent assessment of the record and the information presented by the parties, the Court makes the following findings and reaches the following conclusions.

A. Class Certification

The conditions of Rule 23(a) have been satisfied. There is no dispute that the Class satisfies the numerosity, commonality, and typicality requirements. At the time of the Final Approval Hearing, the claims administrator had distributed nearly 100,000 class action notices to potential Class Members and more than 7,000 proofs of claim had been filed. All potential Class Members had purchased or acquired shares of the Closed-End Funds between 2003 and 2009.

After considering numerous motions for appointment, the Court decided that the Lead Plaintiffs were best qualified to represent the Class. (Order Appt. Counsel, ECF No. 179.) There is no dispute about the adequacy of the Class representatives. No party or Class Member has given the Court good cause to believe that the Lead Plaintiffs have not fairly and adequately protected the interests of the Class.

The conditions of Rule 23(b)(3) have been satisfied. The injuries of the Class Members are the same in kind if not in degree. The questions of law and fact common to the Class predominate over any questions affecting only individual members. Because there are so many potential Class Members, a class action is superior to other available methods for the fair and efficient adjudication of the controversy.

The Class is CERTIFIED as described in the Preliminary Approval Order:

All Persons who purchased or otherwise acquired the publicly traded shares of (i) RMH between June 24, 2003 and July 14, 2009, inclusive, and were damaged thereby; (ii) RSF between March 18, 2004 and July 14, 2009, inclusive, and were damaged thereby; (iii) RMA between November 8, 2004 and July 14, 2009, inclusive, and were damaged thereby; (iv) RHY between January 19, 2006 and July 14, 2009, inclusive, or pursuant or traceable to the Registration Statement, Prospectus, and Statement of Additional Information (the "RHY Offering Materials") filed by RHY on or about January 19, 2006 with the SEC, and were damaged thereby; and (v) all members of the TAL Subclass.

Excluded from the Class and as Class Members are the Defendants; the members of the immediate families of the Defendants; the subsidiaries and affiliates of Defendants; any person who is an executive officer, director, partner or controlling person of the Closed-End Funds or any other Defendant (including any of its subsidiaries or affiliates, which include but are not limited to Morgan Asset Management, Inc., Regions Bank, Morgan Keegan, RFC, and MK Holding, Inc.); any entity in which any Defendant has a controlling interest; any Person who has filed a proceeding with FINRA against one or more Released Defendant Parties concerning the purchase of shares in one or more of the Closed-End Funds during the Class Period and such proceeding was not subsequently dismissed to allow the Person to specifically participate as a Class Member; any Person who has filed a state court action that has not been removed to federal court, against one or more of the Defendants concerning the purchase of shares in one or more of the Closed-End Funds during the Class Period and whose claims in that action have been dismissed with prejudice, released, or fully adjudicated absent a specific agreement with such Defendant(s) to allow the person to participate as a Class Member; and the legal representatives, heirs, successors and assigns of any such excluded person or entity. These exclusions do not extend to trusts or accounts as to which the control or legal ownership by any Defendant (or by any subsidiary or affiliate of any Defendant) is derived or arises from an appointment as trustee, custodian, agent, or other fiduciary ("Fiduciary Accounts") unless with respect to any such Fiduciary Account any Person has filed a proceeding with FINRA against one or more Released Defendant Parties concerning the purchase of shares in one or more of the Closed-End Funds during the Class Period and such proceeding was not

> subsequently dismissed to allow the Person to specifically participate as a Class Member; any Person who has filed a state court action that has not been removed to federal court, against one or more of the Defendants concerning the purchase of shares in one or more of the Closed-End Funds during the Class Period and whose claims in that action have been dismissed with prejudice, released, or fully adjudicated absent a specific agreement with such Defendant(s) to allow the Person to participate as a Class Member (and such exclusion shall apply to the legal representatives, heirs, successors and assigns of any such excluded Person, entity or Fiduciary Account). With respect to Closed-End Fund shares for which the TAL Orders authorize the Trustee Ad Litem to prosecute the claims or causes of action pleaded in the Complaint in the Action ("TAL Represented Closed-End Fund Shares"), "Class" and "Class Member" also excludes Persons who are, or were during the Class Period, trust and custodial account beneficiaries, principals, settlors, co-trustees, and others owning beneficial or other interests in the TAL Represented Closed-End Fund Shares ("Such Persons"), but this exclusion applies only to any claims or causes of action of Such Persons that the Trustee Ad Litem is not authorized by the TAL Orders to prosecute. With respect to Closed-End Fund Shares that are not TAL Represented Closed-End Fund Shares and in which Such Persons have a beneficial or other interest, the foregoing partial exclusion of Such Persons does not apply. Also excluded from the Class and as Class Members are those Persons who submit valid and timely requests for exclusion from the Class in accordance with the requirements set forth in the Notice.

(Prelim. Order, ECF No. 276.)

Persons and entities who have been deemed excluded from Class Membership are identified in the Court's May 17, 2013 and July 26, 2013 Orders, (ECF No. 330; ECF No. 344), and in the Plaintiffs' May 24, 2013 exhibit, (ECF No. 331-2).

B. Sufficiency of Notice

Due process requires that notice to a class be "reasonably calculated, under all the circumstances, to apprise interested

parties of the pendency of the action and afford them an opportunity to present their objections." Vassalle v. Midland Funding LLC, 708 F.3d 747, 759 (6th Cir. 2013) (internal quotation marks and citations omitted)). "[A]ll that the notice must do is fairly apprise the prospective members of the class of the terms of the proposed settlement so that class members may come to their own conclusions about whether the settlement serves their interests." Id. (internal quotation marks and citations omitted).

The Court approved the Notice submitted by Plaintiffs at the Preliminary Approval Hearing. (Prelim. Order.) The Notice describes the nature of the class action, the proposed settlement terms, the proposed Plan of Allocation, and the requested attorney's fees and expenses in detail. (Notice, ECF No. 260-2.) The Notice is written to be understood by non-attorneys. (Id.) The Court approved the proposed methods of disseminating the Notice. At the time of the Final Approval Hearing, the claims administrator had sent nearly 100,000 Notices by mail and had received more than 7,000 proofs of claim in response. The Defendants had received more than 10,000 requests for share purchase and sale information in response to the Notice. The Court received four timely and valid objections, one untimely objection, and one invalid objection from a non-class member.

The Notice was sufficient. The due process requirements have been met.

C. Settlement Approval

In compliance with Rule 23(e), the Court required the Plaintiffs to send Notices of Class Action, Proofs of Claim, and information about Requests for Exclusion to all Class Members by means reasonably calculated to give them actual notice of the pendency of the class action and the terms of the proposed Settlement. (Prelim. Order); Fed. R. Civ. P. 23(e)(1). The parties filed a Stipulation and Agreement of Settlement identifying all agreements made in connection with the proposed Settlement. (ECF No. 260); Fed. R. Civ. P. 23(e)(3). The Court allowed all Class Members to file written objections to the proposed Settlement and held a Final Approval Hearing at which proper objectors were entitled to appear. (Prelim. Order; Final Hearing); Fed. R. Civ. P. 23(e)(2), 23(e)(5).

The procedural requirements of Rule 23(a), (b), and (e) have been satisfied. Final approval of the proposed Settlement is warranted if the Court finds that the terms of the Settlement are fair, reasonable, and adequate.

"A district court looks to seven factors in determining whether a class action settlement is fair, reasonable, and adequate: '(1) the risk of fraud or collusion; (2) the complexity, expense and likely duration of the litigation; (3)

the amount of discovery engaged in by the parties; (4) the likelihood of success on the merits; (5) the opinions of class counsel and class representatives; (6) the reaction of absent class members; and (7) the public interest.'" Vassalle, 708 F.3d at 754-755 (quoting UAW v. GMC, 497 F.3d 615, 631 (6th Cir. 2007)). The Court has "'wide discretion in assessing the weight and applicability' of the relevant factors." Id. (quoting Granada Invest., Inc. v. DWG Corp., 962 F.2d 1203, 1205-06 (6th Cir. 1992)). Although the Court need not decide the merits of the case or resolve unsettled legal questions, the Court cannot "'judge the fairness of a proposed compromise' without 'weighing the plaintiff's likelihood of success on the merits against the amount and form of the relief offered in the settlement.'" Id. (quoting UAW, 497 F.3d at 631) (internal citations omitted).

The parties seek approval of a monetary Settlement in the amount of $62,000,000.00. All of the UAW factors support the fairness, reasonableness, and adequacy of the proposed Settlement. The parties protected against the risk of fraud or collusion by using a highly qualified and experienced independent mediator during settlement negotiations. The parties engaged in arms-length negotiations. The complexity and expense of the litigation are evident. The litigation has been pending for more than five-and-a-half years. The matter before the Court represents a consolidation of seven cases; tens of

thousands of claims could be made on the settlement fund.

If the case were to proceed to trial, the Plaintiffs would face a daunting task in establishing loss causation and liability because there is evidence of both management failures and market decline. The parties have stated that they will proceed to trial if the proposed Settlement is rejected. Although the case has not reached the summary judgment stage, the Plaintiffs have completed a substantial amount of discovery to support their loss valuation theory and their mediation position. Because of the complexity of the case, discovery costs would be much higher before the case could proceed to trial.

The opinions of Class counsel and the reactions of Class Members also support approval of the Settlement. Class counsel have represented to the Court that, given the circumstances of the case and the anticipated litigation risk, they believe they have achieved the best possible result. From the tens of thousands of potential Class Members, the Court has received four valid and timely objections, one untimely objection, and one invalid objection raised by a non-class member. (ECF No. 309.) The Court has considered all of the objections and heard from two of the objectors at the Final Approval Hearing. None of the objections has caused the Court to conclude that the proposed Settlement is unfair, unreasonable, or inadequate.

Settlement is also in the public interest. It will conserve judicial resources and permit monetary recovery for potentially tens of thousands of individuals and entities. The Release is narrow and does not implicate individuals or entities with claims outside the Class.

"'The most important of the factors to be considered in reviewing a settlement is the probability of success on the merits. The likelihood of success, in turn, provides a gauge from which the benefits of settlement must be measured.'" Poplar Creek Dev. Co. v. Chesapeake Appalachia, L.L.C., 636 F.3d 235, 245 (6th Cir. 2011) (quoting In re Gen. Tire & Rubber Co. Sec. Litig., 726 F.2d 1075, 1086 (6th Cir. 1984)). The Plaintiffs' likelihood of success on the merits is questionable for several reasons. First, the Defendants argue that they have strong defenses but have chosen to settle because of the projected costs of discovery, the uncertainty and disruption to the Defendants' ongoing businesses, and the risk of higher damages. Second, the Defendants argue, and the Plaintiffs admit, that the Plaintiffs did not have to show loss causation to obtain the proposed Settlement. The Defendants contend that loss causation would be difficult to prove under the circumstances of this case. They argue that, if the Plaintiffs were required to prove the portion of the loss attributable to the Defendants, recovery would be significantly reduced. The

Defendants also argue that it would be difficult at trial for the Plaintiffs to prove material fraudulent misrepresentations and to establish that Morgan Keegan and RFC were controlling persons of the Funds.

Finally, the Plaintiffs' novel damages valuation methodology could be excluded at trial for failure to satisfy the expert testimony standard in Daubert v. Merrell Dow Pharms., Inc., 509 U.S. 579 (1993). "Before an expert may testify at trial, the district 'court must make a preliminary assessment of whether the reasoning or methodology underlying the testimony is scientifically valid and of whether that reasoning or methodology properly can be applied to the facts in issue.'" United States v. Watkins, 450 F. App'x 511, 515 (6th Cir. 2011) (quoting United States v. Smithers, 212 F.3d 306, 313 (6th Cir. 2000) (internal quotations and citations omitted)). At the Final Approval Hearing, the Plaintiffs' expert described substantial differences between the methodology he employed and generally accepted methodologies. Plaintiffs' expert admitted that his method was otherwise untested and that it used daily net asset values as a novel proxy for the potentially fraudulent or misleading statements of Fund managers. It is possible that the expert's method would be found invalid. If the Plaintiffs' damages valuations were excluded at trial, their likelihood of success on the merits and the amount of any recovery would be

greatly reduced.

The proposed Settlement offers the Class Members a monetary recovery for their monetary loss. Based on the information presented by the parties and the objectors, counsel for the Plaintiffs were able to negotiate a multi-million dollar recovery for the Class based on a novel theory. The Plaintiffs' expert testified that, under generally accepted damages valuation models, the total loss to the Class attributable to the Defendants would have been between one sixth and one third of the proposed Settlement amount.

Although the proposed Settlement allows the Class Members to recover, at best, 18% of their losses as alleged by the Plaintiffs, monetary relief is guaranteed. The Plaintiffs could succeed on the merits, but the likelihood is problematic and their theory of recovery introduces unusual litigation risks. Based on these considerations, the proposed Settlement confers a substantial benefit on the Class Members.

The Sixth Circuit looks beyond the UAW factors when evaluating the fairness of a settlement to determine whether the proposed settlement "'gives preferential treatment to the named plaintiffs while only perfunctory relief to unnamed class members.'" Vassalle, 708 F.3d at 755 (quoting Williams v. Vukovich, 720 F.2d 909, 925 n.11 (6th Cir. 1983)). Under the proposed Settlement, each Class Member receives a pro rata share

of the settlement fund based on the number of shares the Class Member purchased. The parties have represented to the Court that there is no side agreement promising a bonus or a different type of relief to the named Plaintiffs.

The form and amount of recovery in the proposed Settlement appropriately balance the risks of litigation. All of the UAW factors weigh in favor of concluding that the proposed Settlement is fair, reasonable, and adequate. Plaintiffs' Motion for Final Approval is GRANTED. The Stipulation and Agreement of Settlement and the Plan of Allocation are ADOPTED and APPROVED.

E. Attorney's Fees and Expenses

In compliance with Rule 23(h), the Plaintiffs have filed a Motion for Award of Attorney's Fees and Expenses that conforms to the requirements of Rule 54(d)(2). (Mot. for Atty. Fees.) Notice of the Motion was served on all parties through the Court's Electronic Filing Docket and on Class Members by mail. (See ECF No. 301.) The Class Members and the Defendants were given an opportunity to object to the Motion. (Prelim. Order.) The Court heard argument from the Lead Plaintiffs, TAL Counsel, Defendants, and several objectors at the Final Approval Hearing.

All of the procedural prerequisites to an award of attorney's fees and expenses have been satisfied. The question is whether the attorney's fees and expenses requested are

reasonable. In general, "there are two methods for calculating attorney's fees: the lodestar and the percentage-of-the-fund." Van Horn v. Nationwide Prop. & Cas. Ins. Co., 436 F. App'x 496, 498 (6th Cir 2011). "District courts have discretion 'to select the more appropriate method for calculating attorney's fees in light of the unique characteristics of class actions in general, and of the unique circumstances of the actual cases before them.'" Id. (quoting Rawlings v. Prudential-Bache Props., Inc., 9 F.3d 513, 516 (6th Cir. 1993)). "The lodestar method better accounts for the amount of work done, while the percentage of the fund method more accurately reflects the results achieved." Rawlings, 9 F.3d at 516. A district court "generally must explain its 'reasons for adopting a particular methodology and the factors considered in arriving at the fee.'" Id. (quoting Moulton v. U.S. Steel Corp., 581 F.3d 344, 352 (6th Cir. 2009)).

Plaintiffs move the Court to approve a percentage-of-the-fund, or common fund, award of attorney's fees in the amount of $18,600,000.00, or 30% of the total common fund. (Mem. in Supp. of Mot. for Atty. Fees, ECF No. 86.) The Plaintiffs contend that the reasonableness of their request is supported by a "lodestar cross-check," a method by which the party requesting an award works backward from the requested amount to determine the multiplier that would be necessary to reach that amount if the party had instead used the lodestar method to determine the

requested fee. (Id.) If the resulting multiplier is within the accepted range, it supports the party's contention that its fee request is reasonable. (Id.)

To recover attorney's fees under the common fund doctrine, "(1) the class of people benefitted by the lawsuit must be small in number and easily identifiable; (2) the benefits must be traceable with some accuracy; and (3) there must be reason for confidence that the costs can in fact be shifted with some exactitude to those benefitting." Geier v. Sundquist, 372 F.3d 784, 790 (6th Cir. 2004). These factors are not satisfied "'where litigants simply vindicate a general social grievance,'" but are satisfied "'when each member of a certified class has an undisputed and mathematically ascertainable claim to part of a lump-sum judgment recovered on his behalf.'" Id. (quoting Boeing Co. v. Van Gemert, 444 U.S. 472, 478 (1980)). For that reason, "the common fund method is often used to determine attorney's fees in class action securities cases." Id.

The instant class action is a securities case. Each Class Member who submits a proper proof of claim will receive a pro rata share of the settlement fund based on the number of shares the Member purchased during the Class Period. Although the Class is large, each Class Member is easily identifiable and the benefit to each Member is easily traceable to the work of Plaintiffs' counsel. Because recovery is pro rata, if the

common fund method is applied, each Class Member will in effect pay a portion of the attorney's fees and expenses based on the size of the Class Member's recovery.

The common fund method is the more appropriate method for calculating attorney's fees in this case. "In common fund cases, the award of attorney's fees need only 'be reasonable under the circumstances.'" Id. (quoting Rawlings, 9 F.3d at 516). "The 'majority of common fund fee awards fall between 20% and 30% of the fund.'" Gooch v. Life Investors Ins. Co. of Am., 672 F.3d 402, 426 (quoting Waters v. Int'l Precious Metals Corp., 190 F.3d 1291, 1294 (11th Cir. 1999)). Although the Court may award fees in its discretion, it should consider:

> (1) the value of the benefit rendered to the plaintiff class; (2) the value of the services on an hourly basis; (3) whether the services were undertaken on a contingent fee basis; (4) society's stake in rewarding attorneys who produce such benefits in order to maintain an incentive to others; (5) the complexity of the litigation; and (6) the professional skill and standing of counsel involved on both sides.

Moulton, 581 F.3d at 352 (quoting Bowling v. Pfizer, Inc., 102 F.3d 777, 780 (6th Cir. 1996)).

In this case, there is no dispute that the litigation is complex, that counsel for all parties are highly skilled and nationally well-regarded, and that counsel for the Plaintiffs undertook a substantial risk and bore considerable costs by accepting this case on a contingent fee basis. The requested

fee is within the typical range for awards in common fund cases, and society has a clear stake in rewarding attorneys as an incentive to take on complicated, risky, contingent fee cases.

The value of Plaintiffs' legal services on an hourly basis is established by their lodestar cross-check. See Johnson v. Midwest Log. Sys., No. 2:11-CV-1061, 2013 U.S. Dist. LEXIS 74201, at *16 (S.D. Ohio May 25, 2013). "In contrast to employing the lodestar method in full, when using a lodestar cross-check, the hours documented by counsel need not be exhaustively scrutinized by the district court." Id. at *17 (internal quotations and citations omitted). Plaintiffs spent approximately 13,000 hours in preparation for this case, producing a cumulative lodestar value of $5,980,680.50. (ECF No. 287-1.) Each firm comprising Plaintiffs' counsel submitted an accounting of the hourly rate and hours spent for each attorney who worked on the case. (ECF No. 287-6; ECF No. 287-7; ECF No. 287-8.) The hours spent and the rates applied are reasonable. The resulting lodestar multiplier is approximately 3.1. "Most courts agree that the typical lodestar multiplier in a large post-PSLRA securities class action[] ranges from 1.3 to 4.5." In re Cardinal Health Inc. Sec. Litigs., 528 F. Supp. 2d 752, 767 (S.D. Ohio 2007) (collecting cases). The lodestar cross-check multiplier is within the reasonable range.

The most important factor in determining the reasonableness

of the requested attorney's fees in this case is the value of the benefit conferred on the Class. This is a complex case, and the Plaintiffs' likelihood of success on the merits is in question. Nevertheless, Plaintiffs' counsel was able to negotiate a multimillion-dollar settlement on a novel theory of recovery to be distributed pro rata to all Class Members. Plaintiffs' counsel created substantial value for the Class Members. Had the litigation proceeded on an accepted damages valuation theory, the total recovery was projected to be from one third to as little as one sixth of the proposed settlement fund. If the case had proceeded to trial, the Class Members faced a substantial risk of no recovery at all.

The Plaintiffs also seek payment of expenses from the common fund totaling $380,744.14. (ECF No. 287.) The Plaintiffs state that approximately $277,000.00 represents payments to experts, approximately $17,000.00 represents the costs of mediation, and the remainder includes photocopying, travel, and lodging. (Id.) The Plaintiffs have submitted itemized lists of all expenses. (ECF No. 287-6; ECF No. 287-7; ECF No. 287-8.) No objections have been raised to the Plaintiffs' expenses. After review of the Plaintiffs' submissions, the Court finds that the requested expenses are reasonable and should be paid from the common fund.

The Plaintiffs' requested attorney's fees and expenses are

reasonable under the unique circumstances of this case. The common fund method is the more appropriate method of addressing attorney's fees. All of the Bowling factors weigh in favor of the requested fee of 30% of the fund, $18,600,000.00. Plaintiffs' Motion for Attorney's Fees and Expenses is GRANTED.

III. Dismissal of Claims and Release

Except as to any individual claim of those persons who have been excluded from the Class, this action, together with all claims asserted in it, is dismissed with prejudice by the Plaintiffs and the other members of the Class against each and all of the Defendants. The Parties shall bear their own costs, except as otherwise provided above or in the joint Stipulation and Agreement of Settlement and the Plan of Allocation.

After review of the record, including the Complaint and the dispositive motions, the Court concludes that, during the course of this action, the parties and their respective counsel have complied at all times with the requirements of Rule 11.

The Release submitted by the parties as part of Exhibit B to the joint Stipulation and Agreement of Settlement, (ECF No. 260-5), is APPROVED and ADOPTED by the Court.

IV. Continuing Jurisdiction

The Court retains jurisdiction for purposes of effecting the Settlement, including all matters relating to the administration, consummation, enforcement, and interpretation of

the joint Stipulation and Agreement of Settlement and the Plan of Allocation.

V. Conclusion

For the foregoing reasons, Plaintiffs' proposed Class is CERTIFIED. Plaintiffs' Motion for Final Approval is GRANTED. Plaintiffs' Motion for Attorney's Fees and Expenses is GRANTED. The parties' Stipulation and Agreement of Settlement and their Plan of Allocation are APPROVED. The Class settlement fund is approved in the amount of $62,000,000.00. Attorney's fees are approved in the amount of $18,600,000.00. Expenses are approved in the amount of $380,744.14. All claims in this matter are DISMISSED except as provided above.

So ordered this 5th day of August, 2013.

s/ Samuel H. Mays, Jr.
SAMUEL H. MAYS, JR.
UNITED STATES DISTRICT JUDGE

TAB 10

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE: SATYAM COMPUTER SERVICES LTD. SECURITIES LITIGATION	:	No.: 09-MD-2027-BSJ

ORDER AWARDING ATTORNEYS' FEES AND EXPENSES

This matter came on for hearing on September 8, 2011 (the "Settlement Hearing") on the motion of Lead Counsel to determine, among other things, whether and in what amount to award Lead Counsel in the above-captioned consolidated securities class action (the "Action") fees and reimbursement of expenses.

The Court having considered all matters submitted to it at the Settlement Hearing and otherwise; and it appearing that notices of the Settlement Hearing substantially in the form approved by the Court were mailed to all Class Members who or which could be identified with reasonable effort, except those persons or entities excluded from the definition of the Class, and that summary notices of the hearing substantially in the form approved by the Court were published in *The Wall Street Journal*, *Investor's Business Daily* and *The Financial Times* and transmitted over *Business Wire* pursuant to the specifications of the Court; and the Court having considered and determined the fairness and reasonableness of the award of attorneys' fees and expenses requested.

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

1. This Order Awarding Attorneys' Fees and Expenses incorporates by reference the definitions in the Stipulations and Agreements of Settlement (the "Settlement Stipulations") and all

terms used herein shall, with respect to the respective Settlement Stipulations, have the same meanings as set forth in the applicable Settlement Stipulations.[1]

2. The Court has jurisdiction to enter this Order Awarding Attorneys' Fees and Expenses, and over the subject matter of the Action and all parties to the Action, including all Class Members.

3. Notice of Lead Counsel's application for attorneys' fees and reimbursement of expenses was given to all Class Members who could be identified with reasonable effort. The form and method of notifying the Class of the motion for attorneys' fees and expenses constituted due, adequate, and sufficient notice to all persons or entities entitled to receive notice of the motion and satisfied the requirements of Rule 23 of the Federal Rules of Civil Procedure, the United States Constitution (including the Due Process Clause), the Private Securities Litigation Reform Act of 1995 (15 U.S.C. § 78u-4, et seq.) (the "PSLRA"), and all other applicable law and rules.

4. Lead Counsel are hereby awarded attorneys' fees in the amount of 17% of the total Settlement Funds, as well as 17% of any additional Settlement Funds recovered by Satyam from the PwC Entities, net of any taxes withheld from the Initial Escrow Accounts and ultimately paid pursuant to Indian tax law, and $1,027,076.94 in reimbursement of litigation expenses advanced or incurred by Lead Counsel collectively while prosecuting this Action (which expenses shall be paid from the Settlement Funds) with interest on such fees and expenses at the same rate as earned by the Settlement Funds from the dates the Settlement Funds were funded to the date of payment, which sums the Court finds to be fair and reasonable. The foregoing award of Attorneys' Fees and

[1] The Settlement Stipulations are: the Stipulation and Agreement of Settlement with Defendant Satyam Computer Services Ltd., dated February 16, 2011 (the "Satyam Stipulation") and the Stipulation and Agreement of Settlement between Lead Plaintiffs and the PwC Entities, dated April 27, 2011 (the "PwC Entities Stipulation") entered into by and among Lead Plaintiffs and the Settling Defendants (together, the "Settlement Stipulations").

Expenses shall be payable immediately in accordance with the terms set forth in ¶¶ 19 and 16, respectively of the Satyam Stipulation and the PwC Entities Stipulation. The award of attorneys' fees shall be allocated among Plaintiffs' Counsel in a manner which, in the opinion of Lead Counsel, fairly compensates Plaintiffs' Counsel for their respective contributions in the prosecution and settlement of the Action.

5. Also in accordance with the terms set forth in ¶¶ 20 and 17, respectively of the Satyam Stipulation and the PwC Entities Stipulation, Lead Counsel who seek to be paid their share of the attorney fee and expense award prior to the Effective Date shall be jointly and severally obligated to make appropriate refunds or repayments of attorneys' fees and expenses and any interest thereon paid to Lead Counsel to the Settlement Funds or to the Settling Defendants who contributed the Settlement Funds in direct proportion to their contributions to the Settlement Funds, as applicable, plus accrued interest at the same net rate as is earned by the Settlement Funds, if the Settlements are terminated pursuant to the terms of the Stipulations or if, as a result of any appeal or further proceedings on remand, or successful collateral attack, the award of attorneys' fees and/or litigation expenses is reduced or reversed by final non-appealable court order.

6. Class Representative the Public Employees' Retirement System of Mississippi is awarded $14,400 as reimbursement for its costs and expenses directly relating to its services in representing the Class.

7. Class Representative Mineworkers' Pension Scheme is awarded $98,711 as reimbursement for its costs and expenses directly relating to its services in representing the Class.

8. Class Representative SKAGEN AS is awarded $59,000 as reimbursement for its costs and expenses directly relating to its services in representing the Class.

9. Class Representative Sampension KP Livsforsikring A/S is awarded $21,000 as reimbursement for its costs and expenses directly relating to its services in representing the Class.

10. Subclass Representative Brian F. Adams is awarded $2,000 as reimbursement for his costs and expenses directly relating to his services in representing the Class and Subclass.

11. A litigation fund in the amount of $1,000,000 from the Satyam Settlement Fund shall be established to fund the continued prosecution of the Action against the Non-Settling Defendants.

12. In making this award of attorneys' fees, and reimbursement of expenses to be paid from the Settlement Funds, the Court has considered and found that:

(a) The Settlements have created a total settlement amount of $150.5 million in cash that is already on deposit and has been earning interest, and that numerous Class Members who submit acceptable Proofs of Claim will benefit from the Settlements created by the efforts of Lead Counsel;

(b) The fee sought by Lead Counsel has been reviewed and approved as fair and reasonable by the Court-appointed Lead Plaintiffs, sophisticated institutional investors that were substantially involved in all aspects of the prosecution and resolution of the Action;

(c) To date, over 208,000 copies of the Notices were disseminated to putative Class Members stating that Lead Counsel were moving for attorneys' fees not to exceed 17% of proposed Settlements and reimbursement of expenses incurred in connection with the prosecution of this Action. Only one objection to the terms of the Settlement and the fees and expenses requested by Lead Counsel contained in the Notice was received, although it was untimely and not filed with the Court as required by the Preliminary Approval Orders. The objector has not proven that he is a member of the Class, nor does he have standing; even if he did, his objection has been considered and overruled;

(d) Lead Counsel have conducted the litigation and achieved the Settlements with skill, perseverance and diligent advocacy;

(e) The Action involves complex factual and legal issues and, in the absence of settlement, would involve lengthy proceedings with uncertain resolution of the complex factual and legal issues;

(f) Had the Settlements not been achieved, there would remain a significant risk that Lead Plaintiffs and the other members of the Class may have recovered less or nothing from the Settling Defendants; and

(g) The amount of attorneys' fees awarded and expenses reimbursed from the Settlement Funds are fair and reasonable and consistent with awards in similar cases.

13. Any appeal or any challenge affecting this Court's approval regarding any attorneys' fees and expense application shall in no way disturb or affect the finality of the Judgments entered with respect to the Settlements.

14. Continuing jurisdiction is hereby retained over the parties and the Class Members for all matters relating to this Action, including the administration, interpretation, effectuation or enforcement of the Settlement Stipulations and this Order, including any further application for fees and expenses incurred in connection with administering and distributing the settlement proceeds to the members of the Class.

15. In the event that any of the Settlements are terminated or do not become Final or the Effective Date does not occur in accordance with the terms of the applicable Settlement Stipulation(s), this Order, except for ¶ 5 above, shall be rendered null and void to the extent provided by the applicable Settlement Stipulation(s) and shall be vacated in accordance with the terms of the applicable Settlement Stipulation(s).

16. There is no just reason for delay in the entry of this Order, and immediate entry by the Clerk of the Court is expressly directed.

Dated: New York, New York
September 13, 2011

Barbara S. Jones

Honorable Barbara S. Jones
UNITED STATES DISTRICT JUDGE

TAB 11

THE HONORABLE JOHN C. COUGHENOUR

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

SOUTH FERRY LP #2, individually and on behalf of all others similarly situated, Plaintiff, v. KERRY K. KILLINGER, et al., Defendants.	CASE NO. C04-1599-JCC FINAL ORDER APPROVING CLASS ACTION SETTLEMENT AND AWARDING ATTORNEYS' FEES AND EXPENSES

This matter comes before the Court on Lead Plaintiffs' motion for final approval of class action settlement and plan of allocation of settlement proceeds (Dkt. No. 269) and Lead Counsel's motion for award of attorneys' fees and reimbursement of expenses (Dkt. No. 270).

On June 5, 2012, this Court conducted a hearing to determine: (1) whether the terms and conditions of the Class Action Settlement Agreement dated October 5, 2011 (the "Settlement Agreement") are fair, reasonable, and adequate for the settlement of the Action now pending in this Court under the above caption, including the release of all Released Claims against Defendants and the other Released Parties, and should be approved; (2) whether judgment should be entered dismissing the Complaint on the merits and with prejudice in favor of Defendants and as against all persons or entities who are members of the Class herein who have not requested exclusion therefrom; (3) whether to approve the Plan of Allocation as a fair and reasonable method to allocate the settlement proceeds among the members of the Class; and (4) whether and

in what amount to award Plaintiffs' Counsel fees and reimbursement of expenses. The Court, having considered all matters submitted to it at the hearing and otherwise; and it appearing that a notice of the hearing substantially in the form approved by the Court was mailed to all persons or entities reasonably identifiable, who purchased the common stock of Washington Mutual, Inc. ("WMI") between April 15, 2003 and June 28, 2004, inclusive (the "Class Period"), as shown by the records of WMI's transfer agent, at the respective addresses set forth in such records, and that a summary notice of the hearing substantially in the form approved by the Court was published in the global edition of *The Wall Street Journal* and transmitted over the Global Media Circuit of *Business Wire* pursuant to the specifications of the Court; and the Court having considered and determined the fairness and reasonableness of the award of attorneys' fees and expenses requested; and all capitalized terms used but not otherwise defined herein having the meanings as set forth and defined in the Settlement Agreement.

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

1. The Court has jurisdiction over the subject matter of the Action, the Lead Plaintiffs, all Class Members, and the Defendants.

2. The Court finds that the prerequisites for a class action under Federal Rules of Civil Procedure 23 (a) and (b)(3) have been satisfied in that: (a) the number of Class Members is so numerous that joinder of all members thereof is impracticable; (b) there are questions of law and fact common to the Class; (c) the claims of the Class Representative are typical of the claims of the Class it seeks to represent; (d) the Class Representative and Plaintiffs' Co-Lead Counsel have and will fairly and adequately represent the interests of the Class; (e) the questions of law and fact common to the members of the Class predominate over any questions affecting only individual members of the Class; and (f) a class action is superior to other available methods for the fair and efficient adjudication of the controversy.

3. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, this Court hereby finally certifies this action as a class action on behalf of all persons who purchased the common stock of Washington Mutual, Inc. between April 15, 2003 and June 28, 2004, inclusive, and who were damaged thereby. Excluded from the Class are Washington Mutual, Inc. and the Individual Defendants; former defendants William W. Longbrake, Craig J. Chapman, James G. Vanasek and Michelle McCarthy; any other officers and directors of WMI during the Class Period; members of their immediate families and their legal representatives, heirs, successors or assigns; and any entity in which any of the Defendants or former defendants have or had a controlling interest. Also excluded from the Class are the persons and/or entities who requested exclusion from the Class as listed on Exhibit 1 annexed hereto.

4. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, this Court hereby finally certifies Walden Management Co. Pension Plan as Class Representative.

5. Notice of the pendency of this Action as a class action and of the proposed Settlement was given to all Class Members who could be identified with reasonable effort. The form and method of notifying the Class of the pendency of the Action as a class action and of the terms and conditions of the proposed Settlement met the requirements of Rule 23 of the Federal Rules of Civil Procedure, Section 21D(a)(7) of the Securities Exchange Act of 1934, 15 U.S.C. § 78u-4(a)(7) as amended by the Private Securities Litigation Reform Act of 1995, due process, and any other applicable law, constituted the best notice practicable under the circumstances, and constituted due and sufficient notice to all persons and entities entitled thereto. Plaintiffs' Co-Lead Counsel has filed with the Court proof of mailing of the Notice and Proof of Claim and proof of publication of the Publication Notice.

6. The Settlement is approved as fair, reasonable, and adequate, and the Class Members and the parties are directed to consummate the Settlement in accordance with the terms and provisions of the Settlement Agreement.

7. The Complaint, which the Court finds was filed on a good faith basis in accordance with the Private Securities Litigation Reform Act and Rule 11 of the Federal Rules of Civil Procedure based upon all publicly available information, is hereby dismissed with prejudice and without costs, as against the Defendants.

8. Lead Plaintiffs and members of the Class, on behalf of themselves, their heirs, executors, administrators, predecessors, successors and assigns, are hereby permanently barred and enjoined from instituting, commencing or prosecuting any and all claims, debts, demands, rights or causes of action or liabilities whatsoever (including, but not limited to, any claims for damages, interest, attorneys' fees, expert or consulting fees, and any other costs, expenses or liabilities whatsoever), whether known claims or Unknown Claims, whether based on federal, state, local, statutory or common law or any other law, rule or regulation, whether fixed or contingent, accrued or un-accrued, liquidated or un-liquidated, whether at law or in equity, matured or un-matured, whether class or individual in nature (i) that have been asserted in this Action or in the Chapter 11 Cases against any of the Released Parties relating to the purchase or sale of WMI common stock during the Class Period, including, without limitation, the Bankruptcy Claims, or (ii) that could have been asserted in the Action or the Chapter 11 Cases or in any forum against any of the Released Parties arising out of or based upon the allegations, transactions, facts, matters or occurrences, representations or omissions involved, set forth, or referred to in the Complaint and which relate to the purchase or sale of WMI common stock during the Class Period (the "Released Claims") against WMI, the Individual Defendants, Chapman, Longbrake, Vanasek, McCarthy and any and all of their past or present subsidiaries, parents, successors and predecessors, officers, directors, agents, employees, attorneys, advisors,

investment advisors, auditors, accountants, insurers, and any person, firm, trust, corporation, officer, director or other individual or entity in which WMI, the Individual Defendants or Longbrake, Chapman, McCarthy and Vanasek has or has had a controlling interest or which was or is related to or affiliated with WMI or any of the Individual Defendants, and the legal representatives, marital communities, heirs, successors in interest or assigns of any of the foregoing (the "Released Parties"). The Released Claims are hereby compromised, settled, released, discharged and dismissed as against the Released Parties on the merits and with prejudice by virtue of the proceedings herein and this Final Judgment and Order of Dismissal with Prejudice. For the avoidance of doubt, nothing contained herein shall be deemed to release, bar, waive, impair or otherwise impact: (1) any claims to enforce the Settlement and the transactions required pursuant to the Settlement; (2) any claims belonging to the Debtors, their current affiliates or their successors in interest or otherwise asserted by the Debtors, their current affiliates or their successors in interest against any other Released Party, or any Released Party's defenses, counterclaims or claims for indemnification, if any—other than claims for indemnification with respect to payments made to defend or settle the Action—with respect thereto; (3) claims by any Released Party against the Debtors in the Chapter 11 Cases, including indemnification claims—other than claims for indemnification with respect to payments made to defend or settle the Action—or the Debtors' defenses and counterclaims with respect thereto; provided, however, that, to the extent that any Contributing Carriers claim subrogation rights against the Debtors on the basis of the Released Parties' indemnification claims, all such claims and the Debtors' defenses with respect thereto are expressly preserved; (4) except to the extent released pursuant to the settlement agreement in the class action styled *In re Washington Mutual, Inc. ERISA Litigation*, Lead Case No. 07-cv-1874 (W.D. Wash.), claims, if any, by any Class Member against the Released Parties arising under the Employee Retirement Income Security Act of 1974, 29 U.S.C. § 1001, *et seq.* ("ERISA") that are separate and do not arise from or relate to the claims asserted in the Action; (5) claims by any Class Member individually in the

Chapter 11 Cases based solely upon such Class Member's status as a holder or beneficial owner (as opposed to a purchaser) of any WMI debt or equity security with respect to their right to participate in the distribution of funds in the Chapter 11 Cases upon confirmation of a chapter 11 plan or otherwise solely to the extent that such distribution is being made on account of such security and not in any way arising from or related to being a Class Member; or (6) any Class Member's right to participate in the distribution of any funds recovered from any of Defendants by any governmental or regulatory agency. For the avoidance of doubt, notwithstanding the designation of a party as a "Released Party," the Settlement Agreement only operates to release the Released Party from a claim, counterclaim or defense that is a Released Claim.

9. Defendants and their heirs, executors, administrators, predecessors, successors and assigns of any of them and the other Released Parties, are hereby permanently barred and enjoined from instituting, commencing or prosecuting any and all claims, rights or causes of action or liabilities whatsoever, whether based on federal, state, local, statutory or common law or any other law, rule or regulation, including both known claims and Unknown Claims, that have been or could have been asserted in the Action or any forum by the Defendants or any of them or the successors and assigns of any of them against any of the Lead Plaintiffs, other Class Members or their attorneys, which arise out of or relate in any way to the institution, prosecution, or settlement of the Action (except for claims to enforce the Settlement or the transactions required pursuant to the Settlement) (the "Released Defendants' Claims"). The Released Defendants' Claims of all the Released Parties are hereby compromised, settled, released, discharged and dismissed on the merits and with prejudice by virtue of the proceedings herein and this Final Judgment and Order of Dismissal with Prejudice.

10. With respect to any and all Released Claims and Released Defendants' Claims, the parties stipulate and agree that upon the Effective Date, the Lead Plaintiffs and the Defendants shall expressly waive, and each Class Member shall be deemed to have waived, and

by operation of the Judgment shall have expressly waived, any and all provisions, rights and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to Cal. Civ. Code § 1542, which provides:

> A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Lead Plaintiffs and Defendants acknowledge, and all other Class Members by operation of law shall be deemed to have acknowledged, that the inclusion of "Unknown Claims" in the definition of Released Claims and Released Defendants' Claims was separately bargained for and was a key element of the Settlement.

11. Notwithstanding the provisions of ¶¶ 8, 9 and 10 hereof, (i) in the event that any of the Released Parties asserts against the Lead Plaintiffs, any other Class Member or Plaintiffs' Counsel, any claim that is a Released Defendants' Claim, then Lead Plaintiffs, such Class Member or Plaintiffs' Counsel shall be entitled to use and assert such factual matters included within the Released Claims against such Released Party only in defense of such claim but not for the purposes of affirmatively asserting any claim against any Released Party; and (ii) in the event that any of the Lead Plaintiffs, any other Class Member or Plaintiffs' Counsel asserts against any Released Parties any Released Claims, such Released Parties or their respective counsel shall be entitled to use and assert such factual matters included within the Released Defendants' Claims against such claimant only in defense of such claim but not for the purposes of affirmatively asserting any claim against any such claimant.

12. Neither this Final Judgment and Order of Dismissal with Prejudice, the Settlement Agreement, nor any of its terms and provisions, nor any of the negotiations or proceedings connected with it, shall be:

(a) offered or received against any Defendant as evidence of or construed as or deemed to be evidence of any presumption, concession, or admission by any Defendant with respect to the truth of any fact alleged by any of the plaintiffs or the validity of any claim that has been or could have been asserted in the Action or in any litigation, or the deficiency of any defense that has been or could have been asserted in the Action or in any litigation, or of any liability, negligence, fault, or wrongdoing of any Defendant;

(b) offered or received against any Defendant as evidence of a presumption, concession or admission of any fault, misrepresentation or omission with respect to any statement or written document approved or made by any Defendant;

(c) offered or received against any Defendant as evidence of a presumption, concession or admission with respect to any liability, negligence, fault or wrongdoing, or in any way referred to for any other reason as against any Defendant, in any other civil, criminal or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of the Settlement Agreement; provided, however, that Defendants may refer to it to effectuate the liability protection granted them hereunder;

(d) construed against Lead Plaintiffs or any of the other Class Members or against any Defendant as an admission or concession that the consideration to be given hereunder represents the amount which could be or would have been recovered after trial; or

(e) construed as or received in evidence as an admission, concession or presumption against Lead Plaintiffs or any of the other Class Members that any of their claims are without merit, or that any defenses asserted by any Defendant have any merit, or that damages recoverable under the Complaint would not have exceeded the Gross Settlement Fund.

13. The Plan of Allocation is approved as fair and reasonable, and Plaintiffs' Counsel and the Claims Administrator are directed to administer the Settlement Agreement in accordance with its terms and provisions.

14. The Court finds that all parties and their counsel have complied with each requirement of Rule 11 of the Federal Rules of Civil Procedure as to all proceedings herein.

15. Plaintiffs' Counsel are hereby awarded 29% of the Gross Settlement Fund in fees, which sum the Court finds to be fair and reasonable, and $879,674.77 in reimbursement of expenses, which amounts shall be paid to Plaintiffs' Co-Lead Counsel from the Settlement Fund with interest from the date such Settlement Fund was funded to the date of payment at the same net rate that the Settlement Fund earns. The award of attorneys' fees shall be allocated among Plaintiffs' Counsel in a fashion which, in the opinion of Plaintiffs' Co-Lead Counsel, fairly compensates Plaintiffs' Counsel for their respective contributions in the prosecution of the Action.

16. In making this award of attorneys' fees and reimbursement of expenses to be paid from the Gross Settlement Fund, the Court has considered and found that:

(a) the Settlement has created a fund of $41.5 million in cash that is already on deposit, plus interest thereon, and that numerous Class Members who submit acceptable Proofs of Claim will benefit from the Settlement;

(b) Over 490,000 copies of the Notice were disseminated to putative Class Members indicating that Plaintiffs' Counsel were moving for attorneys' fees in an amount not to exceed one-third (33⅓%) of the Gross Settlement Fund and for reimbursement of their expenses in the approximate amount of $1,000,000 and only three (3) objections were filed against the

terms of the proposed Settlement or the ceiling on the fees and expenses requested by Plaintiffs' Counsel contained in the Notice;

(c) Plaintiffs' Counsel have conducted the litigation and achieved the Settlement with skill, perseverance and diligent advocacy;

(d) The Action involves complex factual and legal issues and was actively prosecuted over nearly seven years and, in the absence of a settlement, would involve further lengthy proceedings with uncertain resolution of the complex factual and legal issues;

(e) Had Plaintiffs' Counsel not achieved the Settlement there would remain a significant risk that the Class may have recovered less or nothing from Defendants;

(f) Plaintiffs' Counsel have devoted over 18,000 hours, with a lodestar value of $8,900,000 to achieve the Settlement; and

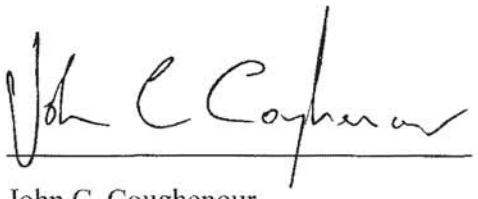
(g) The amount of attorneys' fees awarded and expenses reimbursed from the Settlement Fund are fair and reasonable and consistent with awards in similar cases.

17. Exclusive jurisdiction is hereby retained over the parties and the Class Members for all matters relating to this Action, including the administration, interpretation, effectuation or enforcement of the Settlement Agreement and this Final Judgment and Order of Dismissal with Prejudice, and including any application for fees and expenses incurred in connection with administering and distributing the settlement proceeds to the members of the Class; provided, however, that the Bankruptcy Court shall retain exclusive jurisdiction over the interpretation and enforcement of the Bankruptcy Court Approval Order.

18. Without further order of the Court, the parties may agree to reasonable extensions of time to carry out any of the provisions of the Settlement Agreement.

FOR THE FOREGOING REASONS, the Court GRANTS Lead Plaintiffs' motion for final approval of class action settlement and plan of allocation of settlement proceeds (Dkt. No. 269) and GRANTS Lead Counsel's motion for award of attorneys' fees and reimbursement of expenses (Dkt. No. 270). This action is DISMISSED WITH PREJUDICE.

DATED this 5th day of June 2012.



John C. Coughenour
UNITED STATES DISTRICT JUDGE

EXHIBIT 1

List of Persons and Entities Requesting Exclusion from the Class in *South Ferry LP #2 v. Kerry K. Killinger, et al.*, Case No. C04-1599 JCC

The following persons and entities have properly requested exclusion from the Class in *South Ferry LP #2 v. Kerry K. Killinger, et al.*, Case No. C04-1599 JCC, and are not members of the Class bound by this Final Judgment and Order of Dismissal with Prejudice:

No.	Name	Address
1	Katherine Walker Childs	12510 NE 94th Street Kirkland, WA 98033-5875
2	Ruth E. Bridges	1827 Thornhill Rd. #107 Wesley Chapel, FL 33544
3	Charlie Rivera	12143 Maple Ridge Dr. Parrish, FL 34219
4	Denny Sue Johnson	Box 1714 Gold Beach, OR 97444
5	Lillian N. Mosley R.E. Mosley	275 County Road 4247 DeKalb, TX 75559
6	Ernest A. Dahl	2226 Vista Hogar Newport Beach, CA 92660
7	Donald W. Dearment	500 E. Pitt St. Bedford, PA 15522
8	Arthur Nelson	P.O. Box 129 Seekonk, MA 02771
9	Mary Nake Bond	7923 Colonel Glenn Rd. Little Rock, AR 72204
10	Charles W. Hadley Ethel S. Hadley	3907 NE 110th St. Seattle, WA 98125
11	Earl F. O'Connor	7343 S. Sherman Dr. Indianapolis, IN 46237
12	Abe Price	158 Lollypop Lane #3 Naples, FL 34112-5109
13	Jane K. Whitney	6609 Markstown Drive Apt. B Tampa, FL 33617-9365
14	Mark Paper	700 Twelve Oaks Center Dr. Ste. 711 Wayzata, MN 55391

15	Edward T. Flotz	127 Franconian Dr. S. Frankenmuth, MI 48734
16	Bradley Keding	15545 Meyer Ave. Allen Park, MI 48101
17	Debra A. Langford	1480 North Meadow Rd. Merrick, NY 11566
18	Josephine R Burns	P.O. Box 546 El Granada, CA 94108-0546
19	Moira L. L. Nichols	33 Linda Ave. Apt. 2003 Oakland, CA 94611
20	Richard J. Imbra	3312 Grandada Ave. San Diego, CA 92104
21	Bruce MacLeod	556 Mill Street Ext. Lancaster, MA 01523
22	John Mitchell Campbell Jr.	16 East Fox Chase Rd. Chester, NJ 07930
23	Janet Schultz	846 Newport Bay Dr. Edwardsville, IL 62025
24	Susan Iorns	16 Ocean Parade Pukerua Bay Porirua 5026 New Zealand
25	Cordelia F Biddle H. Stephen Zettler	514 Pine Street Philadelphia, PA 19106
26	Lawrence Papola Marie Papola	191 Atlantic Pl. Hauppauge, NY 11788
27	Carl Hunter	4030 30th Ave. West Seattle, WA 98199-1709
28	Steven W. Loring	91-1040-Puamaeole St. #S Ewa Beach, HI 96706
29	Margaret P. Jones	737 Pinebrook Dr. Virginia Beach, VA 23462
30	Bruce Alexander	10464 SW 118 St. Miami, FL 33176
31	Paul Putnam Mona Putnam	1140 Portola Ave. Escondido, CA 92026-1732
32	Douglas Duncan	679 Flamenco Pl. Davis, CA 95616
33	Robert Born Ophelia Born	8800 Glacier Ave. Apt. 302 Texas City, TX 77591-3052

34	John G. Clapp	12 Sunset Drive Apt. 2 Alexandria, VA 22301-2640
35	Jacquelyn Clarke	10465 Dunlop Rd. Delta, BC V4C 2L1, Canada
36	Bonnie J. Orr Rufus D. Orr	7536 32nd Ave. NW Seattle, WA 98117-4646
37	Charles GaGaig	P.O. Box 7666 Northridge, CA 91327
38	Don Thorsteinson	5775 Hampton Place #1006 Vancouver, B.C. V6T 2G6
39	David P. Yaffe	10416 Wyton Dr. Los Angeles, CA 90024
40	Michelle Jurczak	325 Kennedy Ave. Toronto, Ontario M6P 3C4
41	John G. Hudson	P.O. Box 283 Fort Smith, AR 72902
42	Carl P. Irwin	10 White Oak Dr. Apt# 218 Exeter, NH 03833-5314
43	Margaret K. Oliver Kay Collins	1002-5614 Balsam St. Vancouver BC V6M 4B7
44	John G. Hudson Living Trust	P.O. Box 283 Fort Smith, AR 72902
45	Rosemary Pacheco	338 Orchard St. Raynham, MA 02767-9385
46	Kathleen Guilfoyle	214 Northline Rd. Ballston Spa, NY 12020

TAB 12

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

In re WINSTAR COMMUNICATIONS SECURITIES LITIGATION

This Document Relates To: All Actions

Master File No.01 Civ. 3014 (GBD)

[redacted] ORDER REGARDING PLAINTIFFS' MOTION FOR AN AWARD OF ATTORNEYS' FEES AND REIMBURSEMENT OF EXPENSES, AND AN AWARD TO THE LEAD PLAINTIFFS

WHEREAS, this matter came before the Court for hearing on November 13, 2013, on the application of Plaintiffs for approval of the Settlement set forth in the Stipulation and Agreement of Settlement, dated July 12, 2013 (the "Stipulation");

WHEREAS, this Court has entered an Order approving the terms of the Stipulation between Lead Plaintiffs BIM Intermobiliare SGR, Robert Ahearn, and DRYE Custom Pallets (collectively, "Lead Plaintiffs"), on behalf of themselves and the Class (as defined in the Stipulation), and Defendant Grant Thornton LLP in the above-captioned class action; and

WHEREAS, this Court has directed the parties to consummate the terms of the Stipulation;

WHEREAS, this Court has reviewed all papers filed and proceedings had with respect to this matter, including the Plaintiffs' Memorandum of Law in Support of Their Motion for an Award of Attorneys' Fees and Reimbursement of Expenses, Plaintiffs' Memorandum of Law in Support of Their Motion for Approval of Class Action Settlement, the Declarations of Patrick L. Rocco in support thereof, and the exhibits thereto;

NOW, THEREFORE, IT IS HEREBY:

ORDERED, that this Order incorporates by reference the definitions in the settlement Stipulation, and all terms used herein shall have the same meanings as set forth in the Stipulation;

ORDERED, that Plaintiffs' Counsel are awarded the sum of $ 3 333 333.00 in fees, which sum the Court finds to be fair and reasonable, and [$1,137,623.16] in reimbursement of expenses incurred in connection with their representation of the Class, both of which shall be paid to Plaintiffs' Lead Counsel from the ~~Gross~~ TOTAL Settlement Fund and each of which may be paid with a proportionate amount of any interest that has accrued to date on the Settlement Fund. The award of attorneys' fees shall be allocated by Plaintiffs' Lead Counsel in their discretion among other Plaintiffs' Counsel for their respective contributions in the prosecution of this litigation; and

ORDERED, that the Lead Plaintiffs are hereby awarded as follows (a) $40,000.00 to Banca Intermobiliare di Investimenti e Gestioni S.p.A.; (b) $15,000.00 to Robert Ahearn; and (c) $5,000.00 to DRYE Custom Pallets; which shall be paid to Lead Plaintiffs from the ~~Gross~~ TOTAL Settlement Fund.

SO ORDERED this 13TH day of November, 2013.

NOV 13 2013

George B. Daniels

The Honorable George B. Daniels
United States District Judge