IN THE UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

IN RE KBR, INC. SECURITIES LITIGATION	Case No. 4:14-CV-01287 Judge Lee H. Rosenthal

JOINT DECLARATION OF LOUIS GOTTLIEB AND JOHN RIZIO-HAMILTON IN SUPPORT OF (I) CLASS REPRESENTATIVES' MOTION FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT AND PLAN OF ALLOCATION AND (II) CLASS COUNSEL'S MOTION FOR AN AWARD OF ATTORNEYS' FEES AND PAYMENT OF LITIGATION EXPENSES

We, LOUIS GOTTLIEB and JOHN RIZIO-HAMILTON, declare as follows pursuant to 28 U.S.C. §1746:

1. Louis Gottlieb is a partner of the law firm of Labaton Sucharow LLP ("Labaton Sucharow") and John Rizio-Hamilton is a partner of the law firm of Bernstein Litowitz Berger & Grossmann LLP ("Bernstein Litowitz"). Labaton Sucharow and Bernstein Litowitz serve as Court-appointed Class Counsel for Class Representatives Arkansas Public Employees Retirement System ("APERS") and the IBEW Local No. 58 / SMC NECA Funds ("IBEW Local No. 58") (collectively, "Class Representatives" or "Lead Plaintiffs") and the certified Class in the Action. We have been actively involved in prosecuting and resolving the Action, are familiar with its proceedings, and have personal knowledge of the matters set forth herein based upon our supervision and participation in all material aspects of the Action.[1] Pursuant to Rule 23 of the Federal Rules of Civil Procedure, we submit this declaration in support of Class Representatives' Motion for Final Approval of Class Action Settlement and Plan of Allocation. We also submit this declaration in support of Class Counsel's Motion for an Award of Attorneys' Fees and Expenses. Both motions have the full support of Class Representatives. *See* Declaration of Gail Stone, Executive Director of Arkansas Public Employees Retirement System, In Support Of (I) Class Representatives' Motion for Final Approval of Class Action Settlement and Plan Of Allocation and (II) Class Counsel's Motion for an Award of Attorneys' Fees and Payment of

[1] All capitalized terms used herein that are not otherwise defined shall have the meanings provided in the Stipulation and Agreement of Settlement, dated as of April 5, 2017 (ECF No. 134-2) (the "Stipulation"), which was entered into by and among (a) Class Representatives, on behalf of themselves and the Class and (b) KBR, Inc. ("KBR" or the "Company"), William P. Utt, Susan K. Carter, Dennis S. Baldwin, and Brian K. Ferraioli (collectively, "Defendants").

Litigation Expenses, dated June 19, 2017, attached hereto as Exhibit 1 and Declaration of E. Craig Young on behalf of IBEW Local No. 58 / SMC NECA Funds, dated June 13, 2017, attached hereto as Exhibit 2.[2]

I. PRELIMINARY STATEMENT

2. The proposed Settlement now before the Court provides for the resolution of all claims in the Action in exchange for a cash payment of $10,500,000. As detailed herein, Class Representatives and Class Counsel respectfully submit that the Settlement represents a favorable result for the Class in light of the significant risks in the Action.

3. This case has been vigorously litigated from its commencement in May 2014 through the execution of the Stipulation. The Settlement was achieved only after Class Counsel, *inter alia*, as detailed herein: (i) conducted a thorough and wide-ranging investigation concerning the allegedly fraudulent misrepresentations made by Defendants, which included a review and analysis of publicly available information concerning Defendants, the Company's May 30, 2014 restatement of its financial results for the third and fourth quarters of 2013 and the full year 2013 (the "Restatement"), KPMG LLP's ("KPMG") Reports of Independent Registered Public Accounting Firm concerning KBR's internal controls dated February 27, 2014 and May 30, 2014, and interviews with 45 confidential witnesses, who were either former KBR employees or other persons with relevant knowledge; (ii) prepared and filed a detailed Consolidated Class Action Complaint (the "Complaint"); (iii) researched and drafted a successful opposition to

[2] Citations to "Exhibit" or "Ex.___" herein refer to exhibits to this Declaration. For clarity, citations to exhibits that 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 alphabetical reference refers to the exhibit designation within the exhibit itself.

Defendants' comprehensive motion to dismiss the Complaint; (iv) participated in oral argument on Defendants' motion to dismiss; (v) successfully moved for class certification; (vi) engaged in fact discovery, which included Class Counsel's analysis of approximately 1.3 million pages of documents produced by Defendants and approximately 78,000 pages of documents produced by non-party KPMG; (vii) took seven depositions of current or former KBR employees (including the depositions of 3 KBR former employees taken in Canada pursuant to letters rogatory); (viii) defended two Class Representatives' depositions and the deposition of their market efficiency expert; (ix) conferred with experts on accounting, damages and loss causation issues, as well as industry experts on issues pertaining to pipe fabrication and modular assembly; and (x) engaged in extensive mediation efforts with former Judge Daniel Weinstein and Jed Melnick that included the preparation of mediation briefs, a full-day mediation session, and extensive subsequent negotiations.

4. Class Representatives and Class Counsel believe that the Settlement is in the best interests of the Class. Due to their efforts, briefly described in the foregoing paragraph, Class Representatives and Class Counsel are well-informed of the strengths and weaknesses of the claims and defenses in the Action. As discussed in further detail below, the Settlement was achieved in the face of vigorous opposition by Defendants who would have, had the Settlement not been reached, continued to raise numerous defenses. For example, Defendants would have continued to raise serious arguments concerning scienter, including, that the Individual Defendants were not at all involved in the management of the Contracts at issue or the preparation of the relevant cost estimates, and did not have information to allow them to know that the cost estimates related to those Contracts were wrong. Additionally, Defendants would likely argue that damages

should be dramatically reduced because there were no recoverable damages related to three of the four alleged corrective disclosures. Issues relating to damages would likely have come down to an inherently unpredictable and hotly disputed "battle of the experts," with Defendants' experts focusing heavily on the number of viable corrective disclosures and the length of the Class Period. Accordingly, in the absence of a settlement, there was a very real risk that the Class could have recovered nothing or an amount significantly less than the negotiated Settlement. The Settlement represents a favorable outcome for the Class.

5. With respect to the proposed Plan of Allocation for the settlement proceeds, as discussed in further detail below, the proposed Plan was developed with the assistance of the Class Representatives' damages expert, and provides for the distribution of the Net Settlement Fund to Class Members who submit Claim Forms that are approved for payment by the Court on a *pro rata* basis based on their losses attributable to the alleged fraud.

6. With respect to the Fee and Expense Application, as discussed in Class Counsel's Motion for an Award of Attorneys' Fees and Payment of Litigation Expenses ("Fee Memorandum"), the requested fee of 25% of the Settlement Fund is fair both to the Class and to Class Counsel, and warrants the Court's approval. This fee request is within the range of fee percentages frequently awarded in this type of action and, under the particular facts of this case, is justified in light of the substantial benefits that Class Counsel conferred on the Class, the risks they undertook, the quality of their representation, the nature and extent of the legal services, and the fact that Class Counsel pursued the case at their financial risk.

II. FACTUAL BACKGROUND

A. Summary of Claims

7. As set forth in the Complaint, KBR is an engineering, construction, and services company with its principal executive offices located in Houston, Texas. KBR's services business provides construction and maintenance services to commercial industries and the government, and was the Company's second largest revenue source in 2013. Complaint ¶¶ 23-24. As alleged in the Complaint, throughout 2013, KBR stressed to investors that its Canadian Services business – and in particular, several Canadian "pipe fabrication and modular assembly projects"—was an important driver of profit for the Company. *Id*. ¶ 34. The Contracts for these projects, which were entered into during 2012 and 2013, required KBR to fabricate pipes and modular components and to provide turnaround services for oil and gas facilities in the Canadian oil sands. *Id.*

8. The Complaint was brought against KBR and four of its officers, William P. Utt (Chief Executive Officer and President), Susan K. Carter (Chief Financial Officer and Executive Vice President), Dennis S. Baldwin (Chief Accounting Officer and Senior Vice President), and Brian K. Ferraioli (Chief Financial Officer, Executive Vice President), for violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 (the "Exchange Act"), 15 U.S.C. §§78j(b), 78t(a), and Rule 10b-5 promulgated thereunder, 17 C.F.R. §240.10b-5.

9. By way of summary and as set forth in detail below, the Class Representatives alleged, *inter alia*, that KBR and the Individual Defendants violated the federal securities laws by misstating the Company's financial results, failing to timely disclose approximately $156

million in losses on KBR's Contracts for pipe fabrication and module assembly in Canada, and misrepresenting the adequacy of the Company's internal controls related to those Contracts.

III. PROCEDURAL HISTORY

A. Commencement of the Action and Appointment of Lead Plaintiffs and Lead Counsel

10. In May of 2014, an initial securities class action complaint was filed in the United States District Court for the Southern District of Texas (the "Court") on behalf of investors in KBR.

11. Pursuant to Section 21D(a)(3) of the Exchange Act, 15 U.S.C. §78u-4(a)(3)(B), as amended by the Private Securities Litigation Reform Act of 1995 ("PSLRA"), on July 8, 2014, APERS and IBEW Local No. 58 moved for appointment as Lead Plaintiffs and further moved the Court to appoint Labaton Sucharow and Bernstein Litowitz as Lead Counsel. ECF No. 17. Three other movants also filed for appointment as lead plaintiff along with their respective chosen counsel. *See* ECF Nos. 6, 12, 14.

12. On September 9, 2014, the Court entered an Order appointing APERS and IBEW Local No. 58 as Lead Plaintiffs pursuant to the PSLRA and consolidating related securities class actions into the litigation, *In re KBR, Inc. Securities Litigation*, Case No. 14-cv-01287-LHR. ECF No. 55. By the same Order, the Court approved Lead Plaintiffs' selection of Labaton Sucharow and Bernstein Litowitz as Lead Counsel for the Class. *Id*.

B. The Consolidated Class Action Complaint

13. Pursuant to the Initial Scheduling and Docket Control Oder (ECF No. 54), signed by the Court on September 5, 2014, the Class Representatives filed the Consolidated Class

Action Complaint (the "Complaint") on October 20, 2014, asserting claims under Sections 10(b) and 20(a) of the Exchange Act and Rule 10b-5 promulgated thereunder. ECF No. 60.

14. The Complaint was the result of a significant effort by Class Counsel that included, among other things, the review and analysis of: (i) documents filed publicly by the Company with the U.S. Securities and Exchange Commission ("SEC"), including the Company's May 30, 2014 Restatement of its financial results for the third and fourth quarters of 2013 and the full year 2013; (ii) KPMG's Reports of Independent Registered Public Accounting Firm concerning KBR's internal controls dated February 27, 2014 and May 30, 2014; (iii) public reports and news articles concerning the SEC's ongoing investigation of KBR relating to the alleged wrongful conduct; (iv) research reports issued by financial analysts concerning the Company; (v) economic analyses of securities movement and pricing data; and (vi) transcripts of investor calls with KBR senior management. The investigation also included Class Counsel's in-house investigators interviewing 45 individuals who were either former KBR employees or other persons with potentially relevant knowledge. Additionally, in preparing the Complaint, Class Counsel consulted with experts on issues related to accounting, loss causation and damages, and industry experts on issues pertaining to pipe fabrication and modular assembly.

15. In general, the Complaint alleged that Defendants violated the federal securities laws by issuing materially false financial statements, making materially false or misleading statements and omitting materially information concerning KBR's Contracts for pipe fabrication and module assembly in Canada, and misrepresenting the adequacy of the Company's internal controls related to those Contracts. The Complaint further alleged that the price of KBR's

publicly traded common stock was artificially inflated as a result of Defendants' allegedly false and misleading statements, and declined when the truth was revealed.

16. As alleged in the Complaint, throughout 2013, Defendants touted the success and profitability of the Contracts, portraying them as key drivers of the Company's financial results. As alleged in the Complaint, unbeknownst to investors, KBR's financial results for the third quarter, fourth quarter, and full-year 2013 were materially inflated because KBR failed to account for approximately $156 million in losses on the Contracts. The Complaint alleged that the truth about Defendants' misconduct was revealed through four disclosures, as set forth below.

17. On February 27, 2014, KBR revealed that it suffered a "material weakness" in its internal controls over the calculation of cost estimates for certain of its long-term contracts, requiring KBR to take a $17 million charge to earnings. Complaint ¶ 75. The "material weakness" was identified by KBR's outside auditor, KPMG. *Id*. ¶ 76. On February 28, 2014, the first trading day after the disclosure, the Company's stock price declined by 13.5%. *Id*. ¶¶ 75-78. The Complaint alleged that, at this time, Defendants assured investors that, in light of the material weakness, they had conducted "additional analyses and other post-closing procedures to ensure our consolidated financial statements" were accurate. *Id*. ¶¶ 79, 116. Just days later, on March 6, 2014, Defendant Utt sold 162,471 shares of KBR stock, collecting over $4.5 million in cash proceeds. *Id*. ¶ 84. (KBR asserts that this material weakness was completely unrelated to the Canadian Contracts at issue and the Restatement.)

18. On May 5, 2014, KBR announced the Restatement. *Id*. ¶ 87. KBR also announced that as a result of its need to restate, it could not timely file its results for the first

quarter of 2014, and was withdrawing its revenue guidance. *Id.* ¶ 89. The May 5, 2014 announcement caused KBR's stock to fall more than 6%. *Id.* ¶ 92. The Restatement was filed on May 30, 2014. *Id.* ¶ 93. In the Restatement, KBR acknowledged that it failed to report $156 million in losses on the Contracts during the third and fourth quarters of 2013. *Id.*

19. On June 19, 2014, KBR issued a press release announcing its financial results for the first quarter of 2014 and reported that the Company suffered "41 million of additional losses … taken on the Company's pipe fabrication and module assembly projects in Canada." *Id.* ¶ 103. The stock price declined nearly 7% following the announcement. *Id.* ¶ 106. (KBR asserts that this disclosure was unrelated to any false statements, and was not unexpected by investors.)

20. On July 31, 2014, when the Company announced its results for the second quarter of 2014, Defendants announced another $41 million in losses on the Contracts and fully disclosed their fraud by announcing that, until then, it had been "impossible" for KBR to accurately estimate its losses on the Contracts because the Company did not have the necessary construction drawings, causing KBR's stock price to immediately fall another 7%. *Id.* ¶¶ 107, 112. (Likewise, KBR asserts that this disclosure was unrelated to any false statements, and was not unexpected by investors.)

C. Defendants' Motion to Dismiss the Complaint

21. On December 5, 2014, Defendants moved to dismiss the Complaint. ECF No. 66. Defendants' motion cited dozens of cases and raised numerous legal issues aimed at undermining Class Representatives' claims and allegations.

22. Regarding scienter, Defendants argued that, among other things:

(a) Defendants' statements regarding the importance of the Contracts did not support a strong inference of scienter and lacks any particularized factual support.

(b) The Complaint did not contain any particularized factual allegations that any of the Individual Defendants actually reviewed the specific erroneous estimates of costs at completion for the Contracts or that they knew, or were severely reckless in not knowing, that the estimates of costs at completion were inaccurate.

(c) The mere fact that there was a Restatement was insufficient to adequately plead scienter.

(d) The "material weakness" identified by KBR was not related to the Contracts but instead was related to foreign currency effects and therefore is a separate issue from the Contracts that became the subject of the Restatement.

(e) Utt's stock sales did not support an inference of scienter because he wanted to sell his stock prior to retiring from KBR, thereby making his sales nonsuspicious.

(f) Allegations regarding the Individual Defendants' receipt of cost estimates and other reports are insufficient to support a strong inference of scienter because these allegations come from confidential witnesses and must be discounted, and because there are no allegations that these reports contained information that would have made the Individual Defendants aware of any issues with the Contracts.

(g) Allegations that accounting policies were violated and inaccurate certifications signed by management pursuant to the Sarbanes-Oxley Act are insufficient to show the requisite strong inference of scienter.

(h) The short time between the filing of the alleged misstatements on February 25, 2014 and the Restatement negates any inference of scienter.

(i) KBR's share repurchase program during the Class Period negates any inference of scienter because it would be economically irrational if KBR was actually repurchasing stock at a knowingly inflated price.

23. Defendants also argued that Class Representatives failed to establish control-person liability under Section 20(a).

24. On January 23, 2015, Class Representatives filed their opposition to Defendants' motion to dismiss. ECF No. 67. Class Representatives argued that the Complaint contains numerous allegations that, taken together, raise a strong inference that Defendants acted with scienter. Class Representatives argued that, among other things:

(a) Defendants' repeated emphasis on the purported success of the Contracts, stating they were a key driver of KBR's financial success, supported an inference that the Individual Defendants were severely reckless in not confirming the accuracy of their public statements.

(b) KBR and Defendants Utt, Ferraioli, and Baldwin told investors in a 2013 Form 10-K that in light of KPMG's finding of a material weakness, they did additional analysis of KBR's financials to ensure they were accurate, yet, in the same Form 10-K, Defendants failed to disclose that the Canadian services business was riddled with material weaknesses.

(c) The fact that Utt sold 74% of his KBR stock for more than $4.5 million – six times more than he had ever sold in one day and more than he sold for the prior two years combined, supported scienter as to him.

(d) Defendants' misstatements involved clear violations of accounting rules that were central to their business, and with which they were highly experienced.

(e) KBR admitted that its culture was rife with material weaknesses that facilitated accounting violations.

(f) The fact that the Individual Defendants met monthly in Houston and reviewed the estimated costs supported scienter.

(g) Defendants' KBR and Ferraioli's continued misrepresentations and omissions after the Company announced the Restatement supported scienter.

(h) On the last day of the Class Period, Ferraioli explained why the Company was continuing to report losses on the Contracts even after the Restatement, admitting that "It was really impossible for anyone to be able to predict the scope of work will be when you don't have the drawings that are issued for construction in-house."

25. On February 6, 2015, Defendants filed a reply brief in further support of their motion arguing, among other things, that Class Representatives' response consists largely of repeating and stretching the Complaint's conclusory assertions and otherwise failed to rebut Defendants' arguments. ECF No. 70.

D. The Court Denies Defendants' Motion to Dismiss the Complaint

26. On March 5, 2015, the Court heard oral argument on Defendants' motion to dismiss. On September 3, 2015, the Court issued a Memorandum Opinion and Order denying Defendants' motion. ECF No. 76. The Court found that "[c]considered in the aggregate, the amended complaint allegations sufficiently support scienter if KBR lacked designed drawings, not just issued-for construction drawings and the Individual Defendants knew, or were severely reckless in not knowing, of their absence." *Id*. at 55.

27. On October 8, 2015, the Court issued a Scheduling and Docket Control Order setting forth various deadlines for fact and expert discovery, class certification, and other dispositive motions, among other matters (ECF No. 82), which was amended on April 5, 2016 (ECF No. 103), July 8, 2016 (ECF No. 117), and October 13, 2016 (ECF No. 128).

28. On October 19, 2015, Defendants filed their Answer to the Complaint, denying the Complaint's substantive allegations and raising 16 affirmative defenses. ECF No. 88.

E. Certification of the Class

29. On February 19, 2016, APERS and IBEW Local No. 58 filed their motion for class certification. ECF No. 97. APERS and IBEW Local No. 58 argued that the Action was appropriate for class action treatment and that all the requirements of Federal Rule of Civil Procedure 23 were satisfied.

30. In connection with the class certification motion, APERS and IBEW Local No. 58 submitted a report from Steven P. Feinstein, PH.D., CFA, to opine on whether the market for KBR common stock was efficient during the Class Period and whether damages are subject to a common methodology. ECF No. 97-2.

31. Following the submission of the motion for class certification, APERS and IBEW Local No. 58 completed their production of documents in response to Defendants' document requests. Representatives from both APERS and IBEW Local No. 58 were deposed on March 31, 2016 and April 22, 2016, in connection with the class certification motion. On April 8, 2016, the Class Representatives' market-efficiency expert, Steven Feinstein, was also deposed by Defendants in connection with the class certification motion.

32. Defendants filed their brief in opposition to the class certification motion on April 29, 2016. ECF No. 104. Defendants argued that the motion should be denied for several reasons. Defendants argued that starting the proposed class period on September 11, 2013 is far too early given that KBR did not publish the first alleged misstated financial statements until October 24, 2013. Defendants also argued that the proposed class period should end on May 5, 2014, when the Company announced the need to restate its 2013 financial statements, given that after May 5, 2014, it became unreasonable for shareholders to continue to rely on KBR's misstated financial statements and the fraud-on-the-market presumption of reliance no longer applied. Additionally, Defendants argued that the June and July 2014 releases were not corrective disclosures but rather, timely disclosures of current period losses, and cannot serve to extend the class period. Regarding Class Representatives' damages methodology, Defendants argued that Class Representatives failed to present a class-wide damages model consistent with

Class Representatives' theory of liability, which Defendants argued was required by *Comcast Corp. v. Behrend*, 133 S. Ct. 1426 (2013).

33. APERS and IBEW Local No. 58 filed their reply brief on June 10, 2016. ECF No. 109. Class Representatives responded to each of Defendants' arguments and argued that the class should be certified for the entire class period proposed by Class Representatives. Class Representatives argued that Defendants' failure to submit an expert report of their own on market efficiency demonstrated that there was no dispute that KBR's stock traded on an efficient market during the Class Period, and that the class is entitled to a presumption of reliance for the entirety of the Class Period. Class Representatives also argued that Defendants' merits-based arguments to shorten the Class Period were inappropriate at the class certification stage.

34. On July 8, 2016, the Court heard oral argument on the motion for class certification. Both sides argued the merits of the motion. The Court granted the motion that same day, certifying the Class, appointing Lead Plaintiffs as Class Representatives, and appointing Lead Counsel as Class Counsel. ECF No. 114.

IV. DISCOVERY

35. Following the lifting of the PSLRA stay after the Court's decision on the motion to dismiss, discovery moved forward without delay. Class Counsel promptly propounded detailed discovery requests, engaged in a thorough meet and confer process with Defendants on the scope of discovery, ultimately reviewing and analyzing more than a million pages of documents produced by Defendants and tens of thousands of pages of documents from non-party KPMG, and took seven merits depositions. (As noted above, Class Counsel also defended two

Class Representative depositions, and defended one expert deposition in connection with class discovery.)

A. Discovery Propounded on Defendants

36. Class Representatives served their first set of document requests and interrogatories on Defendants on October 2, 2015 and a second set of interrogatories on Defendants on July 25, 2016.

37. Defendants filed their responses and objections to Class Representatives' first set of document requests and interrogatories on November 2, 2015 and their responses and objections to Class Representatives' second set of interrogatories on August 4, 2016. Class Representatives discovery requests prompted meet-and-confer conferences with Defendants as to the scope and manner of the document production, including issues pertaining to search terms and custodians for electronically stored information ("ESI"). Through this effort, the Parties successfully came to agreement on many issues. Defendants began a rolling production of documents on or around December 7, 2015.

38. The Parties conducted a number of meet and confers regarding the scope of the production, and reached agreement on various issues, including, for example, the production of all of the design drawings and issued for construction drawings for the Contracts at issue.

39. The Parties initially were unable to resolve an issue related to the production by KBR and KPMG of certain documents related to the investigation by Norton Rose (the outside law firm hired by KBR's Audit Committee to investigate potential fraud related to the Restatement) that KBR and KPMG withheld on the grounds of attorney client privilege and/or attorney work product. Class Representatives argued that any such privilege was inapplicable or

had been waived and brought this issue to the Court's attention on a phone conference on October 7, 2016. The Court ordered a briefing schedule, but the Parties reached a compromise and briefing was not necessary. As a result, KBR and KPMG produced certain documents describing Norton Rose's investigation of the transactions that led to the Restatement, including unredacted report summaries to KBR's Audit Committee.

40. As a result of Class Counsel's efforts, Defendants produced approximately 1.3 million pages of documents. Among the types of documents Defendants produced in response to Class Representatives' requests were documents and communications related to, among others: (i) the Contracts from January 1, 2012 through the end of the Class Period; (ii) approximately 40,000 drawings related to the Contracts; (iii) the Restatement; (iv) the alleged material weaknesses identified by KPMG; (v) communications with KPMG concerning the alleged material weaknesses, the Restatement, and/or the Contracts; (vi) internal KBR investigations concerning the Restatement, the alleged material weaknesses, and/or the Contracts; (vii) KBR's Board of Directors; and (viii) KBR's organizational charts.

41. In order to facilitate a cost and time-efficient document review process, all of the documents were placed in an electronic database that was created by and maintained at Epiq Systems, Inc. A platform called Relativity was used to organize the data. A team of experienced attorneys was assembled to review and analyze the production. These attorneys were focused on reviewing Defendants' document production for the purpose of preparing for depositions, and ultimately trial, with many of them assisting in additional stages of deposition preparation.

42. In order to efficiently focus on the most relevant documents, these attorneys used the document platform and its analytical tools to analyze and search the data. This was

accomplished through de-duping and email threading to narrow the universe of documents that needed to be reviewed. Once the universe of documents was narrowed, the attorneys conducted targeted searching through text, author and/or recipients, type of document (*e.g.*, emails, memoranda, SEC filings), date, Bates number, etc. to identify relevant, irrelevant, and hot documents for additional review by other members of the litigation team.

43. The document review attorneys utilized review guidelines and protocols that were put in place and monitored to ensure a dynamic and high quality review of the documents. This supervision included the creation of a set of relevant materials and information and in-person instruction from more senior attorneys on the litigation team.

44. The document review attorneys did not only review documents. They also participated in frequent meetings with more senior attorneys to discuss important documents, discovery preparation efforts, and case strategy. The document review attorneys also had direct responsibility for providing relevant documents to our accounting and industry experts and in putting together deposition binders for each of the KBR witnesses who were deposed.

45. Merits depositions were well under way at the time of the Settlement, as Class Counsel had conducted seven fact depositions. The depositions Class Counsel conducted included:

(a) Michael Price on June 14, 2016 in Houston, Texas (KBR compliance officer)

(b) David Walsh on June 17, 2016 in Houston, Texas (Director of Commercial Operations for KBR Canada)

(c) Douglas McCarthy on August 18, 2016 in Alberta, Canada (KBR Director of Operations, Modules and Fabrication)

(d) Nelson Rowe on September 19, 2016 in Houston, Texas (KBR Chief Accounting Officer)

(e) Harold Williams on December 6, 2016 in Alberta, Canada (KBR Senior Vice President of Operations)

(f) Hope Hatherly on December 7, 2016 in Alberta, Canada (KBR Senior Manager, Commercial Division)

(g) William Knight on December 8, 2016 in Alberta, Canada (KBR Director of Finance)

46. The witnesses provided important information about key aspects of the claims and defenses, including the state of the projects being executed under the Contracts during the Class Period, KBR's cost estimates, KBR's accounting for the contracts, KBR's internal controls, and communications with the Individual Defendants or their subjects. For example, Michael Price testified about how revenue was recognized on the Suncor Contract (the largest of the seven Contracts at issue in the litigation). David Walsh was involved in the investigation into the causes of the Restatement. Douglas McCarthy testified about the volume of work on the Suncor Contract. Hope Hatherly testified about the Company's revenue recognition practices and with respect to the Suncor Contract. Hal Williams testified about the productivity numbers on the Contracts and the chain of command for preparing the numbers. Nelson Rowe testified about the Company's internal control procedures and the Restatement. Bill Knight testified about the preparation of the financial summaries of KBR Canada's quarterly performance, including the revenue income and outstanding change orders for KBR Canada and the Contracts.

47. The Parties were preparing for additional depositions at the time the Settlement was reached.

B. Discovery Propounded on Class Representatives

48. In November 2015, Defendants served APERS and IBEW Local No. 58 with document requests and interrogatories related to class issues. APERS and IBEW Local No. 58 served Defendants with their responses and objections on December 18, 2015. In response to Defendants' discovery requests, beginning in January 2016, Class Representatives produced responsive documents, including organizational charts, account statements and trading activity, and any non-privileged communications regarding KBR.

49. Defendants also served deposition notices on APERS and IBEW Local No. 58. Defendants deposed Eugene Craig Young, Benefits Director IBEW Local No. 58, who testified as a Rule 30(b)(6) witness for IBEW Local No. 58, on March 31, 2016 in Troy, Michigan. Class Counsel defended this deposition. Defendants also deposed Gail H. Stone, Executive Director at APERS, who testified as a Rule 30(b)(6) witness for APERS, on April 22, 2016, in Little Rock, Arkansas. Class Counsel defended this deposition.

C. Letters Rogatory

50. Class Representatives requested the issuance of a Request for International Judicial Assistance ("Letters Rogatory") to take evidence in Canada's Alberta Province of William S. Knight, Harold A. Williams, and Hope Hatherly. ECF No. 118.

51. The request was granted by the Court (ECF No. 123), and after a hearing, the Canadian Court in Alberta ordered that the depositions be taken. As noted above, the depositions were, in fact, taken in Alberta, Canada, on December 6, 7, and 8, 2016.

D. Non-Party Discovery

52. Class Representatives also served non-party discovery, including a subpoena on KPMG seeking documents relevant to Class Representatives' claims. Approximately 78,000 pages of documents were produced by KPMG.

E. Expert Discovery

53. As noted above, APERS and IBEW Local No. 58 filed a motion for class certification on February 19, 2016. In connection with this motion, Class Representatives submitted an expert report by Steven P. Feinstein, PH.D., CFA, who was retained by Class Counsel to provide an expert opinion on market efficiency. Defendants deposed Mr. Feinstein on April 8, 2016 in Boston, Massachusetts. Class Counsel defended this deposition.

54. Class Representatives also consulted with industry experts, including Frank Adams at Interface Consulting, Int'l. on issues pertaining to pipe fabrication and modular assembly. In addition, our industry experts reviewed and analyzed certain key documents produced by Defendants and certain deposition testimony by KBR witnesses. Our experts advised us on, *inter alia*, industry practice with respect to the use of design drawings and issued for construction drawings and regarding the manner in which cost estimates are made on fabrication contracts.

V. SETTLEMENT NEGOTIATIONS

A. Mediation

55. On June 23, 2016, the Parties participated in a full-day mediation session before Judge Daniel Weinstein (Ret.) and Jed Melnick, in an attempt to achieve a negotiated resolution of the claims in the Action. Prior to the mediation session, the Parties exchanged detailed

mediation statements discussing their respective views of the claims and alleged damages. A settlement, however, was not reached at that time.

56. Over the course of the next six months, as fact discovery continued and the class certification motion was decided, the Mediator conducted further discussions with the Parties in an effort to assist them in coming to a resolution of the Action. After numerous further communications on the issues of liability and damages, on December 15, 2016, Judge Weinstein issued a Mediator's proposal that the Action be settled for $10.5 million, which the Parties accepted on December 20, 2016. A Settlement Term Sheet memorializing the agreement in principle was executed by the Parties on January 23, 2017. The Parties subsequently negotiated the terms of the Stipulation, which was executed by the Parties on April 5, 2017 and filed with the Court that same day. ECF No. 134-2.

57. On April 5, 2017, Class Representatives also moved for preliminary approval of the Settlement. ECF No. 134. On April 10, 2017, the Court entered the Preliminary Approval Order and Class Action Settlement Scheduling Order ("Settlement Scheduling Order"), authorizing that notice of the Settlement be sent to Class Members and scheduling the Settlement Hearing for July 25, 2017 to consider whether to grant final approval to the Settlement. On May 25, 2017, the Court entered an order rescheduling the Settlement Hearing for August 24, 2017.

VI. CLASS REPRESENTATIVES' COMPLIANCE WITH PRELIMINARY APPROVAL ORDER AND REACTION OF THE CLASS TO DATE

58. Pursuant to the Preliminary Approval Order and the Class Action Settlement Scheduling Order, the Court appointed Epiq Class Action & Claims Solutions, Inc. ("Epiq") as Claims Administrator in the Action and instructed Epiq to disseminate copies of the Notice of Pendency of Class Action, Proposed Settlement, and Motion for Attorneys' Fees and Expenses

and Proof of Claim (collectively the "Notice Packet") by mail and to publish the Summary Notice of Pendency of Class Action, Proposed Settlement, and Motion for Attorneys' Fees and Expenses.

59. The Notice, attached as Exhibit A to the Declaration of Stephanie A. Thurin Re: (A) Mailing of the Notice and Claim Form; (B) Publication of the Summary Notice; and (C) Report on Requests for Exclusions ("Mailing Decl." or "Mailing Declaration") (Exhibit 3 hereto), provides potential Class Members with information about the terms of the Settlement and contains, among other things: (i) a description of the Action and the Settlement; (ii) the terms of the proposed Plan of Allocation; (iii) an explanation of Class Members' right to participate in the Settlement; (iv) an explanation of Class Members' rights to object to the Settlement, the Plan of Allocation, and/or the Fee and Expense Application, or exclude themselves from the Class; and (v) the manner for submitting a Claim Form in order to be eligible for a payment from the net proceeds of the Settlement. The Notice also informs Class Members of Class Counsel's intention to apply for an award of attorneys' fees in an amount not to exceed 25% of the Settlement Fund and for payment of litigation expenses in an amount not to exceed $995,000.

60. As detailed in the Mailing Declaration, Epiq mailed Notice Packets to potential Class Members as well as banks, brokerage firms, and other third party nominees whose clients may be Class Members. Mailing Decl. ¶¶ 2-8. In total, to date, Epiq has mailed 58,349 Notice Packets to potential nominees and Class Members by first-class mail, postage prepaid. *Id.* ¶ 8. To disseminate the Notice, Epiq obtained the names and addresses of potential Class Members

from listings provided by KBR's transfer agent and from banks, brokers and other nominees. *Id.* ¶¶ 3-8.

61. On May 5, 2017, Epiq caused the Summary Notice to be published in *The Wall Street Journal* and to be transmitted over *PR Newswire*. *Id.* ¶ 9, and Exhibit B thereto.

62. Epiq also maintains and posts information regarding the Settlement on a dedicated website established for the Action, www.KBRSecuritiesLitigation.com, to provide Class Members with information concerning the Settlement, as well as downloadable copies of the Notice Packet and the Stipulation. *Id*. ¶ 14. Following the Court's order rescheduling the Settlement Hearing, Epiq updated the website to inform Class Members of the new date. *Id*. ¶ 15.

63. Pursuant to the terms of the Preliminary Approval Order and the Settlement Scheduling Order, the deadline for Class Members to submit objections to the Settlement, the Plan of Allocation, and/or the Fee and Expense Application, or to request exclusion from the Class is July 4, 2017. To date, no objections to the Settlement or the Fee and Expense Application have been received, and no requests for exclusion have been received. *Id*. ¶ 17. Should any objections or additional requests for exclusion be received, Class Representatives will address them in their reply papers, which are due to be filed with the Court on July 18, 2017.

VII. RISKS FACED BY CLASS REPRESENTATIVES IN THE ACTION

64. Based on (i) the information and internal KBR documents obtained through Class Counsel's investigation and from Defendants and non-party KPMG's responses to document requests; (ii) the deposition discovery taken in the case; and (iii) Class Counsel's discussions with consultants, experts, and the Mediator, Class Counsel believe that the Settlement is fair,

reasonable, and adequate. Class Counsel also realize that Class Representatives faced considerable risks and obstacles to achieving a greater recovery, were the case to continue. Class Representatives and Class Counsel carefully considered these challenges during the months leading up to the Settlement and during the settlement discussions with Defendants. As explained below, Defendants had substantial defenses with respect to liability in this case. In addition, even if Class Representatives were able to overcome the risks to establishing liability, they faced very serious risks in proving damages and loss causation.

A. Risks Concerning Liability

65. Defendants' primary defense was that they did not act with scienter, which is generally the most difficult element of a securities fraud claim for a plaintiff to prove. In this case, Defendants had numerous scienter arguments that posed very significant hurdles to proving that they acted with an intent to commit securities fraud or with severe recklessness. First, Defendants would have argued that KBR's Restatement was not the result of intentional or severely reckless behavior designed to mislead investors about the true strength of KBR's financial results. Rather, Defendants would have maintained that the Restatement was simply the result of misjudgments and good-faith mistakes. This argument was particularly challenging in this case because the action is based on misstatements of estimates of the cost to complete the Contracts at issue. The complex cost forecasting at the core of this case, by its very nature, required subjective assessments and judgment calls about the costs to complete the Contracts in the future, and was subject to change as circumstances shifted. Moreover, Defendants would have argued that the modules KBR was manufacturing and assembling pursuant to the Contracts were significantly more complex than those KBR had historically completed, which exacerbated

the difficulty of making accurate forecasts of their cost to complete these projects. Accordingly, Defendants would have forcefully argued that any accounting errors relating to the complex cost forecasting on those projects were the result of mistaken judgments of estimates, and not fraud.

66. Second, Defendants would have contended that there was no indication that any of the Individual Defendants actually knew that KBR's financial statements were incorrect or misleading, because they did not prepare the erroneous cost forecasts. The Contracts at issue were performed and accounted for in Edmonton, Alberta, Canada, at one of KBR's more than 25 worldwide subsidiaries. Meanwhile, KBR's headquarters, where all of the Individual Defendants were located, are in Houston, Texas—two thousand miles away. Defendants would have argued that none of the Individual Defendants was responsible for overseeing the performance of the Contracts, for preparing or verifying the complex cost forecasts at issue, or for accounting for the Contracts. All of those functions, Defendants would have contended, were carried out by KBR employees in Canada who worked for the distinct KBR subsidiary.

67. Third, Defendants would have further contended that they had no specific reason or "red flags" (prior to March 2014, when they began the internal investigation that led to the Restatement) to doubt the veracity of the complex cost forecasts prepared by personnel in the Canadian unit. In support of this argument, Defendants would have asserted that, by all outward appearances prior to the Restatement, the Contacts at issue were performing well. In addition, Defendants would have argued that the Contracts accounted for just 3% of KBR's revenues, and were just seven Contracts among the thousands of contracts that KBR executed through its many subsidiaries worldwide. Thus, Defendants would have argued, any accounting errors were, at

worst, a product of negligent oversight, and not intentional or reckless behavior designed to defraud investors.

68. Fourth, Defendants would have argued that the steps they took after being informed of potential problems with the Contracts demonstrate a lack of fraudulent intent. Defendants would have argued that, after being informed of potential errors in the cost forecasting process, they immediately launched an investigation of the problem, sending senior executives from Houston to Canada to uncover the facts; hired independent legal counsel and accounting advisors to assist in that investigation; swiftly and publicly disclosed the issue; and then voluntarily restated the erroneous financial statements—all in a matter of months between March and May 2014. Defendants would have argued that this rapid sequence of events is evidence of their transparency and good faith, and is completely inconsistent with a scheme to defraud.

69. Fifth, in advancing their scienter defense, Defendants would have argued that the manner in which the modules underlying the Contracts at issue were planned and designed conformed to industry practice. Under this practice, KBR received initial design drawings for the modules in advance of making its cost estimates. In fact, Defendants could have pointed to literally hundreds (if not thousands) of drawings that KBR received prior to and during the time it was making its cost estimates and accounting for the Contracts. Defendants would have further contended that the cost estimates ultimately proved incorrect only because the Company received "issued for construction drawings" much later in the process, which showed, for the first time, that the work needed to complete the modules was more complex and costly than previously understood (and that KBR might not be reimbursed for the extra cost). This

sequence, Defendants would have argued, conformed to standard industry practice, pursuant to which the more detailed "issued for construction" drawings are issued later in the estimation and fabrication process. Defendants would have argued that their conformance with this industry practice further demonstrated that they acted reasonably, and not with fraudulent intent, in making their cost estimates for the Contracts.

70. Sixth, Defendants would have pointed to the fact that KBR's auditor certified and signed-off on its 2013 financial statements (that were later restated) before they were filed, and there was no indication that these statements were questioned by the auditor. Defendants would have argued that this fact supports their position that their cost forecasts for the Contracts were the product of reasonable assessments at that time, and not an intent to deceive, or a reckless disregard for their accuracy.

71. Seventh, Defendants would have argued that KBR's stock repurchases during the Class Period negated any inference of scienter. Defendants would have pointed out that KBR purchased more than $90 million of its own stock in the open market during the Class Period and KBR's Board authorized KBR to repurchase up to $350 million of its own stock. Defendants would have asserted that, if they were truly committing fraud, it would have been irrational for them to purchase or authorize the repurchase of stock that they knew was artificially inflated.

72. Finally, Defendants would have maintained that none of the traditional hallmarks of fraud was present in this Action. For instance, according to Defendants, with the exception of one Individual Defendant, none of the Individual Defendants sold any KBR shares during the Class Period. With respect to the one Individual Defendant alleged to have sold KBR shares (Defendant Utt), Defendants would contend there was a plausible and non-fraudulent explanation

for him doing so—his retirement from the Company. Further, Defendants would have argued, the fact that Defendant Utt was the only Defendant who sold stock confirms that there was no "scheme" to inflate the Company's financial results.

73. In addition, while the SEC launched an investigation of the circumstances surrounding KBR's Restatement, to date—now approximately 3 years after the investigation was initiated—it has taken no action against the Defendants.

74. For all these reasons, there was a very significant risk that the Court on summary judgment, or a jury after trial, could have concluded that Defendants did not act with scienter.

75. Defendants also would have mounted a strong defense with respect to the falsity of certain of the alleged misstatements. First, the Individual Defendants would have argued that the alleged false statements that they made on conference calls regarding KBR's Canadian operations were not materially false. These included statements that KBR had "a lot of strong bookings" in Canada; was "exercising a lot of discipline in terms of managing KBR's overall business;" and "was doing very well in delivering modules that are built to design." Defendants would have contended that these statements were too vague and general to support a claim for fraud. Defendants also would have argued that the statements were not false because they did not specifically reference the cost forecasting for any of the Contracts at issue.

76. Second, Defendants would have argued that the alleged misleading statements issued by the Company later in the Class Period—namely, the May 5, 2014 statement disclosing the need to restate, and statements made on June 19, 2014—were not misleading. Specifically, Defendants would have contended that there were no affirmatively false statements made on these dates, nor was there any obligation to pre-announce additional losses on the Contracts in

advance of the normal financial reporting schedule. The additional Contract-related losses disclosed on June 19 and July 31, 2014, Defendants would have argued, were nothing more than timely disclosures of losses discovered or incurred during the relevant reporting periods. Thus, Class Representatives faced a significant risk that the Court or a jury could have concluded that these statements were not false.

B. Risks Related To Damages

77. Even assuming that Class Representatives overcame the above risks and successfully established liability, they faced serious risks in proving damages and loss causation. This case involved four alleged corrective partial disclosure events that occurred on the following trading dates, which together removed the alleged artificial inflation in KBR's common stock: (i) February 27, 2014; (ii) May 5, 2014; (iii) June 19, 2014; and (iv) July 31, 2014. However, Defendants had very substantial arguments that there were no recoverable damages, or that damages were minimal.

78. First, the vast majority of potential damages (based on the size of the four stock drops) was allegedly attributable to KBR's stock price decline after the first alleged corrective disclosure on February 27, 2014, when KBR announced poor 2013 results and noted that it had a material weakness in its internal controls. However, Defendants would have argued strongly that KBR's stock price decline following the February 27, 2014 corrective disclosure was not recoverable at all because the disclosure had nothing to do with the Contracts at issue. Specifically, Defendants would have contended that the material weakness (relating to the valuation of certain long-term construction projects with multiple currencies) occurred in the Company's Gas Monetization segment—which did not include the Contracts—and only had an

impact on completely unrelated contracts. Thus, Defendants would have maintained, any stock price decline attributable to the disclosure of that material weakness was not recoverable as damages in this case.

79. Second, Defendants would have contended that damages attributable to the two alleged corrective disclosures on June 19, 2014 and July 31, 2014 were also not recoverable. On those two dates, KBR announced it had incurred additional losses on the Contracts for the first and second quarters of 2014. However, Defendants would have asserted that, on May 5, 2014, prior to the disclosures of these additional losses, KBR had already announced its intent to restate its financial statements because it had failed to properly estimate the costs to complete the Contracts, and informed the market that additional losses were possible. In light of the information disclosed on May 5, Defendants would have asserted that investors who purchased or held stock after that date were well aware of the fact that KBR's cost estimates on the Contracts were not accurate, as well as the fact that there was a risk of additional losses on the Contracts in the coming quarters.

80. Third, even if some damages were recoverable for the declines following the June 19, 2014 and July 31, 2014 disclosures, Defendants would have contended that those damages were minimal. Defendants would have argued that the Company's disclosures on those days consisted of press releases and earnings announcements where a variety of information—including many pieces of information unrelated to the alleged fraud—was disclosed to the market and impacted KBR's stock price. Defendants would have further argued that Class Representatives bear the burden of proof in "disaggregating" the impact of this "confounding," non-fraud information from the impact of the information at issue in our case. Defendants would

have argued that disaggregating cannot be done, and that even if it could, it would substantially reduce damages.

81. Fourth, Defendants would have argued that Plaintiffs were required to "scale" up the amount of artificial inflation in KBR's stock price during the Class Period based on the timing of when the losses at issue were recognized. Specifically, Defendants would have argued that the $156 million in losses announced on May 5, 2014 did not occur all at once, but rather built up throughout the third and fourth quarters of 2013. Thus, Defendants would have argued strongly that in constructing their damages model, Plaintiffs could not assume that all of the artificial inflation in KBR's stock existed from the beginning of the Class Period (or even at the beginning of the third quarter of 2013). Rather, Defendants would have asserted, Plaintiffs were required to apportion the artificial inflation according to when the losses occurred, thus scaling the inflation up over time. This argument, if it were accepted by the jury, would have further reduced damages.

82. Fifth, Defendants would have argued vigorously that the damages in this case should be reduced because the Class Period is overly broad. As noted above, Defendants would have argued that the statements they made on conference calls concerning KBR's Canadian operations were not actionable. As a result, Defendants would have contended, the Class Period should be shortened to begin on October 24, 2013 when KBR's filed its Third Quarter 2013 10-Q, which in turn would have further reduced potential damages.

83. Lastly, Defendants would likely have contended that damages must be further reduced in two additional ways. Defendants would have argued that the trading volume for KBR common stock used in Class Representatives' experts assumptions must be substantially reduced

to remove any volume generated by "market makers," who suffered no compensable losses as a result of their trading. Defendants also would have argued that losses would have to be offset by any gains that Class Members realized by selling their KBR stock at allegedly artificially inflated prices during the Class Period.

84. After consultation with their damages expert and consideration of Defendants' likely defenses, Class Counsel estimated that the damages they could seek at trial would be approximately $65 million in the aggregate. However, if Defendants' damages arguments were accepted by the Court at summary judgment or by a jury after trial, Plaintiffs' damages expert estimates that recoverable damages would be greatly reduced to between approximately $21 million and $25 million. Of course, even that reduced damages estimate assumes that liability could be established, which, as explained above, was far from certain.

85. Furthermore, in order to recover any damages at trial, Class Representatives would have to prevail at many stages in the litigation—namely, the motion for summary judgment and then at trial and, even if Class Representatives prevailed at those stages, on the appeals that would likely follow. At each of these stages, there would be significant risks attendant to the continued prosecution of the Action, and no guarantee that further litigation would have resulted in a higher recovery, or any recovery at all.

VIII. THE PLAN OF ALLOCATION

86. Pursuant to the Preliminary Approval Order and the Scheduling Order, and as set forth in the Notice, all Class Members who wish to participate in the distribution of the Net Settlement Fund must submit a valid Claim Form, including all required information, postmarked no later than August 19, 2017. As provided in the Notice, after deduction of Court-

awarded attorneys' fees and expenses, Notice and Administration Expenses, and all applicable Taxes, the balance of the Settlement Fund (the "Net Settlement Fund") will be distributed according to the plan of allocation approved by the Court (the "Plan of Allocation").

87. The proposed Plan of Allocation, which is set forth in full in the Notice (Ex. 3–A at 12-14), was designed to achieve an equitable and rational distribution of the Net Settlement Fund, but it is not a damages analysis that would be submitted at trial. Class Counsel developed the Plan of Allocation in close consultation with Class Representatives' damages expert and believe that the plan provides a fair and reasonable method to equitably distribute the Net Settlement Fund among Authorized Claimants.

88. In developing the Plan of Allocation, Class Representatives' damages expert calculated the estimated amount of artificial inflation in the per share closing prices of KBR common stock which allegedly was proximately caused by Defendants' alleged false and misleading statements and omissions. In calculating the estimated artificial inflation allegedly caused by those misrepresentations and omissions, Class Representatives' damages expert considered price changes in KBR common stock in reaction to public disclosures that allegedly corrected the respective alleged misrepresentations and omissions, adjusting those price changes for factors that were attributable to market or industry forces, and for non-fraud related KBR-specific information.

89. Under the Plan of Allocation, a "Recognized Loss Amount" will be calculated for each purchase or acquisition of publicly-traded KBR common stock by an eligible Class Member during the Class Period. In general, the Recognized Loss Amount will be the difference between the estimated artificial inflation on the purchase date and the estimated artificial inflation on the

sale date, or the difference between the actual purchase price and the sales price, whichever is less. *See* Ex. 3-A at ¶ 68. Under the Plan of Allocation, claimants who purchased shares during the Class Period but did not hold those shares through at least one partial corrective disclosure will have no Recognized Loss Amount as to those transactions. *Id.* ¶ 66.

90. Epiq, under Class Counsel's direction, will determine each Authorized Claimant's *pro rata* share of the Net Settlement Fund based upon each Authorized Claimant's total Recognized Claim compared to the aggregate Recognized Claims of all Authorized Claimants. Calculation of Recognized Claims will depend upon several factors, including when the Authorized Claimant purchased shares during the Class Period and whether these shares were sold during the Class Period, and if so, when.

91. To date, there have been no objections to the Plan of Allocation.

92. In sum, the proposed Plan of Allocation, developed in consultation with Class Representatives' damages expert, was designed to fairly and rationally allocate the Net Settlement Fund among Authorized Claimants. Accordingly, Class Counsel respectfully submit that the proposed Plan of Allocation is fair, reasonable, and adequate and should be approved.

IX. CLASS COUNSEL'S APPLICATION FOR ATTORNEYS' FEES AND EXPENSES IS REASONABLE

A. Consideration of Relevant Factors Justifies an Award of a 25% Fee

93. Consistent with the Notice to the Class, Class Counsel, on behalf of themselves and Ajamie LLP ("Plaintiffs' Counsel"), seek a fee award of 25% of the Settlement Fund. Class Counsel also request payment of expenses in connection with the prosecution of the Action from the Settlement Fund in the amount of $816,260.97. Class Counsel submit that, for the reasons

discussed below and in the accompanying Fee Memorandum, such awards would be reasonable and appropriate under the circumstances before the Court.

1. Class Representatives Support the Fee and Expense Application

94. Class Representative APERS is a multi-employer defined benefit retirement plan for State of Arkansas employees that oversees more than $7.55 billion in assets as of June 30, 2016. Ex. 1 ¶ 2.

95. Class Representative IBEW Local No. 58 is composed of the Electrical Workers' Pension Trust Fund of Local Union #58, I.B.E.W., Detroit, Michigan, the I.B.E.W. Local No. 58 Annuity Fund, the Electrical Workers' Insurance Fund, and the International Brotherhood of Electrical Workers Local Union No. 58 Sound and Communications Division Pension Fund and provides retirement and health and welfare benefits for workers in the electrical industry. IBEW Local No. 59 has more than $1.3 billion in assets. Ex. 2 ¶ 2.

96. Class Representatives have evaluated and fully support the Fee and Expense Application. Ex. 1 ¶¶ 7-8; Ex. 2 ¶¶ 7-8. In coming to this conclusion, Class Representatives—who were substantially involved in the prosecution of the Action and negotiation of the Settlement—considered the recovery obtained as well as Class Counsel's substantial effort in obtaining the recovery. Class Representatives take their roles as Class Representatives seriously to ensure that Class Counsel's fee request is fair in light of work performed and the result achieved for the Class. *Id*.

2. The Time and Labor of Class Counsel

97. The investigation, prosecution, and settlement of the claims asserted in the Action required extensive efforts on the part of Class Counsel, given the complexity of the legal and

factual issues raised by Class Representatives' claims and the vigorous defense mounted by Defendants. The many tasks undertaken by Class Counsel in this case are detailed above (*see, e.g.*, ¶¶ 13-14, 24, 29-31, 22, 35-56).

98. As also more fully set forth above, the Action was prosecuted for more than two and a half years and settled only after Class Counsel overcame multiple legal and factual challenges. Among other efforts, Class Counsel conducted a comprehensive investigation into the Class's claims; researched and prepared a detailed Complaint; briefed a thorough opposition to Defendants' motion to dismiss; successfully moved for class certification; obtained and analyzed approximately 1.3 million pages of documents from Defendants and approximately 78,000 pages of documents from KPMG; took seven depositions of representatives of the Company; defended the depositions of Class Representatives and Class Representatives' market efficiency expert; and engaged in a hard-fought settlement process with experienced defense counsel.

99. At all times throughout the pendency of the Action, Class Counsel's efforts were driven and focused on advancing the litigation to bring about the most successful outcome for the Class, whether through settlement or trial.

100. Attached hereto are declarations from Plaintiffs' Counsel, which are submitted in support of the request for an award of attorneys' fees and payment of litigation expenses. *See* Declaration on Behalf of Labaton Sucharow LLP (Ex. 4); Declaration on Behalf of Bernstein Litowitz Berger & Grossmann LLP (Ex. 5); and Declaration on Behalf of Ajamie LLP (Ex. 6).

101. Included with these declarations are schedules that summarize the time of each firm, as well as each firm's litigation expenses by category (the "Fee and Expense Schedules").[3] The attached declarations and the Fee and Expense Schedules report the amount of time spent by Plaintiffs' Counsel's attorneys and professional support staff and the "lodestar" calculations, *i.e.*, their hours multiplied by their current rates.[4] As explained in each declaration, they were prepared from contemporaneous daily time records regularly prepared and maintained by the respective firms, which are available at the request of the Court.

102. The hourly rates of Plaintiffs' Counsel here range from $650 to $995 for partners, and $335 to $725 for staff attorneys and associates. *See* Exs. 4 - 6. It is respectfully submitted that the hourly rates for attorneys and professional support staff included in these schedules are reasonable and customary within the commercial litigation bar.

103. Plaintiffs' Counsel have collectively expended 19,573.70 hours prosecuting the Action. *See* Exs. 4 – 7. The resulting collective lodestar is $9,166,598.75. *Id*. The requested fee of 25% of the Settlement Fund ($2,625,000 before interest, at the same rate as is earned by the Settlement Fund) results in a fractional or negative "multiplier" of 0.29 on the lodestar.

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[3] Attached hereto as Exhibit 7 is a summary table of the lodestars and expenses of Plaintiffs' Counsel.

[4] As set forth in their respective firm declarations, Class Counsel have included time from September 9, 2014 (the date of entry of the Order appointing Labaton Sucharow and Bernstein Litowitz as Lead Counsel for the Class) through and including January 23, 2017 (the date when the agreement in principle to settle the Action was reached).

3. Novelty and Difficulty of Questions Presented

104. Courts within the Fifth Circuit have acknowledged that litigating securities class actions is difficult. *See* Fee Memorandum § III.A.2.

105. This Action presented substantial challenges from the outset of the case. The specific risks Class Representatives faced in proving Defendants' liability and damages are detailed in paragraphs 64 to 85, above. These case-specific risks are in addition to the more typical risks accompanying securities class action litigation, such as the fact that this Action is governed by stringent PSLRA requirements and case law interpreting the federal securities laws and was undertaken on a contingent basis.

4. The Skill Required and Quality of the Work

106. Class Counsel Labaton Sucharow and Bernstein Litowitz are among the most experienced and skilled securities litigation law firms in this practice area. The expertise and experience of their attorneys are described in Exhibits 4 and 5, annexed hereto. Since the passage of the PSLRA, Labaton Sucharow and Bernstein Litowitz have been approved by courts to serve as lead counsel in numerous securities class actions throughout the United States, and in several of the most significant federal securities class actions in history.

107. For example, Labaton has served as lead counsel in a number of high profile matters, for example: *In re Am. Int'l Grp., Inc. Sec. Litig.*, No. 04-8141 (S.D.N.Y.) (representing the Ohio Public Employees Retirement System, State Teachers Retirement System of Ohio, and Ohio Police & Fire Pension Fund and reaching settlements of $1 billion); *In re HealthSouth Corp. Sec. Litig.*, No. 03-1500 (N.D. Ala.) (representing the State of Michigan Retirement System, New Mexico State Investment Council, and the New Mexico Educational Retirement

Board and securing settlements of more than $600 million); *In re Countrywide Sec. Litig.*, No. 07-5295 (C.D. Cal.) (representing the New York State and New York City Pension Funds and reaching settlements of more than $600 million); *In re Schering-Plough Corp. / ENHANCE Sec. Litig.*, Civil Action No. 08-397 (DMC) (JAD) (D.N.J.) (representing Massachusetts Pension Reserves Investment Management Board and reaching a settlement of $473 million). *See* Ex. 4-C.

108. Bernstein Litowitz has also served as lead counsel in a number of high profile matters, for example: *In re WorldCom, Inc. Sec. Litig.*, No. 02-3288 (S.D.N.Y.) (representing the New York State Common Retirement Fund and reaching settlements totaling $6.12 billion); *In re Cendant Corp. Litig.*, No. 98-1664 (D.N.J.) (representing the California Public Employees' Retirement System, the New York State Common Retirement Fund, and the New York City Pension Funds and recovering more than $3.3 billion); *In re Bank of Am. Corp. Sec., Deriv., & ERISA Litig.*, No. 09-2058 (S.D.N.Y.) (representing the State Teachers Retirement System of Ohio, the Ohio Public Employees Retirement System, and the Teacher Retirement System of Texas and reaching a settlement of $2.425 billion in cash and corporate governance reforms); and *In re Merck & Co., Inc. Sec. Litig.*, No. 05-1151 (D.N.J.) (representing the Public Employees' Retirement System of Mississippi and reaching a settlement of $1.06 billion). *See* Ex. 5-C.

5. The Contingent Nature of the Fee

109. From the outset, Class Counsel understood that they were embarking on a complex, expensive, and lengthy litigation with no guarantee of ever being compensated for the substantial investment of time and money the case would require. In undertaking that

responsibility, Class Counsel were obligated to ensure that sufficient resources were dedicated to the prosecution of the Action, and that funds were available to compensate staff and to cover the considerable costs that a case such as this requires. With an average time of several years for these cases to conclude (and this case has been no different), the financial burden on contingent-fee counsel is far greater than on a firm that is paid on an ongoing basis. Plaintiffs' Counsel received no compensation during the course of the Action but have incurred 19,573.70 hours of time for a total lodestar of $9,166,598.75 and have incurred $816,260.97 in expenses in prosecuting the Action for the benefit of the Class.

110. Class Counsel also bore the risk that no recovery would be achieved. Even with the most vigorous and competent of efforts, success in contingent-fee litigation, such as this, is never assured.

111. Class Counsel know from experience that the commencement of a 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 convince sophisticated defendants to engage in serious settlement negotiations at meaningful levels.

112. Class Counsel is aware of many hard-fought lawsuits where, because of the discovery of facts unknown when the case was commenced, or changes in the law during the pendency of the case, or a decision of a judge or jury following a trial on the merits, excellent professional efforts of members of the plaintiffs' bar produced no fee for counsel.

113. Federal Circuit court cases include numerous opinions affirming dismissals with prejudice in securities cases. The many appellate decisions affirming summary judgments and

directed verdicts for defendants show that surviving a motion to dismiss is not a guarantee of recovery. *See, e.g., In re Oracle Corp. Sec. Litig.*, 627 F.3d 376 (9th Cir. 2010); *In re Silicon Graphics Sec. Litig.*, 183 F.3d 970 (9th Cir. 1999); *Phillips v. Scientific-Atlanta, Inc.*, 489 F. App'x. 339 (11th Cir. 2012); *In re Smith & Wesson Holding Corp. Sec. Litig*, 669 F.3d 68 (1st Cir. 2012); *McCabe v. Ernst & Young, LLP*, 494 F.3d 418 (3d Cir. 2007); *In re Digi Int'l Inc. Sec. Litig.*, 14 F. App'x. 714 (8th Cir. 2001); *Geffon v. Micrion Corp.*, 249 F.3d 29 (1st Cir. 2001).

114. Successfully opposing a motion for summary judgment is also not a guarantee that plaintiffs will prevail at trial. While only a few securities class actions have been tried before a jury, several have been lost in their entirety, such as *In re JDS Uniphase Securities Litigation*, Case No. C-02-1486 CW (EDL), slip op. (N.D. Cal. Nov. 27, 2007), or substantially lost as to the main case, such as *In re Clarent Corp. Securities Litigation*, Case No. C-01-3361 CRB, slip op. (N.D. Cal. Feb. 16, 2005).

115. Even plaintiffs who succeed at trial may find their verdict overturned on appeal. *See, e.g., Ward v. Succession of Freeman*, 854 F.2d 780 (5th Cir. 1998) (reversing plaintiffs' jury verdict for securities fraud); *Anixter v. Home-Stake Prod. Co.*, 77 F.3d 1215 (10th Cir. 1996) (overturning plaintiffs' verdict obtained after two decades of litigation); *Glickenhaus & Co., et al. v. Household Int'l, Inc., et al.*, 787 F.3d 408 (7th Cir. 2015) (reversing and remanding jury verdict of $2.46 billion after 13 years of litigation on loss causation grounds and error in jury instruction under *Janus Capital Grp, Inc. v. First Derivative Traders*, 131 S.Ct. 2296 (2011)); *Robbins v. Koger Props., Inc.*, 116 F.3d 1441 (11th Cir. 1997) (reversing $81 million jury verdict and dismissing case with prejudice). And, the path to maintaining a favorable jury verdict can be

arduous and time consuming. *See, e.g.*, *In re Apollo Grp., Inc. Sec. Litig.*, Case No. CV-04-2147-PHX-JAT, 2008 WL 3072731 (D. Ariz. Aug. 4, 2008), *rev'd*, No. 08-16971, 2010 WL 5927988 (9th Cir. June 23, 2010) (trial court rejecting unanimous verdict for plaintiffs, which was later reinstated by the Ninth Circuit Court of Appeals) and judgment re-entered (*id.*) after denial by the Supreme Court of the United States of defendants' Petition for Writ of Certiorari (*Apollo Grp. Inc. v. Police Annuity and Benefit Fund*, 562 U.S. 1270 (2011)).

116. As discussed in greater detail above, this case was fraught with significant risk factors concerning liability and damages. Class Representatives' success was by no means assured. Defendants disputed whether Class Representatives could establish scienter and would no doubt contend, as the case proceeded to trial, that even if liability existed, the amount of damages was substantially lower than Class Representatives alleged. Were this Settlement not achieved, and even if Class Representatives prevailed at trial, Class Representatives and Class Counsel faced potentially years of costly and risky trial and appellate litigation against Defendants, with ultimate success far from certain and the prospect of no recovery significant. Class Counsel respectfully submit that based upon the considerable risk factors present, this case involved a very substantial contingency risk to counsel.

6. The Amount Involved and the Results Obtained

117. Courts in the Fifth Circuit have recognized that the result achieved is a critical factor to be considered in making a fee award. *See* Fee Memorandum, §III.A.7. Here, the $10,500,000 Settlement is a favorable result, particularly when considered in view of the substantial risks and obstacles to recovery if the Action was to continue through summary judgment, to trial, and through likely post-trial motions and appeals.

118. This recovery was the result of very thorough and creative prosecutorial and investigative efforts, contentious and complicated motion practice, and arduous settlement negotiations. As a result of this Settlement, thousands of Class Members will benefit and receive compensation for their losses and avoid the very substantial risk of no recovery in the absence of a settlement.

B. Request for Litigation Expenses

119. Class Counsel seek payment from the Settlement Fund of $816,260.97 in litigation expenses reasonably and necessarily incurred by Plaintiffs' Counsel in connection with commencing and prosecuting the claims against Defendants.

120. From the beginning of the case, Class Counsel were aware that they might not recover any of their expenses, and, at the very least, would not recover anything until the Action was successfully resolved. Thus, Class Counsel were motivated to take steps to manage expenses without jeopardizing the vigorous and efficient prosecution of the case. Many of the expenses were paid out of a joint litigation fund created and maintained by Labaton Sucharow (the "Litigation Expense Fund"). A description of the expenses charged to the Litigation Expense Fund, organized by category, is included as Exhibit D to the individual firm declaration submitted on behalf of Labaton Sucharow. *See* Ex. 4.

121. As set forth in the Fee and Expense Schedules and the Summary Table of Lodestars and Expenses, Plaintiffs' Counsel's litigation expenses in connection with the prosecution of the Action total $816,260.97. *See* Exs. 4 - 7. As attested to, these expenses are reflected on the books and records maintained by each firm. These books and records are prepared from expense vouchers, check records, and other source materials and are an accurate

record of counsel's expenses. These expenses are set forth in detail in Plaintiffs' Counsel's declarations, which identify the specific category of expense—*e.g.*, experts' fees, mediation fees, travel costs, costs related to production and storage of electronic discovery, online/computer research, and photocopying.

122. Of the total amount of expenses, $406,305.43 or approximately 50% of total expenses, was expended on experts in the fields of damages, loss causation, accounting, and industry practice, such as pipe fabrication and modular assembly. These experts were valuable for Class Counsel's analysis and development of the claims, discovery efforts, and mediation.

123. Of the total amount of expenses, $108,584.50 or approximately 13% of total expenses, was expended on litigation support services, which were needed to host the electronic documents produced by Defendants and KPMG and to produce Class Representatives' records to Defendants.

124. Class Counsel also required Canadian counsel to assist with discovery efforts in Canada, which totaled $39,379.28.

125. Additionally, Class Counsel paid more than $50,812.61 in mediation fees assessed by the mediators in this matter.

126. The other expenses for which Class Counsel seek payment are the types of expenses that are necessarily incurred in litigation and routinely charged to clients billed by the hour. These expenses include, among others, travel costs at coach rates, late night transportation and meals, legal and factual research, duplicating costs, and court reporting services.

127. All of the litigation expenses, which total $816,260.97, were necessary to the successful prosecution and resolution of the claims against Defendants.

X. REIMBURSEMENT OF CLASS REPRESENTATIVES' EXPENSES IS FAIR AND REASONABLE

128. Additionally, in accordance with 15 U.S.C. §78u-4(a)(4), Class Representatives APERS and IBEW Local No. 58 seek reimbursement of their reasonable costs and expenses (including lost wages) incurred in connection with their work representing the Class in the aggregate amount of $7,113.64. The amount of time and effort devoted to this Action by each of the Class Representatives is detailed in the accompanying Declarations of Gail Stone and E. Craig Young, attached hereto as Exhibits 1 & 2. Class Counsel respectfully submit that the amounts requested by Class Representatives 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.

129. As discussed in the Fee Memorandum and in Class Representatives' supporting declarations, Class Representatives have been committed to pursuing the Class's claims since they became involved in the litigation. As large institutional investors, Class Representatives have actively and effectively fulfilled their obligations as representatives of the Class, complying with all of the many demands placed upon them during the litigation and settlement of the Action, and providing valuable assistance to Class Counsel. For instance, Class Representatives engaged in time-consuming discovery efforts and searches to locate and produce documents responsive to Defendants' discovery requests. Ex. 1 ¶ 4; Ex. 2 ¶ 4. In addition, the Class Representatives prepared for, and testified at, depositions in connection with the class certification motion. *Id*. These efforts required employees of Class Representatives to dedicate time and resources to the Action that they would have otherwise devoted to their regular duties.

130. The efforts expended by Class Representatives during the course of the Action are precisely the types of activities courts have found to support reimbursement to class representatives, and support Class Representatives' request for reimbursement.

XI. THE REACTION OF THE CLASS TO THE FEE AND EXPENSE APPLICATION

131. As mentioned above, consistent with the Preliminary Approval Order, a total of 58,349 Notices have been mailed to potential Class Members advising them that Class Counsel would seek an award of attorneys' fees not to exceed 25% of the Settlement Fund, and payment of expenses in an amount not greater than $995,000. *See* Ex. 3 ¶ 8. Additionally, the Summary Notice was published in *The Wall Street Journal*, and disseminated over *PR Newswire*. *Id.* ¶ 9. The Notice and the Stipulation have also been available on the settlement website maintained by the Claims Administrator. *Id.* ¶ 14.[5] While the deadline set by the Court for Class Members to object to the requested fees and expenses has not yet passed, to date no objections have been received. Class Counsel will respond to any objections received in their reply papers, which are due on July 18, 2017.

XII. MISCELLANEOUS EXHIBITS

132. Attached hereto as Exhibit 8 is a compendium of unreported cases, in alphabetical order, cited in the accompanying Fee Memorandum.

XIII. CONCLUSION

133. In view of the significant recovery to the Class and the substantial risks of this litigation, as described above and in the accompanying memorandum of law, Class

[5] Class Representatives' motion for approval of the Settlement and Class Counsel's motion for an award of attorneys' fees and expenses will also be posted on the Settlement website.

Representatives and Class Counsel respectfully submit that the Settlement should be approved as fair, reasonable, and adequate and that the proposed Plan of Allocation should likewise be approved as fair, reasonable, and adequate. In view of the significant recovery in the face of substantial risks, the quality of work performed, the contingent nature of the fee, and the standing and experience of Class Counsel, as described above and in the accompanying memorandum of law, Class Counsel respectfully submit that a fee in the amount of 25% of the Settlement Fund be awarded and that litigation expenses be paid in full.

We declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed this 20th day of June, 2017.

LOUIS GOTTLIEB

JOHN RIZIO-HAMILTON

Representatives and Class Counsel respectfully submit that the Settlement should be approved as fair, reasonable, and adequate and that the proposed Plan of Allocation should likewise be approved as fair, reasonable, and adequate. In view of the significant recovery in the face of substantial risks, the quality of work performed, the contingent nature of the fee, and the standing and experience of Class Counsel, as described above and in the accompanying memorandum of law, Class Counsel respectfully submit that a fee in the amount of 25% of the Settlement Fund be awarded and that litigation expenses be paid in full.

We declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed this 20th day of June, 2017.

LOUIS GOTTLIEB

JOHN RIZIO-HAMILTON

CERTIFICATE OF SERVICE

I hereby certify that I am a member of Labaton Sucharow LLP, and on the 20th day of June 2017, I caused to be electronically filed the Declaration of Louis Gottlieb and John Rizio-Hamilton in Support of (I) Class Representatives' Motion for Final Approval of Proposed Class Action Settlement and Plan of Allocation and (II) Class Counsel's Motion for an Award of Attorneys' Fees and Payment of Expenses, using ECF. Accordingly, I also certify that the Declaration was served on counsel of record via transmission of Notices of Electronic Filing generated by CM/ECF.

/s/ *Louis Gottlieb*
Louis Gottlieb

Exhibit 1

IN THE UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

IN RE KBR, INC. SECURITIES LITIGATION	Case No. 4:14-CV-01287 Judge Lee H. Rosenthal

DECLARATION OF GAIL STONE, EXECUTIVE DIRECTOR OF ARKANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM, IN SUPPORT OF (I) CLASS REPRESENTATIVES' MOTION FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT AND PLAN OF ALLOCATION AND (II) CLASS COUNSEL'S MOTION FOR AN AWARD OF ATTORNEYS' FEES AND PAYMENT OF LITIGATION EXPENSES

I, Gail Stone, hereby declare under penalty of perjury as follows:

1. I am the Executive Director of the Arkansas Public Employees Retirement System ("APERS"), a Court-appointed Lead Plaintiff and Class Representative in this securities class action (the "Action").[1] I submit this declaration in support of (i) Class Representatives' motion for final approval of the proposed Settlement and approval of the proposed Plan of Allocation; and (ii) Class 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.

2. APERS is a public pension fund organized in 1957 which provides retirement, disability, and survivor benefit programs to active and retired state, county, municipal, college, university, and non-teaching public school employees of the State of Arkansas. APERS is

[1] Unless otherwise defined herein, capitalized terms shall have the meanings ascribed to them in the Stipulation and Agreement of Settlement, dated as of April 5, 2017 (ECF No. 134-2).

responsible for the retirement income of these employees and their beneficiaries. As of June 30, 2016, APERS' defined benefit plans served more than 45,000 active and retired members and their beneficiaries, and APERS had over $7.55 billion in assets under management.

I. APERS' 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 Executive Director of APERS, I have overseen APERS' service as a lead plaintiff in several securities class actions.

4. In September 2014, APERS was appointed by the Court as one of the Lead Plaintiffs in this Action, and in June 2016, APERS was appointed by the Court as a Class Representative for the certified Class. On behalf of APERS, I had regular communications with Bernstein Litowitz Berger & Grossmann LLP ("BLB&G"), one of the Court-appointed Class Counsel for the Class, throughout the litigation. APERS, through my active and continuous involvement, as well as the involvement of others as detailed below, closely supervised, carefully monitored, and was actively involved in all material aspects of the prosecution and resolution of the Action. APERS received periodic status reports from BLB&G on case developments, and participated in regular discussions with attorneys from BLB&G concerning the prosecution of the Action, the strengths of and risks to the claims, and potential settlement. In particular, throughout the course of this Action, I and other employees of APERS:

(i) regularly communicated with BLB&G by email and telephone regarding the posture and progress of the case;

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

(iii) reviewed the Court's orders and discussed them with BLB&G;

(iv) engaged in time-consuming discovery efforts, including document productions and responses to written document requests and interrogatories;

(v) prepared for, and testified at, a deposition in connection with Lead Plaintiffs' class certification motion;

(vi) consulted with BLB&G regarding the settlement negotiations; and

(vii) evaluated and approved the proposed Settlement.

II. APERS Strongly Endorses Approval of the Settlement

5. APERS was kept informed of the settlement negotiations as they progressed, including the mediation before Judge Daniel Weinstein (Ret.) and Jed Melnick. Prior to and during the settlement negotiations and mediation process, I conferred with BLB&G regarding the parties' respective positions.

6. Based on its involvement throughout the prosecution and resolution of the claims asserted in the Action, APERS believes that the proposed Settlement is fair, reasonable, and adequate to the Class. APERS believes that the Settlement represents an excellent recovery for the Class, particularly in light of the substantial risks of continuing to prosecute the claims in this case. Therefore, APERS strongly endorses approval of the Settlement by the Court.

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

7. APERS believes that Class Counsel's request for an award of attorneys' fees in the amount of 25% of the Settlement Fund is fair and reasonable in light of the work that Plaintiffs' Counsel performed on behalf of the Class. APERS stake seriously its role as a class representative to ensure that attorneys' fees are fair in light of the result achieved for the class and reasonably compensate plaintiffs' counsel for the work involved and the substantial risks counsel undertake in litigating an action. APERS has evaluated Class Counsel's fee request in this Action by considering the work performed and the recovery obtained for the Class.

8. APERS further believes that the Litigation Expenses being requested for payment to Plaintiffs' Counsel 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 its obligation to the Class to obtain the best result at the most efficient cost, APERS fully supports Class Counsel's motion for an award of attorneys' fees and payment of Litigation Expenses.

9. APERS 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 Class Counsel's request for payment of Litigation Expenses, APERS seeks reimbursement for the costs and expenses that it incurred directly relating to its representation of the Class in the Action.

10. My primary responsibility at APERS involves overseeing all aspects of APERS' operations, including monitoring litigation matters involving the fund, such as APERS' activities in the securities class actions where (as here) it has been appointed lead plaintiff. The following employees of APERS also participated in the prosecution of this Action: Jay Wills (Deputy Director), Carlos Borromeo (Chief Investment Officer), Susan Bowers (Assistant Director of Investments), and Jessica Middleton-Kurlyko (Legal Counsel).

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 APERS and, thus, represented a cost to APERS. APERS seeks reimbursement in the amount of $1,118.64 for the time of the following APERS personnel:

Personnel	Hours[2]	Rate[3]	Total
Gail Stone	6.5	$89.16	$579.54
Jay Wills	6.5	$56.45	$366.93
Carlos Borromeo	1.0	$49.09	$49.09
Susan Bowers	2.0	$39.54	$79.08
Jessica Middleton	1.0	$44.00	$44.00
TOTAL	**17.0**		**$1,118.64**

IV. Conclusion

12. In conclusion, APERS was closely involved throughout the prosecution and settlement of the claims in this Action, strongly endorses the Settlement as fair, reasonable and adequate, and believes that it represents a significant recovery for the Class. Accordingly, APERS respectfully requests that the Court approve Class Representatives' motion for final approval of the proposed Settlement and Class Counsel's motion for an award of attorneys' fees and payment of Litigation Expenses, including APERS' request for reimbursement of $1,118.64 for its reasonable costs and expenses incurred in prosecuting the Action on behalf of the Class.

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 APERS.

[2] While APERS devoted a significant amount of time to this Action, our request for reimbursement of costs is based on a very conservative estimate of the amount of time we spent on this litigation as documented by our records.

[3] The hourly rates used for purposes of this request are based on the annual salaries of the respective personnel who worked on this Action.

Executed this 19th day of June, 2017.

Gail Stone
Executive Director of
Arkansas Public Employees Retirement System

#1083981

Exhibit 2

IN THE UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

IN RE KBR, INC. SECURITIES LITIGATION	Case No. 4:14-CV-01287 Judge Lee H. Rosenthal

DECLARATION ON BEHALF OF THE IBEW LOCAL NO. 58 / SMC NECA FUNDS, IN SUPPORT OF (I) CLASS REPRESENTATIVES' MOTION FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT AND PLAN OF ALLOCATION AND (II) CLASS COUNSEL'S MOTION FOR AN AWARD OF ATTORNEYS' FEES AND PAYMENT OF LITIGATION EXPENSES

I, E. CRAIG YOUNG, hereby declare under penalty of perjury as follows:

1. I am Benefits Director of the IBEW Local No. 58 / SMC NECA Funds (the "Funds"), a Court-appointed Lead Plaintiff and Class Representative in this securities class action (the "Action").[1] I submit this declaration in support of (i) Class Representatives' motion for final approval of the proposed Settlement and approval of the proposed Plan of Allocation; and (ii) Class 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.

2. The IBEW Local No. 58 / SMC NECA Funds are composed of the Electrical Workers' Pension Trust Fund of Local Union #58, I.B.E.W., Detroit, Michigan, the I.B.E.W. Local No. 58 Annuity Fund, the Electrical Workers' Insurance Fund, and the International

[1] Unless otherwise defined herein, capitalized terms shall have the meanings ascribed to them in the Stipulation and Agreement of Settlement, dated as of April 5, 2017 (ECF No. 134-2).

Brotherhood of Electrical Workers Local Union No. 58 Sound and Communications Division Pension Fund. The Funds are employee benefit plans created principally for the benefit of current and retired members of the International Brotherhood of Electrical Workers Local No. 58. The Funds have approximately $1.3 billion in assets under management.

I. The Funds' 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 Benefits Director of the Funds, I have overseen their service as a lead plaintiff in this and other securities class actions.

4. In September 2014, the Funds were appointed by the Court as one of the Lead Plaintiffs in this Action, and in June 2016, the Funds were appointed by the Court as a Class Representative for the certified Class. On behalf of the Funds, I had regular communications with Labaton Sucharow LLP ("Labaton Sucharow"), one of the Court-appointed Class Counsel for the Class, throughout the litigation. The Funds, through my active and continuous involvement, closely supervised, monitored, and were actively involved in all material aspects of the prosecution and resolution of the Action. The Funds 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, throughout the course of this Action, I:

(i) regularly communicated with Labaton Sucharow by email and telephone regarding the posture and progress of the case;

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

(iii) reviewed the Court's orders and discussed them with Labaton Sucharow;

(iv) engaged in time-consuming discovery efforts, including document productions and responses to written document requests and interrogatories;

(v) prepared for, and testified at, a deposition in connection with Lead Plaintiffs' class certification motion;

(vi) consulted with Labaton Sucharow regarding the settlement negotiations; and

(vii) evaluated and approved the proposed Settlement.

II. The Funds Strongly Endorse Approval of the Settlement

5. IBEW Local No. 58 / SMC NECA Funds were kept informed of the settlement negotiations as they progressed, including the mediation before Judge Daniel Weinstein (Ret.) and Jed Melnick. Prior to and during the settlement negotiations and mediation process, I conferred with Labaton Sucharow regarding the parties' respective positions.

6. Based on their involvement throughout the prosecution and resolution of the claims asserted in the Action, the Funds believe that the proposed Settlement is fair, reasonable and adequate to the Class. The Funds believe that the Settlement represents an excellent recovery for the Class, particularly in light of the substantial risks of continuing to prosecute the claims in this case. Therefore, IBEW Local No. 58 / SMC NECA Funds strongly endorse approval of the Settlement by the Court.

III. The Funds Support Class Counsel's Motion for an Award of Attorneys' Fees and Payment of Litigation Expenses

7. IBEW Local No. 58 / SMC NECA Funds believe that Class Counsel's request for an award of attorneys' fees in the amount of 25% of the Settlement Fund is fair and reasonable in light of the work that Plaintiffs' Counsel performed on behalf of the Class. The Funds take seriously their role as a class representative to ensure that attorneys' fees are fair in light of the result achieved for the class and reasonably compensate plaintiffs' counsel for the work involved and the substantial risks counsel undertake in litigating an action. The Funds have evaluated Class Counsel's fee request in this Action by considering the work performed and the recovery obtained for the Class.

8. IBEW Local No. 58 / SMC NECA Funds further believe that the Litigation Expenses being requested for payment to Plaintiffs' Counsel 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 Class to obtain the best result at the most efficient cost, the Funds fully support Class Counsel's motion for an award of attorneys' fees and payment of Litigation Expenses.

9. The Funds also understand 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 Class Counsel's request for payment of Litigation Expenses, the Funds seek reimbursement for the costs and expenses that they incurred directly relating to the representation of the Class in the Action.

10. My primary responsibility at the Funds involves overseeing the Funds' operations, including monitoring litigation matters involving the Funds, such as activities in the securities class actions where (as here) the Funds have been appointed lead plaintiff.

11. The time that I devoted to the representation of the Class in this Action was time that I otherwise would have expected to spend on other work for the Funds and, thus, represented a cost to IBEW Local No. 58 / SMC NECA Funds. The Funds seek reimbursement in the amount of $5,995.00 for my time incurred on this litigation (55 hours at $109 an hour[2]).

IV. Conclusion

12. In conclusion, IBEW Local No. 58 / SMC NECA Funds were closely involved throughout the prosecution and settlement of the claims in this Action, strongly endorse the

[2] The hourly rate used for purposes of this request is based on my annual salary.

Settlement as fair, reasonable and adequate, and believe that it represents a significant recovery for the Class. Accordingly, IBEW Local No. 58 / SMC NECA Funds respectfully request that the Court approve Class Representatives' motion for final approval of the proposed Settlement and Class Counsel's motion for an award of attorneys' fees and payment of Litigation Expenses, including the Funds' request for reimbursement of $5,995.00 for their reasonable costs and expenses incurred in prosecuting the Action on behalf of the Class.

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 IBEW Local No. 58 / SMC NECA Funds.

Executed this 13th day of June, 2017

E. Craig Young

Exhibit 3

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

IN RE KBR, INC. SECURITIES LITIGATION	)	Case No. 4:14-CV-01287
	)	Judge Lee H. Rosenthal

DECLARATION OF STEPHANIE A. THURIN REGARDING: (A) MAILING OF THE NOTICE AND CLAIM FORM; (B) PUBLICATION OF THE SUMMARY NOTICE; AND (C) REPORT ON REQUESTS FOR EXCLUSION

I, Stephanie A. Thurin, declare and state as follows:

1. I am a Project Manager employed by Epiq Class Action & Claims Solutions, Inc. ("Epiq"). Pursuant to the Court's April 10, 2017 Order Granting Preliminary Approval of Class Action Settlement, Approving Form and Manner of Notice, and Setting Date for Hearing on Final Approval of Settlement (ECF No. 141) ("Preliminary Approval Order"), Epiq was authorized to act as the Claims Administrator in connection with the Settlement of the above-captioned action.[1] The following statements are based on my personal knowledge and information provided by other Epiq employees working under my supervision, and if called on to do so, I could and would testify competently thereto.

DISSEMINATION OF THE NOTICE PACKET

2. In addition to the Preliminary Approval Order, which approved the form and manner of Notice, the Court also entered a Class Action Settlement Scheduling Order ("Settlement Scheduling Order") on April 10, 2017, which set forth deadlines for mailing and

[1] Unless otherwise defined herein, all capitalized terms shall have the same meaning as set forth in the Stipulation and Agreement of Settlement, dated as of April 5, 2017 (ECF No. 134-2) (the "Stipulation").

publication of notice, among other deadlines. Pursuant to the Preliminary Approval Order and the Settlement Scheduling Order, Epiq mailed the Notice of Pendency of Class Action, Proposed Settlement, and Motion for Attorneys' Fees Expenses (the "Notice") and the Proof of Claim and Release Form (the "Claim Form") (collectively, the Notice and Claim Form are referred to as the "Notice Packet"), to potential Class Members. A copy of the Notice Packet is attached hereto as Exhibit A.

3. On April 11, 2017, Epiq received an Excel file from Vinson & Elkins containing 120 names and addresses of purchasers of KBR common stock who were potential Class Members. Vinson & Elkins informed Epiq that they received the file from KBR's transfer agent, AST. Epiq extracted these records from all files and, after clean-up and de-duplication, there remained 120 unique names and addresses. Epiq formatted the Notice Packet, and caused it to be printed, personalized with the name and address of each potential Class Member, posted for first-class mail, postage prepaid, and mailed to these 120 potential Class Members on April 21, 2017.

4. As in most class actions of this nature, the large majority of potential 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. Epiq maintains and updates an internal list of the largest and most common banks, brokers and other nominees. At the time of the initial mailing, Epiq's internal broker list contained 1,475 mailing records. On April 21, 2017, Epiq caused additional Notice Packets to be mailed to the 1,475 mailing records contained in its internal broker list.

5. In total, 1,595 copies of the Notice Packet were mailed to potential Class Members and nominees by first-class mail on April 21, 2017.

6. The Notice directed that those who purchased or otherwise acquired publicly traded KBR common stock during the Class Period for the beneficial interest of a person or organization other than themselves to either: (i) provide to Epiq the names and addresses of such beneficial owners no later than seven (7) calendar days after such nominees' receipt of the Notice; or (ii) request additional copies of the Notice Packet for such beneficial owners from Epiq, and send a copy of the Notice Packet to such beneficial owners, no later than seven (7) calendar days after such nominees' receipt of the additional copies of the Notice Packet.

7. Through June 16, 2017, Epiq mailed an additional 24,800 Notice Packets to potential members of the Class whose names and addresses were received from individuals, entities or nominees requesting that Notice Packets be mailed to such persons, and mailed another 31,917 Notice Packets to nominees who requested Notice Packets to forward to their customers. Each of the requests was responded to in a timely manner, and Epiq will continue to timely respond to any additional requests received.

8. As of June 16, 2017 an aggregate of 58,312 Notice Packets have been disseminated to potential Class Members and nominees by first-class mail. In addition, Epiq has re-mailed 37 Notice Packets to persons whose original mailing was returned by the U.S. Postal Service and for whom updated addresses were provided to Epiq by the Postal Service.

PUBLICATION OF THE SUMMARY NOTICE

9. Pursuant to the Preliminary Approval Order and the Settlement Scheduling Order, Epiq caused the Summary Notice of Pendency of Class Action, Proposed Settlement, and Motion for Attorneys' Fees and Expenses (the "Summary Notice") to be published once in the national

edition of *The Wall Street Journal* and to be transmitted over the *PR Newswire* on May 5, 2017. Attached as Exhibit B is a Confirmation of Publication attesting to the publication of the Summary Notice in *The Wall Street Journal* and a screen shot attesting to the transmittal of the Summary Notice over the *PR Newswire*.

CALL CENTER SERVICES

10. Epiq reserved a toll-free phone number for the Settlement, (844) 685-5620, which was set forth in the Notice, the Claim Form, the Summary Notice, and on the Settlement website.

11. The toll-free number connects callers with an Interactive Voice Recording ("IVR"). The IVR provides callers with pre-recorded information, including a brief summary about the Action and the option to request a copy of the Notice. The toll-free telephone line with pre-recorded information is available 24 hours a day, 7 days a week.

12. Epiq made the IVR available on April 21, 2017, the same date Epiq began mailing the Notice Packets.

13. In addition, Monday through Friday from 6:00 a.m. to 6:00 p.m. Pacific Time (excluding official holidays), callers are able to speak to a live operator regarding the status of the Action and/or obtain answers to questions they may have about communications they receive from Epiq. During other hours, callers may leave a message for an agent to call them back. As of June 16, 2017, Epiq has received a total of 151 calls, for a total of 1,118.58 minutes.

WEBSITE

14. Epiq established and is maintaining a website dedicated to this Settlement (www.KBRSecuritiesLitigation.com) to provide additional information to Class Members. Users of the website can download copies of the Notice, the Claim Form, the Stipulation, the Preliminary Approval Order, and the Settlement Scheduling Order, among other relevant

documents. The web address was set forth in the Notice, the Summary Notice, and on the Claim Form. The website was operational beginning on April 21, 2017, and is accessible 24 hours a day, 7 days a week.

15. Following the Court's notice of rescheduling the Settlement Hearing, Epiq updated the website to inform Class Members of the new date.

16. Epiq will continue operating, maintaining and, as appropriate, updating the website until the conclusion of this administration. As of June 16, 2017, the website has reported 628 user sessions and received 1,499 pageviews.

EXCLUSION REQUESTS

17. Pursuant to the Preliminary Approval Order and Settlement Scheduling Order, Class Members who wish to be excluded from the Class are required to request exclusion in writing so that the request is received by July 4, 2017. This deadline has not yet passed. As of the date of this Declaration, Epiq has received no requests for exclusion.

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

Executed on June 19, 2017, at Beaverton, Oregon.

Stephanie A. Thurin

Exhibit A

IN THE UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

IN RE KBR, INC. SECURITIES LITIGATION	**Case No. 4:14-CV-01287** **Judge Lee H. Rosenthal**

NOTICE OF PENDENCY OF CLASS ACTION, PROPOSED SETTLEMENT, AND MOTION FOR ATTORNEYS' FEES AND EXPENSES

AND

PROOF OF CLAIM AND RELEASE FORM

A federal court authorized this Notice. This is not a solicitation from a lawyer.

Please read this Notice carefully.
Your rights may be affected by the proposed settlement.

IN THE UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

IN RE KBR, INC. SECURITIES LITIGATION	Case No. 4:14-CV-01287 Judge Lee H. Rosenthal

NOTICE OF PENDENCY OF CLASS ACTION, PROPOSED SETTLEMENT, AND MOTION FOR ATTORNEYS' FEES AND EXPENSES

If you purchased or otherwise acquired the publicly traded common stock of KBR, Inc. during the period from September 11, 2013 through July 30, 2014, inclusive (the "Class Period") and were 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 as of April 5, 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 Class (the "Plan of Allocation") should be approved; (iii) Class 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 Class.[2]

- If approved by the Court, the Settlement will create a $10.5 million cash fund, plus any interest earned thereon, for the benefit of eligible Class Members, less any attorneys' fees and expenses awarded by the Court, Notice and Administration Expenses, and Taxes.

- The Settlement resolves claims by Court-appointed Lead Plaintiffs and Class Representatives Arkansas Public Employees Retirement System ("APERS") and the IBEW Local No. 58 / SMC NECA Funds ("IBEW Local No. 58") (collectively, "Class Representatives" or "Lead Plaintiffs") that have been asserted on behalf of the Class against KBR, Inc. ("KBR" or the "Company") and William P. Utt, Susan K. Carter, Dennis S. Baldwin, and Brian K. Ferraioli (collectively, "Defendants"); avoids the costs and risks of continuing the litigation; pays money to eligible Class Members; and releases the Released Defendant Parties (defined below) from liability.

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

[1] The Stipulation can be viewed at www.KBRSecuritiesLitigation.com.

[2] All capitalized terms not otherwise defined in this Notice have the same meanings as defined in the Stipulation.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
SUBMIT A CLAIM FORM POSTMARKED OR RECEIVED NO LATER THAN AUGUST 19, 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 JULY 4, 2017	If you exclude yourself from the 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* Question 13 below for details.
OBJECT TO THE SETTLEMENT BY SUBMITTING A WRITTEN OBJECTION SO THAT IT IS RECEIVED NO LATER THAN JULY 4, 2017	Write to the Court about why you do not like the Settlement, the Plan of Allocation, and/or the Fee and Expense Application. If you object, you will still be a member of the Class. *See* Question 18 below for details.
GO TO A HEARING ON JULY 25, 2017 AND FILE A NOTICE OF INTENTION TO APPEAR SO THAT IT IS RECEIVED NO LATER THAN JULY 4, 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* Questions 20-22 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 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 Class's Recovery

1. Class Representatives have entered into the proposed Settlement with Defendants which, if approved by the Court, will resolve this Action in its entirety. Subject to Court approval, Class Representatives, on behalf of the Class, have agreed to settle the Action in exchange for a payment of $10,500,000 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 Class Members according to a Court-approved plan of allocation. The proposed Plan of Allocation is set forth on pages 12-14 below.

Estimate of Average Amount of Recovery Per Share

2. Based on Class Representatives' damages expert's estimate of the number of shares of KBR common stock eligible to participate in the Settlement, and assuming that all investors eligible to participate in the Settlement do so, Class Representatives 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 Expenses, would be approximately $0.22 per allegedly damaged share.[3] If the Court approves the attorneys' fees and litigation expenses requested by Class Counsel (discussed below), the average recovery would be approximately $0.14 per allegedly damaged share. **Class Members should note, however, that the foregoing average recovery amounts are only estimates and Class Members may recover more or less than these estimated amounts.** A Class Member's actual recovery will

[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.

be a portion of the Net Settlement Fund, determined by comparing the Class Member's "Recognized Claim" to the total Recognized Claims of all Class Members who timely submit valid Claim Forms, as described more fully below. An individual 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 Class Member purchased or acquired KBR common stock during the Class Period; and (iv) whether and when the Class Member sold KBR common stock. *See* the Plan of Allocation beginning on page 12 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 Class Representatives 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 KBR 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 KBR 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 Class Representatives and the Class have suffered any loss attributable to Defendants' actions. While Class Representatives 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. Class 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 25% of the Settlement Fund, which includes any accrued interest. Class Counsel will also apply for payment of litigation expenses incurred by Plaintiffs' Counsel in prosecuting the Action in an amount not to exceed $995,000, 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 Class Representatives directly related to their representation of the Class. If the Court approves the Fee 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 $0.08 per allegedly damaged share of KBR common stock.

Reasons for the Settlement

6. For Class Representatives, the principal reason for the Settlement is the guaranteed cash benefit to the 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 motions to be filed by Defendants; the uncertainty inherent in the Parties' competing theories of liability and damages; 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 any 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. Class Representatives and the Class are represented by Class Counsel: Louis Gottlieb, Esq., Labaton Sucharow LLP, 140 Broadway, New York, NY 10005, (888) 219-6877, www.labaton.com, settlementquestions@labaton.com, and John Rizio-Hamilton, Esq., Bernstein Litowitz Berger & Grossmann LLP, 1251 Avenue of the Americas, 44th Floor, New York, New York 10020, (800) 380-8496, blbg@blbglaw.com.

9. Further information regarding this Action, the Settlement, and this Notice may be obtained by contacting the Claims Administrator: info@KBRSecuritiesLitigation.com, (844) 685-5620, www.KBRSecuritiesLitigation.com; or Class 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 publicly traded common stock of KBR during the period from September 11, 2013 through July 30, 2014, inclusive. **Please Note: Receipt of this Notice does not mean that you are a Class Member or that you will be entitled to receive a payment from the Settlement. If you are a Class Member 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 10 below.**

11. This Notice is to inform you of the existence of this Action, that it has been certified as a class action by the Court, and of how you might be affected. It is also being sent to inform you of the terms of the proposed Settlement and of the Settlement Hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement, the Plan of Allocation and Class Counsel's Fee and Expense Application. The Court directed that this Notice be sent to 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 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. The Court in charge of the Action is the United States District Court for the Southern District of Texas, and the case is known as *In re KBR, Inc. Securities Litigation*, Case No. 14-cv-01287-LHR. The Action is assigned to the Honorable Lee H. Rosenthal United States District Judge.

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

2. What is this case about?

14. This Action stems principally from KBR's restatement of its financial statements for the year ended December 31, 2013 and the approximately $156 million in losses on certain of KBR's contracts for pipe fabrication and module assembly in Canada disclosed in the restatement, and the failure of certain internal controls related to those contracts.[4]

15. In May of 2014, an initial securities class action complaint was filed in the United States District Court for the Southern District of Texas (the "Court") on behalf of investors in KBR. On September 9, 2014, the Court entered an Order appointing APERS and IBEW Local No. 58 as Lead Plaintiffs pursuant to the PSLRA and consolidating related securities class actions into the litigation, *In re KBR, Inc. Securities Litigation*, Case No. 14-cv-01287-LHR. By the same Order, the Court approved Lead Plaintiffs' selection of Labaton Sucharow LLP and Bernstein Litowitz Berger & Grossmann LLP as Lead Counsel for the Class.

16. On October 20, 2014, Lead Plaintiffs filed the Consolidated Class Action Complaint (the "Complaint"), asserting claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 (the "Exchange Act") and Rule 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 Contracts, KBR's financial results, and the lack of internal controls related to the Contracts. The Complaint further alleged that the price of KBR's publicly traded common stock was artificially inflated as a result of Defendants' allegedly false and misleading statements, and declined when the truth was revealed.

17. On December 5, 2014, Defendants filed a motion to dismiss the Complaint, which Lead Plaintiffs opposed on January 23, 2015. On February 6, 2015, Defendants filed a reply brief in further support of their motion to dismiss. Oral argument on the motion was held before the Honorable Lee H. Rosenthal on March 5, 2015, and on September 3, 2015, the Court issued a Memorandum Opinion and Order denying Defendants' motion to dismiss.

18. On October 19, 2015, Defendants answered the Complaint, denying Lead Plaintiffs' claims and asserting various affirmative defenses.

[4] The contracts at issue are the seven pipe fabrication and module assembly contracts performed by KBR in Edmonton, Alberta from 2012-2015: Air Liquide (F501), CNRL (F428), Shell MRM (306007), Shell Quest (F391), Suncor (F114), Syncrude (F272), and Tecnicas Reunidas (F437) (collectively, the "Contracts").

19. On February 19, 2016, Lead Plaintiffs filed their motion for class certification, which Defendants opposed on April 29, 2016. Lead Plaintiffs filed their reply brief on June 10, 2016.

20. On June 23, 2016, the Parties participated in a full-day mediation session before Judge Daniel Weinstein (Ret.) and Jed Melnick. 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. The mediation session did not result in an agreement to settle the Action.

21. The Court heard oral argument on Lead Plaintiffs' class certification motion on July 8, 2016 and granted Lead Plaintiffs' motion that same day, certifying the Class, appointing Lead Plaintiffs as Class Representatives, and appointing Lead Counsel as Class Counsel.

22. Over the course of the next several months, the Mediator conducted further discussions with the Parties in an effort to assist the Parties in coming to a resolution of the Action. After numerous communications, on December 15, 2016, the Mediator issued a Mediator's proposal that the Action be settled for $10.5 million, which the Parties accepted on December 20, 2016. A Settlement Term Sheet memorializing the agreement in principle was executed by the Parties on January 23, 2017. The Parties subsequently negotiated the Stipulation, which sets forth the final terms and conditions of the Settlement, including, among other things, a release of all claims asserted against Defendants in the Action in return for a cash payment by or on behalf of Defendants of $10,500,000 for the benefit of the Class.

23. Class Representatives, through Class 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) documents filed publicly by the Company with the U.S. Securities and Exchange Commission ("SEC"), including the Company's May 30, 2014 restatement of its financial results for the third and fourth quarters of 2013 and the full year 2013; (ii) KPMG LLP's audit reports concerning KBR's internal controls dated February 27, 2014 and May 30, 2014; (iii) publicly available information, including public reports and news articles, concerning the SEC's ongoing investigation of KBR relating to the alleged wrongful conduct; (iv) research reports issued by financial analysts concerning the Company; (v) economic analyses of securities movement and pricing data; and (vi) transcripts of investor calls with KBR senior management. Class Counsel also analyzed witness interviews from former KBR employees and others. The Parties also engaged in comprehensive fact discovery. Class Representatives reviewed and analyzed: (i) approximately 1.3 million pages of documents produced by Defendants; and (ii) approximately 78,000 pages of documents produced by third-parties. Class Representatives took seven depositions of KBR representatives in connection with fact discovery. Class Representatives consulted with experts on damages and loss causation issues, and also with industry experts on issues pertaining to pipe fabrication and modular assembly.

24. On April 10, 2017, the Court entered the Preliminary Approval Order and Class Action Settlement Scheduling Order, authorizing that this Notice be sent to potential Class Members and scheduling the Settlement Hearing to consider whether to grant final approval to the Settlement, among other things.

3. Why is this a class action?

25. In a class action, one or more persons or entities (in this case, Class Representatives), 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 APERS and IBEW Local No. 58 to serve as Class Representatives and has appointed Labaton Sucharow LLP and Bernstein Litowitz Berger & Grossmann LLP to serve as Class Counsel.

4. What are the reasons for the Settlement?

26. The Court did not finally decide in favor of Class Representatives or Defendants. Instead, both sides agreed to a settlement.

27. Class Representatives and Class Counsel believe that the claims asserted in the Action have merit. Class Representatives and Class 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. Class Representatives and Class 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 federal securities laws and that Class Representatives would not be able to establish that Defendants acted with the requisite intent, arguing that, among other things,

the Individual Defendants were not involved in the management of the Contracts and did not have information to know that cost estimates used in computing revenue for the Contracts were inaccurate. Even assuming Class Representatives could establish liability, the amount of damages that could be attributed to the allegedly false statements would be hotly contested. 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 Class Representatives and the Class. In light of the Settlement and the guaranteed cash recovery to the Class, Class Representatives and Class Counsel believe that the proposed Settlement is fair, reasonable, and adequate, and in the best interests of the Class.

28. 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 Class has suffered damages; that the prices of KBR common stock were artificially inflated by reason of the alleged misrepresentations, omissions, or otherwise; or that members of the 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

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

5. How do I know if I am part of the Class?

30. The Court has certified the following Class, subject to certain exceptions identified below:

All persons and entities who purchased or otherwise acquired the publicly traded common stock of KBR during the period from September 11, 2013 through July 30, 2014, inclusive ("Class Period"), and who were damaged thereby.

31. Everyone who fits the description of the Class above is a Class Member and subject to the Settlement, unless they are excluded by definition (*see* Question 6 below) or take steps to exclude themselves (*see* Question 13 below).

32. If one of your mutual funds purchased KBR common stock during the Class Period, that alone does not make you a Class Member. You are a Class Member only if you individually purchased or otherwise acquired KBR 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?

33. Yes. There are some individuals and entities who are excluded from the Class by definition. Excluded from the Class are: Defendants KBR, William P. Utt, Susan K. Carter, Dennis S. Baldwin, and Brian K. Ferraioli; the officers and directors of KBR during the Class Period; members of the Immediate Family of the Individual Defendants and of the excluded officers and directors; any entity in which any Defendant, any excluded officer or director, or any member of their Immediate Family has or had a controlling interest; and the legal representatives, heirs, agents, affiliates, successors or assigns of any of the foregoing excluded persons or entities, in their capacities as such. For the avoidance of doubt, "affiliates" are persons or entities that directly, or indirectly through one or more intermediaries, control, are controlled by or are under common control with one of the Defendants, and include any employee benefit plan organized for the benefit of KBR's employees and their beneficiaries. Also excluded from the Class is anyone who timely and validly seeks exclusion from the Class in accordance with the procedures described in Question 13 below.

7. What if I am still not sure if I am included?

34. If you are still not sure whether you are included in the Class, you can ask for free help. You can call the Claims Administrator toll-free at (844) 685-5620, send an e-mail to the Claims Administrator at info@KBRSecuritiesLitigation.com, or write to the Claims Administrator at *KBR Securities Litigation*, P.O. Box 4290, Portland, OR 97208-4290. Or you can fill out and return the Claim Form described in Question 10, to see if you qualify. You may also want to contact your broker to see if you purchased and/or acquired shares of KBR common stock eligible to participate in the Settlement.

THE SETTLEMENT BENEFITS — WHAT YOU GET

8. What does the Settlement provide?

35. In exchange for the Settlement and the release of the Released Plaintiffs' Claims against the Released Defendant Parties, Defendants have agreed to fund a $10.5 million cash payment that, along with any interest earned on this amount, will be distributed after deduction of Court-awarded attorneys' fees and expenses, Notice and Administration Expenses, Taxes, and any other fees or expenses approved by the Court (the "Net Settlement Fund"), among all 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").

9. How much will my payment be?

36. If you are an Authorized Claimant entitled to a payment, your share of the Net Settlement Fund will depend on several things, including, among other things, how many Class Members timely send in valid Claim Forms; the amount of KBR common stock you purchased or otherwise acquired during the Class Period; the prices and dates of those purchases or acquisitions; and the prices and dates of any sales you made of KBR common stock.

37. You can calculate your Recognized Claim in accordance with the formulas shown below in the Plan of Allocation. It is unlikely that you will receive a payment for all of your Recognized Claim. *See* the Plan of Allocation of Net Settlement Fund on pages 12-14 for more information on your Recognized Claim.

HOW TO RECEIVE A PAYMENT: SUBMITTING A PROOF OF CLAIM FORM

10. How can I receive a payment?

38. 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.KBRSecuritiesLitigation.com, or from Class Counsel's websites: www.labaton.com and www.blbglaw.com. You can also request that a Claim Form be mailed to you by calling the Claims Administrator toll-free at (844) 685-5620.

39. 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 August 19, 2017**.

11. When will I receive my payment?

40. The Court will hold a Settlement Hearing on **July 25, 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.

12. What am I giving up to receive a payment or stay in the Class?

41. If you are a Class Member and do not timely and validly exclude yourself from the Class, you will remain in the 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, liabilities, demands, causes of action, or lawsuits of every nature and description, including both known claims and Unknown Claims (defined below), whether arising under federal, state, common, or foreign law, whether legal, statutory, equitable, or of any other type or form, and whether brought in a representative or individual capacity, that (i) were at issue in the Action; or (ii) could have been asserted by Class Representatives or any other Class Member in the Action that are based upon, arise out of, or relate to the purchase, sale, or ownership of KBR common stock during the Class Period, including but not limited to any claims related to the Restatement, the Contracts, or any of the disclosures made by KBR relating to the Restatement or Contracts. Released Plaintiffs' Claims do not include claims relating to the enforcement of the Settlement or claims alleged in *Butorin v. Blount, et al.*, No. 15-cv-00283 (D. Del.).

(b) **"Released Defendant Parties"** means Defendants, Defendants' Counsel, and each of their respective past or present subsidiaries, parents, affiliates, principals, successors, predecessors, assigns, officers, directors, trustees, partners, partnerships, employees, attorneys, accountants, and insurers; the members of the Immediate Families, representatives, executors, administrators, and heirs of the Individual Defendants, as well as any trust of which any Individual Defendant is the settlor or which is for the benefit of any Individual Defendant's Immediate Family members; and any firm, trust, corporation, or other entity in which any Defendant has a controlling interest, in their capacities as such.

(c) **"Unknown Claims"** means any and all Released Plaintiffs' Claims that Class Representatives or any other Class Member does not know or suspect to exist in his, her, or its favor at the time of the release of such claims against the Released Defendant Parties, and any and all Released Defendants' Claims that any Defendant does not know or suspect to exist in his favor at the time of the release of such claims against the Released Plaintiff Parties, 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 Class. With respect to any and all Released Plaintiffs' Claims and Released Defendants' Claims, the Parties stipulate and agree that, upon the Effective Date, Class Representatives and Defendants shall expressly, and each other Class Member shall be deemed to have, and by operation of the Judgment or Alternate Judgment, if applicable, shall have, to the fullest extent permitted by law, expressly waived and relinquished 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.**

Class Representatives, other Class Members, or Defendants 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 Plaintiffs' Claims and the Released Defendants' Claims, but Class Representatives and Defendants shall expressly, fully, finally, and forever settle and release, and each other Class Member shall be deemed to have settled and released, and upon the Effective Date and by operation of the Judgment or Alternate Judgment, if applicable, shall have settled and released, fully, finally, and forever, any and all Released Plaintiffs' Claims and Released Defendants' Claims as applicable, without regard to the subsequent discovery or existence of such different or additional facts, legal theories, or authorities. Class Representatives and Defendants acknowledge, and other Class Members by operation of law shall be deemed 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 was a material element of the Settlement.

42. 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 Class, all of the Court's orders, whether favorable or unfavorable, will apply to you and legally bind you.

43. Upon the "Effective Date," Defendants will also provide a release of any claims against Class Representatives and the Class arising out of or related to the institution, prosecution, or settlement of the claims in the Action. The full terms of the release that Defendants will provide to Class Representatives and the Class are set forth in the Stipulation.

EXCLUDING YOURSELF FROM THE CLASS

44. If you do not want to be eligible to receive a payment from this 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 Class. This is called excluding yourself or "opting out." **Please note:** If you decide to exclude yourself from the 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. Defendants will have the right to assert any and all defenses they may have to any claims you seek to assert. Also, Defendants may terminate the Settlement if Class Members who purchased or acquired in excess of a certain number of eligible shares of KBR common stock seek exclusion from the Class.

13. How do I exclude myself from the Class?

45. To exclude yourself from the Class, you must mail a signed letter stating that you "request to be excluded from the Class in *In re KBR, Inc. Securities Litigation*, Case No. 14-cv-01287-LHR." You cannot exclude yourself by telephone or e-mail. Each request for exclusion must also state: (i) the name, address, e-mail, 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) the number of shares of KBR 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 July 4, 2017** to:

KBR Securities Litigation
c/o Epiq
P.O. Box 4290
Portland, OR 97208-4290

46. 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 Class Member. However, if you submit a valid exclusion request, you will not be legally bound by anything that happens in this Action, and you may be able to sue (or continue to sue) Defendants and the other Released Defendant Parties in the future.

14. If I do not exclude myself, can I sue Defendants and the other Released Defendant Parties for the same thing later?

47. No. Unless you properly exclude yourself, you will remain in the 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 Class to continue your own lawsuit. Remember, the exclusion deadline is **July 4, 2017**.

15. If I exclude myself, can I get money from the proposed Settlement?

48. 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

16. Do I have a lawyer in this case?

49. The Court appointed the law firms of Labaton Sucharow LLP and Bernstein Litowitz Berger & Grossmann LLP to represent all Class Members. These lawyers are called "Class 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.

17. How will the lawyers be paid?

50. Plaintiffs' Counsel have been prosecuting the Action on a contingent basis and have not been paid for any of their work. Class Counsel will ask the Court to award Plaintiffs' Counsel attorneys' fees of no more than 25% of the Settlement Fund, which will include any accrued interest. Class Counsel will also seek payment of litigation expenses incurred by Plaintiffs' Counsel in the prosecution of this Action of no more than $995,000, plus accrued interest, which may include an application in accordance with the PSLRA for the reasonable costs and expenses (including lost wages) of Class Representatives directly related to their representation of the Class. As explained above, any attorneys' fees and expenses awarded by the Court will be paid from the Settlement Fund. 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

18. How do I tell the Court that I do not like something about the proposed Settlement?

51. If you are a 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 the Fee and Expense Application. 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.

52. To object, you must send a signed letter stating that you object to the proposed Settlement in "*In re KBR, Inc. Securities Litigation*, Case No. 14-cv-01287-LHR." The objection must: (i) state the name, address, telephone number, and e-mail address of the person or entity objecting and must be signed by the objector; (ii) contain a statement of the Class Member's objection or objections and the specific reasons for each objection, including any legal and evidentiary support the Class Member wishes to bring to the Court's attention; and (iii) include documents sufficient to prove membership in the Class, including the number of shares of KBR common stock purchased, acquired, and sold during the Class Period, as well as the date, number of shares, and price per share of each such purchase, acquisition, and sale. Unless otherwise ordered by the Court, any 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 the Fee and Expense Application. Your objection must be filed with the Court **no later than July 4, 2017 and** mailed or delivered to the following counsel so that it is **received no later than July 4, 2017:**

Court

Clerk of the Court
United States District Court
Southern District of Texas
United States Courthouse
515 Rusk Avenue
Houston, TX 77002

Class Counsel

Labaton Sucharow LLP
Louis Gottlieb, Esq.
140 Broadway
New York, NY 10005

Bernstein Litowitz Berger & Grossmann LLP
John Rizio-Hamilton, Esq.
1251 Avenue of the Americas, 44th Floor
New York, NY 10020

Defendants' Counsel

Vinson & Elkins
Michael C. Holmes, Esq.
1001 Fannin Street, Suite 2500
Houston, TX 77002

53. You do not need to attend the Settlement Hearing to have your written objection considered by the Court. However, any Class Member who has not submitted a request for exclusion and who has complied with the procedures described in this Question 18 and below in Question 22 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.

19. What is the difference between objecting and seeking exclusion?

54. Objecting is telling the Court that you do not like something about the proposed Settlement, Plan of Allocation, or Fee and Expense Application. You can still recover money from the Settlement. You can object *only* if you stay in the Class. Excluding yourself is telling the Court that you do not want to be part of the Class. If you exclude yourself from the Class, you have no basis to object because the Settlement and the Action no longer affect you.

THE SETTLEMENT HEARING

20. When and where will the Court decide whether to approve the proposed Settlement?

55. The Court will hold the Settlement Hearing on **July 25, 2017 at 2:00 p.m.**, in Courtroom 11-B at the United States Courthouse, 515 Rusk Avenue, Houston, TX 77002.

56. At this hearing, the Court will consider whether: (i) the Settlement is fair, reasonable, adequate, and should be finally approved; (ii) the Plan of Allocation is fair and reasonable, and should be approved; and (iii) the application of Class Counsel for an award of attorneys' fees and payment of litigation expenses, including those of Class Representatives, is reasonable and should be approved. The Court will take into consideration any written objections filed in accordance with the instructions in Question 18 above. We do not know how long it will take the Court to make these decisions.

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

21. Do I have to come to the Settlement Hearing?

58. No. Class 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 22 below **no later than July 4, 2017**.

22. May I speak at the Settlement Hearing?

59. If you object to the Settlement or any aspect of it, you may ask the Court for permission to speak at the Settlement Hearing. To do so, you must include with your objection (*see* Question 18), **no later than July 4, 2017**, a statement that you, or your attorney, intend to appear in "*In re KBR, Inc. Securities Litigation*, Case No. 14-cv-01287-LHR." Persons who intend to object to the Settlement, the Plan of Allocation, and/or the Fee and Expense Application and desire to present evidence at the Settlement Hearing must also include in their objections (prepared and submitted in accordance with the answer to Question 18 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 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 22 and Question 18 above.

IF YOU DO NOTHING

23. What happens if I do nothing at all?

60. If you do nothing and you are a member of the Class, you will receive no money from this 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 10 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 Class (*see* Question 13 above).

GETTING MORE INFORMATION

24. Are there more details about the Settlement?

61. 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 Texas, United States Courthouse, 515 Rusk Avenue, Houston, TX 77002. Subscribers to PACER, a fee-based service, can also view the papers filed publicly in the Action through the Court's on-line Case Management/Electronic Case Files System at https://www.pacer.gov.

62. 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.KBRSecuritiesLitigation.com, where you will find answers to common questions about the Settlement, can download copies of the Stipulation or Claim Form, and can locate other information about the Settlement. You may also call the Claims Administrator toll-free at (844) 685-5620 or write to the Claims Administrator at *KBR Securities Litigation*, P.O. Box 4290, Portland, OR 97208-4290. **Please do not call the Court with questions about the Settlement.**

PLAN OF ALLOCATION OF THE NET SETTLEMENT FUND

25. How will my claim be calculated?

63. As discussed above, the Settlement provides $10.5 million in cash for the benefit of the Class. The Settlement Amount and any interest it earns constitute the "Settlement Fund." The Settlement Fund, after deduction of Court-approved attorneys' fees and expenses, Notice and Administration Expenses, 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 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. 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 Class. Any order modifying the Plan of Allocation will be posted on the settlement website, www.KBRSecuritiesLitigation.com.

64. The objective of the Plan of Allocation is to distribute the Settlement proceeds equitably among those Class Members who suffered economic losses as a proximate result of the alleged wrongdoing. The Plan of Allocation 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 Class Members might have been able to recover after a trial. Nor are the calculations in accordance with the Plan of Allocation intended to be estimates of the amounts that will be paid to Authorized Claimants under the Settlement. 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.

65. The Plan of Allocation was developed in consultation with Class Representatives' damages expert. In developing the Plan of Allocation, Class Representatives' damages expert calculated the estimated amount of alleged artificial inflation in the per share prices of KBR common stock that was allegedly proximately caused by Defendants' alleged materially false and misleading statements and omissions. In calculating the estimated artificial inflation allegedly caused by those misrepresentations and omissions, Class Representatives' damages expert considered price changes in KBR common stock in reaction to public disclosures that allegedly corrected the respective alleged misrepresentations and omissions, adjusting those price changes for factors that were attributable to market or industry forces, and for non-fraud related KBR-specific information.

66. In order to have recoverable damages under the federal securities laws, disclosure of the alleged misrepresentation and/or omission must be the cause of the decline in the price of the security. In this Action, Class Representatives allege that corrective information allegedly impacting the price of KBR common stock (referred to as a "corrective disclosure") was released to the market on: February 27, 2014 (after the market close), May 5, 2014 (prior to the market open), June 19, 2014 (prior to the market open), and July 31, 2014 (prior to the market open). In order to have a "Recognized Loss Amount" under the Plan of Allocation, shares of KBR publicly traded common stock must have been purchased or otherwise acquired during the Class Period and held through the issuance of at least one corrective disclosure.

CALCULATION OF RECOGNIZED LOSS AMOUNTS

67. Based on the formulas stated below, a "Recognized Loss Amount" will be calculated for each purchase or acquisition of KBR publicly traded common stock during the Class Period that is listed on the Claim Form and for which adequate documentation is provided. If a Recognized Loss Amount calculates to a negative number or zero under the formula below, that Recognized Loss Amount will be zero.

68. For each share of KBR publicly traded common stock purchased or otherwise acquired from September 11, 2013 through and including the close of trading on July 30, 2014, and:

(a) Sold prior to the close of trading on February 27, 2014, the Recognized Loss Amount will be $0.00;

(b) Sold during the period from February 28, 2014 through and including the close of trading on July 30, 2014, the Recognized Loss Amount will be ***the lesser of***: (i) the amount of alleged artificial inflation per share as stated in Table A on the date of purchase minus the amount of alleged artificial inflation per share as stated in Table A on the date of sale; or (ii) the purchase price minus the sale price;

(c) Sold from July 31, 2014 through and including the close of trading on October 28, 2014, the Recognized Loss Amount will be ***the least of***: (i) the amount of alleged artificial inflation per share as stated in Table A on the date of purchase; (ii) the purchase price minus the sale price; or (iii) the purchase price minus the average closing price between July 31, 2014 and the date of sale as stated in Table B at the end of this Notice; or

(d) Held as of the close of trading on October 28, 2014, the Recognized Loss Amount will be ***the lesser of***: (i) the amount of alleged artificial inflation per share as stated in Table A on the date of purchase; or (ii) the purchase price minus $20.16, the average closing price for KBR common stock between July 31, 2014 and October 28, 2014 (the last entry on Table B).[5]

ADDITIONAL PROVISIONS

69. Given the costs of distribution, the Net Settlement Fund will be allocated among all Authorized Claimants whose Distribution Amount (defined in ¶ 72 below) is $10.00 or greater.

70. If a claimant has more than one purchase or sale of KBR publicly traded common stock, purchases and sales will be matched on a First In, First Out ("FIFO") basis. 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.

71. A claimant's "Recognized Claim" under the Plan of Allocation will be the sum of his, her, or its Recognized Loss Amounts.

72. The Net Settlement Fund will be distributed to Authorized Claimants on a *pro rata* basis based on the relative size of their Recognized Claims. Specifically, a "Distribution Amount" will be calculated for each Authorized Claimant, which will be the Authorized Claimant's Recognized Claim divided by the total Recognized Claims of all Authorized Claimants, multiplied by the total amount in the Net Settlement Fund. If any Authorized Claimant's Distribution Amount calculates to less than $10.00, it will not be included in the calculation and no distribution will be made to that Authorized Claimant.

73. Purchases, acquisitions, and sales of KBR publicly traded common stock will 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 KBR common stock during the Class Period will not be deemed a purchase, acquisition, or sale of KBR common stock for the calculation of an Authorized Claimant's Recognized Loss Amount, nor will the receipt or grant be deemed an assignment of any claim relating to the purchase/acquisition of KBR common stock unless: (i) the donor or decedent purchased or otherwise acquired the shares 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 those shares; 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 KBR common stock. The date of a "short sale" is deemed to be the date of sale of KBR common stock. Under the Plan of Allocation, however, the Recognized Loss Amount on "short sales" is zero. In the event that a claimant has an opening short position in KBR common stock, his, her, or its earliest Class Period purchases or acquisitions of KBR common stock will be matched against the opening short position, and not be entitled to a recovery, until that short position is fully covered.

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

[5] Under Section 21(D)(e)(1) of the Exchange Act, "in any private action arising under this Act 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." Consistent with the requirements of the statute, Recognized Loss Amounts are reduced to an appropriate extent by taking into account the closing prices of KBR common stock during the 90-day look-back period. The mean (average) closing price for KBR common stock during this 90-day look-back period was $20.16.

76. If a claimant had a market gain with respect to his, her, or its overall transactions in KBR publicly traded common stock during the Class Period, the value of the claimant's Recognized Claim will be zero. If a claimant suffered an overall market loss with respect to his, her, or its overall transactions in KBR publicly traded common stock during the Class Period but that market loss was less than the claimant's total Recognized Claim calculated above, then the claimant's Recognized Claim will be limited to the amount of the actual market loss. For purposes of determining whether a claimant had a market gain with respect to his, her, or its overall transactions in KBR common stock during the Class Period or suffered a market loss, the Claims Administrator will determine the difference between: (i) the Total Purchase Amount[6] and (ii) the sum of the Total Sales Proceeds[7] and Holding Value.[8] This difference will be deemed a claimant's market gain or loss with respect to his, her, or its overall transactions in KBR common stock during the Class Period.

77. 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 nine (9) months after the initial distribution, if Class 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 if Class 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.

78. 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 Authorized Claimants. No person shall have any claim against Class Representatives, Plaintiffs' Counsel, Class Representatives' damages expert, Defendants, Defendants' Counsel, any of the other Released Plaintiff Parties or Released Defendant Parties, or the Claims Administrator or other agent designated by Class 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. Class Representatives, 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.

79. The Court has reserved jurisdiction to allow, disallow, or adjust on equitable grounds the claim of any Class Member or claimant.

80. Each claimant shall be deemed to have submitted to the jurisdiction of the Court with respect to his, her or its Claim Form.

[6] The "Total Purchase Amount" is the total amount the claimant paid (excluding commissions and other charges) for KBR common stock purchased or acquired during the Class Period.

[7] The Claims Administrator will match any sales of KBR common stock during the Class Period first against the claimant's opening position (the proceeds of those sales will not be considered for purposes of calculating market gains or losses). The total amount received (excluding commissions and other charges) for the remaining sales of KBR common stock sold during the Class Period will be the "Total Sales Proceeds".

[8] The Claims Administrator will ascribe a value of $20.66 per share for KBR common stock purchased or acquired during the Class Period and still held as of the close of trading on July 30, 2014 (the "Holding Value").

SPECIAL NOTICE TO SECURITIES BROKERS AND NOMINEES

81. If you purchased or otherwise acquired publicly traded KBR common stock (CUSIP: 48242W106) 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 KBR 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:

KBR Securities Litigation
c/o Epiq
P.O. Box 4290
Portland, OR 97208-4290

Dated: April 21, 2017

BY ORDER OF THE UNITED STATES
DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS

TABLE A

Estimated Artificial Inflation from September 11, 2013 through and including July 30, 2014

Transaction Date	Inflation Per Share
September 11, 2013 – February 27, 2014	$3.81
February 28, 2014 – May 4, 2014	$2.92
May 5, 2014 – June 18, 2014	$1.63
June 19, 2014 – July 30, 2014	$0.67

TABLE B

KBR Closing Price and Average Closing Price
July 31, 2014 – October 28, 2014

Date	Closing Price	Average Closing Price Between July 31, 2014 and Date Shown		Date	Closing Price	Average Closing Price Between July 31, 2014 and Date Shown
7/31/2014	$20.66	$20.66		9/16/2014	$20.65	$21.36
8/1/2014	$20.55	$20.61		9/17/2014	$20.58	$21.33
8/4/2014	$20.81	$20.67		9/18/2014	$20.62	$21.31
8/5/2014	$20.97	$20.75		9/19/2014	$20.34	$21.29
8/6/2014	$20.84	$20.77		9/22/2014	$20.10	$21.25
8/7/2014	$20.55	$20.73		9/23/2014	$20.02	$21.22
8/8/2014	$20.92	$20.76		9/24/2014	$19.85	$21.19
8/11/2014	$21.31	$20.83		9/25/2014	$19.13	$21.14
8/12/2014	$20.78	$20.82		9/26/2014	$19.16	$21.09
8/13/2014	$20.81	$20.82		9/29/2014	$19.11	$21.04
8/14/2014	$21.05	$20.84		9/30/2014	$18.83	$20.99
8/15/2014	$20.86	$20.84		10/1/2014	$18.42	$20.93
8/18/2014	$21.20	$20.87		10/2/2014	$18.66	$20.88
8/19/2014	$21.44	$20.91		10/3/2014	$19.04	$20.84
8/20/2014	$21.67	$20.96		10/6/2014	$18.78	$20.80
8/21/2014	$21.74	$21.01		10/7/2014	$18.42	$20.75
8/22/2014	$21.89	$21.06		10/8/2014	$18.56	$20.70
8/25/2014	$22.10	$21.12		10/9/2014	$18.07	$20.65
8/26/2014	$22.50	$21.19		10/10/2014	$17.70	$20.59
8/27/2014	$22.30	$21.25		10/13/2014	$17.55	$20.53
8/28/2014	$22.24	$21.29		10/14/2014	$17.57	$20.48
8/29/2014	$22.02	$21.33		10/15/2014	$17.72	$20.43
9/2/2014	$21.95	$21.35		10/16/2014	$17.74	$20.38
9/3/2014	$22.07	$21.38		10/17/2014	$18.08	$20.34
9/4/2014	$21.73	$21.40		10/20/2014	$18.10	$20.30
9/5/2014	$21.75	$21.41		10/21/2014	$18.56	$20.27
9/8/2014	$21.62	$21.42		10/22/2014	$18.73	$20.24
9/9/2014	$21.38	$21.42		10/23/2014	$19.03	$20.22
9/10/2014	$21.28	$21.41		10/24/2014	$18.93	$20.20
9/11/2014	$21.24	$21.41		10/27/2014	$18.60	$20.17
9/12/2014	$21.03	$21.40		10/28/2014	$19.31	$20.16
9/15/2014	$20.85	$21.38				

KBR Securities Litigation
c/o Epiq
P.O. Box 4290
Portland, OR 97208-4290
Toll-Free Number: (844) 685-5620
Email: info@KBRSecuritiesLitigation.com
Settlement Website: www.KBRSecuritiesLitigation.com

PROOF OF CLAIM AND RELEASE FORM

To be eligible to receive a share of the Net Settlement Fund in connection with the Settlement of this Action, you must be a Class Member and complete and sign this Proof of Claim and Release Form ("Claim Form") and mail it by first-class mail to the above address, **postmarked or received no later than August 19, 2017.**

Failure to submit your Claim Form by the date specified will subject your claim to rejection and may preclude you from being eligible to recover any money in connection with the Settlement.

Do not mail or deliver your Claim Form to the Court, the Parties to the Action, or their counsel. Submit your Claim Form only to the Claims Administrator at the address set forth above.

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PART I – CLAIMANT INFORMATION

The Claims Administrator will use this information for all communications regarding this Claim Form. If this information changes, you MUST notify the Claims Administrator in writing at the address above.

Beneficial Owner's First Name | MI | Beneficial Owner's Last Name

Co-Beneficial Owner's First Name | MI | Co-Beneficial Owner's Last Name

Entity Name (if Beneficial Owner is not an individual)

Representative or Custodian Name (if different from Beneficial Owner(s) listed above)

Address 1 (street name and number)

Address 2 (apartment, unit or box number)

City | State | ZIP Code

Country

Last four digits of Social Security Number or Taxpayer Identification Number

Telephone Number (home) – – Telephone Number (work) – –

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.)

Account Number (where securities were traded)[1]

Claimant Account Type (check appropriate box)

- ☐ Individual (includes joint owner accounts)
- ☐ Pension Plan
- ☐ Trust
- ☐ Corporation
- ☐ Estate
- ☐ IRA/401K
- ☐ Other _____ (please specify)

[1] If the account number is unknown, you may leave blank. If filing for more than one account for the same legal entity you may write "multiple." Please see paragraph 8 below for more information on when to file separate Claim Forms for multiple accounts.

PART II – GENERAL INSTRUCTIONS

1. It is important that you completely read the Notice of Pendency of Class Action, Proposed Settlement, and Motion for Attorneys' Fees and Expenses (the "Notice") that accompanies this Claim Form, including the Plan of Allocation of the Net Settlement Fund set forth in the Notice. The Notice describes the proposed Settlement, how Class Members are affected by the Settlement, and the manner in which the Net Settlement Fund will be distributed if the Settlement and Plan of Allocation are approved by the Court. The Notice also contains the definitions of many of the defined terms (which are indicated by initial capital letters) used in this Claim Form. By signing and submitting this Claim Form, you will be certifying that you have read the Notice, including the terms of the releases described therein and provided for herein.

2. By submitting this Claim Form, you will be making a request to share in the proceeds of the Settlement described in the Notice. IF YOU ARE NOT A CLASS MEMBER (see the definition of the Class on page 6 of the Notice, which sets forth who is included in and who is excluded from the Class), OR IF YOU, OR SOMEONE ACTING ON YOUR BEHALF, SUBMITTED A REQUEST FOR EXCLUSION FROM THE CLASS, DO NOT SUBMIT A CLAIM FORM. **YOU MAY NOT, DIRECTLY OR INDIRECTLY, PARTICIPATE IN THE SETTLEMENT IF YOU ARE NOT A CLASS MEMBER.** THUS, IF YOU ARE EXCLUDED FROM THE CLASS, ANY CLAIM FORM THAT YOU SUBMIT, OR THAT MAY BE SUBMITTED ON YOUR BEHALF, WILL NOT BE ACCEPTED.

3. **Submission of this Claim Form does not guarantee that you will share in the proceeds of the Settlement. The distribution of the Net Settlement Fund will be governed by the Plan of Allocation set forth in the Notice, if it is approved by the Court, or by such other plan of allocation as the Court approves.**

4. Use the Schedule of Transactions in Part III of this Claim Form to supply all required details of your transaction(s) (including free transfers and deliveries) in and holdings of KBR publicly traded common stock. On this schedule, please provide all of the requested information with respect to your holdings, purchases, acquisitions, and sales of KBR publicly traded common stock, whether such transactions resulted in a profit or a loss. **Failure to report all transaction and holding information during the requested time period may result in the rejection of your claim.**

5. **Please note:** Only KBR publicly traded common stock purchased or otherwise acquired during the Class Period (*i.e.*, from September 11, 2013 through July 30, 2014, inclusive) is eligible under the Settlement. However, under the "90-day look-back period" (described in the Plan of Allocation set forth in the Notice), your sales of KBR publicly traded common stock during the period from July 31, 2014 through October 28, 2014, inclusive, will be used for purposes of calculating your claim under the Plan of Allocation. Therefore, in order for the Claims Administrator to be able to balance your claim, the requested purchase information during the 90-day look-back period must also be provided.

6. You are required to submit genuine and sufficient documentation for all of your transactions in and holdings of KBR publicly traded common stock set forth in the Schedule of Transactions in Part III of this Claim Form. Documentation may consist of copies of brokerage confirmation slips or monthly brokerage account statements, or an authorized statement from your broker containing the required transactional and holding information found in a broker confirmation slip or account statement. The Parties and the Claims Administrator do not independently have information about your investments in KBR publicly traded common stock. IF SUCH DOCUMENTS ARE NOT IN YOUR POSSESSION, PLEASE OBTAIN COPIES OF THE DOCUMENTS OR EQUIVALENT DOCUMENTS FROM YOUR BROKER. FAILURE TO SUPPLY THIS DOCUMENTATION MAY RESULT IN THE REJECTION OF YOUR CLAIM. DO NOT SEND ORIGINAL DOCUMENTS. **Please keep a copy of all documents that you send to the Claims Administrator. Also, please do not highlight any portion of the Claim Form or any supporting documents.**

7. Separate Claim Forms should be submitted for each separate legal entity (*e.g.*, a claim from joint owners should not include separate transactions of just one of the joint owners, and an individual should not combine his or her IRA transactions with transactions made solely in the individual's name). Conversely, a single Claim Form should be submitted on behalf of one legal entity including all transactions made by that entity on one Claim Form, no matter how many separate accounts that entity has (*e.g.*, a corporation with multiple brokerage accounts should include all transactions made in all accounts on one Claim Form).

8. All joint beneficial owners must each sign this Claim Form and their names must appear as "Claimants" in Part I of this Claim Form. If you purchased or otherwise acquired KBR publicly traded common stock during the Class Period and held the shares in your name, you are the beneficial owner as well as the record owner and you must sign this Claim Form to participate in the Settlement. If, however, you purchased or otherwise acquired KBR publicly traded common stock during the relevant time period and the securities were registered in the name of a third party, such as a nominee or brokerage firm, you are the beneficial owner of these shares, but the third party is the record owner. The beneficial owner, not the record owner, must sign this Claim Form to be eligible to participate in the Settlement.

9. Agents, executors, administrators, guardians, and trustees must complete and sign the Claim Form on behalf of persons represented by them, and they must:

(a) expressly state the capacity in which they are acting;
(b) identify the name, account number, Social Security Number (or taxpayer identification number), address and telephone number of the beneficial owner of (or other person or entity on whose behalf they are acting with respect to) the KBR publicly traded common stock; and
(c) furnish herewith evidence of their authority to bind to the Claim Form the person or entity on whose behalf they are acting. (Authority to complete and sign a Claim Form cannot be established by stockbrokers demonstrating only that they have discretionary authority to trade securities in another person's accounts.)

10. By submitting a signed Claim Form, you will be swearing that you:

(a) own(ed) the KBR publicly traded common stock you have listed in the Claim Form; or
(b) are expressly authorized to act on behalf of the owner thereof.

11. By submitting a signed Claim Form, you will be swearing to the truth of the statements contained therein and the genuineness of the documents attached thereto, subject to penalties of perjury under the laws of the United States of America. The making of false statements, or the submission of forged or fraudulent documentation, will result in the rejection of your claim and may subject you to civil liability or criminal prosecution.

12. If the Court approves the Settlement, payments to eligible Authorized Claimants pursuant to the Plan of Allocation (or such other plan of allocation as the Court approves) will be made after any appeals are resolved, and after the completion of all claims processing. The claims process will take substantial time to complete fully and fairly. Please be patient.

13. **PLEASE NOTE:** As set forth in the Plan of Allocation, each Authorized Claimant shall receive his, her or its *pro rata* share of the Net Settlement Fund. 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.

14. If you have questions concerning the Claim Form, or need additional copies of the Claim Form or the Notice, you may contact the Claims Administrator, Epiq, at the above address, by email at info@KBRSecuritiesLitigation.com, or by toll-free phone at (844) 685-5620, or you can visit the Settlement website, www.KBRSecuritiesLitigation.com, where copies of the Claim Form and Notice are available for downloading.

15. 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. To obtain the mandatory electronic filing requirements and file layout, you may visit the settlement website at www.KBRSecuritiesLitigation.com or you may email the Claims Administrator's electronic filing department at info@KBRSecuritiesLitigation.com. Any file not in accordance with the required electronic filing format will be subject to rejection. No electronic files will be considered to have been properly submitted unless the Claims Administrator issues an email to that effect after processing your file with your claim numbers and respective account information. **Do not assume that your file has been received or processed until you receive this email. If you do not receive such an email within 10 days of your submission, you should contact the electronic filing department at info@KBRSecuritiesLitigation.com to inquire about your file and confirm it was received and acceptable.**

IMPORTANT: PLEASE NOTE

YOUR CLAIM IS NOT DEEMED FILED UNTIL YOU RECEIVE AN ACKNOWLEDGEMENT POSTCARD. THE CLAIMS ADMINISTRATOR WILL ACKNOWLEDGE RECEIPT OF YOUR CLAIM FORM BY MAIL, WITHIN 60 DAYS. IF YOU DO NOT RECEIVE AN ACKNOWLEDGEMENT POSTCARD WITHIN 60 DAYS, PLEASE CALL THE CLAIMS ADMINISTRATOR TOLL-FREE AT (844) 685-5620.

PART III – SCHEDULE OF TRANSACTIONS IN KBR PUBLICLY TRADED COMMON STOCK

Please be sure to include proper documentation with your Claim Form as described in detail in Part II – General Instructions, Paragraph 6, above. Do not include information regarding securities other than KBR publicly traded common stock.

1. HOLDINGS AS OF SEPTEMBER 11, 2013 – State the total number of shares of KBR publicly traded common stock held as of the opening of trading on September 11, 2013. (Must be documented.) If none, write "zero" or "0."

2. PURCHASES/ACQUISITIONS FROM SEPTEMBER 11, 2013 THROUGH JULY 30, 2014 – Separately list each and every purchase/acquisition (including free receipts) of KBR publicly traded common stock from after the opening of trading on September 11, 2013 through and including the close of trading on July 30, 2014. (Must be documented.)

Date of Purchase/ Acquisition (List Chronologically) (MM/DD/YY)	Number of Shares Purchased/Acquired	Purchase/ Acquisition Price Per Share	Total Purchase/Acquisition Price (excluding taxes, commissions, and fees)

3. PURCHASES/ACQUISITIONS FROM JULY 31, 2014 THROUGH OCTOBER 28, 2014 – State the total number of shares of KBR publicly traded common stock purchased/acquired (including free receipts) from after the opening of trading on July 31, 2014 through and including the close of trading on October 28, 2014. If none, write "zero" or "0."[2]

4. SALES FROM SEPTEMBER 11, 2013 THROUGH OCTOBER 28, 2014 – Separately list each and every sale/disposition (including free deliveries) of KBR publicly traded common stock from after the opening of trading on September 11, 2013 through and including the close of trading on October 28, 2014. (Must be documented.)

IF NONE, CHECK HERE ☐

Date of Sale (List Chronologically) (MM/DD/YY)	Number of Shares Sold	Sale Price Per Share	Total Sale Price (excluding taxes, commissions, and fees)

5. HOLDINGS AS OF OCTOBER 28, 2014 – State the total number of shares of KBR publicly traded common stock held as of the close of trading on October 28, 2014. (Must be documented.) If none, write "zero" or "0."

IF YOU NEED ADDITIONAL SPACE TO LIST YOUR TRANSACTIONS YOU MUST PHOTOCOPY THIS PAGE AND CHECK THIS BOX ☐
IF YOU DO NOT CHECK THIS BOX THESE ADDITIONAL PAGES WILL NOT BE REVIEWED

[2] **Please note:** Information requested with respect to your purchases/acquisitions of KBR publicly traded common stock from after the opening of trading on July 31, 2014 through and including the close of trading on October 28, 2014 is needed in order to balance your claim; purchases during this period, however, are not eligible under the Settlement and will not be used for purposes of calculating your Recognized Claim pursuant to the Plan of Allocation.

PART IV – RELEASE OF CLAIMS AND SIGNATURE

YOU MUST ALSO READ THE RELEASE AND CERTIFICATION BELOW AND SIGN ON PAGE 7 OF THIS CLAIM FORM.

I (we) hereby acknowledge that as of the Effective Date of the Settlement, pursuant to the terms set forth in the Stipulation, I (we), on behalf of myself (ourselves) and my (our) heirs, executors, trustees, administrators, predecessors, successors, and assigns in their capacities as such, shall be deemed to have fully, finally, and forever waived, released, discharged, and dismissed each and every one of the Released Plaintiffs' Claims against each and every one of the Released Defendant Parties, and shall forever be barred and enjoined from commencing, instituting, prosecuting, or maintaining any and all of the Released Plaintiffs' Claims against any and all of the Released Defendant Parties.

CERTIFICATION

By signing and submitting this Claim Form, the claimant(s) or the person(s) who represent(s) the claimant(s) agree(s) to the release above and certifies (certify) as follows:

1. that I (we) have read the contents of the Notice and this Claim Form, including the releases provided for in the Settlement and the terms of the Plan of Allocation;

2. that the claimant(s) is a (are) Class Member(s), as defined in the Notice, and is (are) not excluded by definition from the Class as set forth in the Notice;

3. that the claimant has **not** submitted a request for exclusion from the Class;

4. that I (we) own(ed) the KBR publicly traded common stock identified in the Claim Form and have not assigned the claim against any of the Defendants or any of the other Released Defendant Parties to another, or that, in signing and submitting this Claim Form, I (we) have the authority to act on behalf of the owner(s) thereof;

5. that the claimant(s) has (have) not submitted any other claim covering the same purchases of KBR publicly traded common stock and knows (know) of no other person having done so on the claimant's (claimants') behalf;

6. that the claimant(s) submit(s) to the jurisdiction of the Court with respect to claimant's (claimants') claim and for purposes of enforcing the releases set forth herein;

7. that I (we) agree to furnish such additional information with respect to this Claim Form as Class Counsel, the Claims Administrator or the Court may require;

8. that the claimant(s) waive(s) the right to trial by jury, to the extent it exists, and agree(s) to the Court's summary disposition of the determination of the validity or amount of the claim made by this Claim Form;

9. that I (we) acknowledge that the claimant(s) will be bound by and subject to the terms of any judgment(s) that may be entered in the Action; and

10. that the claimant(s) is (are) NOT subject to backup withholding under the provisions of Section 3406(a)(1)(C) of the Internal Revenue Code because (a) the claimant(s) is (are) exempt from backup withholding or (b) the claimant(s) has (have) not been notified by the IRS that he/she/it is subject to backup withholding as a result of a failure to report all interest or dividends or (c) the IRS has notified the claimant(s) that he/she/it is no longer subject to backup withholding. **If the IRS has notified the claimant(s) that he/she/it is subject to backup withholding, please strike out the language in the preceding sentence indicating that the claim is not subject to backup withholding in the certification above.**

UNDER THE PENALTIES OF PERJURY, I (WE) CERTIFY THAT ALL OF THE INFORMATION PROVIDED BY ME (US) ON THIS CLAIM FORM IS TRUE, CORRECT, AND COMPLETE, AND THAT THE DOCUMENTS SUBMITTED HEREWITH ARE TRUE AND CORRECT COPIES OF WHAT THEY PURPORT TO BE.

Signature of claimant

Date ☐☐ – ☐☐ – ☐☐
MM DD YY

Print your name here

Signature of joint claimant, if any

Date ☐☐ – ☐☐ – ☐☐
MM DD YY

Print your name here

If the claimant is other than an individual, or is not the person completing this form, the following also must be provided:

Signature of person signing on behalf of claimant

Date ☐☐ – ☐☐ – ☐☐
MM DD YY

Print your name here

Capacity of person signing on behalf of claimant, if other than an individual, *e.g.*, executor, president, trustee, custodian, *etc.* (Must provide evidence of authority to act on behalf of claimant – see paragraph 9 on page 4 of this Claim Form.)

REMINDER CHECKLIST:

1. Please sign the above release and certification. If this Claim Form is being made on behalf of joint claimants, then both must sign.
2. Remember to attach only **copies** of acceptable supporting documentation as these documents will not be returned to you.
3. Please do not highlight any portion of the Claim Form or any supporting documents.
4. Do not send original security certificates or documentation. These items cannot be returned to you by the Claims Administrator.
5. Keep copies of the completed Claim Form and documentation for your own records.
6. The Claims Administrator will acknowledge receipt of your Claim Form by mail, within 60 days. Your claim is not deemed filed until you receive an acknowledgement postcard. **If you do not receive an acknowledgement postcard within 60 days, please call the Claims Administrator toll-free at (844) 685-5620.**
7. If your address changes in the future, or if this Claim Form was sent to an old or incorrect address, please send the Claims Administrator written notification of your new address. If you change your name, please inform the Claims Administrator.
8. If you have any questions or concerns regarding your claim, please contact the Claims Administrator at the address below, by email at info@KBRSecuritiesLitigation.com, or toll-free at (844) 685-5620, or visit www.KBRSecuritiesLitigation.com. Please DO NOT call KBR or any of the other Defendants or their counsel with questions regarding your claim.

THIS CLAIM FORM MUST BE MAILED TO THE CLAIMS ADMINISTRATOR BY FIRST-CLASS MAIL, **POSTMARKED OR RECEIVED NO LATER THAN AUGUST 19, 2017**, ADDRESSED AS FOLLOWS:

KBR Securities Litigation
c/o Epiq
P.O. Box 4290
Portland, OR 97208-4290

A Claim Form received by the Claims Administrator shall be deemed to have been submitted when mailed, if a postmark date is indicated on the envelope and it is mailed First Class, and addressed in accordance with the above instructions. In all other cases, a Claim Form shall be deemed to have been submitted when actually received by the Claims Administrator.

You should be aware that it will take a significant amount of time to fully process all of the Claim Forms. Please be patient and notify the Claims Administrator of any change of address.

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KBR Securities Litigation
c/o Epiq
P.O. Box 4290
Portland, OR 97208-4290

Presorted
First-Class Mail
US Postage
PAID
TGC

Important Time-Sensitive Document

Exhibit B

CONFIRMATION OF PUBLICATION

IN THE MATTER OF: *KBR Securities Litigation*

I, Kathleen Komraus, hereby certify that

(a) I am the Media Coordinator at Epiq Systems Class Action & Claims Solutions, a noticing administrator, and;

(b) The Notice of which the annexed is a copy was published in the following publications on the following dates:

5.5.17 – Wall Street Journal
5.5.17 – PR Newswire

X Kathleen Komraus
(Signature)

Media Coordinator
(Title)

Morgan Stanley to Drop Vanguard From Offerings

By Michael Wursthorn And Sarah Krouse

Morgan Stanley will soon prevent its clients from buying **Vanguard Group**'s mutual funds, the latest big Wall Street brokerage to mostly shut out some of the index giant's funds.

Starting next week, Morgan Stanley brokers will no longer be able to sell their clients new positions in Vanguard mutual funds, including its popular index offerings, the bank confirmed. Merrill Lynch, meanwhile, already doesn't allow new clients to purchase new shares of Vanguard's mutual funds, said Merrill brokers familiar with the matter, adding that it has been a longstanding policy of the **Bank of America** Corp.-owned brokerage.

The brokerage arms of **Wells Fargo** & Co. and **UBS Group** AG, two of the other big traditional brokerages, haven't dropped Vanguard's funds, people familiar with their sales practices said.

The restrictions come as Vanguard has boomed amid investors' embrace of funds that mimic broad indexes for a fraction of the cost of actively managed funds.

The Malvern, Pa., firm brought in $289 billion last year, or 54%, of the $533 billion that flowed into all mutual funds and exchange-traded funds, according to research firm Morningstar Inc.

Michael Wong, a wealth-management researcher with Morningstar, said he was surprised by the Morgan Stanley move. "Vanguard, among the fund world, is a household name, so I would assume there would be some client demand for it," he said.

Riding the Wave

Vanguard Group's assets under management*

*As of the end of March
Source: Vanguard Group
THE WALL STREET JOURNAL.

Morgan Stanley, which oversees $2.2 trillion of client assets, says Vanguard's funds are unpopular with its clients. Vanguard's mutual funds represented less than 5% of Morgan Stanley's total mutual-fund assets, said bank spokesman Bruce Dunbar.

Morgan Stanley clients currently invested in Vanguard mutual funds won't be forced to sell, and they can add to those positions through early next year. The brokerage will continue to offer Vanguard exchange-traded funds, said Mr. Dunbar.

Vanguard is unusual among fund firms because it has a policy of not paying other firms to sell its funds. Many fund firms have long paid for shelf space on platforms or had revenue-sharing agreements with brokerages.

A spokeswoman for Vanguard said, "We share in the disappointment of advisers who are not able to access conventional shares of our mutual funds," adding that Vanguard doesn't pay any brokerage firm or its advisers for the distribution of its funds.

Merrill, meanwhile, has for some time restricted the sale of new shares of Vanguard mutual funds to clients who don't have an existing position, said Merrill brokers familiar with the matter. Clients who come to the firm with existing positions can add to those, as long as they have research coverage by Merrill's chief investment office or a Morningstar analyst, they added.

As at Morgan Stanley, Merrill Lynch's ban on buying Vanguard mutual funds doesn't apply to Vanguard ETFs. And investors who direct their own investments through Merrill Edge, Bank of America's self-service investment platform, can buy Vanguard mutual funds and ETFs without restrictions.

Brokers at both firms say they usually favor ETFs, including Vanguard's, for investors who want a passive investment strategy because they tend to be cheaper and more tax efficient than mutual funds.

Morgan Stanley, which has more than 15,000 brokers, said it is removing the Vanguard funds as part of a broader overhaul of its mutual-fund offerings.

Over the past several months, the firm has been cutting 25% of funds it deems less popular or underperforming, a process it kicked off to help it comply with the Labor Department's fiduciary rule requiring brokers to act in the best interest of retirement savers.

AdvisorHub earlier reported Morgan Stanley's removal of Vanguard funds.

China Aims High, Takes On Boeing and Airbus

GETTY IMAGES

SHANGHAI—China is expected to pass a technology milestone on Friday with the maiden flight of its first big commercial airliner, launching what Beijing hopes will become a rival to **Boeing** Co. and **Airbus** SE.

If the flight goes off as planned, and weather permitting, the C919, pictured above, will be the latest breakthrough for China as it races to foster advanced industrial capabilities in sectors including robotics, computer chips, electric cars and renewable energy.

Getting airborne is one thing. Soaring in the fiercely competitive commercial-aviation market is a far tougher proposition, aviation analysts say. But with a reported $317 billion set aside to bankroll advanced manufacturing projects, China seems to care less about returns from costly experiments like the C919 than about securing a foothold in high-value industries dominated by foreign players.

"Basically, they can deliver jets if they're willing to lose a lot of money," said Richard Aboulafia, vice president at Teal Group Corp., a U.S.-based aerospace-intelligence company.

The C919 project predates the government's Made in China 2025 initiative, which began in 2015, but it falls squarely within the objectives of that program.

—Trefor Moss

Central Grocers Files for Bankruptcy

By Lillian Rizzo And Stephanie Gleason

Central Grocers Inc. sought bankruptcy protection Thursday after four of its food suppliers banded together to demand their bills get paid.

The chapter 11 filing in the U.S. Bankruptcy Court in Wilmington, Del., comes with the plan for Central Grocers, one of the largest grocery cooperatives in the U.S., to sell its better-performing stores.

Coca-Cola Co., **General Mills** Inc., **Post Consumer Brands** and **Mars Financial Services** filed an involuntary chapter 7 petition for Central Grocers on Tuesday, saying that the co-op owes them $1.8 million, collectively, according to documents filed with the U.S. Bankruptcy Court in Chicago. The court documents say that Central Grocers hasn't been paying its debts as they became due.

"In recent weeks, however, many of [Central Grocers'] key vendors have reacted to news of CGI's liquidity challenges by imposing onerous trade terms," Chief Restructuring Officer Donald Harer said in court papers filed Thursday.

DANIEL ACKER/BLOOMBERG NEWS

Centrella butter is a private label of Central Grocers, which filed for bankruptcy protection.

Central Grocers said in court papers that the purchase of merchandise is its "greatest expense," which totaled roughly $1.24 billion in 2016.

Central Grocers, based in Joliet, Ill., is a cooperative of grocery wholesalers in the Midwest, serving independent retail chains with its Centrella-branded products. It also owns and operates three regional chains, Strack & Van Til, **Ultra Foods** and Town & Country Markets.

The cooperative plans to sell 19 Strack Stores and plans to sign a "stalking horse" agreement with an unnamed buyer which would serve as the floor bid in a bankruptcy-run auction. Central Grocers plans to close 14 of its underperforming Strack stores during the bankruptcy proceedings.

Volkswagen Looks Down the Road

By William Boston

BERLIN—**Volkswagen** AG, the world's biggest car maker, is returning to strong profits after Chief Executive Matthias Müller took advantage of the company's diesel crisis to push through unpopular restructuring and cost cuts.

But as the emissions-cheating scandal that had threatened to sink one of Germany's corporate flagships begins to fade, analysts say Mr. Müller still must work hard to wean the German car maker off diesel and prepare for tougher emissions regulation.

"The broader lesson is that VW used the crisis to do things that it couldn't do under normal circumstances and it is now stronger than it was before the scandal," said Christian Stadler, a professor of strategy at Warwick Business School.

Its strong position paradoxically puts Mr. Müller in a bind. The chief executive knows he must prepare Volkswagen for the eventuality of a postdiesel world. But as it emerges from the crisis and profits rise, the company and its management lose incentive—and leverage—to change.

Comeback

VW puts diesel in rear-view

Net profit/loss

Source: the company
THE WALL STREET JOURNAL.

The company that makes the popular Golf and Jetta sedans reported on Wednesday that net profit in the first three months of the year surged 45% to €3.35 billion ($3.66 billion), boosted by cost cutting and higher margins at its VW brand. Adjusted operating profit, which strips out one-time items, gained 27% to €4.4 billion. Revenue rose 10% to €56.2 billion.

FUNDS

Continued from page B1

modern roots to the antiapartheid divestiture campaign of the 1980s, which prodded companies to withdraw from South Africa to protest the country's institutionalized racial segregation. After apartheid was dismantled, ethical investing focused on boycotting heavy polluters and human-rights violators. As concerns about climate change increased, investors began looking for ways to reduce the carbon footprint of their portfolios without sacrificing diversification and performance.

ESG became an increasingly popular solution. Instead of using market value to determine how much to allocate each company, like most traditional indexes, the strategies weight their investments based on how a company performs on ESG criteria.

Some funds go a step further, using financial criteria like revenue or dividends combined with ESG scores.

Since the start of 2016, the ETF industry has launched 26 new ESG funds, according to FactSet and XTF. Firms, including **Goldman Sachs Group** Inc., State Street and **OppenheimerFunds**, have also published research touting the performance-enhancing benefits of ESG screening. Some fund managers believe that ESG screening can weed out companies with simmering scandals, said Sharon French, head of beta solutions for OppenheimerFunds.

She cited MSCI's July 2013 ESG downgrade of **Volkswagen** AG due to corporate-governance problems, more than two years before the Environmental Protection Agency announced its investigation into emissions cheating.

Such strategies preserve diversification, but can make for strange bedfellows. For example, the **Columbia Sustainable Global Equity Income ETF** includes Valero Energy and **Marathon Petroleum** Corp. among its top 20 investments; and, at one point, the single largest holding of Oppenheimer's Global ESG Revenue ETF was **Wal-Mart Stores** Inc., a company excluded from other ESG strategies because of its history of labor problems, though that may change as the company improves its ESG performance. The fund liquidated its Wal-Mart stake in February after MSCI noted "significant concerns" related to labor unions and an ongoing bribery case against its Mexican subsidiary, Oppenheimer's Ms. French said.

Labaton Sucharow LLP and Bernstein Litowitz Berger & Grossmann LLP Announce a Proposed Class Action Settlement in In re KBR, Inc. Securities Litigation

NEWS PROVIDED BY
Labaton Sucharow LLP →, Bernstein Litowitz Berger & Grossmann LLP →
07:59 ET

HOUSTON, May 5, 2017 /PRNewswire/--

IN THE UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

IN RE KBR, INC. SECURITIES LITIGATION	Case No. 4:14-CV-01287 Judge Lee H. Rosenthal

SUMMARY NOTICE OF PENDENCY OF CLASS ACTION, PROPOSED SETTLEMENT, AND MOTION FOR ATTORNEYS' FEES AND EXPENSES

To: All Persons and Entities Who Purchased or Otherwise Acquired the Publicly Traded Common Stock of KBR, Inc. ("KBR") During the Period from September 11, 2013 through July 30, 2014, Inclusive (the "Class Period"), and Who Were Damaged Thereby (the "Class").

PLEASE READ THIS NOTICE CAREFULLY. IF YOU ARE A MEMBER OF THE CLASS DESCRIBED ABOVE, YOUR RIGHTS WILL BE AFFECTED BY A CLASS ACTION LAWSUIT PENDING IN THIS COURT.

YOU ARE HEREBY NOTIFIED, in accordance with Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the Southern District of Texas, that the above-captioned litigation (the "Action") has been certified as a class action on behalf of the Class, except for certain persons and entities who are excluded from the Class by definition as set forth in the full printed Notice of Pendency of Class Action, Proposed Settlement, and Motion for Attorneys' Fees and Expenses (the "Notice").

YOU ARE ALSO NOTIFIED that the Court-appointed Class Representatives Arkansas Public Employees Retirement System and IBEW Local No. 58 / SMC NECA Funds, on behalf of themselves and the Class, and Defendants KBR, William P. Utt, Susan K. Carter, Dennis S. Baldwin, and Brian K. Ferraioli (collectively, "Defendants") have reached a proposed settlement of the Action in the amount of $10,500,000 in cash that, if approved by the Court, will resolve all claims in the Action (the "Settlement").

A hearing will be held before the Honorable Lee H. Rosenthal of the United States District Court for the Southern District of Texas in the United States Courthouse, Courtroom 11-B, 515 Rusk Avenue, Houston, TX 77002 at 2:00 p.m. on July 25, 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 as of April 5, 2017; (iii) approve the proposed Plan of Allocation for distribution of the Net Settlement Fund; and (iv) approve Class Counsel's application for an award of attorneys' fees and payment of 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 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 Action, www.KBRSecuritiesLitigation.com, or by contacting the Claims Administrator at:

KBR Securities Litigation
Claims Administrator
c/o Epiq
P.O. Box 4290
Portland, OR 97208-4290
(844) 685-5620

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

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

John Rizio-Hamilton, Esq.
BERNSTEIN LITOWITZ BERGER & GROSSMANN LLP
1251 Avenue of the Americas, 44th Floor
New York, NY 10020
www.blbglaw.com
(800) 380-8496

If you are a 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 August 19, 2017***. If you are a 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 Class Member and wish to exclude yourself from the 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 July 4, 2017.*** If you properly exclude yourself from the 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 Class Counsel's application for attorneys' fees and payment of expenses must be filed with the Court and mailed to counsel for the Parties in accordance with the instructions in the Notice, such that they are ***filed and received no later than July 4, 2017***.

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

All questions about this notice, the Settlement, or your eligibility to participate in the Settlement should be directed to the Claims Administrator or Class Counsel.

DATED: May 5, 2017 BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS

URL: www.KBRSecuritiesLitigation.com

SOURCE Labaton Sucharow LLP; Bernstein Litowitz Berger & Grossmann LLP

Related Links

http://https://www.kbrsecuritieslitigation.com

Exhibit 4

IN THE UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

IN RE KBR, INC. SECURITIES LITIGATION	Case No. 4:14-CV-01287 Judge Lee H. Rosenthal

DECLARATION OF LOUIS GOTTLIEB IN SUPPORT OF CLASS COUNSEL'S MOTION FOR AN AWARD OF ATTORNEYS' FEES AND PAYMENT OF LITIGATION EXPENSES FILED ON BEHALF OF LABATON SUCHAROW LLP

Louis Gottlieb declares as follows:

1. I am a partner of the law firm of Labaton Sucharow LLP, one of the Court-appointed Class Counsel in the above-captioned action (the "Action"). I submit this declaration in support of Class Counsel's application for an award of attorneys' fees in connection with services rendered in the Action, as well as for payment of litigation expenses incurred in connection with the Action. I have personal knowledge of the facts set forth herein and, if called upon, could and would testify thereto.

2. My firm, as Class Counsel, was involved in all aspects of the litigation and its settlement as set forth in the accompanying Joint Declaration of Louis Gottlieb and John Rizio-Hamilton in Support of (I) Class Representatives' Motion for Final Approval of Class Action Settlement and Plan of Allocation and (II) Class Counsel's Motion for an Award of Attorneys' Fees and Payment of Litigation Expenses.

3. The schedule attached hereto as Exhibit A is a detailed summary indicating the amount of time spent by attorneys and professional support staff employees of my firm who billed twenty or more hours to the Action, and the lodestar calculation for those individuals

based on my firm's current billing rates. For personnel who are no longer employed by my firm, the lodestar calculation is based upon the billing 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. Time expended on the Action before September 9, 2014 (the date of entry of the Order appointing Labaton Sucharow as Co-Lead Counsel) and after January 23, 2017 (the date when the agreement in principle to settle was reached), including the time expended on this application for fees and 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 reflected in Exhibit A from September 9, 2014 through and including January 23, 2017, is 11,567.60. The total lodestar reflected in Exhibit A for that period is $5,533,888.50, consisting of $5,221,626.50 for attorneys' time and $312,262.00 for professional support staff time.

6. My firm's lodestar figures are based upon the firm's billing 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 is seeking payment for a total of $568,438.49 in expenses in connection with the prosecution of this Action through June 16, 2017.

8. The litigation expenses reflected in Exhibit B are the actual expenses or reflect "caps" based on the application of the following criteria:

(a) Out-of-town travel – airfare is at coach rates, hotel rates per night are

capped at $350 for large cities and $250 for small cities; meals are capped at $20 per person for breakfast, $25 per person for lunch, and $50 per person for dinner.

(b) Local work-related meals – capped at $20 per person for breakfast, $25 per person for lunch, and $50 per person for dinner.

(c) Internal Copying – Charged at $0.10 per page.

(d) On-Line Research – Charges reflected are for out-of-pocket payments to the vendors for research done in connection with this litigation. On-line research is billed to each case based on actual usage at a set charge by the vendor. There are no administrative charges included in these figures.

9. The litigation expenses incurred in this Action 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.

10. With respect to the standing of my firm, attached hereto as Exhibit C is a brief biography of my firm and its partners and of counsels.

11. My firm was also responsible for maintaining a joint litigation fund on behalf of Class 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 $445,000.00 from Class Counsel and has incurred a total of $628,722.51 in expenses in connection with the prosecution of the Action. Accordingly, there is an unpaid and outstanding balance of $183,722.51, which has been added to my firm's expense report so that, upon Court approval, these expenses can be paid.

12. 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 facts are true and correct. Executed on the 20th day of June, 2017.

Louis Gottlieb

Exhibit A

EXHIBIT A

In re KBR, Inc. Securities Litigation
Case No. 14-cv-01287-LHR

LABATON SUCHAROW LLP

TIME REPORT

September 9, 2014 through January 23, 2017

NAME	HOURS	HOURLY RATE	LODESTAR
Partners			
Gottlieb, L.	1,613.4	$950	$1,532,730.00
Belfi, E.	88.5	$875	$77,437.50
Associates			
Wierzbowski, E.	78.5	$725	$56,912.50
Belz, M.	295.7	$510	$150,807.00
Kamhi, R.	776.5	$500	$388,250.00
Tsang, W.	929.6	$375	$348,600.00
Staff Attorneys			
Fouchong, D.	580.1	$425	$246,542.50
Carrigan, R.	909.0	$410	$372,690.00
Raikes, M.	1,193.2	$410	$489,212.00
Alper, D.	135.8	$425	$57,715.00
Kwon, J.	599.4	$410	$245,754.00
Sharpe, R.	592.1	$410	$242,761.00
Korode, J.	1,012.2	$360	$364,392.00
Parisi, S.	1,933.8	$335	$647,823.00
Investigators			
Pontrelli, J.	46.8	$495	$23,166.00
Wiegartner, P.	211.1	$435	$91,828.50
Wroblewski, R.	114.0	$425	$48,450.00

NAME	HOURS	HOURLY RATE	LODESTAR
Paralegals			
Chan-Lee, E.	374.8	$325	$121,810.00
Penrhyn, M.	83.1	$325	$27,007.50
TOTAL	**11,567.6**		**$5,533,888.50**

Exhibit B

EXHIBIT B

In re KBR, Inc. Securities Litigation
Case No. 14-cv-01287-LHR

LABATON SUCHAROW LLP

EXPENSE REPORT

Inception through June 16, 2017

CATEGORY	AMOUNT
Document Management/Litigation Support	$1,785.22
On-Line Legal Research	$20,731.19
On-Line Factual Research	$3,034.75
Conference Calls	$688.61
Express Mail	$3,528.52
Internal Copying	$15,957.50
Out of Town Travel*	$40,422.94
Local Work-Related Transportation	$11,575.69
Local Overtime Meals	$1,173.81
Court Reporting & Transcripts	$54.00
Experts – Damages and Accounting (*see also* Litigation Expense Fund)	$18,763.75
Contributions to Litigation Fund	$ 267,000.00
Outstanding Litigation Fund Costs	$183,722.51
TOTAL:	**$568,438.49**

* $2,360 in estimated travel costs has been included for representatives of Labaton Sucharow to attend the final approval hearing. If less than $2,360 is incurred, the actual amount incurred will be deducted from the Settlement Fund. If more than $2,360 is incurred, $2,360 will be the cap and only that amount will be deducted from the Settlement Fund.

Exhibit C

EXHIBIT C

In re KBR, Inc. Securities Litigation
Case No. 14-cv-01287-LHR

LABATON SUCHAROW LLP

FIRM RÉSUMÉ

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Labaton Sucharow

MORE THAN 50 YEARS OF ADVOCACY

Firm Resume

Securities Class Action Litigation

New York 140 Broadway | New York, NY 10005 | 212-907-0700 main | 212-818-0477 fax | www.labaton.com
Delaware 300 Delaware Avenue, Suite 1340 | Wilmington, DE 19801 | 302-573-2540 main | 302-573-2529 fax
Washington, D.C. 1050 Connecticut Ave NW, Suite 500 | Washington, D.C. 20036 | 202.772.1880 main

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 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
Marisa N. DeMato
Joseph H. Einstein
Christine M. Fox
Mark Goldman
Lara Goldstone
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. 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. Recently 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
jgardner@labaton.com

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
dgoldsmith@labaton.com

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
lgottlieb@labaton.com

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
shallowell@labaton.com

Serena P. Hallowell focuses on complex litigation, prosecuting securities fraud cases on behalf of institutional investors as well as litigation on behalf of consumers. Currently, she is actively 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 also 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*.

In the recent past, 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. 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 and more recently is working with American Immigrant Representation Project (AIRP), and other volunteer agencies, to provide legal assistance to immigrants in detention centers.

She is conversational in Urdu/Hindi.

Thomas G. Hoffman, Jr., Partner
thoffman@labaton.com

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
jjohnson@labaton.com

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
ckeller@labaton.com

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
elabaton@labaton.com

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
cmcdonald@labaton.com

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
mrogers@labaton.com

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
ischochet@labaton.com

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
mstocker@labaton.com

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
cvillegas@labaton.com

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
ivasilchenko@labaton.com

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
nweinberger@labaton.com

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 as up and coming, noting his impressive range of practice areas. He was also recently named a Leading Lawyer by *The Legal 500*.

He currently prosecutes *California State Teachers' Retirement System v. Alvarez*, a high-profile derivative litigation against Wal-Mart Stores, Inc. related to alleged violations of the Foreign Corrupt Practices Act of

1977 by Wal-Mart's Mexican subsidiary. Additionally, Ned leads a case against the Providence Service Corporation in *Haverhill Retirement System v. Richard A. Kerley and The Providence Service Corporation*, alleging an improper financing arrangement in relations to an acquisition by Providence's board chairman.

Most recently, Ned secured a $40 million settlement, pending court approval, from Sears Holding Corp. The derivative action alleged breaches of fiduciary duty by Sears' CEO and its board of directors regarding their decision to spin-off over 200 of their most valuable real estate assets in a sale-leaseback transaction with Seritage Growth Properties, a real estate investment trust that is also run by the CEO of Sears. He was also 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.

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
mwillis@labaton.com

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
nzeiss@labaton.com

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
ravan@labaton.com

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 oversees the Firm's Non-U.S. Securities Litigation Practice, which is dedicated exclusively 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., dubbed "India's Enron." That case achieved a $150.5 million settlement for investors from the company and its auditors. Rachel was also a member of the teams prosecuting several of the Firm's mergers and acquisition cases, including suits involving Barnes & Noble, Inc. and Coca-Cola Enterprises Inc.

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.

Marisa N. DeMato, Of Counsel
mdemato@labaton.com

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 public pension funds throughout the United States and she was an integral member of the legal teams that helped secure multimillion dollar settlements on behalf of aggrieved investors and defrauded consumers.

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
jeinstein@labaton.com

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

cfox@labaton.com

Christine M. Fox focuses on prosecuting complex securities fraud cases on behalf of institutional investors. Currently, Christine is actively involved in prosecuting cases against Nu Skin Enterprises, Inc., Conn's, Inc., Intuitive Surgical, and Horizon Pharma.

Prior to joining Labaton Sucharow, Christine worked at a national litigation firm focusing on securities, antitrust, and consumer litigation in state and federal courts.

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

mgoldman@labaton.com

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
lgoldstone@labaton.com

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.

Domenico Minerva, Of Counsel
dminerva@labaton.com

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
crhodes@labaton.com

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

In re KBR, Inc. Securities Litigation
Case No. 14-cv-01287-LHR

LABATON SUCHAROW LLP

LITIGATION EXPENSE FUND

Inception through June 16, 2017

CONTRIBUTIONS:			***TOTALS***
Labaton Sucharow LLP			$267,000.00
Bernstein Litowitz Berger & Grossmann LLP			$178,000.00
TOTAL CONTRIBUTIONS			**$445,000.00**
EXPENSES INCURRED BY THE LITIGATION EXPENSE FUND:			
Experts			$387,541.68
Damages/Loss Causation		$189,374.08	
Crowninshield Financial Research, Inc.	$137,415.00		
Forensic Economics, Inc.	$15,587.50		
Nathan Associates Inc.	$36,371.58		
Accounting		$81,833.85	
Hemming Morse, LLP	$81,833.85		
Industry		$116,333.75	
Interface Consulting International, Inc.	$101,888.75		
Thomson Reuters Expert Witness Services	$14,445.00		
Court Reporting Services			$36,331.51
Calgary Independent Reporters Inc.		$10,294.24	
Laura Wells		$72.75	
US Legal Support		$25,964.52	
Process Service			$795.00
Metro Attorney Service Inc.		$550.00	
Service by Irving Inc.		$245.00	
Mediator - JAMS, Inc.			$50,812.61
Outside Duplication - DTI			$4,641.17
Canadian Discovery Counsel			$39,379.28
Neil Fenna Professional Corporation		$3,612.16	
Lawson Lundell LLP		$35,767.12	

Investigation			$636.76
Attorney's Service Bureau of Texas		$300.00	
Canpro King-Reed LP		$336.76	
Litigation Support - Epiq eDiscovery Solutions			$108,584.50
TOTAL EXPENSES OF LITIGATION EXPENSE FUND			**$628,722.51**
BALANCE REMAINING IN LITIGATION EXPENSE FUND AS OF JUNE 16, 2017			**-$183,722.51**

Exhibit 5

IN THE UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

IN RE KBR, INC. SECURITIES LITIGATION	Case No. 4:14-CV-01287 Judge Lee H. Rosenthal

DECLARATION OF JOHN RIZIO-HAMILTON IN SUPPORT OF CLASS COUNSEL'S MOTION FOR AN AWARD OF ATTORNEYS' FEES AND PAYMENT OF LITIGATION EXPENSES FILED ON BEHALF OF BERNSTEIN LITOWITZ BERGER & GROSSMANN LLP

John Rizio-Hamilton declares as follows:

1. I am a partner of the law firm of Bernstein Litowitz Berger & Grossmann LLP, one of the Court-appointed Class Counsel in the above-captioned action (the "Action"). I submit this declaration in support of Class Counsel's application for an award of attorneys' fees in connection with services rendered in the Action, as well as for payment of litigation expenses in connection with the Action. I have personal knowledge of the facts set forth herein and, if called upon, could and would testify thereto.

2. My firm, as Class Counsel, was involved in all aspects of the litigation and its settlement as set forth in the Joint Declaration of Louis Gottlieb and John Rizio-Hamilton in Support of (I) Class Representatives' Motion for Final Approval of Class Action Settlement and Plan of Allocation and (II) Class Counsel's Motion for an Award of Attorneys' Fees and Payment of Litigation Expenses.

3. The schedule attached hereto as Exhibit A is a detailed summary indicating the amount of time spent by attorneys and professional support staff employees of my firm who billed twenty or more hours to the Action, and the lodestar calculation for those individuals based on my firm's current billing rates. For personnel who are no longer employed by my firm,

the lodestar calculation is based upon the billing 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. Time expended on the Action before September 9, 2014 (the date of entry of the Order appointing BLB&G as co-Lead Counsel) and after January 23, 2017 (the date when the agreement in principle to settle was reached), including the time expended on this application for fees and 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 reflected in Exhibit A from September 9, 2014 through and including January 23, 2017, is 7,720.50. The total lodestar reflected in Exhibit A for that period is $3,478,096.25, consisting of $3,347,536.25 for attorneys' time and $130,560.00 for professional support staff time.

6. My firm's lodestar figures are based upon the firm's billing 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 billing rates.

7. As detailed in Exhibit B, my firm is seeking payment for a total of $247,177.44 in expenses in connection with the prosecution of this Action through June 16, 2017.

8. The litigation expenses reflected in Exhibit B are the actual expenses or reflect "caps" based on the application of the following criteria:

(a) Out-of-town travel – airfare is at coach rates, hotel charges per night are capped at $350 for large cities and $250 for small cities; meals are capped at $20 per person for breakfast, $25 per person for lunch, and $50 per person for dinner.

(b) Internal Copying – Charged at $0.10 per page.

(c) On-Line Research – Charges reflected are for out-of-pocket payments to the vendors for research done in connection with this litigation. On-line research is billed to each case based on actual usage at a set charge by the vendor. There are no administrative charges included in these figures.

9. The litigation expenses in this Action 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.

10. With respect to the standing of my firm, attached hereto as Exhibit C is a brief biography of my firm and attorneys in my firm who were involved in this Action.

I declare, under penalty of perjury, that the foregoing facts are true and correct. Executed on the 20th day of June, 2017.

John Rizio-Hamilton

#1088341

Exhibit A

EXHIBIT A

In re KBR, Inc. Securities Litigation
Case No. 14-cv-01287-LHR

BERNSTEIN LITOWITZ BERGER & GROSSMANN LLP

TIME REPORT

September 9, 2014 through January 23, 2017

NAME	HOURS	HOURLY RATE	LODESTAR
Partners			
Max Berger	25.75	$995	$25,621.25
John Rizio-Hamilton	672.25	$750	$504,187.50
Jonathan Uslaner	328.75	$700	$230,125.00
Associates			
Laura Asserfea	345.25	$450	$155,362.50
Rebecca Boon	783.50	$600	$470,100.00
Matthew Jubenville	124.75	$525	$65,493.75
Staff Attorneys			
Pedro Ariston	809.50	$340	$275,230.00
Stephen Imundo	998.50	$395	$394,407.50
Catherine Van Kampen	1,739.50	$395	$687,102.50
Christina Suarez	1,439.75	$375	$539,906.25
Investigator			
Victoria Kapastin	155.50	$290	$45,095.00
Paralegals			
Ellen Jordan	104.00	$245	$25,480.00
Matthew Mahady	193.50	$310	$59,985.00
TOTAL	**7,720.50**		**$3,478,096.25**

Exhibit B

EXHIBIT B

In re KBR, Inc. Securities Litigation
Case No. 14-cv-01287-LHR

BERNSTEIN LITOWITZ BERGER & GROSSMANN LLP

EXPENSE REPORT

Inception through June 16, 2017

CATEGORY	AMOUNT
On-Line Legal Research	$28,431.53
On-Line Factual Research	$12,384.28
Internal Copying	$7,232.60
Outside Copying	$1,394.53
Out of Town Travel	$19,529.50
Court Reporting & Transcripts	$205.00
Contributions to Litigation Fund	$178,000.00
TOTAL EXPENSES:	**$247,177.44**

Exhibit C

EXHIBIT C

In re KBR, Inc. Securities Litigation
Case No. 14-cv-01287-LHR

BERNSTEIN LITOWITZ BERGER & GROSSMANN LLP

FIRM RÉSUMÉ

BLB&G

Trusted Advocacy. Proven Results.

Bernstein Litowitz Berger & Grossmann LLP

Attorneys at Law

Firm Resume

New York
1251 Avenue of the Americas, 44th Floor
New York, NY 10020
Tel: 212-554-1400
Fax: 212-554-1444

California
12481 High Bluff Drive, Suite 300
San Diego, CA 92130
Tel: 858-793-0070
Fax: 858-793-0323

Louisiana
2727 Prytania Street, Suite 14
New Orleans, LA 70130
Tel: 504-899-2339
Fax: 504-899-2342

Illinois
875 North Michigan Avenue, Suite 3100
Chicago, IL 60611
Tel: 312-373-3880
Fax: 312-794-7801

www.blbglaw.com

BLB&G Bernstein Litowitz Berger & Grossmann LLP

TABLE OF CONTENTS

BLB&G Bernstein Litowitz Berger & Grossmann LLP

Since our founding in 1983, Bernstein Litowitz Berger & Grossmann LLP has obtained many of the largest monetary recoveries in history – over $30 billion on behalf of investors. Unique among our peers, the firm has obtained the largest settlements ever agreed to by public companies related to securities fraud, including four of the ten largest in history. Working with our clients, we have also used the litigation process to achieve precedent-setting reforms which have increased market transparency, held wrongdoers accountable and improved corporate business practices in groundbreaking ways.

FIRM OVERVIEW

Bernstein Litowitz Berger & Grossmann LLP ("BLB&G"), a national law firm with offices located in New York, California, Louisiana and Illinois, prosecutes class and private actions on behalf of individual and institutional clients. The firm's litigation practice areas include securities class and direct actions in federal and state courts; corporate governance and shareholder rights litigation, including claims for breach of fiduciary duty and proxy violations; mergers and acquisitions and transactional litigation; alternative dispute resolution; distressed debt and bankruptcy; civil rights and employment discrimination; consumer class actions and antitrust. We also handle, on behalf of major institutional clients and lenders, more general complex commercial litigation involving allegations of breach of contract, accountants' liability, breach of fiduciary duty, fraud, and negligence.

We are the nation's leading firm in representing institutional investors in securities fraud class action litigation. The firm's institutional client base includes the New York State Common Retirement Fund; the California Public Employees' Retirement System (CalPERS); the Ontario Teachers' Pension Plan Board (the largest public pension funds in North America); the Los Angeles County Employees Retirement Association (LACERA); the Chicago Municipal, Police and Labor Retirement Systems; the Teacher Retirement System of Texas; the Arkansas Teacher Retirement System; Forsta AP-fonden ("AP1"); Fjarde AP-fonden ("AP4"); the Florida State Board of Administration; the Public Employees' Retirement System of Mississippi; the New York State Teachers' Retirement System; the Ohio Public Employees Retirement System; the State Teachers Retirement System of Ohio; the Oregon Public Employees Retirement System; the Virginia Retirement System; the Louisiana School, State, Teachers and Municipal Police Retirement Systems; the Public School Teachers' Pension and Retirement Fund of Chicago; the New Jersey Division of Investment of the Department of the Treasury; TIAA-CREF and other private institutions; as well as numerous other public and Taft-Hartley pension entities.

MORE TOP SECURITIES RECOVERIES

Since its founding in 1983, Bernstein Litowitz Berger & Grossmann LLP has litigated some of the most complex cases in history and has obtained over $30 billion on behalf of investors. Unique among its peers, the firm has negotiated the largest settlements ever agreed to by public companies related to securities fraud, and obtained many of the largest securities recoveries in history (including 5 of the top 10):

- *In re WorldCom, Inc. Securities Litigation* – $6.19 billion recovery
- *In re Cendant Corporation Securities Litigation* – $3.3 billion recovery
- *In re Bank of America Corp. Securities, Derivative, and Employee Retirement Income Security Act (ERISA) Litigation* – $2.43 billion recovery
- *In re Nortel Networks Corporation Securities Litigation* ("Nortel II") – $1.07 billion recovery
- *In re Merck & Co., Inc. Securities Litigation* – $1.06 billion recovery
- *In re McKesson HBOC, Inc. Securities Litigation* – $1.05 billion recovery

For over a decade, Securities Class Action Services (SCAS – a division of ISS Governance) has compiled and published data on securities litigation recoveries and the law firms prosecuting the cases. BLB&G has been at or near the top of their rankings every year – often with the highest total recoveries, the highest settlement average, or both.

BLB&G also eclipses all competitors on SCAS's "Top 100 Settlements" report, having recovered 37% of all the settlement dollars represented in the report (nearly $23 billion), and having prosecuted nearly a third of all the cases on the list (29 of 100).

Giving Shareholders a Voice and Changing Business Practices for the Better

BLB&G was among the first law firms ever to obtain meaningful corporate governance reforms through litigation. In courts throughout the country, we prosecute shareholder class and derivative actions, asserting claims for breach of fiduciary duty and proxy violations wherever the conduct of corporate officers and/or directors, as well as M&A transactions, seek to deprive shareholders of fair value, undermine shareholder voting rights, or allow management to profit at the expense of shareholders.

We have prosecuted seminal cases establishing precedents which have increased market transparency, held wrongdoers accountable, addressed issues in the boardroom and executive suite, challenged unfair deals, and improved corporate business practices in groundbreaking ways.

From setting new standards of director independence, to restructuring board practices in the wake of persistent illegal conduct; from challenging the improper use of defensive measures and deal protections for management's benefit, to confronting stock options backdating abuses and other self-dealing by executives; we have confronted a variety of questionable, unethical and proliferating corporate practices. Seeking to reform faulty management structures and address breaches of fiduciary duty by corporate officers and directors, we have obtained unprecedented victories on behalf of shareholders seeking to improve governance and protect the shareholder franchise.

Advocacy for Victims of Corporate Wrongdoing

While BLB&G is widely recognized as one of the leading law firms worldwide advising institutional investors on issues related to corporate governance, shareholder rights, and securities litigation, we have also prosecuted some of the most significant employment discrimination, civil rights and consumer protection cases on record. Equally important, the firm has advanced novel and socially beneficial principles by developing important new law in the areas in which we litigate.

The firm served as co-lead counsel on behalf of Texaco's African-American employees in *Roberts v. Texaco Inc*., which resulted in a recovery of $176 million, the largest settlement ever in a race discrimination case. The creation of a Task Force to oversee Texaco's human resources activities for five years was unprecedented and served as a model for public companies going forward.

In the consumer field, the firm has gained a nationwide reputation for vigorously protecting the rights of individuals and for achieving exceptional settlements. In several instances, the firm has obtained recoveries for consumer classes that represented the entirety of the class's losses – an extraordinary result in consumer class cases.

PRACTICE AREAS

SECURITIES FRAUD LITIGATION

Securities fraud litigation is the cornerstone of the firm's litigation practice. Since its founding, the firm has had the distinction of having tried and prosecuted many of the most high-profile securities fraud class actions in history, recovering billions of dollars and obtaining unprecedented corporate governance reforms on behalf of our clients. BLB&G continues to play a leading role in major securities litigation pending in federal and state courts, and the firm remains one of the nation's leaders in representing institutional investors in securities fraud class and derivative litigation.

The firm also pursues direct actions in securities fraud cases when appropriate. By selectively opting out of certain securities class actions, we seek to resolve our clients' claims efficiently and for substantial multiples of what they might otherwise recover from related class action settlements.

The attorneys in the securities fraud litigation practice group have extensive experience in the laws that regulate the securities markets and in the disclosure requirements of corporations that issue publicly traded securities. Many of the attorneys in this practice group also have accounting backgrounds. The group has access to state-of-the-art, online financial wire services and databases, which enable it to instantaneously investigate any potential securities fraud action involving a public company's debt and equity securities.

CORPORATE GOVERNANCE AND SHAREHOLDERS' RIGHTS

The Corporate Governance and Shareholders' Rights Practice Group prosecutes derivative actions, claims for breach of fiduciary duty, and proxy violations on behalf of individual and institutional investors in state and federal courts throughout the country. The group has obtained unprecedented victories on behalf of shareholders seeking to improve corporate governance and protect the shareholder franchise, prosecuting actions challenging numerous highly publicized corporate transactions which violated fair process and fair price, and the applicability of the business judgment rule. We have also addressed issues of corporate waste, shareholder voting rights claims, and executive compensation. As a result of the firm's high-profile and widely recognized capabilities, the corporate governance practice group is increasingly in demand by institutional investors who are exercising a more assertive voice with corporate boards regarding corporate governance issues and the board's accountability to shareholders.

The firm is actively involved in litigating numerous cases in this area of law, an area that has become increasingly important in light of efforts by various market participants to buy companies from their public shareholders "on the cheap."

EMPLOYMENT DISCRIMINATION AND CIVIL RIGHTS

The Employment Discrimination and Civil Rights Practice Group prosecutes class and multi-plaintiff actions, and other high-impact litigation against employers and other societal institutions that violate federal or state employment, anti-discrimination, and civil rights laws. The practice group represents diverse clients on a wide range of issues including Title VII actions: race, gender, sexual orientation and age discrimination suits; sexual harassment, and "glass ceiling" cases in which otherwise qualified employees are passed over for promotions to managerial or executive positions.

Bernstein Litowitz Berger & Grossmann LLP is committed to effecting positive social change in the workplace and in society. The practice group has the necessary financial and human resources to ensure that the class action approach to discrimination and civil rights issues is successful. This litigation method serves to empower employees and other civil rights victims, who are usually discouraged from pursuing litigation because of personal financial limitations, and offers the potential for effecting the greatest positive change for the greatest number of people affected by discriminatory practice in the workplace.

General Commercial Litigation and Alternative Dispute Resolution

The General Commercial Litigation practice group provides contingency fee representation in complex business litigation and has obtained substantial recoveries on behalf of investors, corporations, bankruptcy trustees, creditor committees and other business entities. We have faced down powerful and well-funded law firms and defendants – and consistently prevailed. However, not every dispute is best resolved through the courts. In such cases, BLB&G Alternative Dispute practitioners offer clients an accomplished team and a creative venue in which to resolve conflicts outside of the litigation process. BLB&G has extensive experience – and a marked record of successes – in ADR practice. For example, in the wake of the credit crisis, we successfully represented numerous former executives of a major financial institution in arbitrations relating to claims for compensation. Our attorneys have led complex business-to-business arbitrations and mediations domestically and abroad representing clients before all the major arbitration tribunals, including the American Arbitration Association (AAA), FINRA, JAMS, International Chamber of Commerce (ICC) and the London Court of International Arbitration.

Distressed Debt and Bankruptcy Creditor Negotiation

The BLB&G Distressed Debt and Bankruptcy Creditor Negotiation Group has obtained billions of dollars through litigation on behalf of bondholders and creditors of distressed and bankrupt companies, as well as through third-party litigation brought by bankruptcy trustees and creditors' committees against auditors, appraisers, lawyers, officers and directors, and other defendants who may have contributed to client losses. As counsel, we advise institutions and individuals nationwide in developing strategies and tactics to recover assets presumed lost as a result of bankruptcy. Our record in this practice area is characterized by extensive trial experience in addition to completion of successful settlements.

Consumer Advocacy

The Consumer Advocacy Practice Group at Bernstein Litowitz Berger & Grossmann LLP prosecutes cases across the entire spectrum of consumer rights, consumer fraud, and consumer protection issues. The firm represents victimized consumers in state and federal courts nationwide in individual and class action lawsuits that seek to provide consumers and purchasers of defective products with a means to recover their damages. The attorneys in this group are well versed in the vast array of laws and regulations that govern consumer interests and are aggressive, effective, court-tested litigators. The Consumer Practice Advocacy Group has recovered hundreds of millions of dollars for millions of consumers throughout the country. Most notably, in a number of cases, the firm has obtained recoveries for the class that were the entirety of the potential damages suffered by the consumer. For example, in actions against MCI and Empire Blue Cross, the firm recovered all of the damages suffered by the class. The group achieved its successes by advancing innovative claims and theories of liabilities, such as obtaining decisions in Pennsylvania and Illinois appellate courts that adopted a new theory of consumer damages in mass marketing cases. Bernstein Litowitz Berger & Grossmann LLP is, thus, able to lead the way in protecting the rights of consumers.

THE COURTS SPEAK

Throughout the firm's history, many courts have recognized the professional excellence and diligence of the firm and its members. A few examples are set forth below.

IN RE WORLDCOM, INC. SECURITIES LITIGATION

THE HONORABLE DENISE COTE OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK

"I have the utmost confidence in plaintiffs' counsel…they have been doing a superb job…. The Class is extraordinarily well represented in this litigation."

"The magnitude of this settlement is attributable in significant part to Lead Counsel's advocacy and energy…. The quality of the representation given by Lead Counsel...has been superb...and is unsurpassed in this Court's experience with plaintiffs' counsel in securities litigation."

"Lead Counsel has been energetic and creative. . . . Its negotiations with the Citigroup Defendants have resulted in a settlement of historic proportions."

IN RE CLARENT CORPORATION SECURITIES LITIGATION

THE HONORABLE CHARLES R. BREYER OF THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF CALIFORNIA

"It was the best tried case I've witnessed in my years on the bench . . ."

"[A]n extraordinarily civilized way of presenting the issues to you [the jury]. . . . We've all been treated to great civility and the highest professional ethics in the presentation of the case…."

"These trial lawyers are some of the best I've ever seen."

LANDRY'S RESTAURANTS, INC. SHAREHOLDER LITIGATION

VICE CHANCELLOR J. TRAVIS LASTER OF THE DELAWARE COURT OF CHANCERY

"I do want to make a comment again about the excellent efforts . . . put into this case. . . . This case, I think, shows precisely the type of benefits that you can achieve for stockholders and how representative litigation can be a very important part of our corporate governance system . . . you hold up this case as an example of what to do."

MCCALL V. SCOTT (COLUMBIA/HCA DERIVATIVE LITIGATION)

THE HONORABLE THOMAS A. HIGGINS OF THE UNITED STATES DISTRICT COURT FOR THE MIDDLE DISTRICT OF TENNESSEE

"Counsel's excellent qualifications and reputations are well documented in the record, and they have litigated this complex case adeptly and tenaciously throughout the six years it has been pending. They assumed an enormous risk and have shown great patience by taking this case on a contingent basis, and despite an early setback they have persevered and brought about not only a large cash settlement but sweeping corporate reforms that may be invaluable to the beneficiaries."

RECENT ACTIONS & SIGNIFICANT RECOVERIES

Bernstein Litowitz Berger & Grossmann LLP is counsel in many diverse nationwide class and individual actions and has obtained many of the largest and most significant recoveries in history. Some examples from our practice groups include:

SECURITIES CLASS ACTIONS

CASE: ***IN RE WORLDCOM, INC. SECURITIES LITIGATION***

COURT: **United States District Court for the Southern District of New York**

HIGHLIGHTS: $6.19 billion securities fraud class action recovery – the second largest in history; unprecedented recoveries from Director Defendants.

CASE SUMMARY: Investors suffered massive losses in the wake of the financial fraud and subsequent bankruptcy of former telecom giant WorldCom, Inc. This litigation alleged that WorldCom and others disseminated false and misleading statements to the investing public regarding its earnings and financial condition in violation of the federal securities and other laws. It further alleged a nefarious relationship between Citigroup subsidiary Salomon Smith Barney and WorldCom, carried out primarily by Salomon employees involved in providing investment banking services to WorldCom, and by WorldCom's former CEO and CFO. As Court-appointed Co-Lead Counsel representing Lead Plaintiff the **New York State Common Retirement Fund**, we obtained unprecedented settlements totaling more than $6 billion from the Investment Bank Defendants who underwrote WorldCom bonds, including a $2.575 billion cash settlement to settle all claims against the Citigroup Defendants. On the eve of trial, the 13 remaining "Underwriter Defendants," including J.P. Morgan Chase, Deutsche Bank and Bank of America, agreed to pay settlements totaling nearly $3.5 billion to resolve all claims against them. Additionally, the day before trial was scheduled to begin, all of the former WorldCom Director Defendants had agreed to pay over $60 million to settle the claims against them. An unprecedented first for outside directors, $24.75 million of that amount came out of the pockets of the individuals – 20% of their collective net worth. *The Wall Street Journal*, in its coverage, profiled the settlement as literally having "shaken Wall Street, the audit profession and corporate boardrooms." After four weeks of trial, Arthur Andersen, WorldCom's former auditor, settled for $65 million. Subsequent settlements were reached with the former executives of WorldCom, and then with Andersen, bringing the total obtained for the Class to over $6.19 billion.

CASE: ***IN RE CENDANT CORPORATION SECURITIES LITIGATION***

COURT: **United States District Court for the District of New Jersey**

HIGHLIGHTS: $3.3 billion securities fraud class action recovery – the third largest in history; significant corporate governance reforms obtained.

CASE SUMMARY: The firm was Co-Lead Counsel in this class action against Cendant Corporation, its officers and directors and Ernst & Young (E&Y), its auditors, for their role in disseminating materially false and misleading financial statements concerning the company's revenues, earnings and expenses for its 1997 fiscal year. As a result of company-wide accounting irregularities, Cendant restated its financial results for its 1995, 1996 and 1997 fiscal years and all fiscal quarters therein. Cendant agreed to settle the action for $2.8 billion to adopt some of the most extensive corporate governance changes in history. E&Y settled for $335 million. These settlements remain the largest sums ever recovered from a public company and a public accounting firm through securities class action litigation. BLB&G represented Lead Plaintiffs **CalPERS –** the **California Public Employees' Retirement System**, the **New York State Common Retirement Fund** and the **New York City Pension Funds**, the three largest public pension funds in America, in this action.

CASE: ***IN RE BANK OF AMERICA CORP. SECURITIES, DERIVATIVE, AND EMPLOYEE RETIREMENT INCOME SECURITY ACT (ERISA) LITIGATION***

COURT: **United States District Court for the Southern District of New York**

HIGHLIGHTS: $2.425 billion in cash; significant corporate governance reforms to resolve all claims. This recovery is by far the largest shareholder recovery related to the subprime meltdown and credit crisis; the single largest securities class action settlement ever resolving a Section 14(a) claim – the federal securities provision designed to protect investors against misstatements in connection with a proxy solicitation; the largest ever funded by a single corporate defendant for violations of the federal securities laws; the single largest settlement of a securities class action in which there was neither a financial restatement involved nor a criminal conviction related to the alleged misconduct; and one of the 10 largest securities class action recoveries in history.

DESCRIPTION: The firm represented Co-Lead Plaintiffs the **State Teachers Retirement System of Ohio**, the **Ohio Public Employees Retirement System**, and the **Teacher Retirement System of Texas** in this securities class action filed on behalf of shareholders of Bank of America Corporation ("BAC") arising from BAC's 2009 acquisition of Merrill Lynch & Co., Inc. The action alleges that BAC, Merrill Lynch, and certain of the companies' current and former officers and directors violated the federal securities laws by making a series of materially false statements and omissions in connection with the acquisition. These violations included the alleged failure to disclose information regarding billions of dollars of losses which Merrill had suffered before the BAC shareholder vote on the proposed acquisition, as well as an undisclosed agreement allowing Merrill to pay billions in bonuses before the acquisition closed despite these losses. Not privy to these material facts, BAC shareholders voted to approve the acquisition.

CASE: ***IN RE NORTEL NETWORKS CORPORATION SECURITIES LITIGATION ("NORTEL II")***

COURT: **United States District Court for the Southern District of New York**

HIGHLIGHTS: Over $1.07 billion in cash and common stock recovered for the class.

DESCRIPTION: This securities fraud class action charged Nortel Networks Corporation and certain of its officers and directors with violations of the Securities Exchange Act of 1934, alleging that the Defendants knowingly or recklessly made false and misleading statements with respect to Nortel's financial results during the relevant period. BLB&G clients the **Ontario Teachers' Pension Plan Board** and the **Treasury of the State of New Jersey and its Division of Investment** were appointed as Co-Lead Plaintiffs for the Class in one of two related actions (Nortel II), and BLB&G was appointed Lead Counsel for the Class. In a historic settlement, Nortel agreed to pay $2.4 billion in cash and Nortel common stock (all figures in US dollars) to resolve both matters. Nortel later announced that its insurers had agreed to pay $228.5 million toward the settlement, bringing the total amount of the global settlement to approximately $2.7 billion, and the total amount of the Nortel II settlement to over $1.07 billion.

CASE: ***IN RE MERCK & CO., INC. SECURITIES LITIGATION***

COURT: **United States District Court, District of New Jersey**

HIGHLIGHTS: $1.06 billion recovery for the class.

DESCRIPTION: This case arises out of misrepresentations and omissions concerning life-threatening risks posed by the "blockbuster" Cox-2 painkiller Vioxx, which Merck withdrew from the market in 2004. In January 2016, BLB&G achieved a $1.062 billion settlement on the eve of trial after more than 12 years of hard-fought litigation that included a successful decision at the United States Supreme Court. This settlement is the second largest recovery ever obtained in the Third Circuit, one of the top 10 securities recoveries of all time, and the largest securities recovery ever achieved against a pharmaceutical company. BLB&G represented Lead Plaintiff the **Public Employees' Retirement System of Mississippi.**

CASE: ***IN RE MCKESSON HBOC, INC. SECURITIES LITIGATION***

COURT: **United States District Court for the Northern District of California**

HIGHLIGHTS: $1.05 billion recovery for the class.

DESCRIPTION: This securities fraud litigation was filed on behalf of purchasers of HBOC, McKesson and McKesson HBOC securities, alleging that Defendants misled the investing public concerning HBOC's and McKesson HBOC's financial results. On behalf of Lead Plaintiff the **New York State Common Retirement Fund**, BLB&G obtained a $960 million settlement from the company; $72.5 million in cash from Arthur Andersen; and, on the eve of trial, a $10 million settlement from Bear Stearns & Co. Inc., with total recoveries reaching more than $1 billion.

CASE: ***IN RE LEHMAN BROTHERS EQUITY/DEBT SECURITIES LITIGATION***

COURT: **United States District Court for the Southern District of New York**

HIGHLIGHTS: $735 million in total recoveries.

DESCRIPTION: Representing the **Government of Guam Retirement Fund**, BLB&G successfully prosecuted this securities class action arising from Lehman Brothers Holdings Inc.'s issuance of billions of dollars in offerings of debt and equity securities that were sold using offering materials that contained untrue statements and missing material information.

After four years of intense litigation, Lead Plaintiffs achieved a total of $735 million in recoveries consisting of: a $426 million settlement with underwriters of Lehman securities offerings; a $90 million settlement with former Lehman directors and officers; a $99 million settlement that resolves claims against Ernst & Young, Lehman's former auditor (considered one of the top 10 auditor settlements ever achieved); and a $120 million settlement that resolves claims against UBS Financial Services, Inc. This recovery is truly remarkable not only because of the difficulty in recovering assets when the issuer defendant is bankrupt, but also because no financial results were restated, and that the auditors never disavowed the statements.

CASE: ***HEALTHSOUTH CORPORATION BONDHOLDER LITIGATION***

COURT: **United States District Court for the Northern District of Alabama**

HIGHLIGHTS: $804.5 million in total recoveries.

DESCRIPTION: In this litigation, BLB&G was the appointed Co-Lead Counsel for the bond holder class, representing Lead Plaintiff the **Retirement Systems of Alabama**. This action arose from allegations that Birmingham, Alabama based HealthSouth Corporation overstated its earnings at the direction of its founder and former CEO Richard Scrushy. Subsequent revelations disclosed that the overstatement actually exceeded over $2.4 billion, virtually wiping out all of HealthSouth's reported profits for the prior five years. A total recovery of $804.5 million was obtained in this litigation through a series of settlements, including an approximately $445 million settlement for shareholders and bondholders, a $100 million in cash settlement from UBS AG, UBS Warburg LLC, and individual UBS Defendants (collectively, "UBS"), and $33.5 million in cash from the company's auditor. The total settlement for injured HealthSouth bond purchasers exceeded $230 million, recouping over a third of bond purchaser damages.

CASE: ***IN RE CITIGROUP, INC. BOND ACTION LITIGATION***

COURT: **United States District Court for the Southern District of New York**

HIGHLIGHTS: $730 million cash recovery; second largest recovery in a litigation arising from the financial crisis.

DESCRIPTION: In the years prior to the collapse of the subprime mortgage market, Citigroup issued 48 offerings of preferred stock and bonds. This securities fraud class action was filed on behalf of purchasers of

Citigroup bonds and preferred stock alleging that these offerings contained material misrepresentations and omissions regarding Citigroup's exposure to billions of dollars in mortgage-related assets, the loss reserves for its portfolio of high-risk residential mortgage loans, and the credit quality of the risky assets it held in off-balance sheet entities known as "structured investment vehicles." After protracted litigation lasting four years, we obtained a $730 million cash recovery – the second largest securities class action recovery in a litigation arising from the financial crisis, and the second largest recovery ever in a securities class action brought on behalf of purchasers of debt securities. As Lead Bond Counsel for the Class, BLB&G represented Lead Bond Plaintiffs Minneapolis Firefighters' Relief Association, Louisiana Municipal Police Employees' Retirement System, and Louisiana Sheriffs' Pension and Relief Fund.

CASE: ***IN RE WASHINGTON PUBLIC POWER SUPPLY SYSTEM LITIGATION***

COURT: **United States District Court for the District of Arizona**

HIGHLIGHTS: Over $750 million – the largest securities fraud settlement ever achieved at the time.

DESCRIPTION: BLB&G was appointed Chair of the Executive Committee responsible for litigating the action on behalf of the class in this action. The case was litigated for over seven years, and involved an estimated 200 million pages of documents produced in discovery; the depositions of 285 fact witnesses and 34 expert witnesses; more than 25,000 introduced exhibits; six published district court opinions; seven appeals or attempted appeals to the Ninth Circuit; and a three-month jury trial, which resulted in a settlement of over $750 million – then the largest securities fraud settlement ever achieved.

CASE: ***IN RE SCHERING-PLOUGH CORPORATION/ENHANCE SECURITIES LITIGATION; IN RE MERCK & CO., INC. VYTORIN/ZETIA SECURITIES LITIGATION***

COURT: **United States District Court for the District of New Jersey**

HIGHLIGHTS: $688 million in combined settlements (Schering-Plough settled for $473 million; Merck settled for $215 million) in this coordinated securities fraud litigations filed on behalf of investors in Merck and Schering-Plough.

DESCRIPTION: After nearly five years of intense litigation, just days before trial, BLB&G resolved the two actions against Merck and Schering-Plough, which stemmed from claims that Merck and Schering artificially inflated their market value by concealing material information and making false and misleading statements regarding their blockbuster anti-cholesterol drugs Zetia and Vytorin. Specifically, we alleged that the companies knew that their "ENHANCE" clinical trial of Vytorin (a combination of Zetia and a generic) demonstrated that Vytorin was no more effective than the cheaper generic at reducing artery thickness. The companies nonetheless championed the "benefits" of their drugs, attracting billions of dollars of capital. When public pressure to release the results of the ENHANCE trial became too great, the companies reluctantly announced these negative results, which we alleged led to sharp declines in the value of the companies' securities, resulting in significant losses to investors. The combined $688 million in settlements (Schering-Plough settled for $473 million; Merck settled for $215 million) is the second largest securities recovery ever in the Third Circuit, among the top 25 settlements of all time, and among the ten largest recoveries ever in a case where there was no financial restatement. BLB&G represented Lead Plaintiffs **Arkansas Teacher Retirement System,** the **Public Employees' Retirement System of Mississippi,** and the **Louisiana Municipal Police Employees' Retirement System**.

CASE: ***IN RE LUCENT TECHNOLOGIES, INC. SECURITIES LITIGATION***

COURT: **United States District Court for the District of New Jersey**

HIGHLIGHTS: $667 million in total recoveries; the appointment of BLB&G as Co-Lead Counsel is especially noteworthy as it marked the first time since the 1995 passage of the Private Securities Litigation Reform Act that a court reopened the lead plaintiff or lead counsel selection process to account for changed circumstances, new issues and possible conflicts between new and old allegations.

DESCRIPTION: BLB&G served as Co-Lead Counsel in this securities class action, representing Lead Plaintiffs the **Parnassus Fund**, **Teamsters Locals 175 & 505 D&P Pension Trust**, **Anchorage Police and Fire Retirement System** and the **Louisiana School Employees' Retirement System.** The complaint accused Lucent of making false and misleading statements to the investing public concerning its publicly reported financial results and failing to disclose the serious problems in its optical networking business. When the truth was disclosed, Lucent admitted that it had improperly recognized revenue of nearly $679 million in fiscal 2000. The settlement obtained in this case is valued at approximately $667 million, and is composed of cash, stock and warrants.

CASE: ***IN RE WACHOVIA PREFERRED SECURITIES AND BOND/NOTES LITIGATION***

COURT: **United States District Court for the Southern District of New York**

HIGHLIGHTS: $627 million recovery – among the 20 largest securities class action recoveries in history; third largest recovery obtained in an action arising from the subprime mortgage crisis.

DESCRIPTION: This securities class action was filed on behalf of investors in certain Wachovia bonds and preferred securities against Wachovia Corp., certain former officers and directors, various underwriters, and its auditor, KPMG LLP. The case alleges that Wachovia provided offering materials that misrepresented and omitted material facts concerning the nature and quality of Wachovia's multi-billion dollar option-ARM (adjustable rate mortgage) "Pick-A-Pay" mortgage loan portfolio, and that Wachovia's loan loss reserves were materially inadequate. According to the Complaint, these undisclosed problems threatened the viability of the financial institution, requiring it to be "bailed out" during the financial crisis before it was acquired by Wells Fargo. The combined $627 million recovery obtained in the action is among the 20 largest securities class action recoveries in history, the largest settlement ever in a class action case asserting only claims under the Securities Act of 1933, and one of a handful of securities class action recoveries obtained where there were no parallel civil or criminal actions brought by government authorities. The firm represented Co-Lead Plaintiffs **Orange County Employees Retirement System** and **Louisiana Sheriffs' Pension and Relief Fund** in this action.

CASE: ***OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM V. FREDDIE MAC***

COURT: **United States District Court for the Southern District of Ohio**

HIGHLIGHTS: $410 million settlement.

DESCRIPTION: This securities fraud class action was filed on behalf of the **Ohio Public Employees Retirement System** and the **State Teachers Retirement System of Ohio** alleging that Federal Home Loan Mortgage Corporation ("Freddie Mac") and certain of its current and former officers issued false and misleading statements in connection with the company's previously reported financial results. Specifically, the Complaint alleged that the Defendants misrepresented the company's operations and financial results by having engaged in numerous improper transactions and accounting machinations that violated fundamental GAAP precepts in order to artificially smooth the company's earnings and to hide earnings volatility. In connection with these improprieties, Freddie Mac restated more than $5 billion in earnings. A settlement of $410 million was reached in the case just as deposition discovery had begun and document review was complete.

CASE: ***IN RE REFCO, INC. SECURITIES LITIGATION***

COURT: **United States District Court for the Southern District of New York**

HIGHLIGHTS: Over $407 million in total recoveries.

DESCRIPTION: The lawsuit arises from the revelation that Refco, a once prominent brokerage, had for years secreted hundreds of millions of dollars of uncollectible receivables with a related entity controlled by Phillip Bennett, the company's Chairman and Chief Executive Officer. This revelation caused the stunning collapse of the company a mere two months after its initial public offering of common stock. As a result, Refco filed one of the largest bankruptcies in U.S. history. Settlements have been obtained from multiple company and individual defendants, resulting in a total recovery for the class of over $407 million. BLB&G represented Co-Lead Plaintiff **RH Capital Associates LLC**.

CORPORATE GOVERNANCE AND SHAREHOLDERS' RIGHTS

CASE: ***UNITEDHEALTH GROUP, INC. SHAREHOLDER DERIVATIVE LITIGATION***

COURT: **United States District Court for the District of Minnesota**

HIGHLIGHTS: Litigation recovered over $920 million in ill-gotten compensation directly from former officers for their roles in illegally backdating stock options, while the company agreed to far-reaching reforms aimed at curbing future executive compensation abuses.

DESCRIPTION: This shareholder derivative action filed against certain current and former executive officers and members of the Board of Directors of UnitedHealth Group, Inc. alleged that the Defendants obtained, approved and/or acquiesced in the issuance of stock options to senior executives that were unlawfully backdated to provide the recipients with windfall compensation at the direct expense of UnitedHealth and its shareholders. The firm recovered over $920 million in ill-gotten compensation directly from the former officer Defendants – the largest derivative recovery in history. As feature coverage in *The New York Times* indicated, "investors everywhere should applaud [the UnitedHealth settlement]…. [T]he recovery sets a standard of behavior for other companies and boards when performance pay is later shown to have been based on ephemeral earnings." The Plaintiffs in this action were the **St. Paul Teachers' Retirement Fund Association**, the **Public Employees' Retirement System of Mississippi**, the **Jacksonville Police & Fire Pension Fund**, the **Louisiana Sheriffs' Pension & Relief Fund**, the **Louisiana Municipal Police Employees' Retirement System** and **Fire & Police Pension Association of Colorado**.

CASE: ***CAREMARK MERGER LITIGATION***

COURT: **Delaware Court of Chancery – New Castle County**

HIGHLIGHTS: Landmark Court ruling orders Caremark's board to disclose previously withheld information, enjoins shareholder vote on CVS merger offer, and grants statutory appraisal rights to Caremark shareholders. The litigation ultimately forced CVS to raise offer by $7.50 per share, equal to more than $3.3 billion in additional consideration to Caremark shareholders.

DESCRIPTION: Commenced on behalf of the **Louisiana Municipal Police Employees' Retirement System** and other shareholders of Caremark RX, Inc. ("Caremark"), this shareholder class action accused the company's directors of violating their fiduciary duties by approving and endorsing a proposed merger with CVS Corporation ("CVS"), all the while refusing to fairly consider an alternative transaction proposed by another bidder. In a landmark decision, the Court ordered the Defendants to disclose material information that had previously been withheld, enjoined the shareholder vote on the CVS transaction until the additional disclosures occurred, and granted statutory appraisal rights to Caremark's shareholders—forcing CVS to increase the consideration offered to shareholders by $7.50 per share in cash (over $3 billion in total).

CASE: ***IN RE PFIZER INC. SHAREHOLDER DERIVATIVE LITIGATION***

COURT: **United States District Court for the Southern District of New York**

HIGHLIGHTS: Landmark settlement in which Defendants agreed to create a new Regulatory and Compliance Committee of the Pfizer Board that will be supported by a dedicated $75 million fund.

DESCRIPTION: In the wake of Pfizer's agreement to pay $2.3 billion as part of a settlement with the U.S. Department of Justice to resolve civil and criminal charges relating to the illegal marketing of at least 13 of the company's most important drugs (the largest such fine ever imposed), this shareholder derivative action was filed against Pfizer's senior management and Board alleging they breached their fiduciary duties to Pfizer by, among other things, allowing unlawful promotion of drugs to continue after receiving numerous "red flags" that Pfizer's improper drug marketing was systemic and widespread. The suit was brought by Court-appointed Lead Plaintiffs **Louisiana Sheriffs' Pension and Relief Fund** and **Skandia Life Insurance Company, Ltd.** In an unprecedented settlement reached by the parties, the Defendants agreed to create a new Regulatory and Compliance Committee of the Pfizer Board of Directors (the "Regulatory Committee") to oversee and monitor Pfizer's compliance and drug marketing practices and to review the compensation policies for Pfizer's drug sales related employees.

CASE: ***IN RE EL PASO CORP. SHAREHOLDER LITIGATION***

COURT: **Delaware Court of Chancery – New Castle County**

HIGHLIGHTS: Landmark Delaware ruling chastises Goldman Sachs for M&A conflicts of interest.

DESCRIPTION: This case aimed a spotlight on ways that financial insiders – in this instance, Wall Street titan Goldman Sachs – game the system. The Delaware Chancery Court harshly rebuked Goldman for ignoring blatant conflicts of interest while advising their corporate clients on Kinder Morgan's high-profile acquisition of El Paso Corporation. As a result of the lawsuit, Goldman was forced to relinquish a $20 million advisory fee, and BLB&G obtained a $110 million cash settlement for El Paso shareholders – one of the highest merger litigation damage recoveries in Delaware history.

CASE: ***IN RE DELPHI FINANCIAL GROUP SHAREHOLDER LITIGATION***

COURT: **Delaware Court of Chancery – New Castle County**

HIGHLIGHTS: Dominant shareholder is blocked from collecting a payoff at the expense of minority investors.

DESCRIPTION: As the Delphi Financial Group prepared to be acquired by Tokio Marine Holdings Inc., the conduct of Delphi's founder and controlling shareholder drew the scrutiny of BLB&G and its institutional investor clients for improperly using the transaction to expropriate at least $55 million at the expense of the public shareholders. BLB&G aggressively litigated this action and obtained a settlement of $49 million for Delphi's public shareholders. The settlement fund is equal to about 90% of recoverable Class damages – a virtually unprecedented recovery.

CASE: ***QUALCOMM BOOKS & RECORDS LITIGATION***

COURT: **Delaware Court of Chancery – New Castle County**

HIGHLIGHTS: Novel use of "books and records" litigation enhances disclosure of political spending and transparency.

DESCRIPTION: The U.S. Supreme Court's controversial 2010 opinion in *Citizens United v. FEC* made it easier for corporate directors and executives to secretly use company funds – shareholder assets – to support personally favored political candidates or causes. BLB&G prosecuted the first-ever "books and records" litigation to obtain disclosure of corporate political spending at our client's portfolio

company – technology giant Qualcomm Inc. – in response to Qualcomm's refusal to share the information. As a result of the lawsuit, Qualcomm adopted a policy that provides its shareholders with comprehensive disclosures regarding the company's political activities and places Qualcomm as a standard-bearer for other companies.

CASE: ***IN RE NEWS CORP. SHAREHOLDER DERIVATIVE LITIGATION***

COURT: **Delaware Court of Chancery – Kent County**

HIGHLIGHTS: An unprecedented settlement in which News Corp. recoups $139 million and enacts significant corporate governance reforms that combat self-dealing in the boardroom.

DESCRIPTION: Following News Corp.'s 2011 acquisition of a company owned by News Corp. Chairman and CEO Rupert Murdoch's daughter, and the phone-hacking scandal within its British newspaper division, we filed a derivative litigation on behalf of the company because of institutional shareholder concern with the conduct of News Corp.'s management. We ultimately obtained an unprecedented settlement in which News Corp. recouped $139 million for the company coffers, and agreed to enact corporate governance enhancements to strengthen its compliance structure, the independence and functioning of its board, and the compensation and clawback policies for management.

CASE: ***IN RE ACS SHAREHOLDER LITIGATION (XEROX)***

COURT: **Delaware Court of Chancery – New Castle County**

HIGHLIGHTS: BLB&G challenged an attempt by ACS CEO to extract a premium on his stock not shared with the company's public shareholders in a sale of ACS to Xerox. On the eve of trial, BLB&G obtained a $69 million recovery, with a substantial portion of the settlement personally funded by the CEO.

DESCRIPTION: Filed on behalf of the **New Orleans Employees' Retirement System** and similarly situated shareholders of Affiliated Computer Service, Inc., this action alleged that members of the Board of Directors of ACS breached their fiduciary duties by approving a merger with Xerox Corporation which would allow Darwin Deason, ACS's founder and Chairman and largest stockholder, to extract hundreds of millions of dollars of value that rightfully belongs to ACS's public shareholders for himself. Per the agreement, Deason's consideration amounted to over a 50% premium when compared to the consideration paid to ACS's public stockholders. The ACS Board further breached its fiduciary duties by agreeing to certain deal protections in the merger agreement that essentially locked up the transaction between ACS and Xerox. After seeking a preliminary injunction to enjoin the deal and engaging in intense discovery and litigation in preparation for a looming trial date, Plaintiffs reached a global settlement with Defendants for $69 million. In the settlement, Deason agreed to pay $12.8 million, while ACS agreed to pay the remaining $56.1 million.

CASE: ***IN RE DOLLAR GENERAL CORPORATION SHAREHOLDER LITIGATION***

COURT: **Sixth Circuit Court for Davidson County, Tennessee; Twentieth Judicial District, Nashville**

HIGHLIGHTS: Holding Board accountable for accepting below-value "going private" offer.

DESCRIPTION: A Nashville, Tennessee corporation that operates retail stores selling discounted household goods, in early March 2007, Dollar General announced that its Board of Directors had approved the acquisition of the company by the private equity firm Kohlberg Kravis Roberts & Co. ("KKR"). BLB&G, as Co-Lead Counsel for the **City of Miami General Employees' & Sanitation Employees' Retirement Trust**, filed a class action complaint alleging that the "going private" offer was approved as a result of breaches of fiduciary duty by the board and that the price offered by KKR did not reflect the fair value of Dollar General's publicly-held shares. On the eve of the summary judgment hearing, KKR agreed to pay a $40 million settlement in favor of the shareholders, with a potential for $17 million more for the Class.

CASE: ***LANDRY'S RESTAURANTS, INC. SHAREHOLDER LITIGATION***

COURT: **Delaware Court of Chancery – New Castle County**

HIGHLIGHTS: Protecting shareholders from predatory CEO's multiple attempts to take control of Landry's Restaurants through improper means. Our litigation forced the CEO to increase his buyout offer by four times the price offered and obtained an additional $14.5 million cash payment for the class.

DESCRIPTION: In this derivative and shareholder class action, shareholders alleged that Tilman J. Fertitta – chairman, CEO and largest shareholder of Landry's Restaurants, Inc. – and its Board of Directors stripped public shareholders of their controlling interest in the company for no premium and severely devalued remaining public shares in breach of their fiduciary duties. BLB&G's prosecution of the action on behalf of Plaintiff **Louisiana Municipal Police Employees' Retirement System** resulted in recoveries that included the creation of a settlement fund composed of $14.5 million in cash, as well as significant corporate governance reforms and an increase in consideration to shareholders of the purchase price valued at $65 million.

EMPLOYMENT DISCRIMINATION AND CIVIL RIGHTS

CASE: ***ROBERTS V. TEXACO, INC.***

COURT: **United States District Court for the Southern District of New York**

HIGHLIGHTS: BLB&G recovered $170 million on behalf of Texaco's African-American employees and engineered the creation of an independent "Equality and Tolerance Task Force" at the company.

DESCRIPTION: Six highly qualified African-American employees filed a class action complaint against Texaco Inc. alleging that the company failed to promote African-American employees to upper level jobs and failed to compensate them fairly in relation to Caucasian employees in similar positions. BLB&G's prosecution of the action revealed that African-Americans were significantly under-represented in high level management jobs and that Caucasian employees were promoted more frequently and at far higher rates for comparable positions within the company. The case settled for over $170 million, and Texaco agreed to a Task Force to monitor its diversity programs for five years – a settlement described as the most significant race discrimination settlement in history.

CASE: ***ECOA - GMAC/NMAC/FORD/TOYOTA/CHRYSLER - CONSUMER FINANCE DISCRIMINATION LITIGATION***

COURT: **Multiple jurisdictions**

HIGHLIGHTS: Landmark litigation in which financing arms of major auto manufacturers are compelled to cease discriminatory "kick-back" arrangements with dealers, leading to historic changes to auto financing practices nationwide.

DESCRIPTION: The cases involve allegations that the lending practices of General Motors Acceptance Corporation, Nissan Motor Acceptance Corporation, Ford Motor Credit, Toyota Motor Credit and DaimlerChrysler Financial cause African-American and Hispanic car buyers to pay millions of dollars more for car loans than similarly situated white buyers. At issue is a discriminatory kickback system under which minorities typically pay about 50% more in dealer mark-up which is shared by auto dealers with the Defendants.

NMAC: The United States District Court for the Middle District of Tennessee granted final approval of the settlement of the class action against Nissan Motor Acceptance Corporation ("NMAC") in which NMAC agreed to offer pre-approved loans to hundreds of thousands of current and potential African-American and Hispanic NMAC customers, and limit how much it raises the interest charged to car buyers above the company's minimum acceptable rate.

GMAC: The United States District Court for the Middle District of Tennessee granted final approval of a settlement of the litigation against General Motors Acceptance Corporation ("GMAC") in which GMAC agreed to take the historic step of imposing a 2.5% markup cap on loans with terms up to 60 months, and a cap of 2% on extended term loans. GMAC also agreed to institute a substantial credit pre-approval program designed to provide special financing rates to minority car buyers with special rate financing.

DAIMLERCHRYSLER: The United States District Court for the District of New Jersey granted final approval of the settlement in which DaimlerChrysler agreed to implement substantial changes to the company's practices, including limiting the maximum amount of mark-up dealers may charge customers to between 1.25% and 2.5% depending upon the length of the customer's loan. In addition, the company agreed to send out pre-approved credit offers of no-markup loans to African-American and Hispanic consumers, and contribute $1.8 million to provide consumer education and assistance programs on credit financing.

FORD MOTOR CREDIT: The United States District Court for the Southern District of New York granted final approval of a settlement in which Ford Credit agreed to make contract disclosures informing consumers that the customer's Annual Percentage Rate ("APR") may be negotiated and that sellers may assign their contracts and retain rights to receive a portion of the finance charge.

CLIENTS AND FEES

We are firm believers in the contingency fee as a socially useful, productive and satisfying basis of compensation for legal services, particularly in litigation. Wherever appropriate, even with our corporate clients, we will encourage retention where our fee is contingent on the outcome of the litigation. This way, it is not the number of hours worked that will determine our fee, but rather the result achieved for our client.

Our clients include many large and well known financial and lending institutions and pension funds, as well as privately-held companies that are attracted to our firm because of our reputation, expertise and fee structure. Most of the firm's clients are referred by other clients, law firms and lawyers, bankers, investors and accountants. A considerable number of clients have been referred to the firm by former adversaries. We have always maintained a high level of independence and discretion in the cases we decide to prosecute. As a result, the level of personal satisfaction and commitment to our work is high.

IN THE PUBLIC INTEREST

Bernstein Litowitz Berger & Grossmann LLP is guided by two principles: excellence in legal work and a belief that the law should serve a socially useful and dynamic purpose. Attorneys at the firm are active in academic, community and *pro bono* activities, as well as participating as speakers and contributors to professional organizations. In addition, the firm endows a public interest law fellowship and sponsors an academic scholarship at Columbia Law School.

BERNSTEIN LITOWITZ BERGER & GROSSMANN PUBLIC INTEREST LAW FELLOWS

COLUMBIA LAW SCHOOL – BLB&G is committed to fighting discrimination and effecting positive social change. In support of this commitment, the firm donated funds to Columbia Law School to create the Bernstein Litowitz Berger & Grossmann Public Interest Law Fellowship. This newly endowed fund at Columbia Law School will provide Fellows with 100% of the funding needed to make payments on their law school tuition loans so long as such graduates remain in the public interest law field. The BLB&G Fellows are able to begin their careers free of any school debt if they make a long-term commitment to public interest law.

FIRM SPONSORSHIP OF HER JUSTICE

NEW YORK, NY – BLB&G is a sponsor of Her Justice, a non-profit organization in New York City dedicated to providing *pro bono* legal representation to indigent women, principally battered women, in connection with the myriad legal problems they face. The organization trains and supports the efforts of New York lawyers who provide *pro bono* counsel to these women. Several members and associates of the firm volunteer their time to help women who need divorces from abusive spouses, or representation on issues such as child support, custody and visitation. To read more about Her Justice, visit the organization's website at www.herjustice.org.

THE PAUL M. BERNSTEIN MEMORIAL SCHOLARSHIP

COLUMBIA LAW SCHOOL – Paul M. Bernstein was the founding senior partner of the firm. Mr. Bernstein led a distinguished career as a lawyer and teacher and was deeply committed to the professional and personal development of young lawyers. The Paul M. Bernstein Memorial Scholarship Fund is a gift of the firm and the family and friends of Paul M. Bernstein, and is awarded annually to one or more second-year students selected for their academic excellence in their first year, professional responsibility, financial need and contributions to the community.

FIRM SPONSORSHIP OF CITY YEAR NEW YORK

NEW YORK, NY – BLB&G is also an active supporter of City Year New York, a division of AmeriCorps. The program was founded in 1988 as a means of encouraging young people to devote time to public service and unites a diverse group of volunteers for a demanding year of full-time community service, leadership development and civic engagement. Through their service, corps members experience a rite of passage that can inspire a lifetime of citizenship and build a stronger democracy.

MAX W. BERGER PRE-LAW PROGRAM

BARUCH COLLEGE – In order to encourage outstanding minority undergraduates to pursue a meaningful career in the legal profession, the Max W. Berger Pre-Law Program was established at Baruch College. Providing workshops, seminars, counseling and mentoring to Baruch students, the program facilitates and guides them through the law school research and application process, as well as placing them in appropriate internships and other pre-law working environments.

NEW YORK SAYS THANK YOU FOUNDATION

NEW YORK, NY – Founded in response to the outpouring of love shown to New York City by volunteers from all over the country in the wake of the 9/11 attacks, The New York Says Thank You Foundation sends volunteers from New York City to help rebuild communities around the country affected by disasters. BLB&G is a corporate sponsor of NYSTY and its goals are a heartfelt reflection of the firm's focus on community and activism.

OUR ATTORNEYS

MEMBERS

MAX W. BERGER, the firm's senior founding partner, supervises BLB&G's litigation practice and prosecutes class and individual actions on behalf of the firm's clients.

He has litigated many of the firm's most high-profile and significant cases, and has negotiated seven of the largest securities fraud settlements in history, each in excess of a billion dollars: *Cendant* ($3.3 billion); *Citigroup–WorldCom* ($2.575 billion); *Bank of America/Merrill Lynch* ($2.4 billion); *JPMorgan Chase–WorldCom* ($2 billion); *Nortel* ($1.07 billion); *Merck* ($1.06 billion); and *McKesson* ($1.05 billion).

Mr. Berger's work has garnered him extensive media attention, and he has been the subject of feature articles in a variety of major media publications. Unique among his peers, *The New York Times* highlighted his remarkable track record in an October 2012 profile entitled "Investors' Billion-Dollar Fraud Fighter," which also discussed his role in the Bank of Amer*ica/Merrill Lynch Merger* litigation. In 2011, Mr. Berger was twice profiled by *The American Lawyer* for his role in negotiating a $627 million recovery on behalf of investors in the *In re Wachovia Corp. Securities Litigation*, and a $516 million recovery in *In re Lehman Brothers Equity/Debt Securities Litigation*. Previously, Mr. Berger's role in the *WorldCom* case generated extensive media coverage including feature articles in *BusinessWeek* and *The American Lawyer*. For his outstanding efforts on behalf of WorldCom investors, *The National Law Journal* profiled Mr. Berger (one of only eleven attorneys selected nationwide) in its annual 2005 "Winning Attorneys" section. He was subsequently featured in a 2006 *New York Times* article, "A Class-Action Shuffle," which assessed the evolving landscape of the securities litigation arena.

One of the "100 Most Influential Lawyers in America"

Widely recognized for his professional excellence and achievements, Mr. Berger was named one of the "100 Most Influential Lawyers in America" by *The National Law Journal* for being "front and center" in holding Wall Street banks accountable and obtaining over $5 billion in cases arising from the subprime meltdown, and for his work as a "master negotiator" in obtaining numerous multi-billion dollar recoveries for investors.

Described as a "standard-bearer" for the profession in a career spanning over 40 years, he is the 2014 recipient of *Chambers USA's* award for Outstanding Contribution to the Legal Profession. In presenting this prestigious honor, *Chambers* recognized Mr. Berger's "numerous headline-grabbing successes," as well as his unique stature among colleagues – "warmly lauded by his peers, who are nevertheless loath to find him on the other side of the table."

Law360 published a special feature discussing his life and career as a "Titan of the Plaintiffs Bar," and also named him one of only six litigators selected nationally as a "Legal MVP" for his work in securities litigation.

For the past ten years in a row, Mr. Berger has received the top attorney ranking in plaintiff securities litigation by *Chambers* and is consistently recognized as one of New York's "local litigation stars" by *Benchmark Litigation* (published by *Institutional Investor* and *Euromoney*). *Law360* also named him one of only six litigators selected nationally as a "Legal MVP" for his work in securities litigation.

Since their various inceptions, he has also been named a "leading lawyer" by the *Legal 500 US* guide, one of "10 Legal Superstars" by *Securities Law360*, and one of the "500 Leading Lawyers in America" and "100 Securities Litigators You Need to Know" by *Lawdragon* magazine. Further, *The Best Lawyers in America* guide has named Mr. Berger a leading lawyer in his field.

Mr. Berger also serves the academic community in numerous capacities as a member of the Dean's Council to Columbia Law School, and as a member of the Board of Trustees of Baruch College. He has taught Profession of Law, an ethics course at Columbia Law School, and currently serves on the Advisory Board of Columbia Law School's Center on Corporate Governance. In May 2006, he was presented with the Distinguished Alumnus Award for his contributions to Baruch College, and in February 2011, Mr. Berger received Columbia Law School's most prestigious and highest honor, "The Medal for Excellence." This award is presented annually to Columbia Law School alumni who exemplify the qualities of character, intellect, and social and professional responsibility that the Law School seeks to instill in its students. As a recipient of this award, Mr. Berger was profiled in the Fall 2011 issue of *Columbia Law School Magazine.*

Mr. Berger is currently a member of the New York State, New York City and American Bar Associations, and is a member of the Federal Bar Council. He is also a member of the American Law Institute and an Advisor to its Restatement Third: Economic Torts project. In addition, Mr. Berger is a member of the Board of Trustees of The Supreme Court Historical Society.

Mr. Berger lectures extensively for many professional organizations. In 1997, Mr. Berger was honored for his outstanding contribution to the public interest by Trial Lawyers for Public Justice, where he was a "Trial Lawyer of the Year" Finalist for his work in *Roberts, et al. v. Texaco*, the celebrated race discrimination case, on behalf of Texaco's African-American employees.

Among numerous charitable and volunteer works, Mr. Berger is an active supporter of City Year New York, a division of AmeriCorps, dedicated to encouraging young people to devote time to public service. In July 2005, he was named City Year New York's "Idealist of the Year," for his long-time service and work in the community. He and his wife, Dale, have also established the Dale and Max Berger Public Interest Law Fellowship at Columbia Law School and the Max Berger Pre-Law Program at Baruch College.

EDUCATION: Baruch College-City University of New York, B.B.A., Accounting, 1968; President of the student body and recipient of numerous awards. Columbia Law School, J.D., 1971, Editor of the *Columbia Survey of Human Rights Law*.

BAR ADMISSIONS: New York; U.S. District Courts for the Eastern and Southern Districts of New York; U.S. Court of Appeals for the Second Circuit; U.S. Supreme Court.

JOHN RIZIO-HAMILTON is involved in a variety of the firm's litigation practice areas, focusing specifically on securities fraud, corporate governance, and shareholder rights. He currently represents the firm's institutional investor clients as counsel in a number of major pending actions, including the securities class action arising from Facebook's IPO, captioned *In re Facebook, Inc. IPO Securities Litigation*.

Mr. Rizio-Hamilton was a member of the trial team prosecuting *In re Bank of America Securities Litigation*, which settled for $2.425 billion, the single largest securities class action recovery ever resolving violations of Sections 14(a) and 10(b) of the Securities Exchange Act, and one of the top securities litigation settlements obtained of all time. He also served as counsel on behalf of the institutional investor plaintiffs in *In re Citigroup, Inc. Bond Action Litigation*, which settled for $730 million, the second largest recovery ever in a securities class action brought on behalf of purchasers of debt securities. In addition, Mr. Rizio-Hamilton was a member of the team that

prosecuted the *In re Wachovia Corp. Bond/Notes Litigation*, in which the firm recovered a total of $627 million on behalf of investors, one of the 15 largest securities class action recoveries in history. Most recently, he served as a key member of the team that recovered $150 million for investors in *In re JPMorgan Chase & Co. Securities Litigation*, a securities fraud class action arising out of misrepresentations and omissions concerning JPMorgan's Chief Investment Office, the company's risk management systems, and the trading activities of the so-called "London Whale."

Mr. Rizio-Hamilton has also been a member of the trial teams in several additional securities litigations through which the firm has successfully recovered hundreds of millions of dollars on behalf of injured investors. Among other matters, he was part of the trial teams that prosecuted *Eastwood Enterprises LLC v. WellCare*, *In re MBIA, Inc. Securities Litigation*, and *In re RAIT Financial Trust Securities Litigation*.

For his remarkable accomplishments, Mr. Rizio-Hamilton was recognized by *Law360* as one of the country's "Top Attorneys Under 40," and a national "Rising Star" in the area of class action litigation.

Before joining BLB&G, Mr. Rizio-Hamilton clerked for the Honorable Chester J. Straub of the United States Court of Appeals for the Second Circuit, and the Honorable Sidney H. Stein of the United States District Court for the Southern District of New York.

EDUCATION: The Johns Hopkins University, B.A., *with honors*, 1997. Brooklyn Law School, J.D., *summa cum laude;* Editor-in-Chief of the *Brooklyn Law Review;* first-place winner of the J. Braxton Craven Memorial Constitutional Law Moot Court Competition.

BAR ADMISSIONS: New York; U.S. District for the Southern District of New York.

JONATHAN D. USLANER prosecutes securities class actions, individual investor actions, shareholder derivative litigation and antitrust litigation on behalf of the firm's clients.

Mr. Uslaner was a member of the trial team that prosecuted *In re Bank of America Securities Litigation*, which resulted in a historic settlement shortly before trial of $2.43 billion, one of the largest shareholder recoveries ever obtained. He was also a senior member of the teams leading the prosecution in the actions captioned: *In re Genworth Financial, Inc. Securities Litigation*, which settled for $219 million; *In re JPMorgan Chase & Co. Securities Litigation*, which settled for $150 million; *In re Wells Fargo Mortgage-Backed Certificates Litigation*, which settled for $125 million; *In re Dendreon Securities Corp. Litigation*, which settled for $40 million; and *Cambridge Place Investment Management Inc. v. Morgan Stanley & Co., Inc., et al.*, a high-profile non-class litigation brought by an investment manager against over a dozen financial institutions, which settled on undisclosed terms. In addition, Mr. Uslaner was a member of the team that successfully brought a derivative action against the senior management and the Board of Directors of Pfizer, Inc., resulting in a $75 million payment dedicated to improve the company's compliance with healthcare laws and extensive corporate governance reforms.

Mr. Uslaner currently represents the firm's institutional investor clients as counsel in a number of significant actions, including the securities class actions against Facebook Inc. relating to its initial public offering. He is also representing the firm's clients in securities class actions brought against Rayonier Inc. and Cobalt relating to their misrepresentations to investors. In addition, he is representing the firm's clients in direct actions brought against American Realty Capital Properties and its former officers.

For his outstanding achievements, Mr. Uslaner has been recognized by *Law360* as a national "Rising Star" for his work in securities litigation, and has been named among the "Top 40 Under 40" legal professionals in California by the *Daily Journal.* He was also named to *Benchmark Litigation's* "Under 40 Hot List," which honors the nation's most accomplished legal partners

under the age of 40, and is regularly recognized as one of San Diego's "Rising Stars" by *Super Lawyers.*

Mr. Uslaner has authored articles relating to class actions and the federal securities laws, including "Much More Than 'Housekeeping': Rule 23(c)(4) in Action" and "Keeping Plaintiffs in the Driver's Seat: The Supreme Court Rejects 'Pick-off' Settlement Offers," which were published by the American Bar Association. He currently serves as an editor of the ABA's *Class Actions and Derivative Suits Committee's Newsletter.*

Mr. Uslaner is a member of the Board of Governors of the San Diego Chapter of the Association of Business Trial Lawyers. He is also a board member of Home of Guiding Hands, a non-profit organization that serves individuals with developmental disabilities and their families in the San Diego community. Most recently, he was named "Volunteer of the Year" for 2015 for his work and contributions to the organization.

Prior to joining BLB&G, Mr. Uslaner was a senior litigation associate at the law firm of Skadden, Arps, Slate, Meagher & Flom LLP, where he successfully prosecuted and defended claims from the discovery stage through trial. He also gained significant experience as a judicial extern for Justice Steven Wayne Smith of the Supreme Court of Texas and as a volunteer prosecutor for the City of Inglewood, California.

EDUCATION: Duke University, B.A., *magna cum laude*, 2001, William J. Griffith Award for Leadership; Chairperson, Duke University Undergraduate Publications Board. The University of Texas School of Law, J.D., 2005; University of Texas Presidential Academic Merit Fellowship; Articles Editor, *Texas Journal of Business Law.*

BAR ADMISSIONS: California; New York; U.S. District Courts for the Central and Northern Districts of California; U.S. District Court for the Southern District of New York.

ASSOCIATES

REBECCA BOON practices out of the New York office, where she prosecutes securities fraud, corporate governance and shareholder rights litigation for the firm's institutional investor clients.

Prior to joining the firm, Ms. Boon was an associate at a major international law firm, where she represented clients in securities litigation, ERISA litigation, contract disputes, international arbitration, white collar crime and criminal appeals.

Ms. Boon is currently a senior member of the teams prosecuting *New York State Teachers' Retirement System v. General Motors Company, et al.*; *The Department of The Treasury of the State of New Jersey and Its Division of Investment v. Cliffs Natural Resources Inc., et al.*; and *Public School Teachers' Pension and Retirement Fund of Chicago v. Northern Trust Investments N.A., et al.* In addition, over the past few years, Ms. Boon has been a senior member of the teams prosecuting numerous actions against Morgan Stanley and Deutsche Bank arising out of their allegedly fraudulent sales of residential mortgage-backed securities, which have resulted in millions of dollars in recovery for investors, including *Metropolitan Life Insurance Company v. Morgan Stanley, et al.*, among others.

While in law school, Ms. Boon served as the research assistant to Dean Nora Demleitner. Ms. Boon also worked as an intern at Her Justice (formerly known as inMotion, Inc.), as well as Hofstra Law School's Political Asylum Clinic.

EDUCATION: Vassar College, B.A., 2004 (History, Correlate in Women's Studies); Social Justice Community Fellow. Hofstra University School of Law, 2007**,** J.D., *cum laude;* Charles H. Revson Foundation Law Students Public Interest Fellow; *Hofstra Law Review;* Distinguished Contribution to the School and Excellence in International Law Awards; Merit Scholarship.

BAR ADMISSIONS: New York; U.S. District Court for the Southern District of New York.

LAURA K. ASSERFEA (former associate) practiced out of the New York office, where she prosecuted securities fraud, corporate governance and shareholder rights litigation on behalf of the firm's institutional investor clients.

Prior to joining the firm, Ms. Asserfea was an associate at a prominent securities law practice, where she handled complex insider trading, accounting and investor fraud litigation and cross-border investigations. While in law school, she served as an extern for the United States Attorney's Office for the Eastern District of New York. In addition, Ms. Asserfea also worked as a judicial extern to the Honorable Chester J. Straub of the U.S. Court of Appeals for the Second Circuit, and as a judicial intern for the Honorable Harold Baer, Jr. of the U.S. District Court for the Southern District of New York.

EDUCATION: New York University, B.A., French Language and Literature; 2006; Presidential Honors Scholar. Columbia Law School, J.D., 2010; Founding Member and Articles Editor for the *Columbia Journal of Tax Law.*

BAR ADMISSION: New York.

MATHEW P. JUBENVILLE (former associate) practiced out of the San Diego office, where he represented individual and institutional investors asserting claims under federal and state securities laws. While at BLB&G, he was a member of various litigation teams that prosecuted and successfully resolved numerous prominent actions, resulting in over $1 billion being returned to investors: *In re Williams Securities Litigation* - $311 million recovery related to misstatements to investors regarding Williams' telecommunications subsidiary and energy trading operation; *In re*

Accredo Health, Inc. - $33 million recovery achieved less than six weeks before trial*; In re Maxim Integrated Products, Inc. Securities Litigation* - $173 million recovery, representing the largest stock-option-backdating settlement reached in the Ninth Circuit, and the third-largest-backdating settlement overall; *In re New Century Securities Litigation* - $125 million recovery related to the meltdown of subprime originator New Century Financial; *Wells Fargo Mortgage Pass-Through Litigation* - $125 million recovery for investors in Wells Fargo mortgage-backed securities; *In re Merrill Lynch Mortgage Pass-Through Litigation* - $315 million recovery for investors in Merrill Lynch mortgage-backed securities.

EDUCATION: University of Colorado, B.A., *with distinction*, Molecular, Cellular and Developmental Biology, 2000; Phi Beta Kappa. University of San Diego School of Law, J.D., 2003; *San Diego Law Review*.

BAR ADMISSIONS: California, U.S. District Courts for the Northern, Central and Southern Districts of California.

STAFF ATTORNEYS

PEDRO ARISTON has worked on numerous matters at BLB&G, including *In re Salix Pharmaceuticals, Ltd. Securities Litigation*, *In re Genworth Financial Inc. Securities Litigation* and *In re Wilmington Trust Securities Litigation*. Prior to joining the firm in 2014, Mr. Ariston was a senior associate at Zambrano & Gruba Law Offices, Philippines, and a staff attorney at Labaton Sucharow LLP.

EDUCATION: Ateneo de Manila University School of Arts and Sciences, B.A., *cum laude*, 1990. Ateneo de Manila University School of Law, J.D., 2002. Georgetown University Law Center, LL.M., 2007.

BAR ADMISSIONS: New York.

STEPHEN IMUNDO has worked on numerous matters at BLB&G, including *In re Salix Pharmaceuticals, Ltd. Securities Litigation*, *In re Bank of New York Mellon Corp. Forex Transactions Litigation*, *Dexia Holdings, Inc. v. JP Morgan*, *In re Citigroup Inc. Bond Litigation* and *In re Huron Consulting Group, Inc. Securities Litigation*. Prior to joining the firm in 2010, Mr. Imundo worked as a contract attorney at Labaton Sucharow LLP and Constantine & Cannon, LLP.

EDUCATION: Mercy College, B.S., *summa cum laude*, 1994. Fordham University School of Law, J.D., 2002.

BAR ADMISSIONS: Connecticut, New York.

CHRISTINA SUAREZ has worked on numerous matters at BLB&G, including *Town of Davie Police Pension Plan v. CommVault Systems, Inc., et al.*, *In re Salix Pharmaceuticals, Ltd. Securities Litigation*, *In re NII Holdings, Inc. Securities Litigation* and *In re JPMorgan Chase & Co. Securities Litigation*. Prior to joining the firm in 2014, Ms. Suarez was a litigation associate at Schulte Roth & Zabel LLP.

EDUCATION: Barnard College, Columbia University, B.A., *magna cum laude*, 2002. George Washington University Law School, J.D., 2006.

BAR ADMISSIONS: New York.

CATHERINE VAN KAMPEN has worked on numerous matters at BLB&G, *including In re Wilmington Trust Securities Litigation*, *In re Bank of New York Mellon Corp. Forex Transactions Litigation*, *In re Merck & Co., Inc. Securities Litigation (VIOXX-related)*, *Dexia Holdings, Inc. v. JP Morgan*, *In re Citigroup Inc. Bond Litigation*, *In re Pfizer Inc. Shareholder Derivative Litigation*, *In re WellCare Securities Litigation*, *In re Merrill Lynch & Co., Inc. Securities, Derivative and ERISA Litigation (Bond Action)*, *In re State Street Bank and Trust Co. ERISA Litigation*, *In re Converium Holding AG Securities Litigation*, *In re Monster Worldwide, Inc. Derivative Litigation* and *Stonington Partners, Inc. v. Dexia Bank Belgium*. Prior to joining the firm in 2005, Ms. van Kampen was corporate counsel at Centric Communications Worldwide.

EDUCATION: Indiana University, B.A, 1988. Seton Hall University, School of Law, J.D., 1998.

BAR ADMISSIONS: New Jersey.

Exhibit 6

IN THE UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

IN RE KBR, INC. SECURITIES LITIGATION	Case No. 4:14-CV-01287 Judge Lee H. Rosenthal

DECLARATION OF THOMAS R. AJAMIE IN SUPPORT OF CLASS COUNSEL'S MOTION FOR AN AWARD OF ATTORNEYS' FEES AND PAYMENT OF LITIGATION EXPENSES FILED ON BEHALF OF AJAMIE LLP

Thomas R. Ajamie declares as follows:

1. I am a partner of the law firm of Ajamie LLP. My firm served as liaison counsel in the above-captioned action (the "Action"). I submit this declaration in support of class counsel's application for an award of attorneys' fees in connection with services rendered in the Action, as well as for payment of litigation expenses incurred in connection with the Action. I have personal knowledge of the facts set forth herein and, if called upon, could and would testify thereto.

2. My firm, as liaison counsel, was involved in litigating this Action on behalf of the Class, and we performed work as requested by lead counsel.

3. The schedule attached hereto as Exhibit A is a detailed summary indicating the amount of time spent by attorneys and professional support staff employees of my firm who billed five or more hours to the Action, and the lodestar calculation for those individuals based on my firm's then-current billing rates. The schedule was prepared from contemporaneous daily time records regularly prepared and maintained by my firm. Time expended on the Action after January 23, 2017, the date the parties executed the Settlement Term Sheet memorializing their

agreement in principle, including the time expended on this application for fees and expenses, has not been included in this request. In addition, I worked on the case but am not charging for my own time.

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 charged and accepted in other litigation. I am familiar with the usual and customary attorneys' fees charged by lawyers practicing in Houston, Texas. In my opinion, my firm's rates and fees are reasonable and customary for lawyers practicing in Houston, Texas.

5. The total number of hours reflected in Exhibit A from inception through and including January 23, 2017, is 285.6. The total lodestar reflected in Exhibit A for that period is $154,614.00, consisting of $151,749.00 for attorneys' time and $2,865.00 for professional support staff time.

6. My firm's lodestar figures are based upon the firm's billing 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 billing rates.

7. As detailed in Exhibit B, my firm is seeking payment for a total of $645.04 in expenses in connection with the prosecution of this Action through June 16, 2017.

8. The litigation expenses reflected in Exhibit B are the actual expenses or reflect "caps" based on the application of the following criteria:

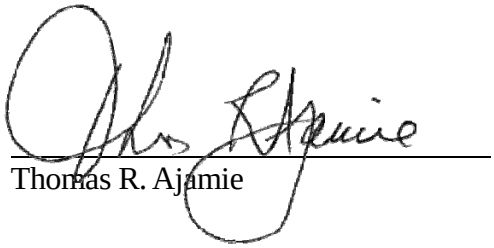
(a) Internal Copying – Charged at $0.10 per page.

(b) On-Line Research – Charges reflected are for out-of-pocket payments to the vendors for research done in connection with this litigation. On-line research is billed to each case. There are no administrative charges included in these figures.

9. The litigation expenses incurred in this Action 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.

10. With respect to the standing of my firm, attached hereto as Exhibit C is a brief biography of my firm and attorneys in my firm who were involved in this Action.

I declare, under penalty of perjury, that the foregoing facts are true and correct. Executed on the 19th day of June, 2017.



Thomas R. Ajamie

Exhibit A

EXHIBIT A

In re KBR, Inc. Securities Litigation
Case No. 14-cv-01287-LHR

AJAMIE LLP

TIME REPORT

Inception through January 23, 2017

NAME	HOURS	HOURLY RATE	LODESTAR
Partners			
Thomas R. Ajamie	20	N/C	N/C
Dona Szak	173.6	$650	$112,840.00
Senior Counsel			
Courtney Scobie	46.7	$520	$24,284.00
Associates			
Justin Pfeiffer	32.5	$450	$14,625.00
Staff Attorneys			
Financial Analysts			

NAME	HOURS	HOURLY RATE	LODESTAR
Investigators			
Paralegals			
Deborah Molloy	6.7	$200	$1,340.00
Tom Neumayr	6.1	$250	$1,525.00
Litigation Support			
TOTAL	**285.6**		**$154,614.00**

Exhibit B

EXHIBIT B

In re KBR, Inc. Securities Litigation
Case No. 14-cv-01287-LHR

AJAMIE LLP

EXPENSE REPORT

Inception through June 16, 2017

CATEGORY	AMOUNT
Document Management/Litigation Support	$_____
On-Line Legal Research	$ 497.41
On-Line Factual Research	$_____
Conference Calls	$_____
Express Mail	$_____
Internal Copying	$ 6.40
Outside Copying	$_____
Out of Town Travel	$_____
Local Work-Related Transportation	$ 24.00
Local Overtime Meals	$ 44.48
Court Reporting & Transcripts	$ 72.75
Experts	$_____
Trial Office Rent & Expense	$_____
Contributions to Litigation Fund	$_____
TOTAL EXPENSES:	**$ 645.04**

Exhibit C

EXHIBIT C

In re KBR, Inc. Securities Litigation
Case No. 14-cv-01287-LHR

AJAMIE LLP

FIRM RÉSUMÉ

We advise in a wide range of litigation-related practice areas, including complex business litigation, antitrust and competition law, white collar crime, employment litigation, and international litigation and arbitration. Our firm has built a solid reputation for rendering blue-chip defense for companies of all sizes and for providing cross-border representation in the most challenging of business litigation matters. We are lean and efficient, with the expertise and resources to represent clients worldwide, without hidden conflicts of interest. We have secured landmark awards and settlements and have amassed an impressive record of positive outcomes – winning critical victories and over $780 million in settlements and awards. Litigation experience combined with strong business acumen makes our lawyers well-qualified to advise our corporate clients in conducting sensitive internal investigations.

We have a recognized national and international practice, and a reputation for winning transnational commercial disputes for national and international clients – unusual for a litigation boutique. Our litigation and arbitration practice frequently involves asserting claims on behalf of, or against, parties outside the United States. This international focus has given our lawyers valuable experience in communicating and applying legal concepts from multiple legal systems, locating documents and conducting transnational discovery, and determining how best to translate, authenticate, and introduce foreign corporate and government records in a way that is understandable and persuasive to the judge, jury, or arbitration panel.

Recognized as a go-to firm in securities litigation, the firm has successfully handled a number of high-profile cases, including representing companies, pension funds and shareholders seeking to recover losses in stock fraud cases, and corporations and officers and directors being sued in securities matters.

Representative Matters: Securities / Finance

- Co-counsel in an ERISA class action alleging that plan fiduciaries breached their duties of loyalty and prudence by selecting and maintaining inappropriate Putnum mutual funds for the defendant company's 401(k) plan.

- Part of the legal team that recovered a $70 million settlement from Securities America, Inc., the broker-dealer subsidiary of Ameriprise Financial, Inc., for investors who lost money in the Medical Capital Ponzi scheme.

- Winning a $14.5 million arbitration award on behalf of a New York family against Prudential Equity Group over the course of 84 hearing sessions occurring at the New York Stock Exchange. According to The Wall Street Journal, the award is the third largest award to be handed out by an arbitration panel at the NYSE.

- Settling a lawsuit against two insurance agents, six insurance companies and a law firm for $7.29 million after four days of trial in Galveston state court. The lawsuit alleged that the defendants negligently advised a 90-year-old widow and her 65-year-old son to sell their Berkshire Hathaway, Inc. stock and use the proceeds to purchase life insurance and annuities as part of an "estate tax plan."

Representative Matters: Business Litigation

- Winning a $12.2 million judgment, including full damages and all attorneys' fees, on behalf of a multinational computer technology company against its former employees who conspired with others to engage in a false-invoice and bid-rigging scheme to defraud the company.

- Winning a record $112 million jury award on a civil RICO Act claim on behalf of our Fortune 100 client against defendants who conspired to extort money from our client and tamper with trial witnesses. The jury's verdict was the largest RICO verdict in Texas history.

- Winning the dismissal of a complaint filed in New Jersey by Prime Healthcare, Inc. against our client who operates hospitals in New Jersey. The complaint asserted antitrust and common law claims and alleged that our client had conspired with others to prevent Prime from competing in New Jersey. Damages were potentially in the tens or hundreds of millions of dollars.

- Negotiating and drafting structured multimillion dollar Mexico/USA cross-border settlement resolving over 40 civil proceedings including federal and state court proceedings in the United States, federal and state court proceedings in Mexico, and civil arbitration proceedings before CANACO in Mexico.

Our Lawyers

Thomas R. Ajamie
Managing Partner

Mr. Ajamie has successfully represented clients in complex commercial litigation and arbitration matters for 25 years. His work includes groundbreaking securities and financial cases, cross-border litigation, business contract disputes and employment issues. Mr. Ajamie has won two of the largest awards ever handed down by an NYSE arbitration panel for investors, including a $429.5 million award. He has also won a record $112 million civil RICO jury verdict. Mr. Ajamie is regularly invited to give legal analysis by news media outlets including ABC, CNN, CNBC, NPR and BBC, and his work has been featured in publications such as The Wall Street Journal, The New York Times and The American Lawyer. He is the co-author of the book Financial Serial Killers: Inside the World of Wall Street Money Hustlers, Swindlers, and Con Men. Mr. Ajamie graduated *cum laude* from Arizona State University and received his law degree from the University of Notre Dame Law School. He is licensed to practice law in Texas and New York, and is admitted to the United States District Courts for the Northern, Southern, Eastern and Western Districts of Texas, the District of Colorado, the United States Bankruptcy Court for the Southern District of New York, and the Fifth Circuit of the U.S. Court of Appeals.

Dona Szak
Partner

Ms. Szak handles business litigation for foreign and domestic clients. She litigates in federal and state courts and has taken cases through all stages of proceedings: pre-lawsuit investigation, trial, appeal, and judgment collection. She has represented plaintiffs and defendants in contract, securities, antitrust, civil RICO, and business tort matters. By conducting preventive counseling, she has helped her clients achieve favorable resolutions to their business controversies, often without the necessity of filing or defending lawsuits. Ms. Szak received her undergraduate degree from the University of Illinois and her J.D. *cum laude* from Washington & Lee University. She is licensed to practice law in Texas and is admitted to the Southern and Eastern Districts of Texas, the District of Colorado, and the Federal Circuit of the U.S. Court of Appeals.

Courtney D. Scobie
Senior Counsel

Courtney Scobie's practice focuses on complex commercial litigation in state and federal courts and federal government investigations. Her experience includes copyright infringement and trade secret misappropriation cases against a leading enterprise software company, an SEC investigation and a securities class action involving alleged accounting improprieties, several CFTC investigations involving the crude oil and natural gas liquids markets, contract and insurance disputes in the energy and petrochemical industries, product liability and toxic tort litigation, and Fair Credit Reporting Act disputes. She has drafted several successful motions to dismiss and motions for summary judgment and has significant experience in e-discovery

matters. A member of Phi Beta Kappa, Ms. Scobie is an honors graduate of the University of Texas, and received her law degree from Georgetown University. She is licensed to practice law in Texas and is admitted to the United States District Court for the Southern and Western Districts of Texas.

Justin Pfeiffer
Associate

Justin C. Pfeiffer offers clients extensive experience in litigating complex-commercial, securities, administrative, and criminal matters in federal courts throughout the country. His federal experience derives from five years working as an attorney under some of the nation's most prominent jurists. He began his legal career as a law clerk to Judge William B. Shubb of the Eastern District of California in Sacramento, California. Immediately thereafter, he served as a law clerk to Judge Priscilla R. Owen of the Fifth Circuit in Austin, Texas. After private practice at San Francisco's largest firm, he served for three years as a staff attorney to the Sixth Circuit, working directly with all the judges of that court. Mr. Pfeiffer received his undergraduate degree from the University of Virginia and his law degree from University of Michigan Law School. He is licensed to practice law in Texas and California, and is admitted to the United States District Court for the Southern District of Texas, the Eastern and Northern Districts of California, the Northern District of Ohio, the Fifth, Sixth, Ninth and Federal Circuits of the U.S. Courts of Appeals, and the U.S. Supreme Court.

Exhibit 7

IN RE KBR, INC. SECURITIES LITIGATION
Case No. 4:14-CV-01287 (S.D. Tex.)

SUMMARY TABLE OF LODESTARS AND EXPENSES

FIRM	HOURS	LODESTAR	EXPENSES
Ajamie LLP	285.6	$154,614.00	$645.04
Bernstein Litowitz Berger & Grossmann LLP	7,720.50	$3,478,096.25	$247,177.44
Labaton Sucharow LLP	11,567.60	$5,533,888.50	$568,438.49
TOTALS	**19,573.70**	**$9,166,598.75**	**$816,260.97**

Exhibit 8

Compendium of Unreported Cases

TAB 1

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

IN RE SEITEL, INC. SECURITIES LITIGATION	§ § §	**CIVIL ACTION NO. 02-1566**

ORDER AND FINAL JUDGMENT AS TO DEFENDANTS SEITEL, INC., PAUL A. FRAME, DEBRA D. VALICE, MARCIA H. KENDRICK, AND THE ESTATE OF HERBERT M. PEARLMAN

On this ___ day of _____, 2005, a hearing having been held before this Court to determine:[1] (1) whether the terms and conditions of the Stipulation and Agreement of Settlement, dated as of October 28, 2004 (the "Stipulation") are fair, reasonable and adequate for the settlement of all claims asserted by the Class against defendants Paul A. Frame, Debra D. Valice, Marcia H. Kendrick, the Estate of Herbert M. Pearlman (together, the "Individual Defendants") and Seitel, Inc. ("Seitel") (together, the Individual Defendants and Seitel are referred to herein as the "Settling Defendants") in Plaintiff's Consolidated Class Action Complaint (the "Complaint") and should be approved; (2) whether for purposes of the Settlement a Class should be certified consisting of all persons who purchased or otherwise acquired Seitel common stock in the open market during the period May 5, 2000, through and including May 3, 2002 (the "Class Period") and whether Dr. Russell Semeraro should be certified as Class Representative; (3) whether to approve the Plan of Allocation; (4) whether, and in what amount, to award counsel for plaintiffs and the Class fees and reimbursement of expenses; (5) whether to award Lead Plaintiff, Dr. Russell Semeraro, his reasonable costs and expenses; and (6) whether judgment should be entered dismissing the Complaint with prejudice in favor of the Settling Defendants as against all Persons or entities who are members of the Class, and who have not requested exclusion therefrom. The Court having considered all

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[1] All capitalized terms used herein shall have the same meaning as set forth in the Stipulation of Settlement.

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 members of the Class at the respective addresses set forth in the records of Seitel, 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;

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

1. The Stipulation is approved as fair, reasonable and adequate, and in the best interests of the Class, and Plaintiff and the Settling Defendants are directed to consummate the Stipulation in accordance with its terms and provisions.

2. The Court finds, for purposes of the settlement only, that the prerequisites for a class action under Fed. R. Civ. P. 23(a) and (b)(3) have been satisfied in that:

(a) Plaintiff has met his burden of demonstrating that the number of members of the Class is so numerous that joinder of all members thereof is impracticable. During the Class Period, in excess of 25 million shares of Seitel common stock were outstanding and actively traded on the New York Stock Exchange. According to Seitel's 2001 SEC Form 10-K/A, which was filed on August 19, 2002, as of March 28, 2002, there were approximately 903 "record holders" of Seitel's common stock. Based on this information, it is reasonable to infer that there are thousands of members of the Class;

(b) Plaintiff has met his burden of demonstrating that there are questions of law or fact common to the Class, including:

i. whether the federal securities laws were violated by defendants' acts as alleged herein;

ii. whether statements disseminated to the investing public and to Seitel's common stock holders during the Class Period misrepresented material facts about the financial results and performance of Seitel;

iii. whether defendants acted with knowledge or with reckless disregard for the truth in misrepresenting and/or omitting to state material facts;

iv. whether, during the Class Period, the market price of Seitel common stock was artificially inflated due to the material misrepresentations and/or nondisclosures complained of herein;

v. whether defendants participated in and pursued the common course of conduct complained of herein; and

vi. whether the members of the Class have sustained damages and, if so, what is the proper measure thereof;

(c) Plaintiff has met his burden of demonstrating that his claims are typical of the claims of the Class he seeks to represent; Dr. Semeraro's claims arise from the same course of conduct and are predicated on the same legal theories as the claims of all other Class members;

(d) Dr. Semeraro's testimony before this Court related to his appointment as Lead Plaintiff, as well as his actions related to the subsequent partial settlement of the Action, demonstrate that he has met his burden of demonstrating that he will fairly and adequately represent the interests of the Class. He has no conflicts with absent Class members. As with all absent Class members, Dr. Semeraro purchased Seitel shares on the open market during the Class Period and was damaged thereby. Dr. Semeraro's chosen Lead Counsel, Wolf Popper LLP, is qualified, experienced and able to vigorously conduct the proposed litigation. Wolf Popper has a proven track record in the prosecution of class actions. Dr. Semeraro's actions to date, including his willingness to appear before this Court to provide testimony and his supervision of counsel in obtaining this Settlement with the Settling Defendants demonstrates that he is willing

and able to "take an active role in and control the litigation and to protect the interests of absentees";

(e) Plaintiff has met his burden of demonstrating that the questions of law and fact common to the members of the Class (as listed above) predominate over any questions affecting only individual members of the Class; and that a class action is superior to other available methods for the fair and efficient adjudication of the controversy.

3. Pursuant to Fed. R. Civ. P. 23, and for the purposes of the Settlement only, Lead Plaintiff Russell Semeraro is certified as Class Representative.

4. For purposes of the Settlement, the Action is hereby certified as a class action on behalf of all persons who purchased or otherwise acquired Seitel common stock in the open market during the Class Period. Excluded from the Class are Seitel, its subsidiaries and affiliates, Defendants in the Action, members of the immediate families of each of the Defendants in the Action, any entities in which any of the Defendants in the Action has a controlling interest, and the legal representatives, heirs, successors, affiliates or assigns of any of the foregoing excluded persons and entities. Also excluded from the Class are the following Persons who timely and validly request exclusion from the Class pursuant to the Notice: James F. Lowery, Susan F. Lowery.

5. The Complaint, which the Court finds as to the claims against the Settling Defendants only 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, except as provided in the Stipulation, as against the Settling Defendants.

6. Plaintiffs and Members of the Class and the successors and assigns of any of them, are hereby permanently barred and enjoined from instituting, commencing or prosecuting, either directly or in any other capacity, any Settled Claims against any of the Released Parties.

The Settled Claims are hereby compromised, settled, released, discharged and dismissed with prejudice by virtue of the proceedings herein and this Order and Final Judgment.

7. The Settling Defendants and the successors and assigns of any of them, are hereby permanently barred and enjoined from instituting, commencing or prosecuting, either directly or in any other capacity, any Settling Defendants' Claims against any of the plaintiffs, Class Members or their attorneys, or any action for contribution related to such Settling Defendants' Claims against any other person or entity, including but not limited to Ernst & Young LLP ("Ernst & Young"). The Settling Defendants' Claims are hereby compromised, settled, released, discharged and dismissed with prejudice by virtue of the proceedings herein and this Order and Final Judgment.

8. The Court hereby permanently bars and enjoins any other person or entity who may be liable to Plaintiff and/or the Class (or any person or entity other than any of the Released Parties), including, but not limited to, Ernst & Young, from asserting any action over (including any claim relating to the facts, matters, or transactions alleged in the Complaint or any other pleadings filed in the Action, or any claim for contribution or equitable indemnity against the Settling Defendants or the Released Parties, by which such person or entity attempts to recover losses arising out of claims made by Plaintiff on behalf of himself or any member of the Class.

9. The Plan of Allocation is hereby approved as fair, reasonable and adequate, and in the best interests of the Class.

10. Neither the Stipulation, nor any of its terms and provisions, nor any of the negotiations or proceedings connected with it, nor any of the documents or statements referred to therein shall be:

i. Construed as or deemed in any judicial, administrative, arbitration, mediation or other type of proceedings, to be evidence of a presumption, concession or an admission by any of the Released Parties of the truth of any fact alleged or the validity of any

claim that has been, could have been or in the future might be asserted in the Complaint, or otherwise against the Released Parties, or of any purported liability, fault, wrongdoing or otherwise of the Released Parties; or

ii. Offered or received in evidence in any judicial, administrative, arbitration, mediation or other type of proceeding as a presumption, concession or an admission of any purported liability, wrongdoing, fault, misrepresentation or omission in any statement, document, report or financial statement heretofore or hereafter issued, filed, approved or made by any of the Released Parties or otherwise referred to for any other reason, other than for the purpose of and in such proceeding as may be necessary for construing, terminating or enforcing the Stipulation, except that the Settling Parties may file the Stipulation and/or this Order and Final Judgment in any action that may be brought against them in order to support a defense, counterclaim or cross-claim, if any, based on principles of res judicata, collateral estoppel, release, good faith settlement, judgment bar or reduction or any other theory of claim preclusion or similar defense, counterclaim or cross-claim; or

iii. Construed as a concession or an admission that the Representative Plaintiffs or the Class have suffered any damage; or

iv. Construed as or received in evidence as an admission, concession or presumption against the Representative Plaintiffs or the Class or any of them that any of their claims are without merit or that damages recoverable under the Complaint would not have exceeded the Settlement Fund.

11. Plaintiffs' Counsel is hereby awarded 30% of the Net Settlement Fund, after expenses ~~as~~ $1,526,501.50 ($5,250,000 less expenses of $161,661.66, net 5,088,338.34) as attorneys' fees, which sum the Court finds to be fair and reasonable under both the percentage method and the lodestar method, and $158,661.66 in reimbursement of expenses with interest from the date such Settlement Fund was funded to the date of payment at the same net rate as was earned by the Settlement Fund, which fees and expenses (including interest) shall be

paid to Plaintiff's Lead Counsel from the Settlement Fund. The award of attorneys' fees shall be allocated among Plaintiffs' Counsel in a fashion which, in the opinion of Plaintiff's Lead Counsel, fairly compensates Plaintiffs' Counsel for their respective contributions to the prosecution and resolution of the Action.

12. The Court-appointed Lead Plaintiff, Dr. Russell Semeraro, is hereby awarded his reasonable costs and expenses (including lost wages), directly relating to his representation of the Class, to be paid solely from the Settlement Fund, as permitted pursuant to 15 U.S.C. § 78u-4(4), in the amount of $ 3000.

13. Exclusive jurisdiction is hereby retained over the Settling 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.

14. Without further order of the Court, the Settling 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 expressly directed pursuant to Rule 54(b) of the Federal Rules of Civil Procedure.

DATED: July 29, 2005.

UNITED STATES DISTRICT JUDGE

TAB 2

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

BRUCE SIMONS, on behalf of himself and all others similarly situated	§	
Plaintiff,	§	**Civil Action No: H-03-5825**
vs.	§	**CLASS ACTION**
DYNACQ HEALTHCARE, INC., PHILIP S. CHAN, CHIU M. CHAN, *et al.*	§	
Defendants.	§	

ORDER APPROVING PLAN OF ALLOCATION AND AWARDING FEES AND EXPENSES TO PLAINTIFFS' COUNSEL IN CONECTION WITH CLASS ACTION SETTLEMENT

This matter came before the Court for hearing on January 10, 2007, pursuant to this Court's Order Preliminarily Approving Settlement, dated October 18, 2006, on the application of the Settling Parties for final approval of the Settlement set forth in the Stipulation of Settlement dated as of October 10, 2006 (the "Stipulation"), and upon the application of Lead Plaintiffs for approval of the proposed Plan of Allocation and for an award of Attorneys' Fees, as set forth in the Notice of Pendency of Class Action and Proposed Settlement, Motion for Attorneys Fees And Settlement Fairness Hearing (the "Settlement Notice").

As demonstrated by the December 28, 2006 Declaration of Christl Hansman of Gilardi & Co. LLC, the Claims Administrator re mailing of the Settlement Notice, and the Proofs of Claim, due and adequate notice having been given of the Settlement, the proposed Plan of Allocation and the Motion for Attorneys' Fees as required in this Court's October 18, 2006 Order, and the Court having considered all papers filed and proceedings held herein and otherwise being fully

informed in the premises, and by separate order this Court has approved the Settlement, and good cause appearing therefore,

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that:

1. The Plan of Allocation is approved as fair and reasonable, and Plaintiffs' Counsel and the Claims Administrator are directed to administer the Stipulation in accordance with its terms and provisions.

2. Plaintiff's Counsel are hereby awarded 33 1/3 KPE % of the Gross Settlement Fund in fees, which sum the Court finds to be fair and reasonable, and $59,424.54 KPE in reimbursement of expenses, which amounts shall be paid to Lead Plaintiff's Counsel from the Gross Settlement Fund with interest from the date such Gross Settlement Fund is funded to the date of payment at the same net rate that the Gross Settlement Fund earns. The amount awarded as reimbursement of expenses shall be payable from the amounts paid into escrow first. Fees awarded shall be payable proportionately from payments as they are received in installments. The award of attorneys' fees shall be allocated among Plaintiff's Counsel in a fashion which, in the opinion of Lead Plaintiff's Counsel, fairly compensates Plaintiff's Counsel for their respective contributions in the prosecution of the Action.

3. Lead Plaintiff David Harkness is hereby awarded $3231 KPE, and Lead Plaintiff Cai Yao Chen is hereby awarded $3846 KPE. Such awards are for reimbursement of these Lead Plaintiffs reasonable costs and expenses (including lost wages) directly related to their representation of the Class.

4. 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 provides for Defendants to pay the principal amount of One Million Five Hundred Thousand Dollars ($1,500,000.00), over a period of thirty-seven (37) months following final court approval, together with 6% annual interest, and that numerous Class Members who submit acceptable Proofs of Claim will benefit from the Settlement created by Plaintiffs' Counsel;

(b) Over ten thousand copies of the Notice were disseminated to putative Class Members indicating that Lead Plaintiff's Counsel were moving for attorneys' fees in the amount of one-third (33-1/3%) of the Settlement Amount, or $500,000.00, and for reimbursement of expenses in the approximate amount of $70,000 and no objections were filed against the terms of the proposed Settlement or the ceiling on the fees and expenses requested by Lead Plaintiff's Counsel contained in the Notice;

(c) Lead Plaintiff's 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 two 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 Lead Plaintiff's Counsel not achieved the Settlement there would remain a significant risk that Lead Plaintiff and the Class may have recovered less or nothing from the Defendants;

(f) Plaintiffs' Counsel have devoted over 4,000 hours, with a lodestar value of over $1.5 million, 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.

5. 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 including any application for fees and expenses incurred in connection with administering and distributing the settlement proceeds to the members of the Class in accordance with the Plan of Allocation.

IT IS SO ORDERED.

DATED: 10 January 2017

THE HONORABLE KEITH P. ELLISON
UNITED STATES DISTRICT JUDGE

TAB 3

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

IN RE TETRA TECHNOLOGIES, INC. SECURITIES LITIGATION	)	**Civil Action No. 4:08-CV-00965**
	)	**JUDGE KEITH P. ELLISON**

ORDER AND FINAL JUDGMENT

On the 29th day of September, 2010, a hearing having been held before this Court to determine: (1) whether a Class should be certified; (2) whether the terms and conditions of the Stipulation and Agreement of Settlement dated July 21, 2010 (the "Stipulation") are fair, reasonable and adequate for the settlement of all claims asserted by the Class against the Defendants in the Complaint now pending in this Court under the above caption, including the release of the Defendants and the Released Parties, and should be approved; (3) whether judgment should be entered dismissing the Complaint 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; (4) 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 (5) 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 publicly traded common stock of TETRA Technologies, Inc. ("TETRA") during the period between May 3, 2006 and October 16, 2007, inclusive (the "Class Period"), except those persons or entities excluded from the definition of the Class, as shown by the records of TETRA'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 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 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 Plaintiff, all Class Members, and the Defendants.

2. The Court finds that the prerequisites for a class action under Federal Rule 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 has 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 publicly traded common stock of TETRA during the period between May 3, 2006 and October 16, 2007, inclusive and were damaged as alleged in the Action thereby. Excluded from the Class are the Defendants, the officers, directors and affiliates of TETRA at all relevant times, members of their immediate families and their legal representatives, heirs, successors or assigns, and any entity in which Defendants have or had a controlling interest, and all shares of TETRA stock owned or acquired, directly or indirectly, by any of them. For purposes of this Settlement, the term "controlling interest" shall include any interest of 5% or more of the stock of any entity. ~~[Also excluded from the Class are the persons and/or entities who requested exclusion from the Class as listed on Exhibit 1 annexed hereto.]~~ KPZ

4. 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) and due process 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, which the Court finds was filed on a good faith basis in accordance with the §21D(c)(1) of the Securities Exchange Act of 1934, 15 U.S.C. §78u-4(c)(1), 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, except as provided in the Stipulation.

7. Lead Plaintiff and Members of the Class on behalf of themselves, their heirs, executors, administrators, predecessors, successors and assigns of any of them, and all persons (now or in the future) acting in concert with, or who purport to act through, such persons, fully, finally and forever waive, release, discharge, dismiss, and are hereby permanently and forever barred and enjoined from instituting, commencing or prosecuting, either directly, derivatively, as a class representative, or in any other capacity, any and all claims, rights or causes of action or liabilities, (including, but not limited to, any claims for damages, injunctive relief, interest, attorneys' fees, expert or consulting fees, and any other costs, expenses or liability), whether based on United States federal, state, local, statutory or common law or any other law, rule or regulation, whether foreign or domestic, fixed or contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity, matured or unmatured, foreseen or unforeseen, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, whether class, derivative, or individual in nature, including both known claims and Unknown Claims, (i) that have been asserted in the Action by the Class Members or any of them against any of the Released Parties (whether pleaded in the Complaint or not), or (ii) that could have been asserted in the Action or in any forum by the Class Members or any of them against any of the Released Parties, and which also arise out of, relate to, or are based on any of the claims, allegations, activities, press releases or public statements set forth in the Complaint and which relate to the purchase, sale, transfer or acquisition of the publicly traded common stock of TETRA during the Class Period, or any actions, representations or omissions that were alleged or might have been alleged to affect the price of any publicly traded common stock of TETRA during the Class Period. "Released Parties" means Defendants and any and all of their past or present partners, principals, employees, predecessors, successors, affiliates, officers, directors, attorneys,

agents, insurers and assigns. The foregoing not withstanding, "Settled Claims," as defined in the Stipulation, does not include the claims asserted or alleged in *In re TETRA Technologies Inc. Derivative Litigation*, Cause No. 2008-23432 (133d Dist. Ct., Harris County, Tex.).

8. "Unknown Claims" means any and all Settled Claims which Lead Plaintiff or any Class Member does not know or suspect to exist in his, her or its favor at the time of the release of the Released Parties, and any Settled Defendants' Claims which any Defendant does not know or suspect to exist in his, her or its favor, which if known by him, her or it might have affected his, her or its decision(s) with respect to the Settlement. With respect to any and all Settled Claims and Settled Defendants' Claims, the parties stipulate and agree that upon the Effective Date, Lead Plaintiff 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 Plaintiff and Defendants acknowledge, and Class Members by operation of law shall be deemed to have acknowledged, that the inclusion of "Unknown Claims" in the definition of Settled Claims and Settled Defendants' Claims was separately bargained for and was a key element of the Settlement.

9. The Defendants and the successors and assigns of any of them, are hereby permanently barred and enjoined from instituting, commencing or prosecuting, either directly or in any other capacity, any and all claims, rights or causes of action or liabilities, whether based on United States 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 the Lead Plaintiff, any of the 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) (the "Settled Defendants' Claims") against the Lead Plaintiff, any of the Class Members or their attorneys. The Settled 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 Order and Final Judgment.

10. Pursuant to §21D(f)(5) of the Securities Exchange Act of 1934, 15 U.S.C. §78u-4(f)(5), the Released Parties are hereby discharged from all claims for contribution or equitable indemnity, by any person or entity, whether arising under United States federal, state, local, statutory or common law or any other law, based upon, arising out of, relating to, or in connection with the claims of the Class or any Class Member in the Action. Accordingly, to the maximum extent permissible under the Securities Exchange Act of 1934, the Court hereby bars and enjoins all such claims for contribution or equitable indemnity: (a) by any person or entity against any Released Party; and (b) by any Released Party against any person or entity other than a person or entity whose liability to the Class has been extinguished pursuant to the Stipulation and Agreement of Settlement and this Order and Final Judgment.

11. Neither this Order and Final Judgment, the Stipulation, nor any of its terms and provisions, nor any of the negotiations or proceedings connected with it, nor any of the documents or statements referred to therein shall be:

(a) offered or received against 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 fact alleged by the 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 the Defendants;

(b) 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 Defendant;

(c) offered or received against the 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; provided, however, that Defendants may refer to the Settlement to effectuate the liability protection granted them hereunder;

(d) construed against the 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 Lead Plaintiff 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 Complaint would not have exceeded the Gross Settlement Fund.

12. The Plan of Allocation is approved as fair and reasonable, and Plaintiffs' Counsel and the Claims Administrator are directed to administer the Stipulation in accordance with its terms and provisions.

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. Plaintiffs' Counsel are hereby awarded 18 % of the Cash Settlement Amount in fees, which sum the Court finds to be fair and reasonable, and $570,568.35 in reimbursement of expenses, which expenses shall be paid to Plaintiffs' Lead Counsel from the Cash Settlement Amount with interest from the date such the Settlement was funded to the date of payment at the same net rate that the Settlement Fund earns such interest.

15. Lead Plaintiff Fulton County Employees Retirement System, is hereby awarded $3,640.20 for reimbursement of Lead Plaintiff's reasonable costs and expenses directly related to their representation of the Class under the §21D(a)(4) of the Securities Exchange Act of 1934, 15 U.S.C. §78u-4(a)(4).

16. In making an 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 $8.25 million in cash that is available to the Class, plus interest thereon as applicable, and that numerous Class Members who submit acceptable Proofs of Claim will benefit from the Settlement created by Plaintiff's Counsel;

(b) Over 45,000 copies of the Notice were disseminated to putative Class Members indicating that Plaintiff's Counsel were moving for attorneys' fees in the amount of up to 18% of the Gross Settlement Fund and for reimbursement of expenses in an amount of approximately $557,928.76 and [illegible] objections were filed against the terms of the proposed Settlement or the ceiling on the fees and expenses requested by Plaintiff's Counsel contained in the Notice;

(c) Plaintiff's Counsel have conducted the litigation and achieved the Settlement with skill, perseverance and diligent advocacy;

(d) Defendants have denied and continue to deny liability and have vigorously defended against the claims asserted in the Action;

(e) The Action involves complex factual and legal issues and was actively prosecuted over two years and, in the absence of a settlement, would involve further lengthy proceedings with uncertain resolution of the complex factual and legal issues;

(f) Had Plaintiff's Counsel not achieved the Settlement there would remain a significant risk that Lead Plaintiff and the Class may have recovered less or nothing from the Defendants;

(g) Plaintiff's Counsel have devoted over 3,620.55 hours, with a lodestar value of $2,014,762.20, to achieve the Settlement; and

(h) The amount of attorneys' fees awarded and expenses reimbursed from the Settlement Fund are 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 Stipulation and this Order and Final Judgment, and including any application for attorney and other fees and expenses incurred in connection with administering and distributing the settlement proceeds to the members of the Class.

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 Stipulation.

Dated: September 29, 2010

UNITED STATES DISTRICT COURT JUDGE