

**UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF ALABAMA
NORTHERN DIVISION**

In re COLONIAL BANCGROUP SECURITIES LITIGATION,	}	Case No.: 2:09-cv-00104-RDP-WC
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ORDER AWARDING ATTORNEYS' FEES AND EXPENSES

This matter is before the court on Lead Counsel's Motion for Attorneys' Fees and Payment of Litigation Expenses (Doc. # 555), filed on May 14, 2015. All capitalized terms used herein having the meanings as set forth and defined in the Stipulation and Agreement of Settlement with Remaining Defendants (the "Stipulation"), dated as of February 3, 2015. (Doc. # 550-1.) The court has considered all matters submitted to it at the hearing held on June 18, 2015, and otherwise. A notice of the hearing substantially in the form approved by the court (the "Notice") was mailed to all reasonably identified persons or entities who purchased (i) the common stock of Colonial BancGroup, Inc. ("Colonial"), (ii) Colonial's common stock traceable to the Company's April 23, 2008 stock offering pursuant to the Registration Statement and Prospectus filed with the Securities and Exchange Commission (the "Stock Offering"), and (iii) the \$250 million worth of Subordinated Notes due in 2038, paying 8.875% interest on a quarterly basis, pursuant or traceable to Colonial's Form S-3/A Shelf Registration Statement and Prospectus dated November 12, 2004 and Form 424 (b)(2) Prospectus Supplement dated February 28, 2008 during the period between April 18, 2007 and August 6, 2009, inclusive (the "Class Period"), and were allegedly damaged thereby (the "Settlement Class"). A summary notice of the hearing (the "Summary Notice"), substantially in the form approved by the court,

was published in *Investor's Business Daily* and transmitted over *PR Newswire*. The court has considered and determined both the fairness and reasonableness of the award of attorneys' fees and expenses requested.

The court **ORDERS** as follows:

1. The court has jurisdiction over the subject matter of this Action and over all Parties to the Action, Settlement Class Members, and the Claims Administrator.

2. Notice of Lead Counsel's application for attorneys' fees and payment of expenses was given to all Settlement Class Members who could be identified with reasonable effort. The form and method of notifying the Settlement Class of the application for attorneys' fees and expenses met the requirements of Rule 23 of the Federal Rules of Civil Procedure, Section 21D(a)(7) of the Securities Exchange Act of 1934, 15 U.S.C. § 78u-4(a)(7), as amended by the Private Securities Litigation Reform Act of 1995 (the "PSLRA"), Section 27 of the Securities Act of 1933, 15 U.S.C. §77z-1(a)(7), as amended by the PSLRA, due process, and any other applicable law, constituted the best notice practicable under the circumstances, and constituted due and sufficient notice to all persons and entities entitled thereto.

3. Lead Counsel is hereby awarded attorneys' fees in the amount of 25% of the Settlement Fund, or \$1,975,000, and payment of litigation expenses in the amount of \$208,460.91, with interest earned on both amounts at a rate equal to the interest earned by the Settlement Fund, which sums the court finds to be fair and reasonable.

4. The award of attorneys' fees and litigation expenses may be paid to Lead Counsel from the Settlement Fund, subject to the terms, conditions, and obligations of the Stipulation, which terms, conditions and obligations are incorporated herein.

5. In making this award of attorneys' fees and payment of litigation expenses to be paid from the Settlement Fund, the court has considered and found that:

(a) The Settlement has created a fund of \$7.9 million in cash and numerous Settlement Class Members who submit eligible Proofs of Claim will benefit from the Settlement created by the efforts of Lead Counsel;

(b) The request for attorneys' fees and payment of litigation expenses has been reviewed and approved as fair and reasonable by Lead Plaintiffs State-Boston Retirement System, Norfolk County Retirement System and City of Brockton Retirement System (Lead Plaintiff Arkansas Teacher Retirement System defers to the court with respect to the amount of attorneys' fees and expenses that should be awarded), sophisticated institutional investors that were directly involved in the prosecution and resolution of the claims and who have a substantial interest in insuring that any fees paid to Lead Counsel are duly earned and not excessive;

(c) Notice was disseminated to putative Settlement Class Members stating that Lead Counsel would seek fees of up to 25% of the Settlement Fund and payment of expenses in an amount not to exceed \$500,000, plus interest, and no objections have been received;

(d) Lead Counsel has prosecuted the claims and achieved the Settlement with skillful and diligent advocacy;

(e) The Action involves complex factual and legal issues and, in the absence of settlement, continuing with the claims against the Defendants and Tolloed Defendants would involve lengthy proceedings whose resolution would be uncertain;

(f) Lead Counsel has devoted more than 3,800 hours, with a lodestar value of \$2,299,207.25, to achieve the Settlement; and

(g) The amount of attorneys' fees awarded and litigation expenses reimbursed from the Settlement Fund are fair and reasonable and consistent with awards in similar cases. The same fee percentage was awarded in connection with the Colonial I Settlement.

6. Any appeal or any challenge affecting this court's approval of the attorneys' fees and expense application shall in no way disturb or affect the finality of the Judgment entered with respect to the Settlement.

7. Exclusive jurisdiction is hereby retained over the subject matter of this Action, and over all Parties to the Action, including the administration and distribution of the Net Settlement Fund to Settlement Class Members.

8. In the event that the Settlement is terminated or does not become Final or the Effective Date does not occur in accordance with the terms of the Stipulation, this order shall be rendered null and void to the extent provided by the Stipulation and shall be vacated in accordance with the Stipulation.

DONE and **ORDERED** this June 19, 2015.

A handwritten signature in black ink, appearing to read 'R. David Proctor', written over a horizontal line.

R. DAVID PROCTOR
UNITED STATES DISTRICT JUDGE