UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE VIRTUS INVESTMENT PARTNERS, INC. SECURITIES LITIGATION	Case No. 15-cv-1249 (WHP)

JOINT DECLARATION OF MICHAEL H. ROGERS AND JOHN C. BROWNE IN SUPPORT OF (I) CLASS REPRESENTATIVE'S 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

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MICHAEL H. ROGERS and JOHN C. BROWNE jointly declare as follows:

I. INTRODUCTION

1. Michael H. Rogers is a partner in the law firm of Labaton Sucharow LLP ("Labaton"), and John C. Browne is a partner in the law firm of Bernstein Litowitz Berger & Grossmann LLP ("BLB&G"). Labaton and BLB&G are each Court-appointed co-Class Counsel, and Counsel for Lead Plaintiff and Court-appointed Class Representative Arkansas Teacher Retirement System ("ATRS," "Lead Plaintiff," or "Class Representative"), in the above-captioned action (the "Action").[1] We have personal knowledge of the matters set forth herein based on our active participation in the prosecution and settlement of the Action.

2. We respectfully submit this Joint Declaration in support of: (a) Class Representative's Motion for Final Approval of Class Action Settlement and Plan of Allocation (the "Final Approval Motion"); and (b) Class Counsel's Motion for an Award of Attorneys' Fees and Payment of Litigation Expenses (the "Fee and Expense Motion"; with the Final Approval Motion, the "Motions").

3. The proposed Settlement provides for the resolution of all remaining claims in the Action in exchange for a $22 million cash payment to the Class. The Settlement represents a very favorable result, bringing to a close—just weeks before trial—three years of hard-fought litigation. During that time, Class Counsel engaged in significant motion practice; certification of a litigation class; the completion of fact and expert discovery on an aggressive schedule; substantial trial preparation; mediation; and robust arm's-length negotiations between counsel

[1] Unless otherwise defined herein, all capitalized terms have the meanings set forth in the Stipulation and Agreement of Settlement, dated May 18, 2018 (the "Stipulation" or "Stipulation of Settlement"), previously filed with the Court. *See* ECF No. 143-1.

and with a mediator. The Settlement will provide a meaningful recovery to the Class while avoiding the further delay and significant risks of continued litigation.

4. The Settlement results in compensation to the Class in a situation where there was significant risk that the Class might recover less (or nothing) should litigation continue. Defendants had substantial defenses to liability, including challenges to falsity, scienter, materiality, and loss causation. Defendants' motion for summary judgment primarily argued that Class Representative cannot prove, as required by law, that any alleged misstatements or omissions by Defendants caused the Class's losses. Defendants argued that the truth about those alleged misrepresentations had been revealed months earlier, yet caused no statistically significant decline in the price of Virtus stock, thus the later declines alleged by Class Representative to be corrective disclosures were merely materializations of ***known*** risks or otherwise not recoverable under the securities laws.

5. While Class Representative advanced credible counterarguments of its own, Class Counsel recognize that there is a substantial risk that Defendants' motion for summary judgment might eliminate a significant portion—or even ***all***—of the Class's potential recoverable damages. Even if Defendants' motion for summary judgment was unsuccessful, Defendants would have continued to vehemently pursue this argument in *Daubert* motion practice, at trial, and through appeals.

6. Moreover, even if Defendants' summary judgment motion had been denied in its entirety, Class Representative faced other significant risks to proving liability. For instance, Defendants would have argued to the jury that Class Representative could not establish the element of scienter (*i.e.,* that Defendants acted with a fraudulent state of mind and not merely negligence). In support they would have pointed to the fact that in a civil enforcement action

brought by the Securities and Exchange Commission ("SEC") a jury has found that Howard Present—President of F-Squared, Inc. ("F-Squared"), a sub-advisor to Virtus, had committed fraud relating to the AlphaSector funds, which are the underlying subject of Defendants' alleged misstatements. Defendants would likely claim that they too were victims of Mr. Present's fraud, increasing the risk of a jury finding of gross negligence (or less), which would be insufficient to support Class Representative's claims under the Securities Exchange Act of 1934 ("Exchange Act").

7. Defendants also would hold Class Representative to its burden of proof on the element of materiality by using the expert testimony of two distinguished academics to argue to the jury that the allegedly misstated information—concerning whether the AlphaSector performance history over five years ***before*** the start of the Class Period had been back-tested, rather than the result of live trading—did not matter to Virtus investors. While Class Representative and Class Counsel believe they had compelling counterarguments and evidence in support of their claim, resolving the Parties' respective positions on this issue would require the jury to evaluate dueling expert testimony and make findings of fact on these technical (and even theoretical) concepts.

8. Finally, even supposing that Class Representative overcame all of these risks and succeeded in establishing Defendants' liability and the existence of a meaningful level of recoverable damages at trial, Defendants had already signaled their intention to pursue appeals of certain of the Court's earlier decisions. This includes the Court's ruling denying in part Defendants' motion to dismiss, that Virtus was a "maker" of statements under the Supreme Court's ruling in *Janus Capital Group, Inc. v. First Derivative Traders*, 64 U.S. 135 (2011). This and any other likely appeals would have further delayed and threatened any recovery.

9. The Settlement eliminates these risks while providing a guaranteed recovery to the Class in a timely manner. When viewed in this context, and relative to other securities class action recoveries, the recovery achieved in this case is very good. The Settlement has the full support of Class Representative. *See* Declaration of Rod Graves, Deputy Director of Arkansas Teacher Retirement System, dated September 19, 2018, submitted herewith as Ex. 1, at ¶ 9.

10. As discussed in more detail below, the Settlement was achieved in considerable part due to the substantial litigation efforts of Class Counsel, including:

i. investigating and filing a detailed amended complaint, which involved conducting a comprehensive investigation of the claims and potential claims against Virtus and the other Defendants through, among other things, consulting with a highly-regarded expert, conducting 60 interviews of former Virtus employees and other potential witnesses, and reviewing the voluminous public record (including relevant SEC filings, analyst reports, news articles, and investor calls);

ii. defeating Defendants' motion to dismiss the Complaint, which involved oral argument before the Court;

iii. completing fact and expert discovery, including the production and analysis of more than five million pages of documents, taking and/or defending 16 fact depositions and five expert depositions, and working to prepare five expert reports;

iv. successfully moving for class certification, which required two expert reports, taking and defending expert depositions, and participating in oral argument before the Court; and

v. opposing Defendants' motion for summary judgment and participating in oral argument before the Court, and additional submissions to the Court after argument in light of new authority.

11. At several instances throughout the prosecution of the Action, Class Counsel engaged in settlement negotiations with Defendants. These negotiations included participation in a formal mediation process overseen by an experienced and highly respected mediator from the Judicial Mediation and Arbitration Services ("JAMS"), Jed D. Melnick, Esq. (the "Mediator").

As part of the mediation process, the Parties exchanged mediation submissions and participated in a full-day mediation session on December 21, 2017, at which the Parties—including a principal from Class Representative directly—exchanged views regarding the relative strengths and weaknesses of their cases. However, the Parties did not reach any agreement on the day of the mediation and remained far apart in their positions. Intense settlement negotiations began again after oral argument on Defendants' motion for summary judgment on January 18, 2018. On February 6, 2018, the Settling Parties reached an agreement in principle to settle the Action.

12. As a result of their substantial litigation efforts, Class Representative and Class Counsel are well-informed of the strengths and weaknesses of the claims and defenses in the Action, and they have concluded that the Settlement is in the best interests of the Class.

13. In addition to seeking final approval of the Settlement, Class Representative seeks approval of the proposed Plan of Allocation. Class Representative prepared the Plan of Allocation in consultation with its expert in the fields of damages and economics. Pursuant to the Plan of Allocation, the Settlement Amount plus interest accrued, less Court-approved attorneys' fees and expenses, Notice and Administration Costs, and Taxes (the "Net Settlement Fund"), will be distributed on a *pro rata* basis to Class Members who submit Claim Forms that are approved for payment by the Court.

14. Class Counsel worked hard, and with skill and diligence, to achieve a very beneficial Settlement for the Class. At all times, Class Counsel took pains to conduct the litigation as efficiently as possible, and minimize duplicative work through careful coordination and meaningful divisions of labor. These efforts have been entirely on a contingency fee, and Class Counsel have not received any payment of fees or expenses. Accordingly, for their efforts and success in prosecuting the case and negotiating the Settlement, Class Counsel are applying

for an award of attorneys' fees and payment of Litigation Expenses. Specifically, Class Counsel are applying for: (i) attorneys' fees in the amount of 25% of the Settlement Fund, or $5,500,000, plus interest accrued at the same rate as earned by the Settlement Fund; (ii) payment of expenses reasonably incurred by Class Counsel in the amount of $898,497.96; and (iii) an award pursuant to the Private Securities Litigation Reform Act, 15 U.S.C. § 78u-4 ("PSLRA") in the amount of $5,648.73 to the Class Representative in connection with its representation of the Class. The requested fee is well within the range of percentage awards granted by this Court, other courts in this Circuit, and across the country in securities class actions.

15. As discussed further below, in seeking fees—as was done in seeking preliminary approval of the Settlement—Class Counsel have taken care to be mindful of this Court's findings in connection with similar fee applications on matters such as partner staffing and staff attorney time.

16. For all of the reasons set forth herein, including the very favorable result obtained and the obstacles to a greater recovery, we respectfully submit that the Settlement and Plan of Allocation are "fair, reasonable, and adequate" in all respects, and that the Court should approve them pursuant to Federal Rule of Civil Procedure Rule 23(e). For similar reasons, and for the additional reasons set forth below, we respectfully submit that Class Counsel's request for attorneys' fees and payment of Litigation Expenses, which includes the requested PSLRA award to Class Representative, are also fair and reasonable, and should be approved.

II. PROSECUTION OF THE ACTION

A. Factual Background of the Action

17. As the Court is aware, this securities class action asserts claims arising under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 ("Exchange Act") on behalf of

investors who purchased or otherwise acquired Virtus common stock during the certified Class Period.

18. Virtus provides mutual funds and related investment services and products to individual and institutional investors. Virtus manages its funds through affiliated investment managers along with external managers, also known as "subadvisors." During the Class Period, Virtus and its senior executives told investors that the strategy (known as "AlphaSector") underlying their flagship products—the AlphaSector Funds—had a track record of outperforming the S&P 500 by 480% going back to an inception date of April 2001. In reality, AlphaSector's "returns" and "performance" prior to October 2008 were not achieved by real clients investing live assets, but instead were based on hypothetical back-testing.

19. The Complaint further alleged Defendants knew that the misleading track record of the AlphaSector Funds was critical to investors. Thus, Virtus and its senior executives allegedly knew that the market would—and in fact did—react positively to their narrative about a fund with such a stellar track record and the ability to protect against market volatility. By 2013, over $11.4 billion was invested in the AlphaSector funds.

20. The Complaint alleged that the truth about Defendants' false and misleading statements and omissions did not begin to emerge until September 3, 2014, when analysts and news outlets reported that F-Squared, Virtus's subadvisor for its AlphaSector Funds, had received a "Wells Notice" from the SEC regarding AlphaSector. Thereafter, on December 22, 2014, F-Squared settled charges of fraud by the SEC, and Howard Present—the CEO of F-Squared, architect of the AlphaSector strategy—was charged with fraud by the SEC. Nonetheless, the Complaint alleged that the full truth still remained concealed because the market did not know the full level of Virtus's involvement. Finally, on May 11, 2015, Virtus

disclosed that it was being investigated by the SEC regarding "whether the Company had violated securities laws or regulations with respect to F-Squared's historical performance information." Class Counsel contend that this admission finally fully revealed the truth—and materialized the risks—concealed by Defendants' fraud.

B. Filing of the Initial Complaint and Appointment of Lead Plaintiff and Lead Counsel

21. On February 20, 2015, the initial complaint in this Action was filed, seeking to represent a class of Virtus investors between May 28, 2013 and December 22, 2014. Pursuant to the PSLRA, the deadline to seek appointment as lead plaintiff and lead counsel was April 21, 2015.

22. On that date, ATRS moved the Court for appointment as Lead Plaintiff. ECF No. 16. Although two other parties had initially moved for Lead Plaintiff, they withdrew their motions after ATRS filed its motion. ECF Nos. 11-15; 19-20.

23. On June 9, 2015, the Court granted ATRS's motion and appointed it as Lead Plaintiff pursuant to the PSLRA. ECF No. 27. In that same Order, the Court appointed BLB&G and Labaton each as co-Lead Counsel pursuant to the PSLRA.

C. Class Counsel's Investigation and the Consolidated Class Action Complaint

24. After the Court appointed Lead Plaintiff and Lead Counsel, Class Counsel accelerated their already ongoing investigation into potential claims and began drafting a consolidated amended complaint. This effort required that Class Counsel thoroughly research relevant case law applicable to the claims asserted and Defendants' potential defenses thereto, while simultaneously conducting an exhaustive review of countless materials authored, issued, or presented by Virtus and the other Defendants, including Virtus's financial reports, hundreds of SEC filings, conference call transcripts, registration statements, prospectuses, press releases,

investor presentations, and other communications issued publicly during the Class Period and beyond.

25. Also as part of their investigation, Class Counsel conducted 60 interviews with potential witnesses, primarily former Virtus employees. These interviews provided valuable insight and background that aided Class Counsel in their investigation and formulating the theory of the case.

26. Class Counsel also retained Global Economics Group, a preeminent economic consulting firm, to provide expert analysis relating to market efficiency, loss causation, and damages. The work performed by Global Economics Group provided considerable aid to Class Counsel in drafting the Complaint.

27. On August 21, 2015, Lead Plaintiff filed a detailed 70-page Consolidated Class Action Complaint (the "Consolidated Class Action Complaint" or the "Complaint"). ECF No. 33. Several discoveries from Class Counsel's investigation expanded the Complaint from the initial complaint. First, Class Counsel expanded the Class Period to May 11, 2015, when Virtus disclosed that it was under investigation by the SEC. Further, the Complaint incorporated information provided by former Virtus employees interviewed in Class Counsel's investigation. In particular, the Complaint cited to a former Virtus wholesaler who provided insight into Virtus's sales practices and provided an internal Virtus document that was attached to the complaint.

D. Defendants' Motion to Dismiss the Complaint

28. On September 18, 2015, the Court held an initial conference with the parties. ECF No. 48. On September 24, 2015, pursuant to the Court's individual rules of practice, Defendants filed a letter motion seeking a pre-motion conference for Defendants' anticipated motion to dismiss. ECF No. 44. On September 29, 2015, Lead Plaintiff filed a substantive letter opposing

Defendants' request for a pre-motion conference. ECF No. 45. On October 7, 2015, the parties participated in a telephone conference before the Court concerning Defendants' letter-motion. ECF No. 50. During the conference, the Court asked Class Counsel whether they would take an opportunity to amend the complaint prior to the commencement of motion to dismiss briefing. On the basis of their efforts in investigating, researching, and drafting the Complaint, Class Counsel declined, and the Court permitted Defendants to file their motion to dismiss. ECF Nos. 47, 50.

29. On October 21, 2015, pursuant to the Court's order, Defendants filed their motion to dismiss the Complaint. ECF Nos. 52-54. In their motion, Defendants challenged the sufficiency of the Complaint with respect to nearly every element of Lead Plaintiff's claims. Defendants argued, among other things, that the Complaint pled no false and misleading statements attributable to Defendants, and further that Defendants were not the "makers" of any such statements in any case under the Supreme Court's decision in *Janus Capital Grp., Inc. v. First Derivative Traders*, 131 S. Ct. 2296 (2011). ECF No. 53. Defendants also argued that Lead Plaintiff failed to plead scienter with the heightened particularity required by Rule 9(b) and the PSLRA, specifically that the alleged insider stock sales were insufficient and that the information relied on in the Complaint from a former Virtus wholesaler was not credible. *Id.*

30. On November 20, 2015, Lead Plaintiff filed its opposition to Defendants' motion to dismiss. ECF No. 60. Class Counsel made every effort to coordinate and streamline their drafting of Lead Plaintiff's opposition brief. For example, because BLB&G took the lead in drafting the amended complaint, BLB&G was primarily responsible for drafting the facts section of Lead Plaintiff's opposition brief, while Labaton was primarily responsible for researching and

drafting the legal arguments. Class Counsel took a similarly coordinated and collaborative approach to briefing throughout their litigation of this case.

31. In its opposition, Lead Plaintiff argued, *inter alia*, that: Defendants' statements concerning AlphaSector's track record and returns were materially misleading, as there was no dispute that the AlphaSector index did not even exist prior to 2008, and the AlphaSector prospectuses represented the index returns as live returns; Defendants "made" the misleading statements in the AlphaSector prospectuses, consistent with Janus; and that other of Defendants' statements concerning Virtus's selection and monitoring of its managers and sub-advisers were actionable. ECF No. 61.

32. Regarding Defendants' other false statements, Lead Plaintiff argued that Defendants' statements concerning the technical and proprietary aspects of the AlphaSector model were not puffery, but instead were material and actionable because investors clearly cared about and relied on the aspects of the model that Defendants touted. Lead Plaintiff also argued that Defendants' statements concerning the sources of Virtus's revenue were actionable because investors would have cared that the revenues were driven by the fraudulent marketing of Virtus's flagship product.

33. Lead Plaintiff also addressed Defendants' scienter arguments, asserting that the Complaint sufficiently pled scienter by showing that the Defendants had motive and opportunity, including that certain of the individual defendants attended a December 2012 meeting in Boca Raton, Florida, during which they learned that Virtus's public statements concerning AlphaSector's historical performance, trading strategy, and inception date were false. ECF No. 61 at 20-21. Lead Plaintiff also argued that the Complaint sufficiently pled scienter with strong circumstantial evidence of conscious misbehavior, including, among other things, that: two of

the individual Defendants sold 28% and 34% of their respective VIP stock; Virtus's Chief Financial Officer abruptly resigned shortly after Defendants learned that the SEC was investigating its sub-adviser, F-Squared, and just before F-Squared announced that it had "clearly overstated" AlphaSector's record; and after learning that the SEC was investigating F-Squared, Defendants instructed Virtus wholesalers to employ a "scorched earth" policy and get rid of any documents referencing the fraudulent track record. ECF No. 61 at 21-22.

34. On December 4, 2015, Defendants filed their reply memorandum of law in further support of their motion to dismiss. ECF Nos. 63-64. Lead Plaintiff carefully reviewed these submissions and evaluated whether a sur-reply was necessary before concluding that the arguments could be addressed at oral argument.

E. The Court Denies Defendants' Motion to Dismiss

35. On December 17, 2015, Class Counsel participated in oral argument before the Court on Defendants' motion to dismiss. ECF No. 66. Consistent with their efforts throughout to coordinate the case efficiently and effectively, BLB&G and Labaton each focused on discreet areas in preparing for the argument, and an attorney from each firm spoke during the oral argument in response to particular arguments raised by Defendants and to the Court's questions on their particular focus.

36. On July 1, 2016, the Court issued a 20-page Opinion and Order denying in part and granting in part Defendants' motion to dismiss. ECF No. 68. Among other things, the Court agreed that the Complaint adequately alleged a Section 10(b) claim concerning Defendants' statements about the AlphaSector track record, ruling that a reasonable investor may have understood Defendants' statements in their SEC filings to state that pre-2008 returns were achieved through live asset management rather than through hypothetical back testing. In rejecting Defendants' arguments that they could not be considered to have "made" any of these

statements, the Court distinguished the present case from *Janus*. The Court thus held that Lead Plaintiff's "allegations of control, coupled with the fact that the Virtus Partners logo was printed in bold on the first page of the prospectuses, are sufficient to allege that Virtus Partners had authority over the information in the registration statements and prospectuses to make its statements attributable to Virtus Partners." *Id.* at 15. Because Aylward signed Virtus's filings, the Court found that these 10(b) claims were sustained as to him but dismissed as to Cerutti and Waltman (although the Court sustained the causes of action against Messrs. Cerutti and Waltman as control persons under section 20(a)).

37. The Court also sustained the Complaint's claim concerning Defendant Aylward's statement that Virtus's "portfolio managers continued to deliver strong relative investment performance, and this performance has been a key driver of our high levels of sales and net flows" on the grounds that it omitted the misleading performance history of the AlphaSector index. *Id.* at 8. The Court held that Defendants' statements suggested that investors' decisions to purchase AlphaSector fund shares were driven by the portfolio managers' investment performance, not the back-tested performance history of the AlphaSector strategy, which the Court held were half-truths sufficient to state a claim.

38. On scienter, the Court found that Lead Plaintiff sufficiently alleged scienter as to Defendants Cerutti, Waltman, and Aylward by virtue of the Complaint's allegations about their attendance at the 2014 Boca Raton conference described above, crediting Lead Plaintiff's confidential witness and rejecting Defendants' arguments that such report was not credible. The Court also ruled that Lead Plaintiff's allegations of Cerutti's and Waltman's inside stock sales supported an inference of scienter. *Id.* at 12.

39. The Court's comprehensive analysis focused on the key issues in the Action and provided the parties with valuable insight into the issues that allowed them to continue to assess honestly the merits of their respective cases.

40. Following the Court's opinion on Defendants' motion to dismiss, on July 8, 2016, the Parties met and conferred concerning a proposed plan of discovery, and thereafter sought an extension of time to file their Joint Rule 26(f) Report and Proposed Scheduling Order to continue negotiations about discovery and scheduling. ECF Nos. 41; 70. The Court granted the parties' request. ECF No. 72. Pursuant to the Court's July 14, 2016 order, ECF No. 71, on August 10, 2016, the parties filed their Joint Rule 26(f) Report and Proposed Scheduling Order. ECF No. 75.

41. Defendants answered the Complaint on August 5, 2016. ECF No. 74.

42. On August 12, 2016, the Court held a status and scheduling conference attended by all parties. ECF No. 77. On August 17, 2016, the Court issued a scheduling order that largely adopted the Parties' proposed schedule, including the aggressive discovery schedule sought by Lead Plaintiff: fact discovery would commence immediately, including the immediate production by Defendants of all documents previously produced in government investigations concerning AlphaSector, and conclude by May 17, 2017. ECF No. 76. The Court further ordered that Lead Plaintiff's motion for class certification must be filed by November 7, 2016, Defendants must depose the proposed class representative and any class certification expert by December 19, 2016, Defendants' opposition to class certification must be filed by January 16, 2017, Lead Plaintiff must depose Defendants' class certification expert by January 30, 2017, and Lead Plaintiff must file any reply brief by February 17, 2017. Oral argument would be held on March 3, 2017 at 11:00am. *Id.*

F. Discovery

43. Immediately after the Court's order denying Defendants' motions to dismiss, Lead Plaintiff and Class Counsel began planning how best and most efficiently to conduct discovery and draft discovery requests. In crafting the discovery plan, Class Counsel had to take into consideration the related action also proceeding before the Court, *Youngers v. Virtus Investment Partners, Inc. et al*., Case No. 1:15-cv-08262-WHP (S.D.N.Y.). Though the *Youngers* plaintiffs were purchasers of the AlphaSector Funds themselves (rather than purchasers of Virtus common stock, as in this Action), both actions asserted claims concerning the same underlying conduct. Accordingly, all Parties—Class Representative, Class Counsel, and Defendants—sought to coordinate discovery in this Action to maximize efficiency.

44. As described further below, Class Counsel conducted extensive discovery in litigating this Action, including: the review of documents; taking, defending, and/or otherwise participating in 21 fact and expert depositions; drafting and responding to interrogatories; and consulting with Class Counsel's expert in the preparation of several expert reports. In particular, Class Counsel took an aggressive stance at the outset of discovery, and obtained Defendants' agreement to quickly produce—as part of initial disclosures in order to avoid the delay inherent in a formal document request pursuant to Rule 34—a substantial production that Defendants had made to the SEC.

45. This allowed Class Counsel to pursue an accelerated and efficient discovery schedule, and made it possible for Class Counsel to hone discovery requests and target appropriate party and third party witnesses. Class Counsel also negotiated additional document productions from Defendants beyond the initial SEC production, and engaged in extensive negotiations with Defendants over the scope of requests, the number of custodians, and applicable search terms. Class Counsel also successfully negotiated the production of

communications that Defendants had with the SEC during the investigation, which shed light on the timing and extent of Defendants' knowledge of the falsity of their misstatements.

1. Document Discovery

46. Developing the substantial body of evidence needed to prove the alleged violations of the federal securities laws required Lead Plaintiff to undertake robust document discovery efforts. Class Counsel ultimately obtained and analyzed approximately 5,219,937 pages of documents produced in this matter. Beginning in September 2016, pursuant to the Court's August 17, 2016 scheduling order, Defendants produced to Lead Plaintiff all documents previously produced in government investigations concerning the AlphaSector funds, consisting of over 3,255,056 pages of documents.

47. As Class Counsel reviewed these documents, they identified additional categories of documents that apparently had not been produced to the Government, but were nonetheless necessary to prove the Complaint's allegations. Accordingly, on November 23, 2016, Lead Plaintiff served its first request for production of documents, which consisted of 36 document requests that narrowly targeted these additional documents.

48. Beginning in January 2017, Defendants made several rolling productions of documents to Lead Plaintiff in response to its requests, which Class Counsel and their staff attorneys worked to review and synthesize in preparation for later briefing. In total, these productions contained nearly 77,543 additional documents, consisting of internal emails, correspondence with regulators, text messages, internal memoranda, and more.

49. In addition to the documents collected from Defendants, Class Counsel also issued subpoenas for the production of documents from third parties that Class Counsel believed had documentary evidence relevant to Lead Plaintiff's case. Specifically, during discovery, Class Counsel issued subpoenas to third parties Howard Present, Corey Hoffstein, Newfound

Research, and F-Squared, ultimately receiving 273,936 documents in response to its subpoenas. These documents were critical in understanding the history of the genesis of AlphaSector and the algorithm underlying the index, the falsity of Defendants' statements, and Defendants' knowledge that the AlphaSector performance history was back-tested. To secure these documents, Class Counsel engaged in separate negotiations with counsel for Newfound Research and counsel for Howard Present, and secured agreement that Newfound Research and Howard Present would produce the relevant portions of productions they had made to the SEC in connection with the SEC's investigation of F-Squared.

50. Concurrent with Lead Plaintiff's efforts to obtain and review documents relevant to its case, on November 8, 2016, Defendants served on Lead Plaintiff their first request for production of documents, consisting of 43 document requests concerning Lead Plaintiff's investment practices, investment managers, trading history, and knowledge of Virtus and Virtus securities. Class Counsel thereafter drafted their responses and objections to Defendants' document requests and engaged in a meet and confer process that included numerous phone calls, emails, and letters as well as substantial attorney time. Ultimately—while simultaneously continuing to review Defendants' government production so as to maintain the aggressive discovery schedule desired—Lead Plaintiff produced over 160,000 pages of documents, each of which required Class Counsel's review for relevance and privilege.

2. Document Review

51. As Class Counsel received documents in response to Lead Plaintiff's document requests to Defendants, they needed to review and analyze those documents. In doing so, Class Counsel constantly looked for ways to keep costs to a minimum, as well as to streamline their review and analysis. At the very outset, Class Counsel chose Precision Discovery from a preferred group of e-discovery vendors that have shown a high level of expertise and possess

cutting edge technology at competitive market rates. Precision's qualified technicians assisted Class Counsel throughout discovery, including in the forensic collection of Lead Plaintiff's data and the processing of responsive documents in connection with Defendants' numerous document requests. Precision's proficiency in using analytical tools and techniques to streamline and organize large volumes of data received throughout the discovery process in the Action also aided in the efficient promotion of significant documents for closer review.

52. In Class Counsel's judgment, maintaining the aggressive discovery schedule was important to the successful prosecution of the Action. However, particularly given the volume of documents, Class Counsel's ability to do so required the assistance of staff attorneys to review documents and help prepare for depositions. These staff attorneys were valued and integral members of the team—including, for many of them, through pre-trial preparations. Among other things, the staff attorneys assisted with document review, conducted critical analyses of the documents, prepared deposition kits, identified and compiled key documents used in class certification and summary judgment briefing; assisted in drafting Lead Plaintiff's response to Defendants' statement of facts and counterstatement of facts in opposition to Defendants' motion for summary judgment; in certain instances, second-chaired depositions; and prepared deposition transcript designations and other critical pretrial items.

53. Of the staff attorneys assigned to this matter, three were employed by BLB&G and five were employed by Labaton. BLB&G's staff attorneys work in its offices at 1251 Avenue of the Americas; they sit on the same floors as the firm's partners, associates, and support staff; and they are W-2 employees of BLB&G, which means that the firm pays FICA and Medicare taxes on their behalf, along with state and federal unemployment taxes. The staff attorneys whom BLB&G employs also have access to the firm's 401(k) program and are eligible

to receive year-end bonuses. BLB&G's staff attorneys are fully supervised by the firm's partners and associates and have access to secretarial and paralegal support. BLB&G also assigns a firm email address to each staff attorney it employs. Labaton's staff attorneys work in its offices at 140 Broadway and they are W-2 employees of Labaton, which means that the firm pays FICA and Medicare taxes on their behalf, along with state and federal unemployment taxes. The staff attorneys whom Labaton employs, once certain eligibility requirements are met, also have access to the firm's 401(k) program and are eligible to receive year-end bonuses. Labaton's staff attorneys are fully supervised by the firm's partners and associates and have access to secretarial and paralegal support. Labaton also assigns a firm email address to each staff attorney.

54. The staff attorneys who undertook discovery in this Action have significant credentials and experience and have engaged in substantive work at Class Counsel for years. In this case and others they have served as valuable members of Class Counsel's litigation teams, and several have worked with us on multiple cases. For example, Erik Aldeborgh graduated from Northeastern School of Law in 1987, and previously worked as an associate at Goodwin Proctor LLP and as litigation counsel at Liberty Mutual Insurance Company. He joined BLB&G in 2014. Mr. Aldeborgh and Mr. Browne have worked directly together in litigating various securities actions, including *Medina v. Clovis Oncology, Inc., et al*. (D. Colo.) and *In re comScore Securities Litigation* (S.D.N.Y.). On this matter, Mr. Aldeborgh played a pivotal role not just in document review, but also in opposing Defendants' motion for summary judgment, preparing pretrial material, and even second-chairing certain depositions that Mr. Browne took.

55. Sandy Yaklin graduated from the University of Pennsylvania Law School in 1996 and previously served as an associate at Reed Smith LLP and assistant general counsel at Exelon before joining BLB&G in 2009. Since 2006, she has worked for plaintiffs firms on various

securities class actions, including *In re Washington Mutual, Inc., Securities Litigation* and *Hefler v. Wells Fargo & Co. et al*. with Lead Counsel. Like Mr. Aldeborgh, on this matter, Ms. Yaklin assisted with document review from the very start, and also provided critical support in preparing our oppositions to Defendants' motion for summary judgment as well as pretrial submissions.

56. Alexa Butler graduated from St. John's University School of Law in 1997 and previously worked as a contract attorney at Whatley Drake & Kallas, LLC. Ms. Butler joined BLB&G in 2007, and since that time, she and Mr. Browne have worked together in litigating *Medina et al v. Clovis Oncology, Inc., et al.*, *In re Bank of New York Mellon Corp. Forex Transactions Litigation*, and *In re Refco, Inc., Securities Litigation*. Like Mr. Aldeborgh and Ms. Yaklin, Ms. Butler assisted with document review and in preparing our oppositions to Defendants' motion for summary judgment.

57. Todd Kussin graduated from the Hofstra University School of Law in 2002 after receiving his B.A. from Cornell University in 1997. He previously worked as an Associate at Clifford Chance US LLP and Milberg LLP, and as a Contract Attorney at Levi Lubarsky & Feigenbaum LLP, Goodwin Procter LLP, and Byrnes & Keller, LLP. He joined Labaton in 2009 where he has worked together with Michael Rogers on various securities actions including *In re Countrywide Financial Corp. Securities Litigation* (C.D. Cal.), *In re Goldman Sachs Securities Litigation* (S.D.N.Y.), and *In re Precision Castparts Corp. Securities Litigation* (D. Oregon). On these matters, Mr. Kussin played pivotal roles not just in document review but also in preparing for depositions, opposing motions to dismiss and for summary judgment, drafting complaints, mediation briefs, and petitions for settlement and class certification. He has also second-chaired multiple depositions.

58. David Alper received his Juris Doctor from the David A. Clarke School of Law at the University of the District of Columbia in 1985 after receiving his B.A. from Tulane University in 1980. He previously worked as an E-Discovery Senior Litigation Support Analyst at such firms as DLA Piper, LLP, Skadden, Arps, Slate, Meagher & Flom, LLP, Quinn Emanuel, LLC, and Orrick, Herrington & Sutcliffe LLP. Mr. Alper joined Labaton Sucharow LLP in 2013 where he has worked together with Michael Rogers on various securities actions including *In re Goldman Sachs Securities Litigation* (S.D.N.Y.). On these matters, Mr. Alper played pivotal roles not just in document review but also in drafting factual memoranda and preparing for depositions.

59. Lisa George graduated from Columbia University School of Law in 1986 after receiving a B.A. from Yale University in 1983. She previously worked as an Associate at Kaye, Scholer, Fierman, Hays & Handler as well as at Milbank, Tweed, Hadley & McCloy, and later as a Staff Attorney at Skadden, Arps, Slate, Meagher & Flom, LLP. She joined Labaton Sucharow LLP in 2009 where she has worked together with Michael Rogers on various securities actions including *In re Countrywide Financial Corp. Securities Litigation* (D. Mass.). On these matters, Ms. George played pivotal roles not just in document review but also in preparing for depositions and drafting factual memoranda in support of legal motions.

60. Comfort Orji graduated from Nigerian Law School in 1996 after receiving a Bachelor of Law from the University of Benin in 1995. She previously worked as a Staff Attorney at such firms as Winston & Strawn LLP, Kirkland & Ellis, Gibson Dunn & Crutcher LLP, Sullivan & Cromwell, and Sherman & Sterling. She joined Labaton Sucharow in 2009 where she has worked together with Michael Rogers on various securities actions including *In re Countrywide Financial Corp. Securities Litigation* (C.D. Cal.). She has also worked on such

matters as *In re Stec, Inc. Securities Litigation* (C.D. Cal.) and *In re CVS Caremark Corp. Securities Litigation* (D. R.I.). On these matters, Ms. Orji played pivotal roles not just in document review but also in preparing for depositions and drafting factual memoranda in support of legal motions.

61. Judy Watson graduated from New York Law School in 2000 after receiving a B.A. from New York University in 1996. She previously worked as an attorney at such firms as McCarter & English, Fish & Richardson, Mayer Brown, Sullivan & Cromwell LLP, Paul Weiss, Rifkind, Wharton & Garrison LLP, and Willkie Farr & Gallagher LLP. She joined Labaton Sucharow LLP in 2015 where she has worked on matters including *In re Facebook Securities Litigation* (S.D.N.Y.), and *In re NII Holdings, Inc. Securities Litigation* (E.D. Virginia). On these matters, Ms. Watson played pivotal roles not just in document review but also in preparing for depositions and drafting factual memoranda in support of legal motions.

62. Given the large volume of documents and that depositions needed to be prepared for and taken in a tight timeline, Class Counsel worked to efficiently identify the most relevant documents so as to guide discovery as a whole. To do so, Class Counsel turned to their experience from other matters to develop a search protocol, issue "tags," and guidelines for identifying "hot" documents, as well as a manual and guidelines for the review and "coding" of documents. After developing these tools, Class Counsel frequently revised and refined them given the dynamic nature of what was learned through discovery.

63. Class Counsel's team of staff attorneys (along with its associates) reviewed, analyzed, and categorized the documents in the electronic database, making analytical determinations as to their importance and relevance to the issues involved in the litigation and particular to the individual deponents. They determined whether the documents were "hot" or on

a scale of lower-order relevance. They also identified particular issues implicated by a document, and tagged those documents accordingly in the database so that the documents could be used to identify witnesses for interviews and to conduct the interviews meaningfully.

64. Class Counsel often asked for follow up research into particular topics of interest that staff attorneys presented throughout their review. Through regular meetings and discussions, Class Counsel ensured that the staff attorneys understood the developing nature of the evidence and focused their review on the key issues and events in the case.

65. Throughout their review, the attorneys also analyzed the documents for several other issues related to the adequacy and scope of the document productions. For example, the attorneys reviewed all privilege redactions and Defendants' numerous privilege logs to assess whether Defendants redacted or withheld potentially non-privileged information. The attorneys also reviewed the productions to determine whether they substantively tracked what had been agreed to be produced in response to document requests.

66. Finally, the attorney review team prepared meaningful work product, including chronologies, compendiums of key players, master exhibit lists, and analyses of hot documents which they continually updated and refined as the team's knowledge of issues expanded. The attorneys also took active roles in researching and drafting sections of Class Representative's reply and counter statement to Defendants' Rule 56.1 submission in support of their motion for summary judgment. The attorney review team also maintained a central repository of key documents organized by date and by issue, which they continued to update and refine as the team's knowledge of the issues in the case expanded. This step enabled attorneys to quickly and efficiently access critical documents necessary for the preparation for depositions and drafting of evidentiary submissions to the Court. At all the times, the staff attorneys were under the direct

supervision of the attorneys at Class Counsel who had principal oversight and day-to-day management of the Action.

3. Depositions

67. While Class Counsel's review of Defendants' document productions was ongoing, Class Counsel began noticing and taking the depositions of important witnesses. In total, Lead Plaintiff took 15 merits depositions of both party and non-party witnesses, including a representative of Virtus itself, pursuant to Federal Rule of Civil Procedure 30(b)(6), and all of the other named Defendants.

68. By the end of discovery, the Parties had taken 16 merits depositions, and five expert depositions, principally in the New York region but also in Chicago, Boston, and Washington D.C. In addition to party depositions, Lead Plaintiff took the deposition of key nonparty Corey Hoffstein, the individual who had developed the algorithm underlying the AlphaSector model. Class Counsel made every effort to ensure that there was no duplication of effort between the firms and to divide the labor efficiently, discussing in advance which firm would prepare for and conduct each deposition. Further, the firms freely shared documents discovered and information learned as a result of their respective preparations and depositions.

69. To maintain the fast-paced discovery schedule, Class Counsel's deposition-related work began as soon as Lead Plaintiff began receiving documents from Defendants. During this time, Class Counsel met multiple times to discuss potential candidates for depositions. As the list of potential deponents narrowed, Class Counsel ranked the witnesses by reference to their role in the events at issue and the anticipated value of their testimony.

70. On November 23, 2016, Class Representative served its first Notice of Deposition—a Notice of Federal Rule 30(b)(6) Deposition of Virtus, attaching a list of eight topics that Virtus's 30(b)(6) deponent would testify to, including the AlphaSector funds, indexes,

and strategies; the marketing and sales of the AlphaSector indexes and funds; and the December 2012 Boca Raton meeting. After conferring with counsel for Defendants several times concerning deposition logistics and scheduling, the parties scheduled the 30(b)(6) deposition for February 21, 2017, immediately following the close of class certification briefing. Defendants put forth David R. Pellerin as Virtus's 30(b)(6) witness. Mr. Pellerin's deposition lasted a full day—from 9:45am until nearly 7:00pm.

71. Class Counsel continued to prepare for and take depositions through May 2017, the close of fact discovery, as reflected below:

Deponent	**Title**	**Deposition Date**
Rod Graves	Deputy Director, Investments, ATRS	December 21, 2016
David Fusco	Vice President and Chief Compliance Officer	January 11, 2017
Dr. Stephen Choi	Defendants' Expert	February 3, 2017
Ruth Ann Flood	Director, Fund Services and Product Management	February 8, 2017 & February 21, 2017
David Pellerin	Virtus 30(b)(6) Witness	February 21, 2017
Chad Coffman	Plaintiff's Expert	February 28, 2017
Corey Hoffstein	Newfound Research 30(b)(6)	March 1, 2017
Paul Cahill	Managing Director, National Sales Manager	April 4, 2017
John McCormack	National Sales Manager	April 11, 2017
David Martin	Vice President and Chief Compliance Officer	May 3, 2017
Mark Flynn	Executive Vice President and General Counsel	May 5, 2017
Jeffrey Cerutti	Executive Vice President and Head of Retail Distribution	May 9, 2017
Michael Angerthal	Chief Financial Officer and Treasurer	May 10, 2017
Jason Schoettmer	Regional Sales Director	May 12, 2017
Peter Batchelar	Vice President, Product Management	May 17, 2017
John Steven Neamtz	Executive Vice President and Head of Retail Distribution	June 8, 2017
Francis Waltman	Executive Vice President, Product Management	June 29, 2017
George Aylward	Chief Executive Officer	June 30, 2017

Chad Coffman	Plaintiff's Expert	August 9, 2017
Dr. Stephen Choi	Defendants' Expert	August 11, 2017
Prof. Russell Wermers	Defendants' Expert	August 15, 2017

4. Interrogatories

72. Class Counsel also served targeted interrogatories pursuant to Rule 33 of the Federal Rules of Civil Procedure. Lead Plaintiff's interrogatories sought to identify the individuals present during key events and responsible for key decisions concerning the AlphaSector funds.

73. Class Counsel also spent time and effort responding to interrogatories served on Lead Plaintiff by Defendants on February 24, 2017, which—among other things—sought information on the confidential witnesses that provided information relied upon by Class Counsel in drafting the Complaint and, in Class Counsel's opinion, were impermissibly overbroad. On March 27, 2017, Lead Plaintiff served on Defendants responses and objections to Defendants' first set of interrogatories.

5. The SEC'S Civil Enforcement Efforts

74. In addition, Class Counsel monitored the SEC's civil enforcement efforts concerning AlphaSector, including its civil case against F-Squared's president, Howard Present, *SEC v. Present*, No. 14-cv-14692 (D. Mass.). On September 7, 2017, trial in *SEC v. Present* began. Though Class Counsel gave careful consideration to whether attorneys should attend to observe the trial in light of the factual overlap and because Virtus employees were on the witness list, Class Counsel decided to keep the Class's costs to a minimum and instead reviewed the trial transcripts as appropriate.

75. Class Counsel also monitored developments in F-Squared's bankruptcy proceedings, as its bankruptcy was the direct result of the same actions forming the allegations in

Lead Plaintiff's Complaint. Class Counsel thus reviewed the filings and transcripts from that proceeding for anything relevant pertaining to the securities litigation.

G. Lead Plaintiff's Motion for Class Certification and the Court's Opinion Granting Class Certification

76. On November 7, 2016, Lead Plaintiff filed its motion to certify the class, appoint class representative and appoint class counsel, along with an expert report in support of its motion from Mr. Coffman addressing market efficiency. ECF Nos. 79-81. Following Lead Plaintiff's motion for class certification, on December 21, 2016, Defendants deposed Lead Plaintiff representative Rodney Graves, ATRS's Deputy Director of Operations, Investments. Defendants focused on topics specifically concerning ATRS's investment management practices, its investments in Virtus securities, and its knowledge of the present Action, and attempted to establish that Lead Plaintiff was an inadequate class representative.

77. On January 16, 2017, Defendants filed their memorandum of law in opposition to Lead Plaintiff's motion for class certification along with an expert report from Dr. Stephen J. Choi. ECF Nos. 84-85, 89. Dr. Choi's report argued that there was no "statistically significant price increase" following Defendants' misrepresentations, and there were no "statistically significant stock price declines" following the disclosures that corrected these misstatements. Thus, according to Dr. Choi, any allegedly false and misleading statements made by Defendants had no impact on the market price of Virtus common stock during the class period.

78. Defendants' opposition brief relied heavily on Dr. Choi's expert report for Defendants' central argument—that class certification would be inappropriate because Defendants rebutted the *Basic* presumption of reliance by establishing a lack of price impact. ECF No. 84. Defendants also argued that Lead Plaintiff failed to allege that common questions predominated in satisfaction of Rule 23(a) because it failed to allege class-wide reliance.

Defendants argued that they had, in any case, rebutted the *Basic* presumption with direct evidence of the lack of price impact, that is, that Defendants had put forth sufficient evidence to support a reasonable jury finding that the allegedly misleading statements did not impact Virtus's stock price during the class period. Defendants also argued that was no "back-end" price impact from Defendants' allegedly false and misleading statements, making aggressive factual arguments that that the corrective disclosures Lead Plaintiff alleged corrected Defendants' misstatements did not, in reality, contain any "new" information.

79. Defendants also argued that Lead Plaintiff's trading history rendered it an unsuitable class representative. According to Defendants, Lead Plaintiff was an inadequate class representative because "it engaged in extensive transactions in VIP common stock [] after it was widely reported in the marketplace in December 2013 that the historical information for the AlphaSector indices was not based on trading of live assets[.]" In the alternative, Defendants argued that it would be appropriate for the Court to shorten the class period to exclude the later of Lead Plaintiff's corrective disclosure dates because by then, according to Defendants, the truth was already on the market, and any additional events constituted only "cumulative fallout from true corrective disclosures." These and the other arguments made by Defendants were highly complex and technical, advancing both sophisticated factual assertions and cutting-edge legal theories.

80. In connection with preparing Lead Plaintiff's reply brief, Class Counsel took the deposition of Defendants' expert Dr. Choi on February 3, 2017. On February 17, 2017, Class Representative filed its reply memorandum in support of its motion for class certification, as well as a rebuttal expert report from Mr. Coffman. ECF Nos. 94-95.

81. On February 28, 2017, immediately following the close of class certification briefing, counsel for Defendants deposed Mr. Coffman concerning his price impact and market efficiency expert report and his supplemental report in support of Lead Plaintiff's reply brief.

82. On March 3, 2017, the Court held oral argument on Lead Plaintiff's motion for class certification. Two months later, on May 15, 2017, the Court issued an opinion and order granting Lead Plaintiff's motion for class certification. ECF No. 97.

83. That same day, in contrast to Lead Plaintiff's success in this Action, the Court issued an opinion and order denying class certification in the related *Youngers* action. Thereafter, on June 12, 2017, counsel in the *Youngers* action filed a letter motion with the Court requesting that the Court extend the deadline for the parties to exchange expert reports until after the plaintiffs' forthcoming motion to amend their complaint, or in the alternative, until July 16, 2017. *Youngers* ECF No. 150. Defendants opposed the motion the following day, arguing that the plaintiffs' were only seeking to re-litigate the Court's recent denial of plaintiffs' motion for class certification. *Youngers* ECF No. 152.

84. In light of this briefing, Lead Plaintiff filed a letter with the Court on June 14, 2017 noting that it took no position with respect to the plaintiffs' motion in *Youngers*, but making clear that Lead Plaintiff did not seek an extension to any deadlines in the securities litigation and that it intended to serve its expert reports on the previously agreed-upon June 16 date. ECF No. 98. The Court grated the *Youngers* plaintiffs' motion, and because of the new, differing schedules, the two actions diverged from their prior coordination. *Youngers* ECF No. 153.

85. Following the Court's opinion granting Lead Plaintiff's motion for class certification, Class Counsel began preparing a motion to approve the form, content, and method

for providing notice of the pendency of the Action to the certified class. On October 31, 2017, Lead Plaintiff filed its motion for approval of the notice of pendency. ECF Nos. 113-15.

86. On November 17, 2017, the Court issued an order approving Class Representative's motion concerning the form, content, and method for providing class notice. ECF No. 116. The Notice of Pendency of Class Action ("Class Notice") advised potential members of the Class of, among other things: (i) the Action pending against the Defendants; (ii) the Court's certification of the Action to proceed as a class action on behalf of the Court-certified Class; and (iii) their right to request to be excluded from the Class, the effect of remaining in the Class or requesting exclusion, and the requirements for requesting exclusion. As discussed more below, Class Notices were ultimately distributed to potential Class Members beginning on January 22, 2018. ECF No. 141 at ¶ 3.

H. Expert Discovery and Depositions

87. In addition to the involvement of experts in class certification, Class Counsel separately conducted substantial expert discovery work in connection with their obligations under Federal Rule of Civil Procedure 26.

88. On June 16, 2017, pursuant to the Court's scheduling order issued on August 17, 2016, ECF No. 76, Class Representative served a comprehensive Loss Causation and Damages Report authored by Mr. Coffman. Mr. Coffman's report addressed the importance of past fund performance to investors; discussed the foreseeable losses investors suffered as a result of Defendants' fraud; analyzed the series of corrective disclosures; and calculated artificial inflation per share and damages for Virtus common stock.

89. Also on that day, Defendants served an expert report authored by Professor Russell R. Wermers, PhD, which posited that investors actually did not find it material that the historical performance of the AlphaSector indices was back-tested, and that fund "outflows" thus

would not have occurred in response to this becoming known to the market. After carefully reviewing Prof. Wermers' report, Class Counsel determined that a rebuttal report was necessary, and further that Mr. Coffman could author the rebuttal report, which would minimize unnecessary expense to the Class from retaining an additional expert.

90. On July 26, 2017, Class Counsel served Mr. Coffman's rebuttal report to Prof. Wermers' report. That day, Defendants also produced two rebuttal reports to Mr. Coffman's initial Loss Causation and Damages Report: a report by Prof. Wermers that further stated his opinion that investors care only about recent fund performance as opposed to historical performance; and also, a report by Dr. Stephen Choi taking aim at Mr. Coffman's conclusions on price impact and loss causation.

91. On August 9, 2017 Defendants deposed Mr. Coffman for a second time, this time relating to loss causation and damages.

92. On August 11, 2017, Class Counsel deposed Defendants' expert Dr. Stephen Choi for a second time (having previously deposed him in connection with his report for Defendants' class certification opposition). On August 15, 2017, Class Counsel deposed Prof. Wermers.

I. Summary Judgment

93. After expert discovery concluded, the Parties negotiated a joint status report and proposed briefing schedule for summary judgment, which the Parties filed with the Court on August 14, 2017. ECF No. 99. On August 18, 2017, the parties appeared for a status conference before the Court. ECF Nos. 100; 103. During the status conference, the parties discussed with the Court whether they were planning to move for summary judgment and the grounds on which they were planning to do so. ECF No. 103. The parties and the Court also agreed upon various pretrial deadlines, and on August 21, 2017, the parties filed a joint proposed scheduling order, which the court entered the same day.

94. The schedule provided that Defendants' motion for summary judgment must be filed by October 6, 2017, Lead Plaintiff's opposition to that motion must be filed by December 1, 2017, and Defendants' reply to Lead Plaintiff's opposition must be filed by December 21, 2017. ECF Nos. 101-02. The Court also set a trial date of March 19, 2018.

95. Pursuant to the Court's August 21, 2017 order, Defendants filed their motion for summary judgment on October 6, 2017. ECF Nos. 105-112. In support of their motion, Defendants filed a declaration with numerous exhibits, a detailed statement of facts, separate declarations by Defendants' Cerutti and Waltman also attaching exhibits, and declarations and expert reports from Defendants' experts Dr. Choi and Prof. Wermers. ECF Nos. 106-112.

96. On December 4, 2017, Class Representative filed its opposition to Defendants' motion for summary judgment, which included an opposition brief, a response to Defendants' Fed. R. Civ. P. 56.1 statement of facts, and Lead Plaintiff's own Fed. R. Civ. P. 56.1 statement of facts. ECF Nos. 119-123.

97. All told, Class Representative's counterstatement of facts totaled 574 paragraphs over 140 pages, outlining the entirety of the factual record that Class Counsel had developed through their extensive discovery efforts described above. To support the counterstatement of facts, Class Counsel submitted 405 exhibits.

98. On December 22, 2017, Defendants filed their reply in further support of their motion for summary judgment. ECF No. 126. Defendants also filed a response to Lead Plaintiff's Fed. R. Civ. P. 56.1 statement of facts. ECF No. 127.

J. Unsuccessful Mediation and Class Notice Mailing

99. In the midst of summary judgment briefing, the parties agreed to a mediation before Jed D. Melnick, Esq. of the Judicial Arbitration and Mediation Services, Inc. (JAMS) scheduled for December 21, 2017. With no time to spare, after filing their opposition to

Defendants' motion for summary judgment, Class Counsel promptly turned to preparing for mediation, and submitted a mediation statement on December 11, 2017, just one week after filing Class Representative's opposition to Defendants' motion for summary judgment.

100. Given the pending mediation, on December 15, 2017, Lead Plaintiff filed a letter motion to extend the deadline for mailing the Class Notice by twenty business days (from December 20, 2017 to January 22, 2018) in light of the parties' agreement to participate in a private mediation on December 21, 2017, the day after the Notice Date. ECF No. 124. The Court granted Lead Plaintiff's letter motion the same day, and ordered that the new "Notice Date" would be January 22, 2018. ECF No. 125. The Court also ordered that Defendants provide Virtus's shareholder data identifying all record holders of Virtus common stock during the Class Period to the Notice Administrator. *Id.*

101. The parties conducted a confidential mediation on December 21, 2017 before Mr. Melnick. The mediation lasted all day, and included representatives from Defendants and Defendants' insurers, as well as Mr. Hopkins from ATRS, who participated and spoke during the mediation. Despite the lengthy, heated discussions that occurred throughout the day-long session, the parties could not reach an agreement.

K. Summary Judgment Oral Argument, Trial Preparation, and Agreement to Settle

102. After the Parties' unsuccessful mediation, Class Counsel immediately turned towards preparing for oral argument on Defendants' motion for summary judgment. As Class Counsel had done throughout, the two firms divided responsibility for oral argument to prevent duplication of efforts and maximize efficiency.

103. On January 18, 2018, the Court held oral argument on Defendants' motion for summary judgment. ECF No. 130.

104. Approximately two weeks later, Class Representative filed with the Court a letter concerning relevant new authority, the Ninth Circuit Court of Appeals' January 31, 2018 decision in *Mineworkers' Pension Scheme v. First Solar Inc*. ECF No. 132. In that case, the Ninth Circuit affirmed the lower court's denial of summary judgment on loss causation grounds in an action, like this Action, alleging violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934. On February 2, 2018, Defendants filed their own letter in response to Lead Plaintiff's notice of new authority. ECF No. 133. The same day, Lead Plaintiff drafted and filed a reply to Defendants' letter. ECF No. 134.

105. With no decision on summary judgment and the March 19, 2018 scheduled trial date rapidly approaching, Class Counsel began pretrial preparation efforts, including the compilation of exhibit lists and deposition transcript designations. To prepare the exhibit list efficiently, Class Counsel leveraged their extensive work in preparing the summary judgment opposition. To compile Lead Plaintiff's initial deposition designations, Class Counsel and their staff attorney team worked to review the more than twenty voluminous deposition transcripts to isolate the relevant portions of each transcript. This involved not only carefully reviewing each deposition transcript, but thinking critically about which portions of which transcripts Class Counsel would need at trial for which points. Class Counsel and the staff attorney team created detailed charts accounting for each deposition taken in the case, and noting the portions of those depositions that Class Counsel anticipated relying on at trial.

106. On February 2, 2018, the parties exchanged their preliminary deposition designations and preliminary exhibit lists. Upon receipt of Defendants' initial exhibit list and deposition designations, Class Counsel and their staff attorney team pulled all exhibits identified by counsel for Defendants, and began drafting a statement of proposed stipulated facts and law.

107. All the while, however, the parties were engaging in continued settlement discussions, and, on February 6, 2018, the Parties agreed in principal to settle. That same day, the parties informed the Court of their agreement and requested that the Court not issue a decision on Defendants' pending motion for summary judgment. ECF No. 135. Then, on February 13, 2018, in light of their agreement to settle the Action, the parties filed a joint letter motion requesting that the Court adjourn all pretrial dates and proceedings set forth in the Court's August 18, 2017 scheduling order. ECF No. 136. On February 14, 2018, the Court granted the parties' joint motion requesting the adjournment of all pretrial dates and proceedings. ECF No. 137.

III. THE NEGOTIATION, TERMS, AND PRELIMINARY APPROVAL OF THE SETTLEMENT

108. Class Representative achieved the Settlement through fair, honest, and vigorous negotiations, and with the guidance and input of experienced and informed counsel and the Mediator.

109. As the parties negotiated the final terms and conditions of the Settlement and worked through the documentation of their agreement, they periodically updated the Court as to the status of those negotiations. ECF Nos. 139-40; 142.

110. On May 18, 2018, following extensive, arm's-length negotiations, the parties executed the Stipulation of Settlement, which embodies the final terms and conditions of the parties' agreement to settle all claims asserted in the Action for $22,000,000, subject to the approval of the Court. That same day, Class Representative filed a motion for preliminary approval of the Settlement, which included the Stipulation and Agreement of Settlement as an exhibit. *See* ECF Nos. 143-44.

111. In negotiating the Settlement and requesting Preliminary Approval, Class Representative and Class Counsel were mindful of this Court's prior discussions concerning

similar motions. Accordingly, Class Representative tailored the proposed Settlement Notice and Claim Form to forms that this Court had approved in prior cases, and also conformed the claim filing procedures and proposed Settlement schedule to the Court's preferred practices. Preliminary Approval Brief, ECF No. 144 at 14-15. Further, in accordance with the Court's expressed preference, the Settlement required that the Settlement Fund would be held in escrow with the Court Registry Investment System maintained for the Southern District of New York (the "Escrow Agent"), rather than with a conventional escrow bank. Stipulation ¶¶1(s), 7(a); *see, e.g.*, *Pennsylvania Pub. Sch. Emps.' Rest. Sys.* v. *Bank of America*, No. 11-CV-733 (WHP), ECF No. 333, at 10:14-21 (the Court stated at the preliminary approval hearing that it "will only approve a settlement that includes the deposit of the money into the Court Registry Investment System"). In addition, Class Representative negotiated the Settlement to require that the Court approve payments to the Claims Administrator from the Settlement Funds, as it has previously required. Stipulation ¶13; *see, e.g.*, *id.* at 11:6-11 (requiring Court approval for administration costs).

112. On May 30, 2018, Defendants filed a response in support of Lead Plaintiff's motion for preliminary approval. ECF No. 145. On June 28, 2018, the Court issued an order preliminarily approving the Settlement and providing for notice of the Settlement to the Class (the "Preliminary Approval Order"). ECF No. 148. Among other thigs, the Preliminary Approval Order: (i) preliminarily approved the Settlement, as embodied in the Stipulation of Settlement, subject to further consideration at the Settlement Hearing; (ii) directed that notice of the Settlement be mailed to Class Members and published in the *Wall Street Journal* and *Financial Times* and over the *PR Newswire*; (iii) scheduled the Settlement Hearing for October 24, 2018 at 10:00 a.m.; and (iv) established the procedures and deadlines for Class Members to submit

claims for participation in the Settlement and file objections to the Settlement, Plan of Allocation, or Class Counsel's fee and expense application. ECF No. 148 at ¶¶ 1, 2, 4, 8, and 13.

113. In addition, because of the extensive notice program undertaken in connection with class certification and the ample opportunity provided to Class Members to request exclusion from the Class at that time, the Court, in the Preliminary Approval Order, exercised its discretion in accordance with Second Circuit precedent to not require a second opportunity for Class Members to exclude themselves from the Class in connection with the Settlement proceedings. ECF No. 148 at ¶ 11.

114. Pursuant to the terms of the Stipulation, and as set forth in the Preliminary Approval Order, Defendants deposited the full $22 million cash Settlement Amount into the Court Registry Investment System maintained for the Southern District of New York in July, 2018. ECF No. 148 at ¶ 18.

IV. RISKS OF CONTINUED LITIGATION

115. As summarized below, Class Counsel respectfully submit that they assumed significant risk in prosecuting this Action on an entirely contingent basis. From the time that Class Counsel agreed to take on the case, settlement was by no means inevitable and certainly not at the high level ultimately achieved. The risks posed in bringing prosecuting this Action were present from the beginning, as evidenced by the fact that the Court dismissed the majority of statements alleged by Lead Plaintiff to be misleading. Accordingly, the benefits of the Settlement must be weighed against the risks presented by continued litigation of the Action, including, as discussed below, the serious risks of establishing Defendants' liability and damages.

A. General Risks in Prosecuting Securities Actions on a Contingent Basis

116. According to the most recent analysis of securities class action filings by Cornerstone Research, in recent years, securities class actions may have become riskier than in prior years. Cornerstone notes that the outcomes of securities class action filings in 2015 showed higher rates of dismissal than in previous years, and that filings in 2017 are "on pace to have the highest rate of dismissals within the first year of filing on record." *See* Cornerstone Research, *Securities Class Action Filings 2017 Year In Review*, at 2 (Cornerstone Research 2018), attached hereto as Ex. 2. From 1997 to 2016, 43% of securities class actions were dismissed and 50% settled. *Id*. at 15. For cases filed in 2015, like the Action, 54% have been dismissed. *Id*.

117. Even when they have survived motions to dismiss, securities class actions are increasingly dismissed at the class certification stage, in connection with *Daubert* motions, or at summary judgment. For example, class certification has been denied in several recent securities class actions. *See, e.g.*, *Gordon v. Sonar Cap. Mgmt. LLC*, No. 11-9665, 2015 WL 1283636 (S.D.N.Y. Mar. 19, 2015); *Sicav v. James Jun Wang*, No. 12-6682, 2015 WL 268855 (S.D.N.Y. Jan. 21, 2015); *IBEW Local 90 Pension Fund v. Deutsche Bank AG*, No. 11-4209, 2013 WL 5815472 (S.D.N.Y. Oct. 29, 2013); *George v. China Automotive Systems, Inc*., No. 09-1989, 2013 WL 3357170 (S.D.N.Y. July 3, 2013). Courts have also recently dismissed multiple securities class actions at the summary judgment stage. *See, e.g*, *In re Barclays Bank PLC Sec. Litig.*, 2017 WL 4082305, at *25 (S.D.N.Y. Sept. 13, 2017) (summary judgment granted on September 13, 2017 after eight years of litigation); *Omnicom Grp., Inc. Sec. Litig.*, 541 F. Supp. 2d 546, 554-55 (S.D.N.Y. 2008), *aff'd* 597 F.3d 501 (2d Cir. 2010) (summary judgment granted after six years of litigation and millions of dollars spent by plaintiffs' counsel); *see also In re Xerox Corp. Sec. Litig.*, 935 F. Supp. 2d 448, 496 (D. Conn. 2013), *aff'd* 766 F.3d 172 (2d Cir. 2014). And even cases that have survived summary judgment have been dismissed prior to trial

in connection with *Daubert* motions. *See Bricklayers and Trowel Trades Int'l Pension Fund v. Credit Suisse First Boston*, 853 F. Supp. 2d 181 (D. Mass. 2012), *aff'd* 752 F.752 F.3d 82 (1st Cir. 2014) (granting summary judgment *sua sponte* in favor of defendants after finding that plaintiffs' expert was unreliable).

118. Even when securities class action plaintiffs are successful in getting a class certified, have prevailed at summary judgment, have overcome *Daubert* motions and have gone to trial, there are still very real risks that there will be no recovery or substantially less recovery for class members. For example, in *In re BankAtlantic Bancorp, Inc.*, No. 07-61542, 2011 WL 1585605 (S.D. Fl. Apr. 25, 2011), a jury rendered a verdict in plaintiffs' favor on liability in 2010, but the following year, the district court granted defendants' motion for judgment as a matter of law and entered judgment in favor of the defendants on all claims. In 2012, the Eleventh Circuit affirmed the district court's ruling, finding that there was insufficient evidence to support a finding of loss causation. 688 F.3d 713 (11th Cir. 2012).

119. There is also the increasing risk that an intervening change in the law can result in the dismissal of a case after significant effort has been expended. The Supreme Court has heard several securities cases in recent years, often announcing holdings that dramatically changed the law in the midst of long-running cases. *See Omnicare, Inc. v. Laborers Dist. Council Constr. Indus. Pension Fund*, 135 S. Ct. 1318 (2015); *Halliburton Co. v. Erica P. John Fund, Inc.*, 134 S. Ct. 2398 (2014); *Comcast Corp. v Behrand*, 133 S. Ct. 1426 (2013); *Morrison v. Nat'l Austl. Bank Ltd.*, 561 U.S. 247 (2010). As a result, many cases have been lost after the plaintiffs have invested thousands of hours in briefing and discovery. For example, in *In re Vivendi Universal, S.A. Sec. Litig.*, 765 F. Supp. 2d 512, 524, 533 (S.D.N.Y. 2011), after a verdict for class plaintiffs

finding Vivendi acted recklessly with respect to 57 statements, the district court granted judgment for defendants following a change in the law announced in *Morrison*.

120. Likewise, likely appeals of any judgment lead to many additional months, if not years, of further litigation, exposing plaintiffs to risks of having any favorable judgment reversed or reduced. This risk is very real in securities fraud class actions, as there are numerous instances across the country where jury verdicts for plaintiffs in securities class actions were overturned after appeal. *See, e.g.*, *Glickenhaus & Co. v. Household Int'l, Inc.*, 787 F.3d 408 (7th Cir. 2015) (reversing and remanding jury verdict of $2.46 billion after 13 years of litigation); *Robbins v. Koger Props., Inc.*, 116 F.3d 1441 (11th Cir. 1997) (reversing $81 million jury verdict after 19-day trial and dismissing case with prejudice); *Anixter v. Home-Stake Prod. Co.*, 77 F.3d 1215 (10th Cir. 1996) (overturning plaintiffs' verdict obtained after two decades of litigation); *In re Apple Comp. Sec. Litig.*, No. 84-20148, 1991 WL 238298 (N.D. Cal. Sept. 6, 1991) ($100 million jury verdict vacated on post-trial motions).

121. In sum, Class Counsel respectfully submit that securities class actions face serious risks of dismissal and non-recovery at all stages of litigation, and this Action is no different.

B. Lead Plaintiff Faced Substantial Risks in Proving Defendants' Liability

122. Here, as confirmed by Defendants' summary judgment briefing, Defendants vigorously contested their liability with respect to every element of Lead Plaintiff's claims. Even though Lead Plaintiff had prevailed at the motion to dismiss and at class certification, a substantial risk existed that the Court would find that Class Representative failed to establish liability or damages as a matter of law at summary judgment, that Defendants would succeed in a *Daubert* challenge to Lead Plaintiff's expert's analysis, or—if the Court were to permit the claims to proceed to trial—that a jury (or appeals court) would rule against Class Representative. While Class Representative and Class Counsel believe they advanced strong claims on the

merits, they nonetheless acknowledge that Defendants' arguments posed very credible threats to Class Representative's ability to ultimately succeed.

123. Most significantly, Class Counsel expects that Defendants would have vigorously persisted in arguing that much (if not all) of the decline in Virtus stock price was not attributable to risks concealed by Defendants' alleged false and misleading statements and omissions—*i.e.*, Defendants' statements about the AlphaSector track record. In order to prove damages from those statements, Class Representative bears the burden of establishing "loss causation"—that Defendants' false and misleading statements caused their alleged loss. *See Dura Pharm., Inc. v. Broudo*, 544 U.S. 336, 345-46 (2005) (plaintiffs bear the burden of proving "that the defendant's misrepresentations 'caused the loss for which the plaintiff seeks to recover'" (quoting 15 U.S.C. § 78u-4(b)(4))). Class Representative attempted to meet this burden through their allegations that Defendants' fraud was gradually revealed to the investing public through a series of partial corrective events that materialized risks concealed by Defendants' alleged fraud. Class Representative's damages expert estimated maximum class-wide aggregate damages of approximately $275 million based on five alleged corrective events.

124. In response, however, Defendants forcefully argued that any alleged misrepresentation had been fully corrected by news articles published in December 2013 and May 2014 that suggested that the AlphaSector indices may have been back-tested and miscalculated, and reporting that Virtus subadvisor F-Squared was involved in an SEC investigation. Because these events purportedly revealed the truth months before Class Representative's alleged corrective events—and had no effect on Virtus's stock price—Defendants argued that that the declines in Virtus stock price following the alleged corrective events were simply the materializations of ***known*** risks from follow-on developments as a result

of the SEC investigation into F-Squared. Consequentially, Defendants argued, damages suffered by the Class were much, much lower than the maximum damages of $275 million estimated by Class Representative's damages expert.

125. In Class Counsel's judgment, these arguments created a significant risk that the Class could only recover (at most) for the decline following Virtus's disclosure, at the end of the Class Period, that it was under investigation by the SEC—in which instance, maximum recoverable damages would be approximately $67 million, a fraction of the larger estimate. If Class Representative was unable to maintain even this last disclosure, damages would have been completely eliminated.

126. Defendants first advanced this argument on class certification. While the Court agreed with Class Representative that Defendants' argument was factually and legally insufficient at that stage, the Court's decision left the door open for Defendants to renew their challenge. On their motion for summary judgment, Defendants did exactly that: the vast majority of Defendants' submission—including three expert reports—principally focused on Defendants' challenge to Class Representative's ability to demonstrate loss causation in light of their argument that the full truth had been purportedly corrected by May 2014.

127. While Class Counsel believes that Class Representative advanced persuasive counterarguments in its opposition brief, the Court made clear during oral argument for Defendants' motion for summary judgment that it was carefully and thoughtfully assessing this complicated issue with respect to each corrective disclosure. Even if the Court did not reduce significantly—or eliminate altogether—Class Representative's damages in ruling on Defendants' summary judgment motion, Defendants would have had several more bites at the apple by

raising those arguments in a subsequent *Daubert* challenge to Class Representative's expert, to the jury, and in any number of post-trial challenges and appeals.

128. Even beyond these substantial challenges to loss causation and damages, Defendants would hold Class Representative to its burden of proof on all other elements of securities fraud, and establishing the Class's claims would require the jury to make complicated assessments of credibility on several complex and hotly contested factual disagreements. For instance, proving securities fraud required that Class Representative demonstrate that Defendants had an intent to deceive or otherwise acted with recklessness nearing such intent. While Class Counsel believes they could marshal considerable evidence in support of this requirement, Class Representative would nonetheless need to reconcile to the Court or a jury its allegations with the fact that—as F-Squared admitted to the SEC, and as the SEC proved at trial—Howard Present ***committed fraud*** with AlphaSector. Defendants would likely claim that they too were victims of that fraud, increasing the risk of a jury finding of gross negligence (or less) in this Action, which would be insufficient to support Class Representative's claims under the Exchange Act.

129. Defendants would also aggressively hold Class Representative to its burden of proof on the requirement of materiality by using the expert testimony of two distinguished academics to argue to the jury that the allegedly misstated information—concerning whether the AlphaSector performance history over five years ***before*** the start of the Class Period had been back-tested, rather than the result of live trading—did not matter to Virtus investors. While Class Representative and Class Counsel believe they had very compelling counterarguments and evidence in support of their claim, resolving the Parties' respective positions on this issue would require the jury to evaluate dueling expert testimony and make findings of fact on these technical (and even theoretical) concepts.

C. Risk of Appeal

130. Finally, even if Lead Plaintiff prevailed at summary judgment and at trial, Defendants would likely have appealed the judgment—leading to many additional months, if not years, of further litigation. On appeal, Defendants would have renewed their numerous arguments as to why Lead Plaintiff had failed to establish liability and damages, thereby exposing Lead Plaintiff to the risk of having any favorable judgment reversed or reduced below the Settlement Amount.

131. Moreover, Defendants had already signaled their intention to seek appellate review of the Court's ruling on Defendants' motion to dismiss, having already asked in their motion for summary judgment that the Court reconsider its decision rejecting Defendants' argument that the claims should be dismissed pursuant to the purportedly "nearly identical facts" in the Supreme Court's decision in *Janus Capital Group, Inc. v. First Derivative Traders*, 564 U.S. 135 (2011). ECF No. 106 at 17-18, n.4.

132. Based on all the factors summarized above, Class Representative and Class Counsel respectfully submit that it was in the best interest of the Class to accept the certain and substantial benefit conferred by the Settlement, instead of incurring the significant risk that the Class could recover a lesser amount, or nothing at all, after several additional years of arduous litigation.[2]

V. CLASS REPRESENTATIVE'S COMPLIANCE WITH THE COURT'S PRELIMINARY APPROVAL ORDER REQUIRING ISSUANCE OF SETTLEMENT NOTICE

133. The Preliminary Approval Order directed that the Notice of (I) Proposed Settlement and Plan of Allocation; (II) Settlement Hearing; and (III) Motion for an Award of

[2] Class Counsel also notes that the $22 million recovery achieved here is more than the SEC achieved against Virtus, as the SEC settled its action for a payment from Virtus of $16.5 million.

Attorneys' Fees and Payment of Litigation Expenses (the "Settlement Notice") be disseminated to the Class; set October 3, 2018 as the deadline for Class Members to submit objections to the Settlement, the Plan of Allocation, and/or the Fee and Expense Application; and scheduled the final approval hearing for October 24, 2018. ECF No. 148 at ¶¶ 2, 13.

134. The Preliminary Approval Order authorized Class Counsel to retain GCG as the Claims Administrator for the Settlement.[3] In accordance with the Preliminary Approval Order, GCG has: (i) mailed the Court-approved Settlement Notice and Claim Form (together, the "Settlement Notice Packet") to those persons and entities who were previously mailed copies of the Class Notice and any other potential Class Members who were otherwise identified through reasonable effort; (ii) posted the Settlement Notice and Claim Form on the website previously developed for this Action, www.VirtusSecuritiesLitigation.com; and (iii) published the Summary Settlement Notice in the *Wall Street Journal* and *Financial Times*, and transmitted it over the *PR Newswire*.[4]

135. The Settlement Notice sets forth a description of the terms of the Settlement and the proposed Plan of Allocation and provides potential Class Members with, among other things, an explanation of their right to object to any aspect of the Settlement, the Plan of Allocation, and/or Class Counsel's request for an award of attorneys' fees and payment of Litigation Expenses and the manner for submitting a Claim Form in order to be eligible to receive a payment from the Settlement. *See generally* Ex. 3 -A. The Settlement Notice also informs Class Members of Class Counsel's intention to apply for an award of attorneys' fees in the amount not

[3] ECF No. 148 at ¶ 4. GCG was previously approved by the Court to be the notice Administrator and disseminated the Class Notice to potential Class Members. ECF. No. 116 at ¶ 4.

[4] GCG's efforts are detailed in the Declaration of Tara Donohue Regarding (A) Mailing of Settlement Notice and Claim Form and (B) Publication of Summary Settlement Notice (the "Donohue Declaration" or "Donohue Decl."), dated September 19, 2018, attached as Exhibit 3 hereto.

to exceed 25% of the Settlement Fund, and for payment of litigation expenses incurred in connection with the institution, prosecution and resolution of the Action, as well as a PSLRA award, in an amount not to exceed $1,200,000.[5]

136. As set forth in the Donohue Declaration, GCG disseminated 134,110 copies of the Settlement Notice Packet to potential Class Members and nominees by first-class mail on July 27, 2018. Donohue Decl. ¶¶ 3-4. As of September 18, 2018, a total of 143,299 Settlement Notice Packets have been mailed to potential Class Members and nominees. *Id.* ¶ 6. GCG also caused, in accordance with the Preliminary Approval Order, the Summary Settlement Notice to be published in *Wall Street Journal* and *Financial Times*, and transmitted it over the *PR Newswire* on August 8, 2018. *Id.* ¶ 7.

137. Contemporaneously with the mailing of the Settlement Notice Packet, GCG also updated the case website to provide Class Members and other interested parties with information concerning the Settlement and the important dates and deadlines in connection therewith, as well as access to downloadable copies of the Settlement Notice, Claim Form, Stipulation, and Preliminary Approval Order. *See* Donohue Decl. ¶ 9. The Settlement Notice Packet has also been posted on Class Counsel's firm websites.

138. As noted above, the Court-ordered deadline for Class Members to file objections to the Settlement, the Plan of Allocation and/or the Fee and Expense Application is October 3, 2018. To date, no objections to the Settlement, Plan of Allocation or Fee and Expense

[5] As discussed above, the Class Notice previously mailed to potential members of the Class notified them of their right to request to be excluded from the Class, the effect of remaining in the Class or requesting exclusion, and the requirements for requesting exclusion. No valid and timely requests for exclusion have been received pursuant to the Class Notice. ECF Nos. 141, 145. Pursuant to the Preliminary Approval Order, there was no second opportunity to seek exclusion. *See* ECF No. 148, at ¶ 11.

Application have been received. Class Representative and Class Counsel will address any objections in their reply papers to be filed with the Court on October 17, 2018.

VI. ALLOCATION OF THE PROCEEDS OF THE SETTLEMENT

139. Pursuant to the Preliminary Approval Order, and as set forth in the Settlement Notice, all Class Members who want to participate in the distribution of the Net Settlement Fund (*i.e.*, the Settlement Fund less any (a) Taxes, (b) Notice and Administration Costs, (c) Litigation Expenses awarded by the Court, (d) attorneys' fees awarded by the Court; and (e) other costs or fees approved by the Court) are to submit a Claim Form postmarked or online using the case website no later than October 10, 2018. As set forth in the Settlement Notice, the Net Settlement Fund will be distributed among Class Members who submit eligible claims according to the plan of allocation approved by the Court.

140. Class Counsel developed the proposed plan of allocation for the Net Settlement Fund (the "Plan of Allocation") in consultation with Class Representative's damages expert. Class Counsel believe that the Plan of Allocation provides a fair and reasonable method to equitably allocate the Net Settlement Fund among Class Members who suffered losses as result of the conduct alleged in the Complaint.

141. The Plan of Allocation is set forth at pages 7 to 10 of the Settlement Notice. *See* Donohue Decl., Ex. A at pp. 7-10. As described in the Settlement Notice, calculations under the Plan of Allocation are not intended to be estimates of, nor indicative of, the amounts that Class Members might have been able to recover at trial or estimates of the amounts that will be paid to Authorized Claimants pursuant to the Settlement. Settlement Notice ¶ 47. Instead, the calculations under the plan are a method to weigh the claims of Class Members against one another for the purposes of making an equitable allocation of the Net Settlement Fund.

142. In developing the Plan of Allocation, Class Representative's damages expert calculated the estimated amount of artificial inflation in the per share closing price of Virtus common stock that allegedly was proximately caused by Defendants' alleged false and misleading statements and omissions. In calculating the estimated artificial inflation allegedly caused by Defendants' alleged misrepresentations and omissions, Class Representative's damages expert considered price changes in Virtus common stock in reaction to certain public announcements allegedly revealing the truth concerning Defendants' misrepresentations and material omissions, adjusting for price changes that were attributable to market or industry forces.

143. Under the Plan of Allocation, a "Recognized Loss Amount" will be calculated for each purchase or other acquisition of Virtus common stock during the Class Period that is listed in the Claim Form and for which adequate documentation is provided. The calculation of Recognized Loss Amounts will depend upon several factors, including (a) when the Virtus common stock was purchased or otherwise acquired, and at what price; and (b) whether the Virtus common stock was sold or held through the end of the Class Period and the 90-day look-back period, and if the stock was sold, when and for what amounts. In general, the Recognized Loss Amount calculated will be the difference between the estimated artificial inflation on the date of purchase and the estimated artificial inflation on the date of sale, or the difference between the actual purchase price and sales price of the stock, whichever is less. Settlement Notice ¶ 52.

144. 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 because the level of artificial inflation is the

same between the corrective disclosures and any loss suffered on those sales would not be the result of the alleged misstatements in the Action.

145. The sum of a Claimant's Recognized Loss Amounts is the Claimant's "Recognized Claim" and the Net Settlement Fund will be allocated to Authorized Claimants on a *pro rata* basis based on the relative size of their Recognized Claims. Settlement Notice ¶¶ 58, 61-62.

146. In sum, the Plan of Allocation was designed to fairly and rationally allocate the proceeds of the Net Settlement Fund among Class Members based on the losses they suffered on transactions in Virtus common stock that were attributable to the conduct alleged in the Complaint. Accordingly, Class Counsel respectfully submit that the Plan of Allocation is fair and reasonable and should be approved by the Court.

147. As noted above, as of September 18, 2018, more than 143,299 copies of the Settlement Notice, which contains the Plan of Allocation, and advises Class Members of their right to object to the proposed Plan of Allocation, have been sent to potential Class Members. S*ee* Donohue Decl. ¶ 6. To date, no objections to the proposed Plan of Allocation have been received.

VII. THE FEE AND EXPENSE APPLICATION

148. In addition to seeking final approval of the Settlement and Plan of Allocation, Class Counsel are applying to the Court for an award of attorneys' fees of 25% of the Settlement Fund, or $5.5 million, plus interest earned at the same rate as the Settlement Fund (the "Fee Application"). Class Counsel also request payment of litigation expenses that they incurred in connection with the prosecution of the Action from the Settlement Fund in the amount of $898,497.96. Class Counsel further request payment to Class Representative in the amount of $5,648.73 directly related to its representation of the Class, in accordance with the PSLRA, 15

U.S.C. § 78u-4(a)(4). The legal authorities supporting the requested fee and expenses are discussed in Class Counsel's Fee Memorandum. The primary factual bases for the requested fee and expenses are summarized below.

A. The Fee Application

149. For their efforts on behalf of the Class, Class Counsel are applying for a fee award to be paid from the Settlement Fund on a percentage basis. No attorneys outside of BLB&G or Labaton will be paid from the fee award. Based on the quality of the result achieved, the extent and quality of the work performed, the significant risks of the litigation and the fully contingent nature of the representation, Class Counsel respectfully submit that the requested fee award is reasonable and should be approved. As discussed in the Fee Memorandum, a 25% fee award is fair and reasonable for attorneys' fees in common fund cases such as this and is within the range of percentages awarded in securities class actions in this Circuit with comparable settlements.[6]

1. Class Representative Has Authorized and Supports the Fee and Expense Application

150. Class Representative ATRS is a sophisticated institutional investor that closely supervised and monitored the prosecution and settlement of the Action. *See* Declaration of Rod Graves, Ex. 1, at ¶¶ 6-8. Class Representative has evaluated the Fee and Expense Application and fully supports the requests. Graves Decl. ¶¶ 10-11. Accordingly, Class Representative's endorsement of Class Counsel's fee and expense request demonstrates its reasonableness and should be given weight in the Court's consideration of the fee award.

[6] Attached hereto as Exhibit 4 is a compendium of unreported cases cited in the Fee Memorandum, in alphabetical order.

2. The Significant Time and Labor Devoted to the Action by Class Counsel

151. The work undertaken by Class Counsel in investigating and prosecuting this case and arriving at the Settlement in the face of substantial risks has been time-consuming and challenging. As set forth above, the Action settled only after counsel overcame multiple legal and factual challenges, completed extensive fact and expert discovery, including the analysis of more than five million pages of documents, 16 merits depositions and 5 expert depositions, vigorously litigated class certification, and fully briefed a summary judgment.

152. Throughout this case, Class Counsel devoted substantial time to its prosecution. While we personally devoted significant time to the case, other experienced attorneys at our firms were also involved, with more junior attorneys and paralegals working on matters appropriate to their skill and experience level. Throughout the litigation, Class Counsel maintained an appropriate level of staffing that avoided unnecessary duplication of effort and ensured the efficient prosecution of this litigation. 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.

153. The time and labor expended by Class Counsel in pursuing this Action and achieving the Settlement strongly demonstrate the reasonableness of the requested fee. Attached hereto as Exhibits 5A and 5B are declarations from Class Counsel in support of the Fee and Expense Application (the "Fee and Expense Declarations"). Each of the Fee and Expense Declarations includes a schedule summarizing the lodestar of the firm and the litigation expenses it incurred, delineated by category. The Fee and Expense Declarations indicate the amount of time spent on the Action by the attorneys and professional support staff of each Class Counsel firm from the inception of the Action through February 13, 2018, the date that Class

Representative notified the Court of the Settlement, and the lodestar calculations based on their current hourly rates. For attorneys or professional support staff who are no longer employed by Class Counsel, the lodestar calculations are based upon the hourly rates for such person in his or her final year of employment. The hourly rates of Class Counsel range from $850 to $1,250 for partners,[7] $700 for of-counsel, $375 to $650 for associates, $390 to $435 for staff attorneys, $235 to $335 for paralegals/managing clerk, and $290 to $520 for investigators/litigation support staff, with an overall blended hourly rate of approximately $482. These declarations were prepared from contemporaneous daily time records regularly maintained and prepared by the respective firms, which are available at the request of the Court. The first page of Exhibit 5 is a chart that collects the information set forth in Class Counsel's Fee and Expense Declarations, listing the total hours expended, lodestar amounts and litigation expenses for each Class Counsel firm, and gives totals for the numbers provided.

154. As set forth in Exhibit 5, Class Counsel expended a total of 23,451.20 hours in the investigation, prosecution and resolution of the Action through February 13, 2018. The resulting total lodestar is $11,311,736.50.[8]

155. The requested 25% fee equals $5.5 million, before interest, and therefore, under the lodestar approach, is significantly less than the value of Class Counsel's time. If Class Counsel's fee request is granted in full, they will receive less than 49% of the value of the time

[7] The partner whose hourly rate is $1,250 per hour is BLB&G's founding partner, Max Berger, who has more than 40 years of experience in securities class actions. His modest 60 hours of time related directly to the mediation and negotiations that made the Settlement possible. *See* Ex. 5A-A.

[8] Class Counsel have not submitted any time incurred after February 13, 2018, the date Class Representative notified the Court of the Settlement. Nonetheless, Class Counsel have expended, and will continue to expend, considerable additional time after that date in (a) overseeing the distribution of notice of the Settlement to Class Members; (b) preparing and filing papers in support of approval of the Settlement; and (c) monitoring and overseeing the administration of the Settlement and distribution of payment to Class Members.

Class Counsel dedicated to the Action. We believe this fact makes it straightforward to conclude the fee requested is fair and reasonable. Indeed, as discussed in the Fee Memorandum, the requested multiplier is significantly below the range of multipliers typically awarded by Courts in this Circuit in cases involving significant contingency fee risk and settlements of similar magnitude. *See* Fee Memorandum §I.B.

156. In addition, as was done in connection with Class Representative's motion for preliminary approval, in preparing this application, Class Counsel reviewed similar fee applications that have been previously before the Court and the Court's rulings with respect to the applications. Class Counsel note that their time spent litigating this Action, including their approach to case management, fundamentally aligns with the preferences the Court has expressed as ways to eliminate inflated lodestars and to ensure fairness to the Class.

157. As an initial matter, Class Counsel acknowledge that the Court has, in other fee applications, expressed concerns about partner-heavy staffing. *See Pennsylvania Pub. Sch. Employees' Ret. Sys. v. Bank of Am. Corp.*, 318 F.R.D. 19, 25 (S.D.N.Y. 2016) (reducing fee due in part to "the predominance of partner-level work on the substantive aspects of the litigation"); *Dial Corp. v. News Corp.*, 317 F.R.D. 426, 434-35 (S.D.N.Y. 2016). Here, Class Counsel carefully and efficiently staffed the Action from the beginning, and litigated this Action with just 4 main partners. *Compare* Exs. 5A-A & 5B-A, *with Bank of Am. Corp.*, ECF. No. 372 at 9 (noting 16 partners submitted time on matter (out of 14 partners total in the firm)).

158. Second, although we note that the Court has in certain cases questioned whether staff attorney time should be treated as an expense in class counsel fee applications, rather than as part of counsel's lodestar (*see Dial Corp.*, 317 F.R.D. at *438), in this case even deleting all staff attorney time from the lodestar would still result in a total lodestar of approximately $6.2

million and a resulting fee request with a negative lodestar multiplier of 0.88, which is eminently reasonable. In such circumstances, seeking to expense the staff attorney time would likely decrease the recovery to the Class.

159. Additionally, the Staff Attorneys assisting Class Counsel here are skilled attorneys who made meaningful, substantive contributions, including preparing deposition materials (and sitting second-chair at depositions); drafting portions of Class Representative's opposition to Defendants' motion for summary judgment; and also assisting in trial preparation, including compiling deposition designations and exhibit lists. This involvement differs dramatically from that which the Court described in *Bank of Am. Corp.*, 318 F.R.D. at *26-27. There, the Court found a fee reduction appropriate because the contract attorneys had regular associate hourly rates, but performed only document review—in other words, "contract attorneys in all but name[.]" *Id.* at *27. In contrast, Class Counsel's Staff Attorneys performed substantive work similar to that of associates.[9] Moreover, Class Counsel respectfully submit that the staff attorney time here should be properly included with Class Counsel's time for the same reason courts in this District have routinely ruled that time spent by paralegals and law clerks is properly included in lodestar calculations—because the work done "was directly related to the prosecution of the class claims." *In re Union Carbide Corp. Consumer Prods. Bus. Sec. Litig.*, 724 F. Supp. 160, 163 (S.D.N.Y. 1989); *see also In re CitiGroup Inc. Sec. Litig.*, 965 F. Supp. 2d 269, 394-96 (S.D.N.Y. 2013) (rejecting the argument that contract attorney labor should be treated as an expense).

[9] The hourly rates for the eight staff attorneys ranged from $390 to $435, with an overall blended hourly rate of approximately $403 – which is generally lower than the rates for Class Counsel's associates. *See* Exs. 5A-A & 5B-A.

3. The Quality of Class Counsel's Representation

160. Class Counsel believe that the best test of the quality of the representation provided is the quality of the results achieved for the class members whom counsel were appointed to represent. Here, for the reasons previously detailed above, Class Counsel respectfully submit that the $22 million cash Settlement is a very favorable result for the Class. Reached after years of dedicated effort, the Settlement is the result of Class Counsel's hard work, persistence and skill in a case that presented significant litigation risks.

161. Moreover, as demonstrated by the firm resumes included as Exhibits 5A-C and 5B-C hereto, Class Counsel are among the most experienced and skilled law firms in the securities litigation field, and each firm has a long and successful track record representing investors in such cases. We believe Class Counsel's experience and ability added valuable leverage in the settlement negotiations.

4. Standing and Caliber of Defendants' Counsel

162. The quality of the work performed by Class Counsel in attaining the Settlement should be evaluated in light of the quality of their opposition. Defendants were represented by vigorous and extremely able counsel from Simpson Thacher & Bartlett LLP. In the face of this skillful and well-financed opposition, Class Counsel were nonetheless able to develop a case that was sufficiently strong to persuade Defendants and their counsel to settle the case on terms that will benefit the Class.

5. The Risks of Litigation and the Need to Ensure the Availability of Competent Counsel in High-Risk Contingent Cases

163. The prosecution of these claims was undertaken entirely on a contingent-fee basis, and the considerable risks assumed by Class Counsel in bringing this Action to a successful conclusion are described above. Those risks are relevant to the Court's evaluation of an award of

attorneys' fees. Here, the risks assumed by Class Counsel, and the time and expenses incurred by Class Counsel without any payment, were extensive.

164. From the outset, Class Counsel understood that they were embarking on a complex, expensive, lengthy and hard-fought litigation with no guarantee of ever being compensated for the substantial investment of time and the outlay of money that vigorous prosecution of the case would require. In undertaking that responsibility, Class Counsel were obligated to ensure that sufficient resources (in terms of attorney and support staff time) were dedicated to the litigation, and that Class Counsel would further advance all of the costs necessary to pursue the case vigorously on a fully contingent basis, including funds to compensate vendors and consultants and to cover the considerable out-of-pocket costs that a case such as this typically demands. Because complex shareholder litigation generally proceeds for several years before reaching a conclusion, the financial burden on contingent-fee counsel is far greater than on a firm that is paid on an ongoing basis. Indeed, Class Counsel have received no compensation during the course of this Action, yet they have incurred $898,497.96 in expenses in prosecuting this Action for the benefit of Virtus investors.

165. Class Counsel also bore the risk that no recovery would be achieved. As discussed above, from the outset this case presented a number of significant risks and uncertainties, which could have resulted in no recovery for the Class and, thus, no payment at all to counsel.

166. Class Counsel's persistent efforts in the face of significant risks and uncertainties have resulted in a significant and certain recovery for the Class. In light of this recovery and Class Counsel's investment of time and resources over the course of the litigation, Class Counsel believe the requested attorneys' fee is fair and reasonable and should be approved.

6. The Reaction of the Class to the Fee Application

167. As noted above, as of September 18, 2018, more than 143,299 Settlement Notice Packets have been mailed to potential Class Members advising them that Class Counsel would apply for attorneys' fees in an amount not to exceed 25% of the Settlement Fund. *See* Donohue Decl. ¶ 6 and Ex. A (Notice ¶¶ 5, 68). In addition, the Court-approved Summary Notice has been published in the *Wall Street Journal* and *Financial Times*, and transmitted over the *PR Newswire*. *Id*. ¶ 7. To date, no objections to the request for attorneys' fees have been received.

168. In sum, Class Counsel accepted this case on a contingency basis, committed significant resources to it, and prosecuted it without any compensation or guarantee of success. Based on the favorable result obtained, the quality of the work performed, the risks of the Action, and the contingent nature of the representation, Class Counsel respectfully submit that the requested fee is fair and reasonable.

B. The Litigation Expense Application

169. Class Counsel also seek payment for $898,497.96 in litigation expenses that were reasonably incurred by Class Counsel in connection with the prosecution of the Action (the "Expense Application").

170. From the outset of the Action, Class Counsel have been cognizant of the fact that they might not recover any of their expenses, and, further, if there were to be reimbursement of expenses, it would not occur until the Action was successfully resolved, often a period lasting several years. Class Counsel also understood that, even assuming that the case was ultimately successful, reimbursement of expenses would not necessarily compensate them for the lost use of funds advanced by them to prosecute the Action. Consequently, counsel were motivated to take steps to minimize expenses whenever practicable without jeopardizing the vigorous and efficient prosecution of the case.

171. Class Counsel have incurred a total of $898,497.96 in litigation expenses in connection with the prosecution of the Action. The expenses are summarized in Exhibit 6, which was prepared based on the Fee and Expense Declarations submitted by each firm and identifies each category of expense, *e.g.*, expert fees, on-line legal and factual research, travel costs, telephone and duplicating expenses, and the amount incurred for each category. As attested to in each firm's Fee and Expense Declaration (Exhibits 5A to 5B hereto), these expenses are reflected on the books and records maintained by each Class Counsel 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. Importantly, these expenses were recorded separately by Class Counsel and are not duplicated among the respective firms' hourly rates.

172. Of the total amount of expenses, $341,500.55, or approximately 38%, was expended for the retention of a testifying and consulting expert. As noted above, Class Counsel worked extensively with their expert on issues related to market efficiency, loss causation, and damages. This work was instrumental in Class Counsel's appraisal of the claims, obtaining class certification, and ultimately bringing about the favorable result achieved.

173. Another significant cost was the expense of retaining a database provider to host and manage the data from the extensive document production obtained in the Action. Those costs totaled $336,871.97, or approximately 37% of the total expenses.

174. The combined costs of on-line legal and factual research were $53,341.39, or approximately 6% of the total expenses. The costs of court reporting totaled $79,195.13, or approximately 9% of total expenses.

175. Class Counsel also incurred $10,917.16 in out-of-town travel costs, for travel in connection with depositions in the Action that occurred outside New York, including in Boston,

Chicago, and Washington, D.C. As detailed in the Fee and Expense Declarations, Class Counsel have capped these travel costs in various ways, including limiting airfare to coach rates and capping expenses for meals and hotels.

176. 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, filing fees, court reporter fees, copying costs (in-house and through outside vendors), long distance telephone charges, and postage and delivery expenses.

177. Additionally, pursuant to the PSLRA, 15 U.S.C. § 78u-4(a)(4), ATRS is seeking reimbursement related directly to its representation of the Class, based on the time that employees of ATRS dedicated to the Action, including performing tasks such as communicating with counsel, reviewing pleadings, gathering documents in response to Defendants' discovery requests; preparing and sitting for a deposition, and attending the mediation session and summary judgment argument, among other things. Such payments are expressly authorized and anticipated by the PSLRA, as discussed in the Fee Memorandum, §VI. As set forth in the Graves Declaration attached hereto as Exhibit 1, ATRS seeks a total of $5,648.73 in reimbursement for its time, which is based on 64 hours.

178. The Settlement Notice informed potential Class Members that Class Counsel would be seeking payment of expenses in an amount not to exceed $1,200,000, including reimbursement to the Class Representative directly related to its representation of the Class, as authorized by the PSLRA. Settlement Notice ¶¶ 5, 68. The aggregate amount requested, $904,146.69, which includes $898,497.96 for litigation expenses incurred by Class Counsel and a $5,648.73 PSLRA reimbursement to the Class Representative, is below the $1,200,000 cap.

179. The expenses incurred by Class Counsel and ATRS were reasonable and necessary to represent the Class and achieve the Settlement. Accordingly, Class Counsel respectfully submit that the expenses should be paid in full from the Settlement Fund.

VIII. MISCELLANEOUS EXHIBITS

180. Attached hereto as Exhibit 7 is a true and correct copy of Laarni T. Bulan, Ellen M. Ryan, and Laura E. Simmons, *Securities Class Action Settlements – 2017 Review and Analysis*, (Cornerstone Research 2018).

IX. CONCLUSION

181. For all the reasons stated above, Class Representative and Class Counsel respectfully submit that the Settlement and the Plan of Allocation should be approved as fair, reasonable, and adequate. Class Counsel further submit that the requested fee of 25% of the Settlement Fund should be approved as fair and reasonable, and the request for payment of expenses in the aggregate amount of $904,146.69 should also be approved.

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

Executed September 19, 2018.

Michael H. Rogers w/permission hmz
Michael H. Rogers

John C. Browne

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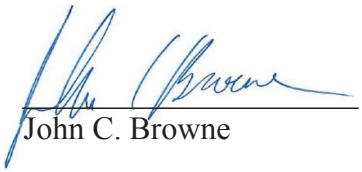


Michael H. Rogers

John C. Browne

Exhibit 1

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE VIRTUS INVESTMENT PARTNERS, INC. SECURITIES LITIGATION	Case No. 15-cv-1249 (WHP) ECF Case

DECLARATION OF ROD GRAVES, DEPUTY DIRECTOR OF ARKANSAS TEACHER RETIREMENT SYSTEM, IN SUPPORT OF: (I) CLASS REPRESENTATIVE'S MOTION FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT AND APPROVAL OF PLAN OF ALLOCATION; AND (II) CLASS COUNSEL'S MOTION FOR AN AWARD OF ATTORNEYS' FEES AND PAYMENT OF LITIGATION EXPENSES

I, Rod Graves, hereby declare under penalty of perjury as follows:

1. I am the Deputy Director of the Arkansas Teacher Retirement System ("ATRS"), the Court-appointed Lead Plaintiff and Class Representative in this securities class action (the "Action").[1] I submit this declaration in support of (a) Class Representative's motion for final approval of the proposed Settlement and approval of the proposed Plan of Allocation; and (b) 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. ATRS is a public pension fund organized in 1937 to provide retirement, disability, and survivor benefit programs to active and retired public teachers of the State of Arkansas. ATRS is responsible for the retirement income of these employees and their beneficiaries. As of

[1] Unless otherwise defined herein, capitalized terms shall have the meanings ascribed to them in the Stipulation and Agreement of Settlement, dated May 18, 2018 (ECF No. 143-1) (the "Stipulation").

June 30, 2018, ATRS's defined benefit plans served more than 125,000 active and retired members and their beneficiaries, and ATRS had over $17 billion in assets under management.

I. ATRS's 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 Deputy Director of ATRS, I have overseen ATRS's service as lead plaintiff in several securities class actions.

4. ATRS retained both Bernstein Litowitz Berger & Grossmann LLP ("BLB&G") and Labaton Sucharow LLP ("Labaton") through a formalized request for qualifications (RFQ) process. Through that RFQ process, ATRS determined that both BLB&G and Labaton was each qualified and adequate to conduct portfolio monitoring services for ATRS and to represent ATRS in securities litigation if ATRS chose to seek involvement in such cases.

5. Consistent with Arkansas statute (A.C.A. §25- 16-708) and ATRS's long-standing policy for securities litigation counsel, BLB&G and Labaton each understood at the outset of the Action that they would be paid on a contingency basis and permitted only to seek attorneys' fees of up to a maximum of 25% of any recovery obtained and that ATRS would also review the reasonableness of the proposed fee at the conclusion of the Action in light of the result obtained and other factors.

6. On June 9, 2015, the Court issued an Order appointing ATRS as "Lead Plaintiff" pursuant to the Private Securities Litigation Reform Act of 1995, and approved BLB&G and Labaton as "Co-Lead Counsel" for the Class. On May 15, 2017, the Court appointed ATRS as the Class Representative for the Action and BLB&G and Labaton both as Class Counsel for the class. On behalf of ATRS, I among others at ATRS, had regular communications with BLB&G and Labaton throughout the litigation. ATRS, 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. ATRS received periodic status reports from BLB&G and Labaton on case developments, and participated in regular discussions with attorneys from BLB&G and Labaton 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/or other employees of ATRS: (a) regularly communicated with BLB&G and Labaton by email and telephone calls regarding the posture and progress of the case; (b) reviewed all significant pleadings and briefs filed in the Action; (c) assisted in searching for and producing documents and information requested by Defendants in the course of discovery; (d) attended major arguments before the Court, including concerning ATRS's motion for class certification and Defendants' motion for summary judgment; (e) participated in the mediation process and consulted with BLB&G and Labaton concerning the settlement negotiations as they progressed; and (f) evaluated, approved and recommended approval of the proposed Settlement for $22,000,000 in cash.

7. In addition, I personally coordinated the collection of documents in response to Defendants' discovery requests and reviewed significant Court filings. I was also deposed by counsel for Defendants on December 21, 2016. I spent a substantial amount of time preparing for and appearing at that deposition.

8. ATRS Executive Director, George Hopkins, traveled to New York and attended the mediation conducted before Jed D. Melnick, Esq., of JAMS in December 2017. In addition, both Mr. Hopkins and I were advised of and participated in the settlement negotiations and the mediation process, and we conferred regularly with BLB&G and Labaton regarding the Parties' respective positions.

II. ATRS Strongly Endorses Approval of the Settlement

9. Based on its involvement throughout the prosecution and resolution of the claims asserted in the Action, ATRS believes that the proposed Settlement is fair, reasonable and adequate to the Class. ATRS 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, ATRS strongly endorses approval of the Settlement by the Court.

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

10. While it is understood that the ultimate determination of Class Counsel's request for attorneys' fees and expenses rests with the Court, ATRS believes that Class Counsel's request for an award of attorneys' fees in the amount of 25% of the Settlement Fund is reasonable in light of the result achieved in the Action, the risks undertaken and the quality of the work performed by Class Counsel on behalf of Class Representative and the Class. ATRS has evaluated Class Counsel's fee request by considering the substantial recovery obtained for the Class in this Action, the risks of the Action, its observations of the high-quality work performed by Class Counsel throughout the litigation, and has authorized this fee request to the Court for its ultimate determination.

11. ATRS further believes that Co-Lead Counsel's Litigation Expenses 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, ATRS fully supports Class Counsel's motion for an award of attorneys' fees and payment of Litigation Expenses.

12. ATRS 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, ATRS seeks reimbursement for the costs and expenses that it incurred directly relating to its representation of the Class in the Action.

13. My primary responsibility at ATRS involves overseeing ATRS's operations, including monitoring litigation matters involving the fund, such as ATRS' activities in the securities class actions where (as here) it has been appointed lead plaintiff. As noted above, Mr. George Hopkins, ATRS's Executive Director, also dedicated time to the prosecution of this Action, as did Chris Ausbrooks of ATRS's information technology department.

14. 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 ATRS and, thus, represented a cost to ATRS. ATRS seeks reimbursement in the amount of $5,648.73 for the time of the following ATRS personnel:

Personnel	Hours	Rate[2]	Total
George Hopkins	30.0	$108.91	$3,267.30
Rod Graves	31.0	$72.78	$2,256.18
Chris Ausbrooks	3.0	$41.75	$125.25
TOTAL	**64.0**		**$5,648.73**

IV. Conclusion

15. In conclusion, ATRS 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. ATRS respectfully requests that the Court approve Class Representative's motion for final approval of the proposed Settlement and Plan of Allocation and Class Counsel's motion for an award of attorneys' fees

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

and payment of Litigation Expenses, including ATRS's request for reimbursement of $5,648.73 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 the foregoing is true and correct, and that I have authority to execute this Declaration on behalf of ATRS.

Executed this 19th day of September, 2018.

Rod Graves
Deputy Director of
Arkansas Teacher Retirement System

#1224601

Exhibit 2

CORNERSTONE RESEARCH

Economic and Financial Consulting and Expert Testimony

Securities Class Action Filings

2017 Year in Review

Table of Contents

Table of Figures and Appendices

Executive Summary

Widespread securities class action activity occurred throughout 2017. Last year, plaintiffs filed more federal securities fraud class actions than in any previous year since the enactment of the Private Securities Litigation Reform Act of 1995 (PSLRA). The primary contributor to this rise was filings related to merger and acquisition (M&A) transactions, which doubled in number.

Number and Size of Filings

- Plaintiffs filed a record 412 **new federal class action securities cases** (filings) in 2017. This was 52 percent greater than 2016 and more than double the 1997–2016 average. "Core" filings—those excluding M&A claims—increased for the fifth consecutive year. (pages 5–6)
- **Disclosure Dollar Loss (DDL)** increased by $24 billion to $131 billion in 2017. (page 7)
- **Maximum Dollar Loss (MDL)** declined by $283 billion in 2017 to $521 billion. (page 8)
- In 2017, seven **mega filings** made up 36 percent of DDL and 14 mega filings made up 49 percent of MDL. Both of these percentages are below historical averages. Filings with a DDL of at least $5 billion or an MDL of at least $10 billion are considered mega filings. (pages 27–29)

Other Measures of Filing Intensity

- In 2017, the likelihood of litigation for **U.S. exchange-listed companies** was greater than in any previous year. This measure reached record levels because of both the heightened filing activity against public companies and a recent decline in the number of public companies. (page 10)
- One in about 15 **S&P 500** companies (6.4 percent) was sued in 2017. Companies in the Industrials sector were the most frequent targets of new class actions. (pages 11–12)

More federal securities class actions were filed in 2017 than in any of the past 20 years.

Figure 1: Federal Class Action Filings Summary

(Dollars in Billions)

	Annual (1997–2016)			2016	2017
	Average	Max	Min		
Class Action Filings	193	271	120	271	412
Core Filings	*180*	*242*	*120*	*186*	*214*
Disclosure Dollar Loss (DDL)	$120	$240	$42	$107	$131
Maximum Dollar Loss (MDL)	$606	$2,046	$145	$804	$521

Key Trends

M&A Filings

- Federal filings of class actions involving M&A transactions increased to 198, more than double the number in 2016. (page 5)
- Driven by an increase in filings against the financial sector, M&A filings in the Fourth Circuit more than quadrupled. (page 13)
- M&A filings continued to be most common in the Ninth and Third Circuits. (page 13)
- M&A filings had a higher rate of dismissal (78 percent) than core federal filings (48 percent) from 2009 to 2016. (page 14)

For the first time, M&A-related class actions accounted for nearly half of all federal filings.

New Developments

- At the end of 2017, a new type of class action emerged against firms that had previously undertaken an initial coin offering (ICO) tied to cryptocurrencies. There were five filings involving ICOs, all in December 2017. (page 36)
- In *Leidos Inc. v. Indiana Public Retirement System*, the U.S. Supreme Court agreed to hear whether failure to make a disclosure required by Item 303 of Reg. S-K was actionable under Section 10(b) and Rule 10b-5. Argument had been scheduled for November 6, 2017, but the case settled before that date. (page 36)
- Two other cases before the U.S. Supreme Court with interest to securities law practitioners are *Cyan Inc. v. Beaver County Employees Retirement Fund* and *Lucia v. Securities and Exchange Commission*. (pages 18, 36)

Core Filings

- The **outcomes of securities class action filings** in 2015 showed higher rates of dismissals than in previous years. Filings in the 2017 cohort are on pace to have the highest **rate of dismissals** within the first year of filing on record. (pages 15–16)
- The median **filing lag** was 11 days, continuing to remain at historically low levels. (page 23)
- The **Consumer Non-Cyclical sector**, which includes **biotechnology, pharmaceuticals, and healthcare**, again had the most filings with 85 core filings. (pages 30–32)
- Companies listed on the NASDAQ **exchange** continued to be the targets of more core filings than those listed on the NYSE. (page 33)
- Core filings in the **Third Circuit** more than doubled from 2016. The Third Circuit includes the districts of Delaware, New Jersey, Pennsylvania, and the U.S. Virgin Islands. (page 34)

Non-U.S. Company Litigation Likelihood

- More **European** issuers were targeted in 2017 than in any previous year, as the number of filings against **non-U.S. issuers** continued to increase. (pages 24–26)
- Core filings against non-U.S. companies exceeded the overall rate against all U.S. exchange-listed companies. (page 26)

Filings by Lead Plaintiff

- In 2017, individuals were appointed lead plaintiff more often than institutional investors, a trend that has continued since 2013. (page 17)

Appointment of Plaintiff Lead Counsel

- The growth in core filings over the last six years has coincided with the activity of three plaintiff law firms that have increasingly been involved in securities class actions. (page 35)

Annual Rank of Filing Intensity

The last two years saw heightened levels of new class actions, without the financial market turbulence that accompanied prior years with substantial filing activity. On several dimensions, 2016 and 2017 were the most active years on record.

The total number of filings reached unprecedented levels, and companies on U.S. exchanges were more likely to be the subject of a class action than in any previous year. Filings against companies with large market capitalizations, however, did not peak in the same manner. This indicates that smaller companies were relatively more common targets with corresponding lower amounts of DDL and MDL in dispute.

Figure 2: Annual Rank of Measurements of Federal Filing Intensity

	2015	2016	2017
Number of Total Filings	9th	2nd	1st
Core Filings	14th	10th	8th
M&A Filings	5th	2nd	1st
Size of Core Filings			
Disclosure Dollar Loss	9th	11th	8th
Maximum Dollar Loss	14th	4th	10th
Percentage of U.S. Exchange-Listed Companies Sued			
Total Filings	3rd	2nd	1st
Core Filings	4th	2nd	1st
Percentage of S&P 500 Companies Subject to Core Filings	16th	4th	6th

Note: Rankings cover 1997 through 2017 with the exceptions of M&A filings, which have been tracked as a separate category since 2009, and analysis of the litigation likelihood of S&P 500 companies, which began in 2001. Core filings are those excluding M&A claims. See also Appendix 1.

California State Court Section 11 Cases

Class actions with Section 11 claims had been increasingly filed in California state courts (California state Section 11 filings) in recent years, although that trend abated in 2017. These California state Section 11 filings exclude Rule 10b-5 claims, but can include Section 12 or Section 15 claims.

- From 2010 through 2017, plaintiffs filed 55 Section 11 cases in California state courts. (page 18)
- In 2017, California state Section 11 filings declined by nearly two-thirds from 2016 levels. (page 18)
- The MDL of California state Section 11 filings also declined by approximately two-thirds to a level below the 2010–2016 average. (page 19)
- Unlike recent years, all California state Section 11 filings in 2017 had a parallel action in federal court (no filings were made exclusively in California state courts). (page 21)
- A greater percentage of California state Section 11 filings are unresolved compared to Section 11–only federal filings, largely due to a lower dismissal rate for the state filings. (page 20)
- The changes seen in 2017 compared to previous years coincided with the U.S. Supreme Court's decision to hear *Cyan Inc. v. Beaver County Employees Retirement Fund*, a case challenging the appropriateness of state court jurisdiction in Section 11 litigation.

California state Section 11 filings declined sharply compared to the previous two years.

Figure 3: California State Court Section 11 Class Action Filings Summary

(Dollars in Billions)

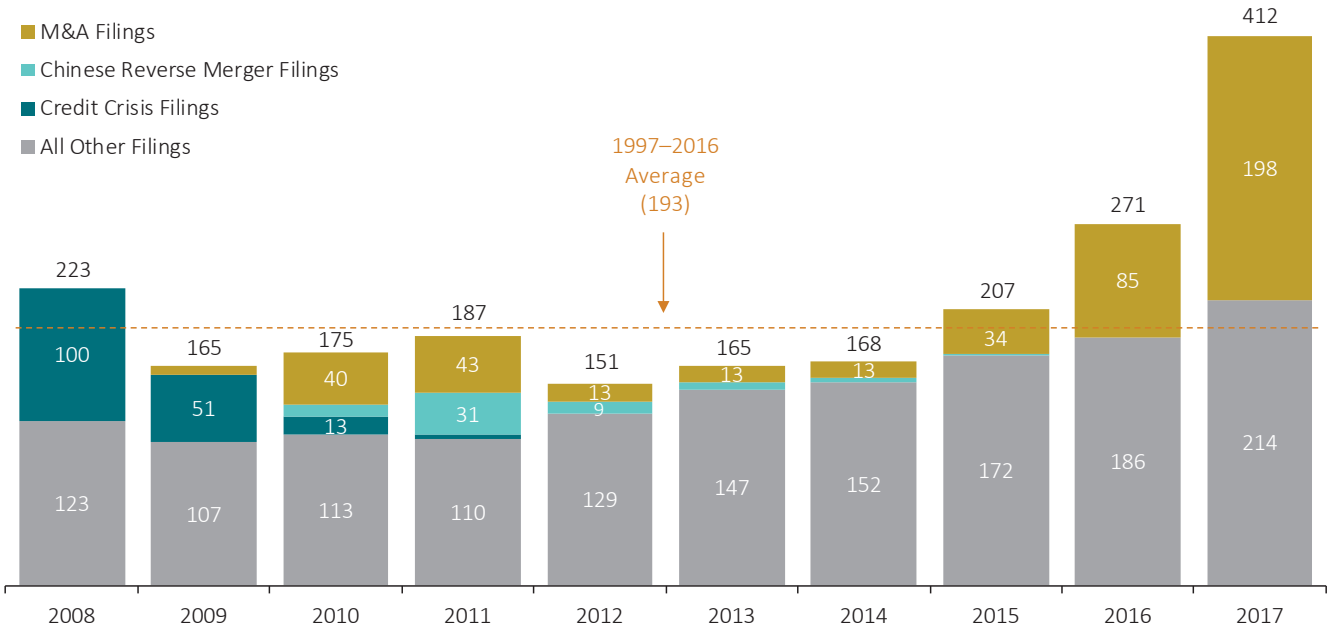
	Average 2010–2016	2016	2017
Section 11 Class Action Filings in State Courts			
Filings in State Courts Only	4	11	0
Parallel Filings in State and Federal Courts	3	6	7
Total	7	17	7
Maximum Dollar Loss of State Court Filings			
MDL of Filings in State Courts Only	$8	$16	$0
MDL of Filings in State and Federal Courts	$4	$13	$10
Total MDL	$12	$29	$10

Number of Filings

- Plaintiffs filed a record 412 new federal class action securities cases in 2017.
- The number of filings in 2017 was 52 percent higher than in 2016 and more than double the 1997–2016 average.
- The 198 M&A filings in 2017 was the largest number since 2009 (when this report began separately identifying these filings) and the primary contributor to the total increase.
- Core filings—those excluding M&A claims—were 15 percent higher in 2017 than in 2016.
- The growth in core filings over the last six years has coincided with the activity of three plaintiff law firms that have increasingly been involved in securities class actions. See additional discussion at page 35.

The number of federal filings leapt to record levels for the second consecutive year.

Figure 4: Class Action Filings Index® (CAF Index®) Annual Number of Class Action Filings
2008–2017

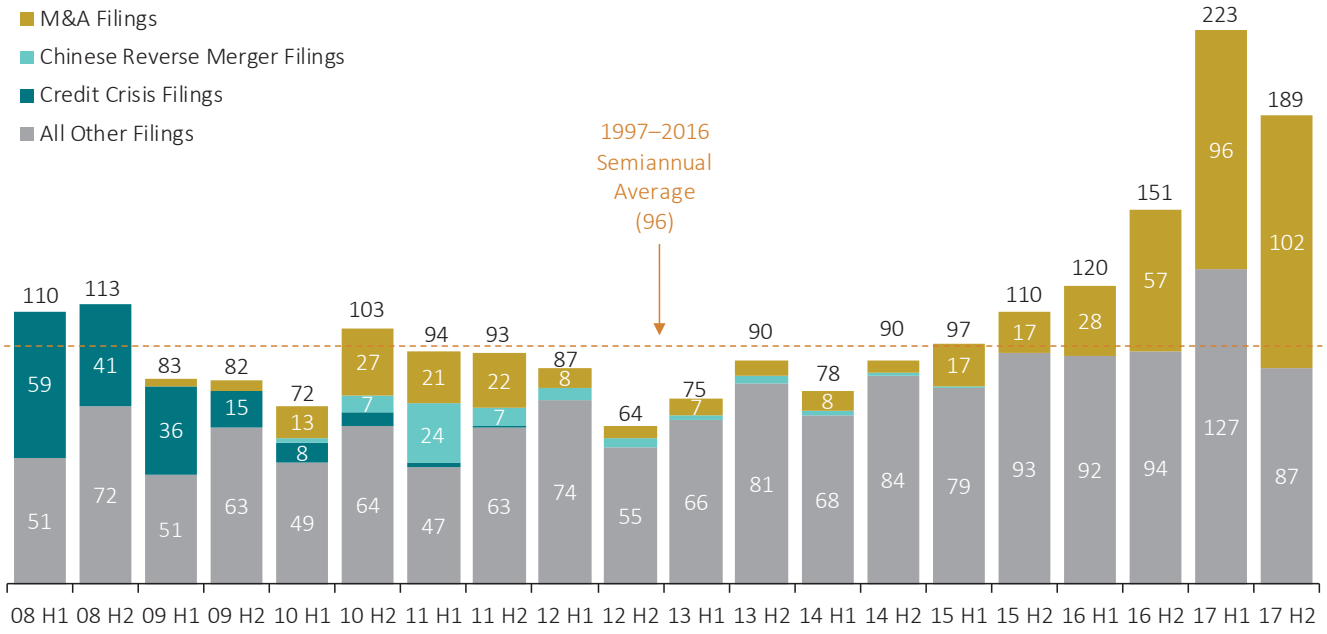


Note: There were two cases in 2011 that were both an M&A filing and a Chinese reverse merger filing. These filings were classified as M&A filings in order to avoid double counting.

- Total filing activity decreased by 15 percent in the second half of 2017 compared to the first half.
- The pace of core filings slowed in the second half of the year. The 87 core filings in the second half of 2017 was the lowest number in a semiannual period since the first half of 2015.
- There were 102 M&A filings in the second half of 2017, the most in any semiannual period.
- In the second half of the year, a new phenomenon emerged. There were five class actions related to initial coin offerings, or ICOs, of cryptocurrencies.

For the first time in a semiannual period, the number of M&A filings exceeded the number of core filings.

Figure 5: Class Action Filings Index® (CAF Index®) Semiannual Number of Class Action Filings
2008–2017



Note: There were two cases in 2011 that were both an M&A filing and a Chinese reverse merger filing. These filings were classified as M&A filings in order to avoid double counting.

Market Capitalization Losses

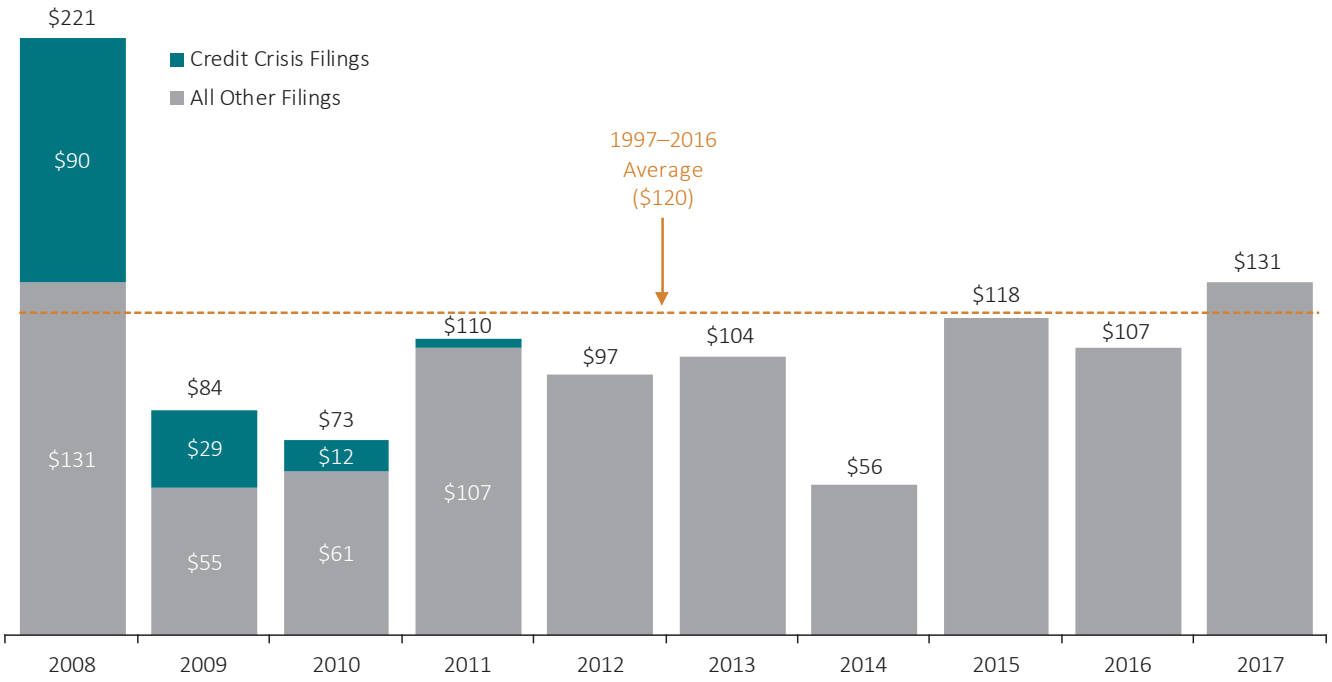
Disclosure Dollar Loss Index® (DDL Index®)

This index measures the aggregate DDL for all filings over a period of time. DDL is the dollar value change in the defendant firm's market capitalization between the trading day immediately preceding the end of the class period and the trading day immediately following the end of the class period. See the glossary for additional discussion on market capitalization losses and DDL.

The DDL Index exceeded the 1997–2016 average for the first time in nine years.

- The DDL Index increased 22 percent from 2016 to 2017, exceeding the 1997–2016 average by 9 percent.
- In 2017, mega DDL accounted for only 36 percent of the DDL Index. Typically, these filings are more than 50 percent.
- The change in per-filing DDL size was mixed in 2017. Average DDL per filing increased, while the median DDL per filing decreased. See Appendix 1.

Figure 6: Disclosure Dollar Loss Index® (DDL Index®)
2008–2017
(Dollars in Billions)



Note:
1. See Appendix 1 for the average and median values of DDL.
2. Numbers may not add due to rounding.

Maximum Dollar Loss Index® (MDL Index®)

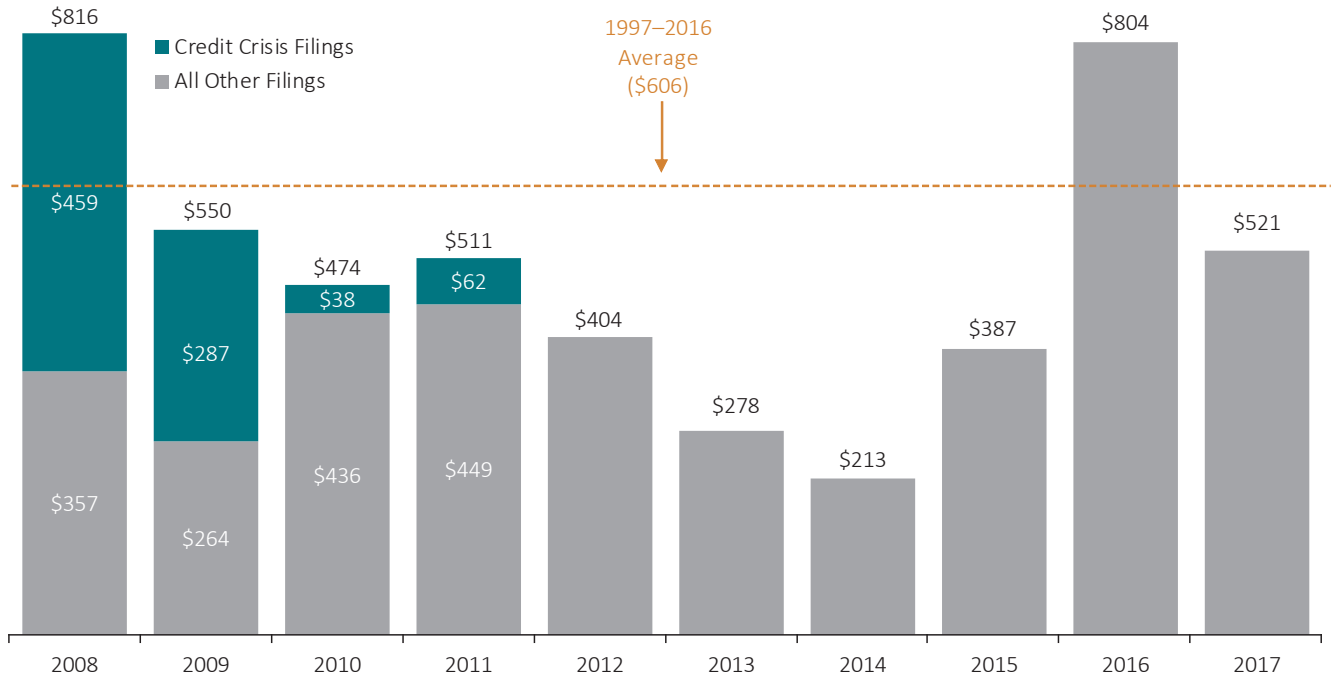
This index measures the aggregate MDL for all filings over a period of time. MDL is the dollar value change in the defendant firm's market capitalization from the trading day with the highest market capitalization during the class period to the trading day immediately following the end of the class period. See the glossary for additional discussion on market capitalization losses and MDL.

- The MDL Index decreased 35 percent from 2016 to 2017, returning to the levels before 2016 and post financial crisis.
- The decrease in the 2017 MDL Index is due in part to fewer mega MDL filings.
- Additionally, the rising stock market reduced market value losses over class periods for many filings.

The MDL Index dropped from a nine-year high in 2016 to below the historical average in 2017.

Figure 7: Maximum Dollar Loss Index® (MDL Index®)
2008–2017

(Dollars in Billions)



Note:
1. See Appendix 1 for the average and median values of MDL.
2. Numbers may not add due to rounding.

Classification of Complaints

- Non-core filings—those without rule 10b-5, Section 11, or Section 12(2) claims—increased from 29 percent of federal filings in 2016 to 49 percent in 2017. Non-core filings in 2017 were primarily related to proposed merger and other shareholder transactions.
- With the exception of misrepresentations in financial documents, each of the allegation categories measured has declined in frequency relative to 2013.
- Allegations of trading by company insiders, GAAP violations, and internal control weaknesses all declined by at least 7 percentage points compared to 2016.

Core filings decreased as a percentage of all filings, as non-core filings continued to grow.

Figure 8: Allegations Box Score

	Percentage of Filings[1]				
	2013	2014	2015	2016	2017
General Characteristics of All Filings					
Rule 10b-5 Claims	84%	85%	84%	67%	47%
Section 11 Claims	9%	14%	15%	9%	7%
Section 12(2) Claims	7%	6%	8%	4%	2%
No Rule 10b-5, Section 11, or Section 12(2) Claims	11%	9%	9%	29%	49%
Allegations in Core Filings[2]					
Misrepresentations in Financial Documents	99%	95%	99%	99%	100%
False Forward-Looking Statements	58%	51%	53%	45%	46%
Trading by Company Insiders	18%	16%	16%	10%	3%
GAAP Violations[3]	27%	39%	38%	30%	22%
Announced Restatement[4]	13%	19%	12%	10%	6%
Internal Control Weaknesses[5]	23%	26%	26%	21%	14%
Announced Internal Control Weaknesses[6]	9%	11%	11%	7%	7%
Underwriter Defendant	10%	12%	12%	7%	8%
Auditor Defendant	2%	1%	1%	2%	0%

Note:
1. The percentages do not add to 100 percent because complaints may include multiple allegations.
2. Core filings in this analysis represent those filings containing allegations related to Rule 10b-5, Section 11, and/or Section 12(2) claims, and therefore exclude ICO filings and a small number of other filings that do not have these allegations. Note that non-core filings may include allegations related to GAAP (e.g., that a non-GAAP metric was not reconciled to GAAP in Schedule 14A, Schedule 14D-9, or other forms issued in connection with a proposed merger or other shareholder transaction).
3. First identified complaint (FIC) includes allegations of GAAP violations. In some cases, plaintiff(s) may not have expressly referenced GAAP; however, the allegations, if true, would represent GAAP violations.
4. FIC includes allegations of GAAP violations and refers to an announcement during or subsequent to the class period that the company will restate, may restate, or has unreliable financial statements.
5. FIC includes allegations of internal control weaknesses over financial reporting.
6. FIC includes allegations of internal control weaknesses and refers to an announcement during or subsequent to the class period that the company has internal control weaknesses over financial reporting.

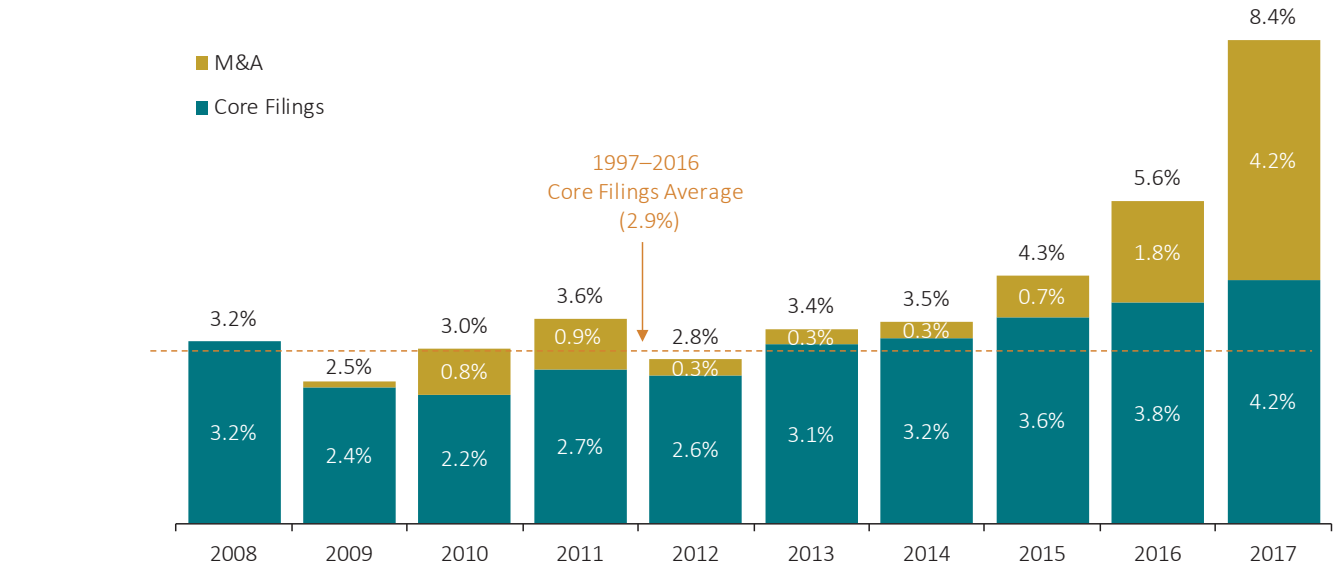
U.S. Exchange-Listed Companies

The percentages in the figure below are calculated as the unique number of companies listed on the NYSE or NASDAQ that were subject to federal securities fraud class actions in a given year divided by the unique number of companies listed on the NYSE or NASDAQ.

- The litigation likelihood of U.S. exchange-listed companies to core filings increased for a fifth consecutive year, from 2.6 percent in 2012 to 4.2 percent in 2017.
- Approximately one in 25 companies listed on U.S. exchanges was the subject of a core filing in 2017. See Appendix 1 for litigation likelihood over a longer time frame.
- Including M&A filings, 8.4 percent of U.S. exchange-listed companies were subject to filings in 2017.

The likelihood of securities litigation against U.S. exchange-listed companies was greater in 2017 than in any previous year.

Figure 9: Percentage of U.S. Exchange-Listed Companies Subject to Filings
2008–2017



Source: Securities Class Action Clearinghouse; Center for Research in Security Prices (CRSP)

Note:
1. Percentages are calculated by dividing the count of issuers listed on the NYSE or NASDAQ subject to filings by the number of companies listed on the NYSE or NASDAQ as of the beginning of the year.
2. Listed companies were identified by taking the count of listed securities at the beginning of each year and accounting for cross-listed companies or companies with more than one security traded on a given exchange. Securities were counted if they were classified as common stock or American Depository Receipts (ADRs) and listed on the NYSE or NASDAQ.
3. Percentages may not sum due to rounding.

Heat Maps: S&P 500 Securities Litigation™

The Heat Maps illustrate securities class action activity by industry sector for companies in the S&P 500 index. Starting with the composition of the S&P 500 at the beginning of each year, the Heat Maps examine two questions for each sector:

(1) What percentage of these companies were subject to new securities class actions in federal court during each calendar year?

(2) What percentage of the total market capitalization of these companies was subject to new securities class actions in federal courts during each calendar year?

The Industrials sector was more active in 2017 than in the previous 16 years.

- Of the companies in the S&P 500 at the beginning of 2017, one in about 15 companies (6.4 percent) was a defendant in a class action filed during the year. While this was a slight decline from 2016, it is still above the 2001–2016 average.
- The percentage of filings in the Consumer Discretionary sector (8.5 percent) was almost double the 2001–2016 average.
- Activity in the Industrials sector picked up, with 8.7 percent subject to new filings—nearly triple the 2001–2016 average.

Figure 10: Heat Maps of S&P 500 Securities Litigation™ Percentage of Companies Subject to New Core Filings

	Average 2001–2016	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Consumer Discretionary	4.8%	4.5%	3.8%	5.1%	3.8%	4.9%	8.4%	1.2%	0.0%	3.6%	8.5%
Consumer Staples	2.9%	2.6%	4.9%	0.0%	2.4%	2.4%	0.0%	0.0%	5.0%	2.6%	2.7%
Energy/Materials	1.4%	0.0%	1.5%	4.3%	0.0%	2.7%	0.0%	1.3%	0.0%	4.5%	3.3%
Financials/Real Estate	8.4%	31.2%	10.7%	10.3%	1.2%	3.7%	0.0%	1.2%	1.2%	6.9%	3.3%
Health Care	8.3%	13.7%	3.7%	13.5%	2.0%	1.9%	5.7%	0.0%	1.9%	17.9%	8.3%
Industrials	3.1%	3.6%	6.9%	0.0%	1.7%	1.6%	0.0%	4.7%	0.0%	6.1%	8.7%
Telecommunications/ Information Tech	5.9%	2.5%	1.2%	2.4%	7.1%	3.8%	9.1%	0.0%	4.2%	6.8%	8.5%
Utilities	5.1%	3.2%	0.0%	0.0%	2.9%	0.0%	0.0%	0.0%	3.4%	3.4%	7.1%
All S&P 500 Companies	5.2%	9.2%	4.4%	4.8%	2.8%	3.0%	3.4%	1.2%	1.6%	6.6%	6.4%

Legend	0%	0–5%	5–15%	15–25%	25%+

Note:
1. The chart is based on the composition of the S&P 500 as of the last trading day of the previous year.
2. Sectors are based on the Global Industry Classification Standard (GICS).
3. Percentage of Companies Subject to New Filings equals the number of companies subject to new securities class action filings in federal courts in each sector divided by the total number of companies in that sector. See Appendix 2A for additional detail.
4. In August 2016, GICS added a new industry sector, Real Estate. This analysis begins using the Real Estate industry sector in 2017.

- The total market capitalization of S&P 500 companies subject to filings fell from 10.0 percent in 2016 to 6.1 percent in 2017.
- Larger S&P 500 companies have historically been more likely targets of class actions. However, 2017 appears to defy this pattern. The percentage of S&P 500 companies subject to filings (6.4 percent) was greater than their share of the S&P 500 market capitalization (6.1 percent).

Class actions against Industrial companies encompassed nearly a quarter of the market capitalization of the sector, its largest percentage since 2009.

Figure 11: Heat Maps of S&P 500 Securities Litigation™ Percentage of Market Capitalization Subject to New Core Filings

	Average 2001–2016	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Consumer Discretionary	4.9%	7.2%	1.9%	4.9%	4.6%	1.6%	4.4%	2.5%	0.0%	2.8%	8.2%
Consumer Staples	2.7%	2.6%	3.9%	0.0%	0.8%	14.0%	0.0%	0.0%	1.9%	1.0%	6.7%
Energy/Materials	3.1%	0.0%	0.8%	5.2%	0.0%	0.9%	0.0%	0.2%	0.0%	19.8%	2.3%
Financials/Real Estate	16.9%	55.0%	31.2%	31.1%	6.9%	11.0%	0.0%	0.3%	3.0%	11.9%	1.5%
Health Care	12.3%	20.0%	1.7%	32.7%	0.7%	0.8%	4.4%	0.0%	3.1%	13.2%	2.7%
Industrials	5.8%	26.4%	23.2%	0.0%	2.1%	1.2%	0.0%	1.7%	0.0%	8.7%	22.3%
Telecommunications/ Information Tech	8.6%	1.4%	0.3%	5.9%	13.4%	2.2%	16.6%	0.0%	7.0%	12.3%	4.4%
Utilities	5.6%	4.0%	0.0%	0.0%	0.6%	0.0%	0.0%	0.0%	3.7%	4.4%	9.6%
All S&P 500 Companies	8.4%	16.2%	7.7%	11.1%	5.0%	4.3%	4.7%	0.6%	2.8%	10.0%	6.1%

Legend	0%	0–5%	5–15%	15–25%	25%+

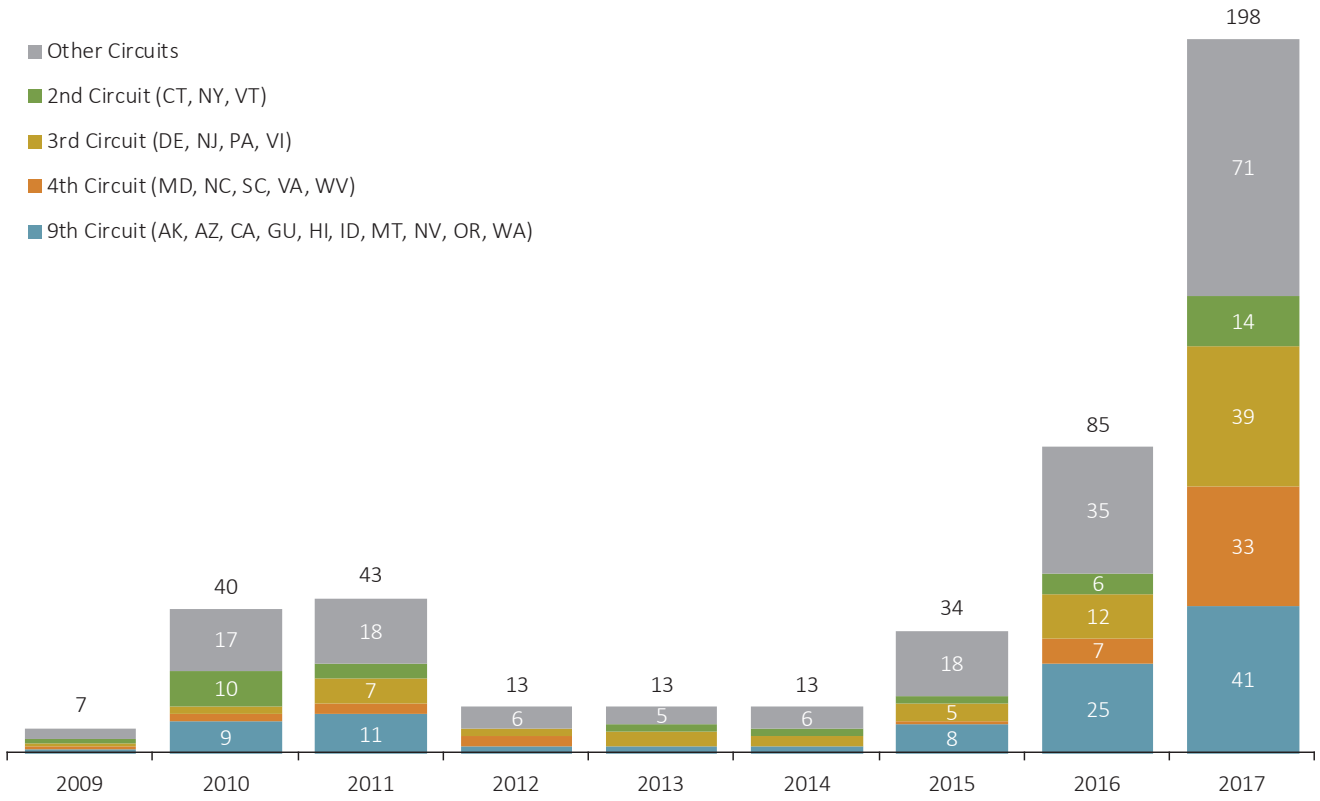
Note:
1. The chart is based on the composition of the S&P 500 as of the last trading day of the previous year.
2. Sectors are based on the Global Industry Classification Standard (GICS).
3. Percentage of Market Capitalization Subject to New Filings equals the market capitalization of companies subject to new securities class action filings in federal courts in each sector divided by the total market capitalization of companies in that sector. See Appendix 2B for additional detail.
4. In August 2016, GICS added a new industry sector, Real Estate. This analysis begins using the Real Estate industry sector in 2017.

M&A Filings by Circuit

- The number of M&A filings in each of the Second, Third, Fourth, and Ninth Circuits was the highest since this report began identifying them separately in 2009. They accounted for 64 percent of M&A filings in 2017.
- The number of M&A filings in the Third Circuit increased over threefold, from 12 in 2016 to 39 in 2017.
- The Fourth Circuit exhibited the highest year-over-year growth with 33 filings in 2017, more than a fourfold increase from 2016. Over 60 percent of these filings came from the financial sector, with banks and REITS accounting for half of the Fourth Circuit's filings in 2017.
- In January 2016, the Delaware Court of Chancery rejected a disclosure-only settlement in Zillow's acquisition of Trulia.[1] This appears to have resulted in some venue shifting for merger objection lawsuits from state to federal courts.

M&A filings in the Third and Fourth Circuits ballooned.

Figure 12: Annual M&A Filings by Circuit
2009–2017



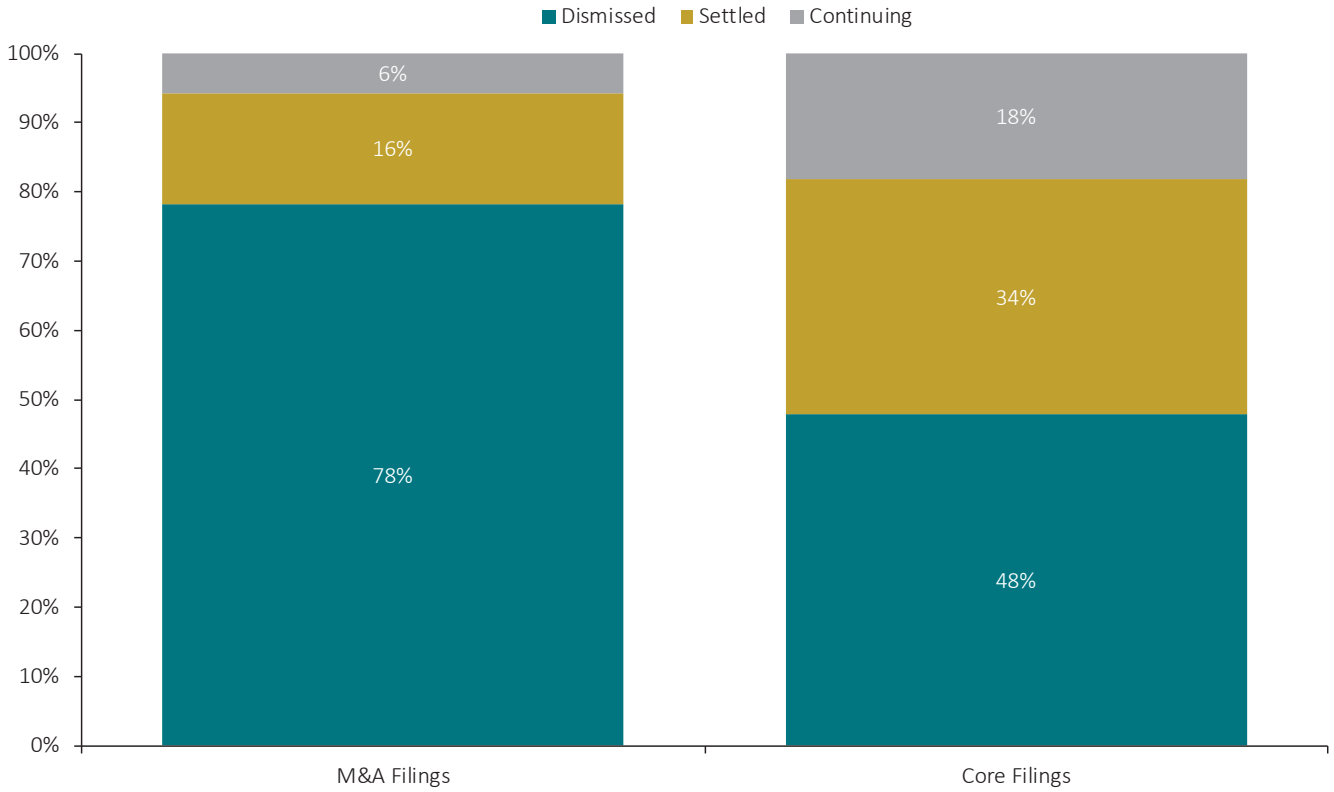
Note:
1. See http://courts.delaware.gov/opinions/download.aspx?ID=235370.
2. The Securities Class Action Clearinghouse began tracking M&A filings as a separate category in 2009.

Status of M&A Filings

- There were 248 M&A filings between 2009 and 2016, compared to 1,241 core filings. See Figure 4.
- M&A filings were dismissed at higher rates and resolved more quickly than core filings.
- M&A filings exhibited dismissal rates 30 percentage points greater than core filings.

M&A filings were dismissed at a much higher rate than core filings initiated between 2009 and 2016.

Figure 13: Status of M&A Filings Compared to Core Federal Filings
2009–2016



Note:
1. The Securities Class Action Clearinghouse began tracking M&A filings as a separate category in 2009.
2. The 2017 filing cohort is excluded since a large percentage of cases are ongoing.
3. See Appendix 3 for an annual history of the status of M&A filings.

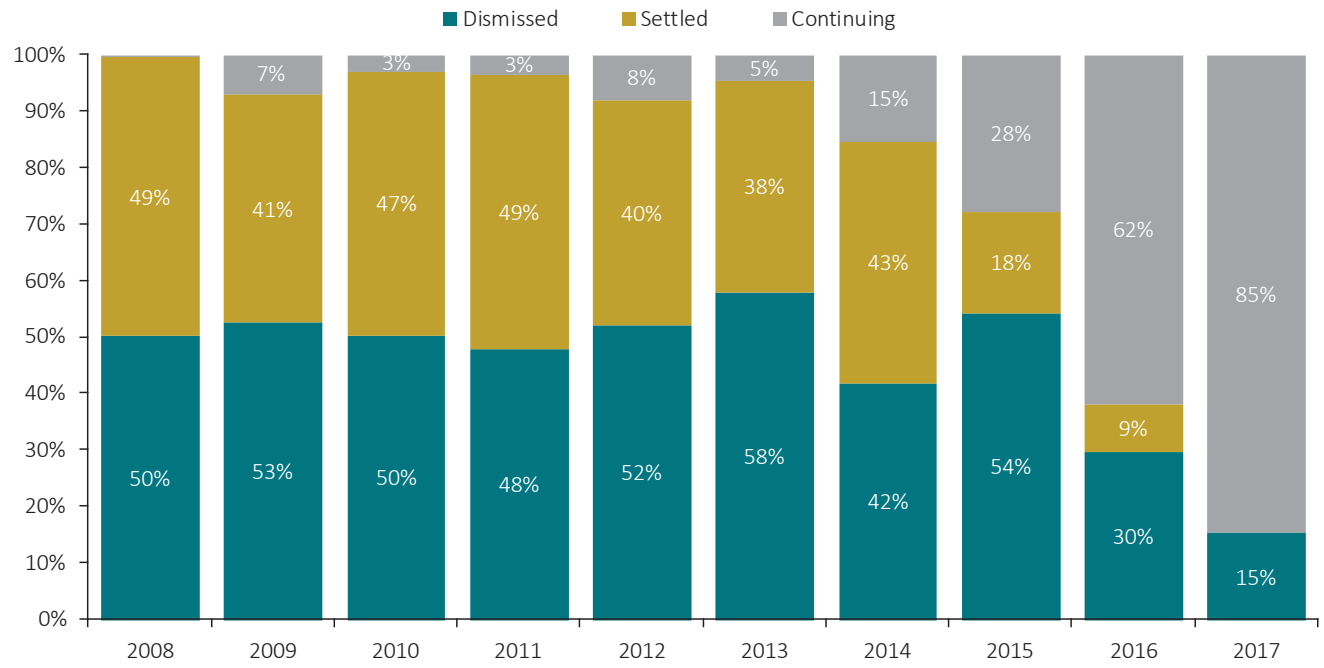
Status of Securities Class Action Filings

This report examines whether filing outcomes have changed over time and compares the outcomes of filing cohort groups. As each cohort ages, a larger percentage of filings are resolved—whether through dismissal, settlement, or trial verdict outcome.

- From 1997 to 2016, 50 percent of filings settled, 43 percent were dismissed, and 6 percent are continuing. Overall, less than 1 percent of filings have reached a trial verdict.
- Filings from the 2014 cohort had a higher settlement rate and lower dismissal rate than either the 2013 or 2015 filing cohort groups.

Dismissal rates for 2015 and 2016 are tracking more closely with the peak rate in 2013.

Figure 14: Status of Filings by Year—Core Filings
2008–2017



Note: Percentages may not add to 100 percent due to rounding.

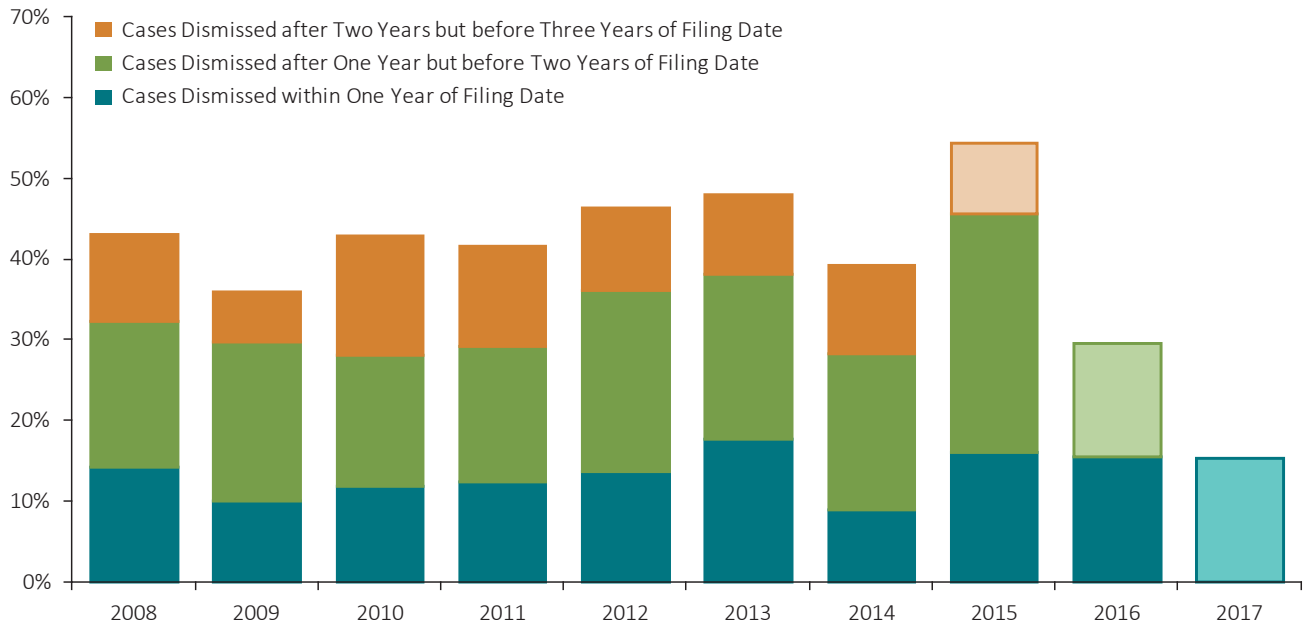
Timing of Dismissals

Given the length of time that may exist between the filing of a class action and its outcome, it may not be possible to immediately determine whether trends in dismissal rates observed in earlier annual cohort years will persist in later annual cohorts. This analysis looks at dismissal trends within the first several years of the filing of a class action to gain insight on recent dismissal rates.

Early dismissal rates for filings in cohort years 2016 and 2017 are comparable to the record high dismissal rate of the 2015 filing cohort.

- While the percentage of cases dismissed within three years of filing had generally increased for filing cohorts prior to 2013, it decreased for 2014 cohort filings before increasing again for 2015 cohort filings.
- The early dismissal rates of the 2016 filing cohort suggest that dismissals may continue at an elevated rate.
- Early indications of the 2017 cohort put it on par with or in excess of the highest dismissal rates on record.

Figure 15: Percentage of Cases Dismissed within Three Years of Filing Date—Core Filings
2008–2017



Note:
1. Percentage of cases in each category is calculated as the number of cases that were dismissed within one, two, or three years of the filing date divided by the total number of cases filed each year.
2. The outlined portions of the stacked bars for years 2015 through 2017 indicate the percentage of cases dismissed through the end of 2017. The outlined portions of these stacked bars therefore present only partial-year observed resolution activity, whereas their counterparts in earlier years show an entire year.
3. Appendix 4 shows dismissals over a longer time frame.

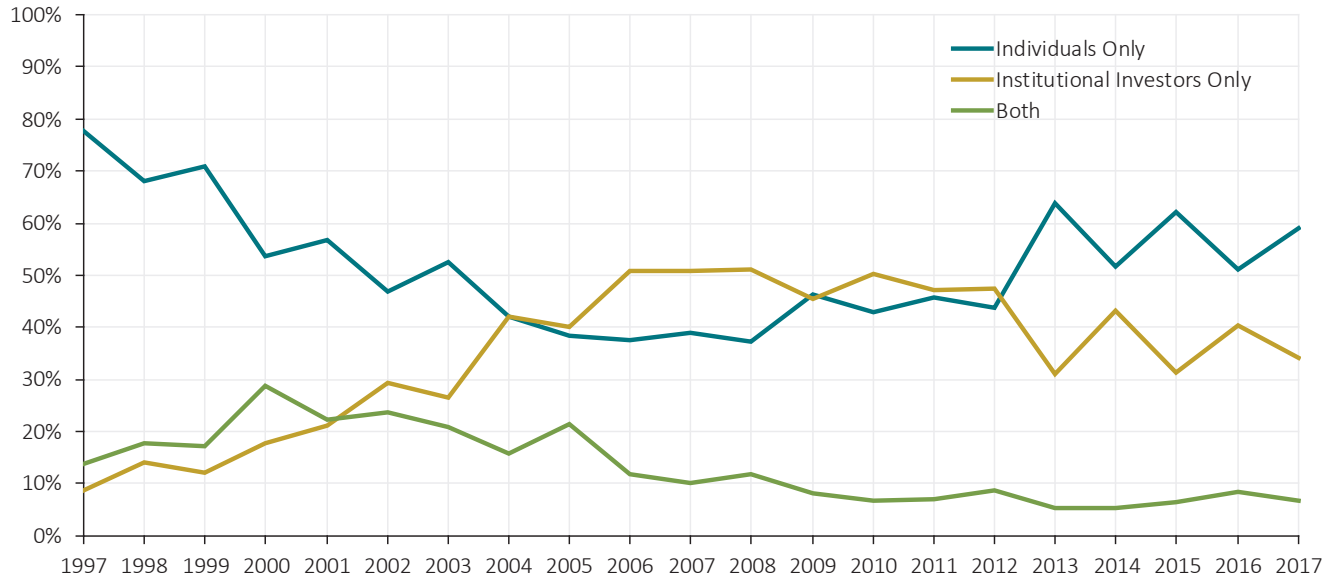
Updated Analysis: Filings by Lead Plaintiff

This analysis examines how frequently individual or institutional investors were appointed as lead plaintiff in core filings.

Annually for the last five years, individuals have been appointed as the lead plaintiff in more than half of core filings.

- From 1997 to 2003, while individuals were appointed as lead plaintiff more often than institutional investors in core filings, the difference narrowed.
- From 2004 to 2012, institutional investors were as or more likely to be appointed lead plaintiff than were individuals.
- Starting in 2013, individuals were appointed as lead plaintiff more often than institutional investors. This suggests a shift in litigation strategies by some plaintiff law firms.

Figure 16: Percentage of Federal Class Action Filings by Lead Plaintiff—Core Filings
1997–2017



Note:
1. Multiple plaintiffs can be designated as co-leads on a single case. This table separates percentages for which a case had only individuals as the lead/co-leads, institutional investors or investor groups as the lead/co-leads, or both individuals and institutional investors.
2. Cases may not have lead plaintiff data due to dismissal or settlement before a lead plaintiff is appointed or because the cases have not yet reached the stage when a lead plaintiff can be identified.
3. Lead plaintiff data are available for over 99 percent of core filings for each year from 1997 to 2016. Lead plaintiff data are available for 55 percent of 2017 core filings.

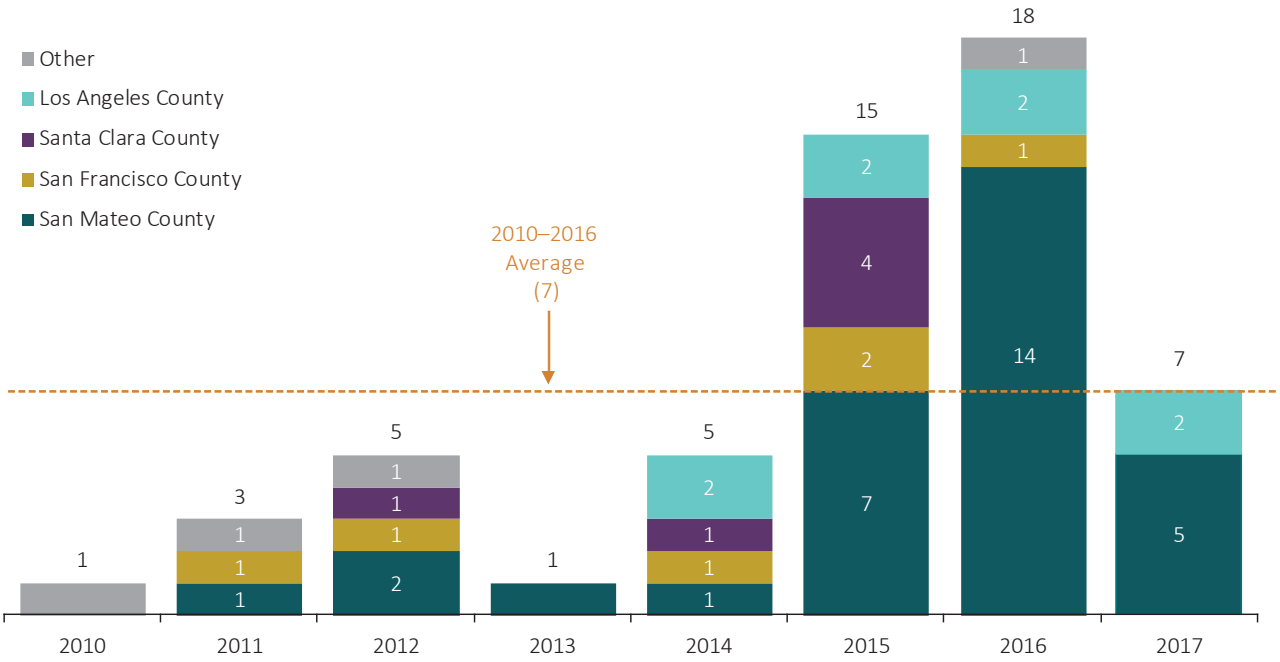
Updated Analysis: Section 11 Cases Filed in California State Courts

After an increasing number of Section 11 claims were filed in California state courts in the previous two years, this trend reversed in 2017. This coincided with the U.S. Supreme Court's decision to hear *Cyan Inc. v. Beaver County Employees Retirement Fund*. This case will decide the use of state venues for adjudicating class actions with Section 11 claims.

- Seven class actions were filed in California state courts alleging violations of Section 11. The filings may also include Section 12 and Section 15 claims, but do not include Rule 10b-5 violations.
- As in recent years, San Mateo County remained the most prevalent filing location.
- Los Angeles County had two filings in 2017.

In 2017, California state Section 11 filings decreased to numbers more similar to pre-2015 levels.

Figure 17: California State Section 11 Filings by County
2010–2016



Note: Other contains filings from Alameda, Kern, Orange, and San Diego Counties. California state Section 11 filings have only been identified as early as 2010. See Appendix 5 for more detail.

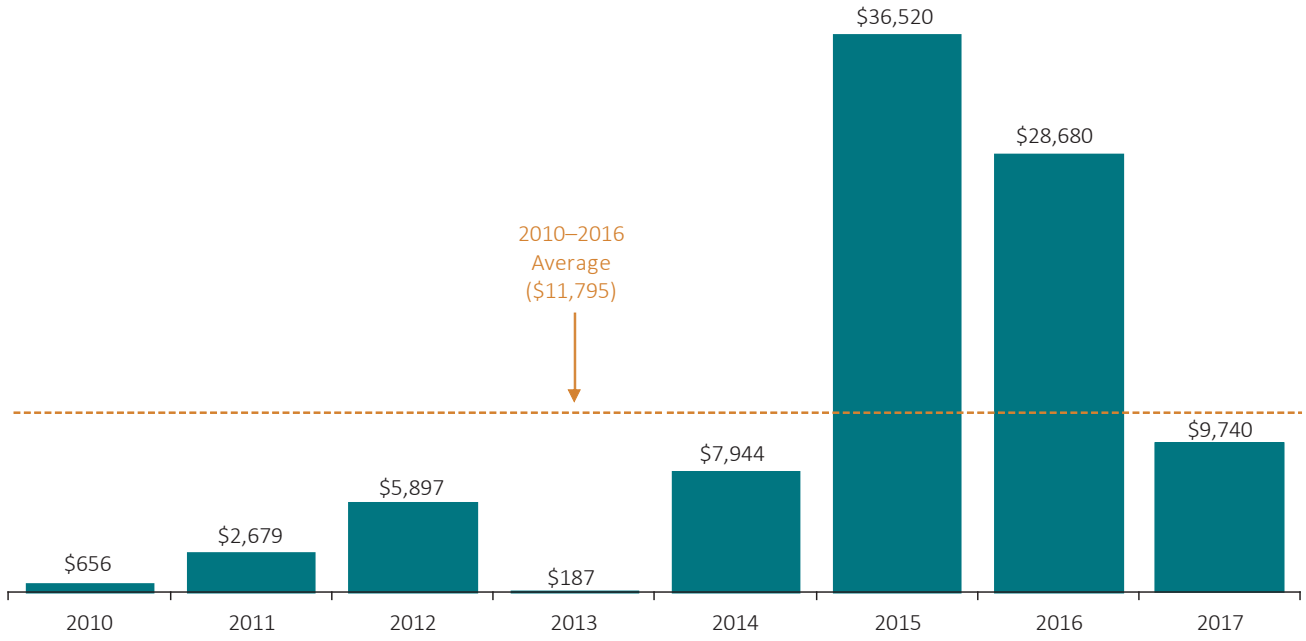
Updated Analysis: Section 11 Cases Filed in California State Courts—Size of Filings

- In 2017, the MDL for California state Section 11 filings dropped below the 2010–2016 average.
- The MDL declined from $28.7 billion in 2016 to $9.7 billion in 2017.

The decrease in MDL for California state Section 11 filings tracked the decline in the number of filings.

Figure 18: Maximum Dollar Loss (MDL) of California State Section 11 Filings
2010–2017

(Dollars in Millions)



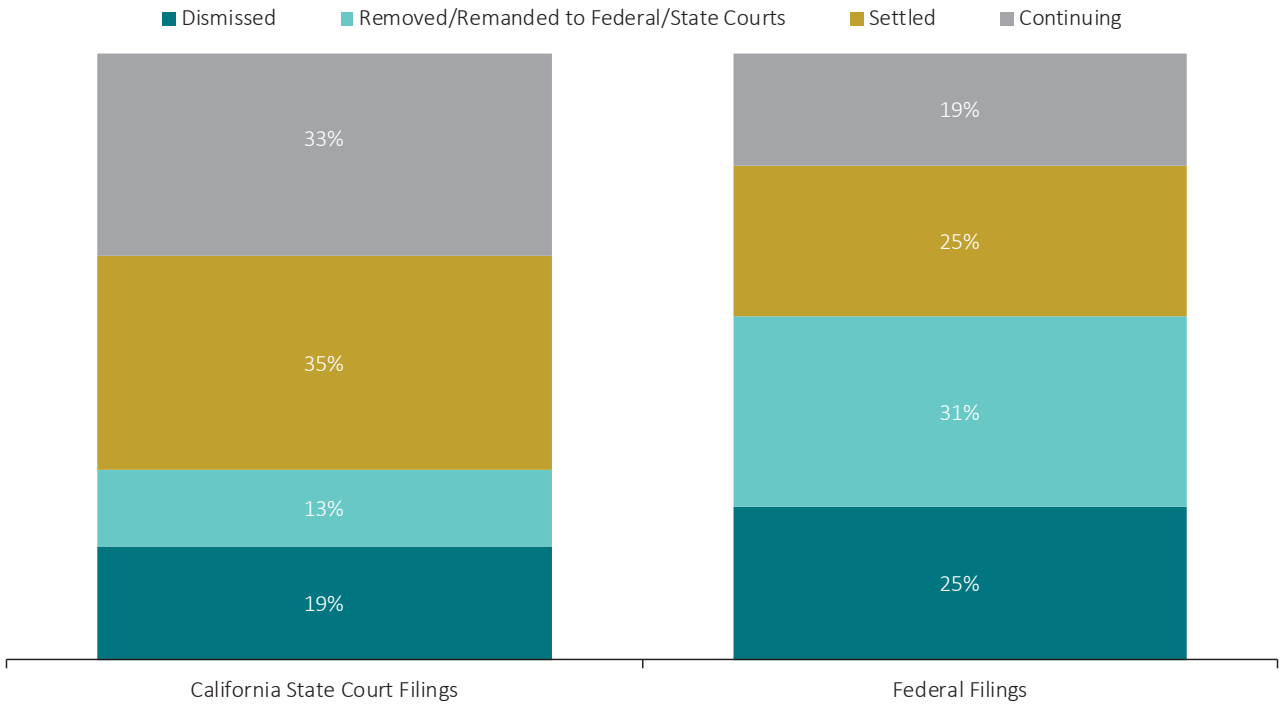
Updated Analysis: Section 11 Cases Filed in California State Courts—Case Status

This analysis examines the outcomes of California state Section 11 filings to comparable federal filings. Because there were few California state Section 11 filings before 2015, the analysis weights the outcomes for the comparable federal filings by the number of California state Section 11 filings in each year to create a comparable benchmark.

A smaller portion of Section 11–only cases were dismissed in California state courts compared to federal courts.

- A higher percentage of California state Section 11 filings are continuing compared to Section 11–only federal filings.
- Only 19 percent of California state Section 11 filings were dismissed in 2010–2016 compared to 25 percent of Section 11–only federal filings.

Figure 19: Resolution of California State Section 11 Filings Compared with Section 11–Only Federal Filings
2010–2016



Note:
1. See Appendix 5 for more detail.
2. The 2017 filing cohort is excluded since a large percentage of cases are ongoing.

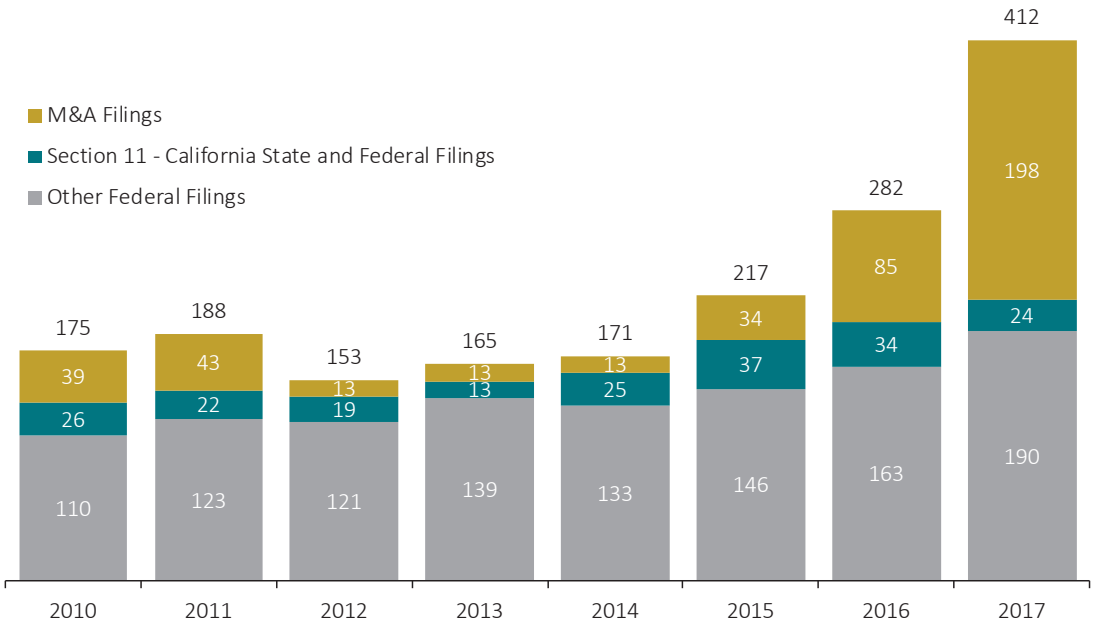
Updated Analysis: Combined Federal and California State Section 11 Filings

This chart is a combined measure of class action filing activity in federal and California state courts. It highlights Section 11 claims and the extent to which parallel actions were filed.

Combined federal and California state Section 11 filings decreased for the second consecutive year.

- In 2017, the combined number of federal filings and California state Section 11 filings was 24, because all seven California state Section 11 filings had a parallel federal filing.
- Overall, Section 11 filings in 2017 declined by nearly one-third compared to 2016.
- Section 11 filings in federal courts stayed constant but declined 59 percent in California state courts.

Figure 20: Federal and California State Class Action Filings with Section 11 Allegations by Venue
2010–2017



	Section 11 California State and Federal Filings							
	2010	2011	2012	2013	2014	2015	2016	2017
Federal Courts Only	25	20	14	12	20	21	17	17
State Courts Only	0	1	2	0	3	10	11	0
Parallel Filings	1	1	3	1	2	6	6	7
Total	**26**	**22**	**19**	**13**	**25**	**37**	**34**	**24**

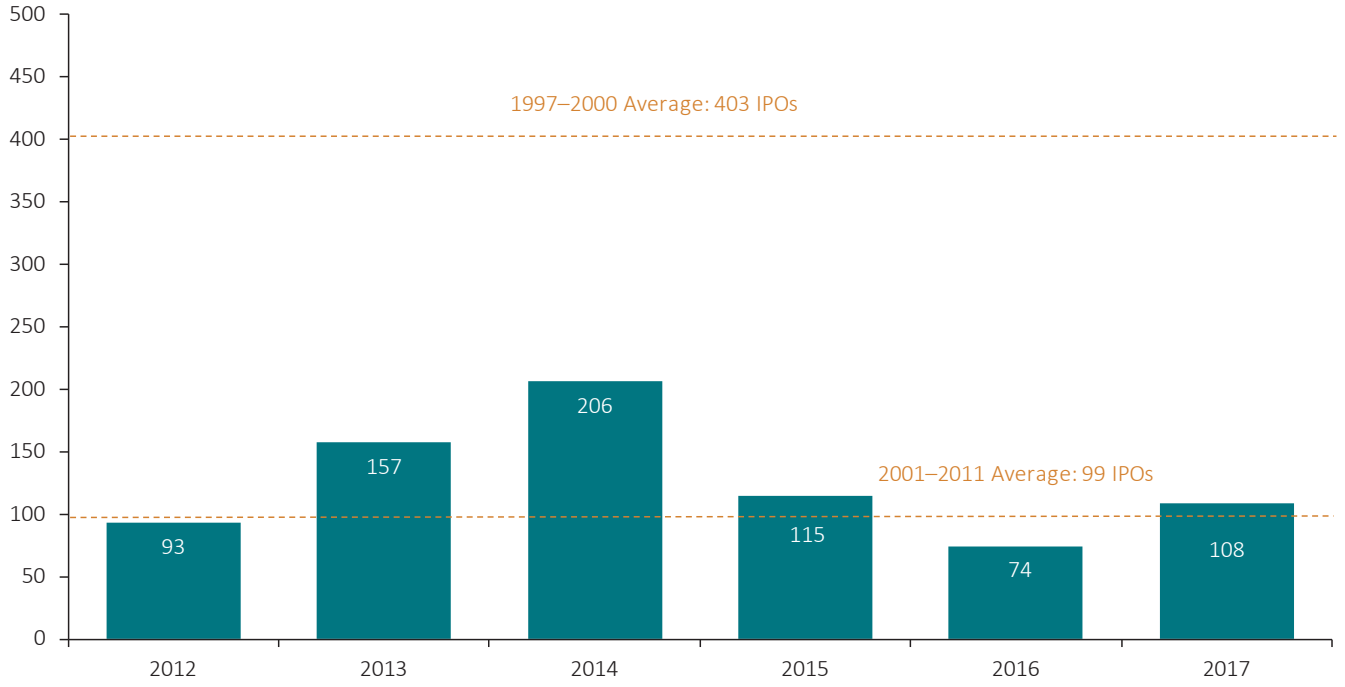
Note: Section 11 filings in federal courts may include parallel cases filed in California state courts. When parallel cases are filed in different years, the earlier filing is counted. For this reason, counts may not reconcile with other figures showing annual counts of California state Section 11 filings.

Updated Analysis: IPO Activity

- IPO activity increased 46 percent from 2016 to 2017.
- With 108 IPOs, 2017 was in line with the 2001–2011 average of 99 IPOs but remained well below the 1997–2000 average of 403 IPOs per year.
- As discussed in the Cornerstone Research *Securities Class Action Filings—2015 Year in Review*, newer public companies are subject to securities class actions more frequently than their larger, more established counterparts in the S&P 500 index.

IPO activity rebounded from 2016 levels, but remained below levels from 2013 to 2015.

Figure 21: Number of IPOs on Major U.S. Exchanges
2012–2017



Source: Jay R. Ritter, "Initial Public Offerings: Updated Statistics" (University of Florida, January 2, 2018)

Note: These data exclude the following IPOs: those with an offer price of less than $5, American Depository Receipts (ADRs), unit offers, closed-end funds, real estate investment trusts (REITs), natural resource limited partnerships, small best efforts offers, banks and S&Ls, and stocks not listed in the Center for Research in Security Prices (CRSP) database.

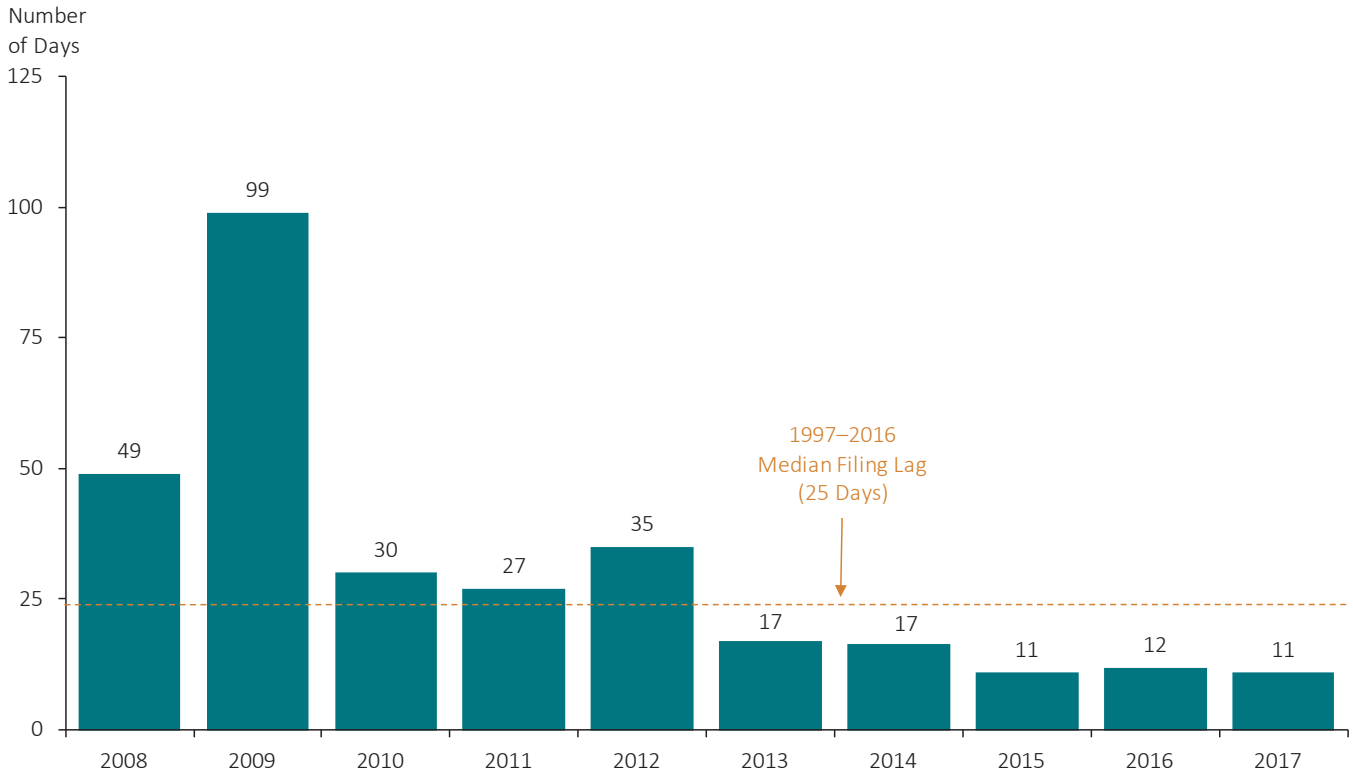
Filing Lag

This analysis reviews the number of days between the end of the class period and the filing date of the securities class action.

- The median filing lag in 2017 excluding M&A and Section 11–only cases was 11 days, tied for the shortest median filing lag for this subset of filings.
- However, about 15 percent of all class actions were filed more than 180 days after the end of the alleged class period in 2017—the highest percentage since 2013.

The median filing lag has been generally decreasing since 2012.

Figure 22: Annual Median Lag between Class Period End Date and Filing Date—Core Filings 2008–2017



Note: This analysis also excludes filings with only Section 11 claims because there is often no specified end of the class period.

Non-U.S. Filings

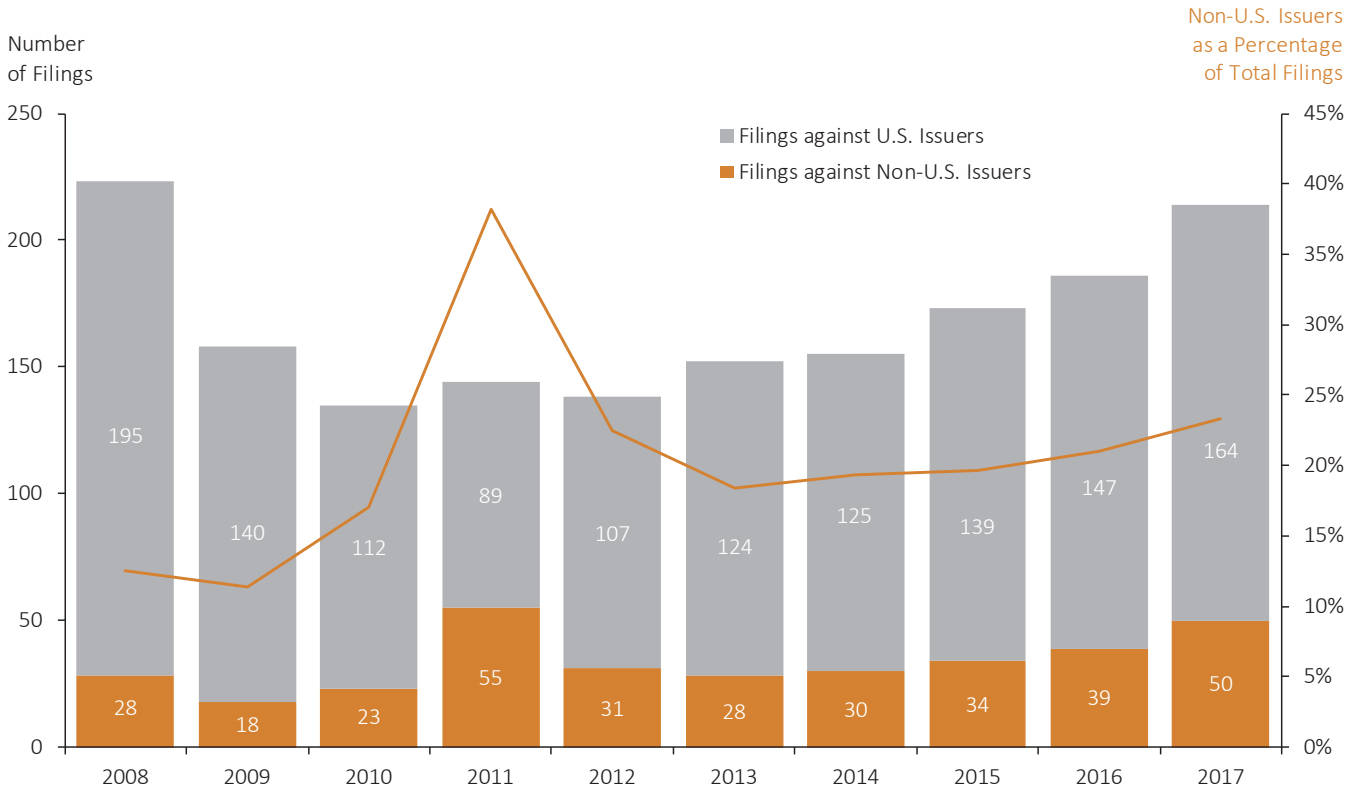
Class Action Filings Non-U.S. Index

This index tracks the number of filings against companies headquartered outside the United States relative to total core filings.

- The number of filings against non-U.S. issuers increased to 50 in 2017, well above the 1997–2016 average of 23 filings.
- As a percentage of total filings, filings against non-U.S. issuers increased to the highest rate since 2011.
- Filings against Chinese companies increased from 2 percent of all core filings in 2016 to 5 percent in 2017. This is still less than the 8 percent observed in 2015, when companies headquartered in China were the most common targets of non-U.S. filings.

Filings against non-U.S. companies increased for the fourth consecutive year.

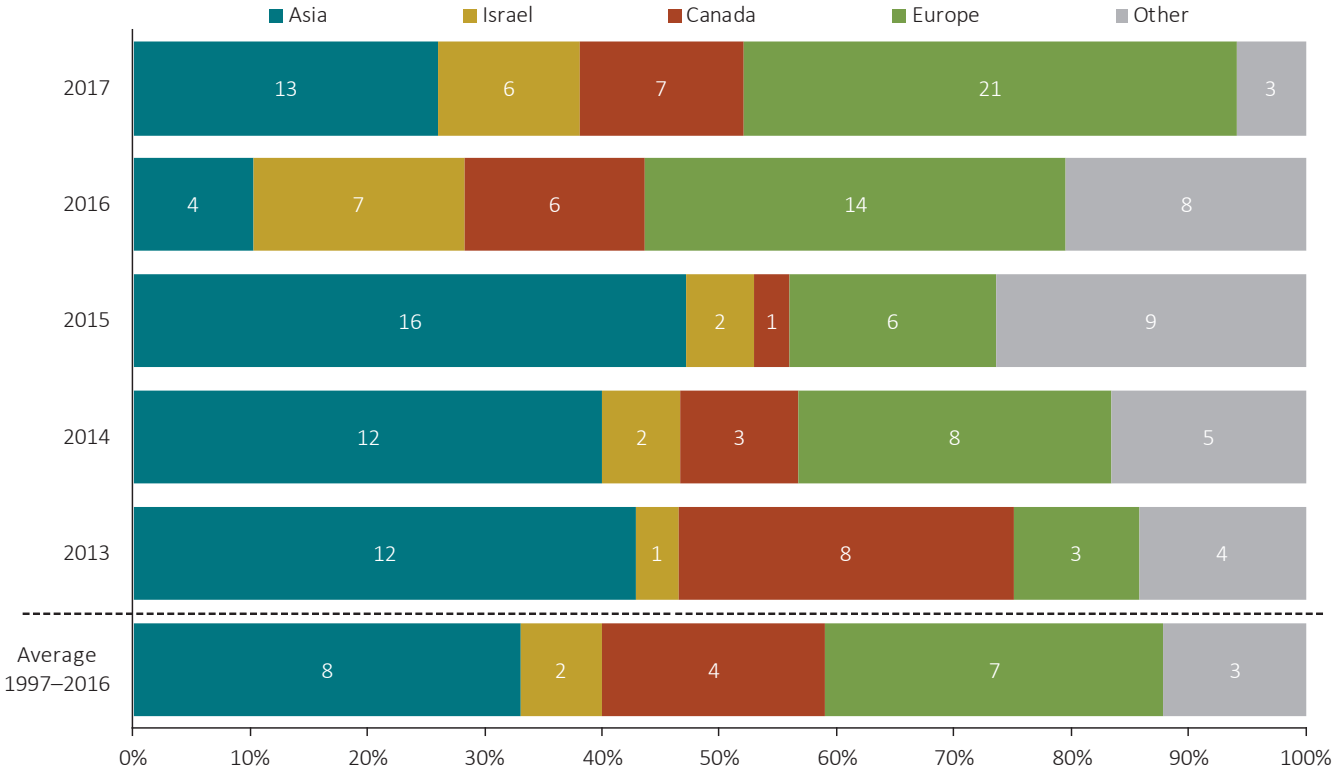
Figure 23: Annual Number of Class Action Filings by Location of Headquarters—Core Filings
2008–2017



- The number of filings against European companies was triple the 1997–2016 average and increased 50 percent from 2016. This marks the largest number of European filings on record.
- Filings against companies headquartered in the United Kingdom and Greece were the highest on record, with five and three filings, respectively. Ireland had five filings, the same as in 2016.
- All filings against companies headquartered in Greece involved transportation firms. All filings against companies headquartered in Ireland involved biotechnology or pharmaceutical firms.
- Filings against Chinese companies increased from four in 2016 to 11 in 2017, still fewer than the 14 seen in 2015.
- Companies headquartered in Israel were subject to six class actions, a small decrease from last year's high of seven.

Filings against European companies were more common than filings against Chinese companies for the second consecutive year.

Figure 24: Non-U.S. Filings by Location of Headquarters—Core Filings



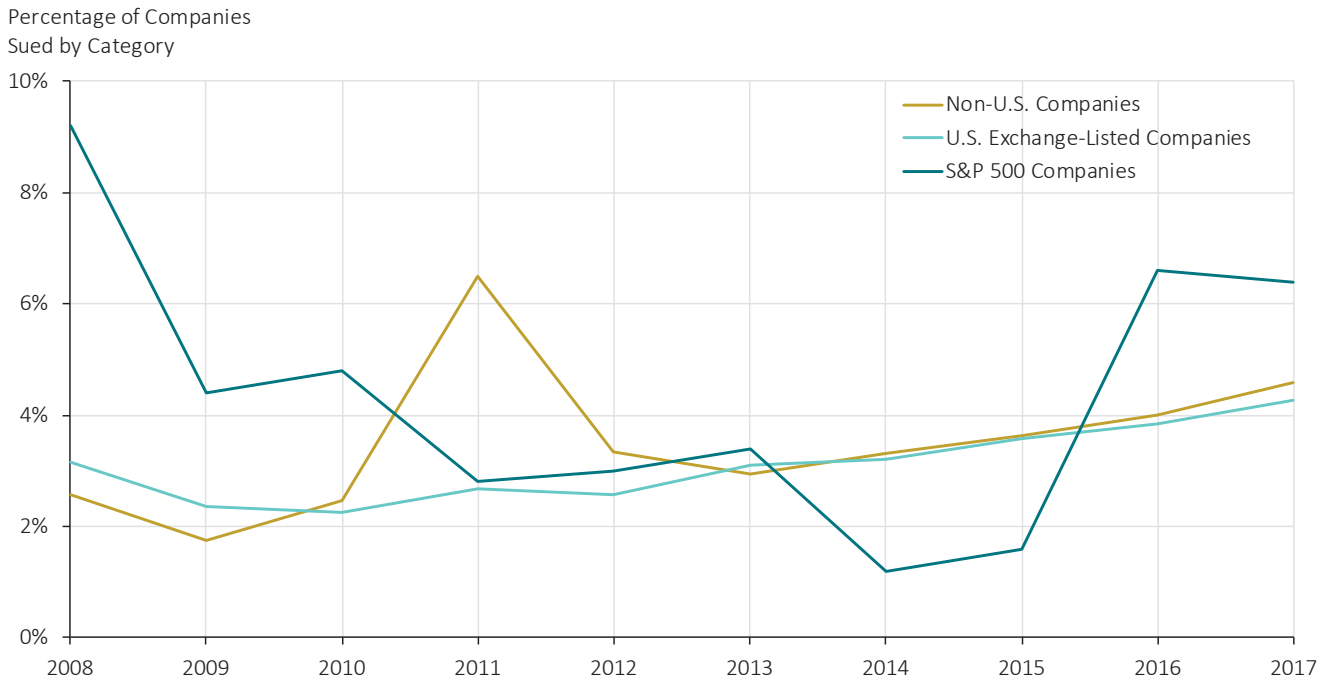
Updated Analysis: Non-U.S. Company Litigation Likelihood

This analysis examines the incidence of non-U.S. filings relative to the likelihood of S&P 500 companies or U.S. exchange-listed companies being the subject of a class action.

Filings against non-U.S. companies exceeded the overall rate against all U.S. exchange-listed companies.

- The percentage of non-U.S. companies sued relative to the total number of non-U.S. companies listed on U.S. exchanges increased from 4.0 percent in 2016 to 4.6 percent in 2017. These data indicate that plaintiffs are increasingly likely to target non-U.S. companies.
- The likelihood of S&P 500 companies being sued decreased in 2017. Non-U.S. companies were less likely to be sued than S&P 500 companies

Figure 25: Percentage of Companies Sued by Listing Category or Domicile—Core Filings 2008–2017



Source: Center for Research in Security Prices (CRSP); Yahoo Finance

Note:
1. Non-U.S. companies are defined as companies with headquarters outside the United States, Puerto Rico, and Virgin Islands. Companies were counted if they issue common stock or ADRs and are listed on the NYSE or NASDAQ.
2. Percentage of companies sued is calculated as the number of filings against unique companies in each category divided by the total number of companies in each category in a given year.

Mega Filings

Mega DDL filings have a disclosure dollar loss (DDL) of at least $5 billion. Mega MDL filings have a maximum dollar loss (MDL) of at least $10 billion. MDL and DDL are only measured for core filings.

- Seven mega DDL filings accounted for $47 billion of DDL in 2017.
- Mega DDL in 2017 accounted for only 36 percent of total DDL, well below the 1997–2016 average of 53 percent.
- There were 14 mega MDL filings in 2017 with a total MDL of $253 billion, a marked decrease from 2016. This is despite the fact that the number of filings with calculated MDL increased by 12 percent from 2016.
- Mega MDL, as a percentage of total MDL, decreased by 17 percentage points from 2016 and remained significantly below the 1997–2016 average of 71 percent.

Mega MDL activity decreased significantly both in terms of the number of filings and dollar amounts.

Figure 26: Mega Filings

(Dollars in Billions)

	Average 1997–2016	2015	2016	2017
Mega Disclosure Dollar Loss (DDL) Filings[1]				
Mega DDL Filings	5	6	5	7
DDL	$64	$68	$33	$47
Percentage of Total DDL	53%	58%	31%	36%
Mega Maximum Dollar Loss (MDL) Filings[2]				
Mega MDL Filings	13	9	21	14
MDL	$428	$223	$533	$253
Percentage of Total MDL	71%	58%	66%	49%

Note:
1. Mega DDL filings have a disclosure dollar loss of at least $5 billion.
2. Mega MDL filings have a maximum dollar loss of at least $10 billion.

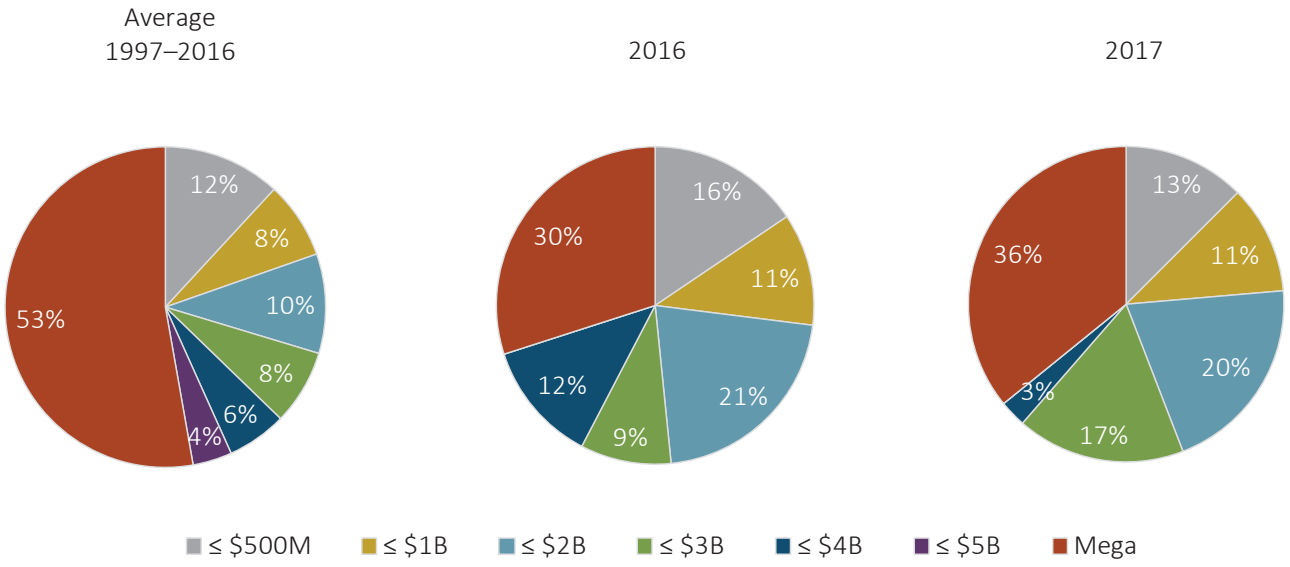
Distribution of DDL Values

These charts compare the distribution of DDL attributable to filings of a given size in 2017 with the historical distribution of DDL.

- Mega DDL accounted for 4 percent of the total number of filings and 36 percent of DDL in 2017.
- Historically, mega DDL filings have accounted for 4 percent of total filings and 53 percent of total DDL. The percentage of mega DDL accounting for total DDL in 2017 was below the 1997–2016 average.
- The portion of DDL attributable to midsized filings (DDL greater than $500 million but less than or equal to $5 billion) decreased slightly from 2016, but was still higher than the 1997–2016 average. This suggests a change of focus by some plaintiff law firms in recent years.

DDL continued to be more evenly distributed in 2017 than historical averages.

Figure 27: Distribution of DDL—Percentage of Total DDL Attributable to Filings in the Grouping



Note:
1. Values are calculated only for filings with positive DDL data.
2. Size of each slice represents the percentage of total DDL.
3. Percentages may not add to 100 percent due to rounding.

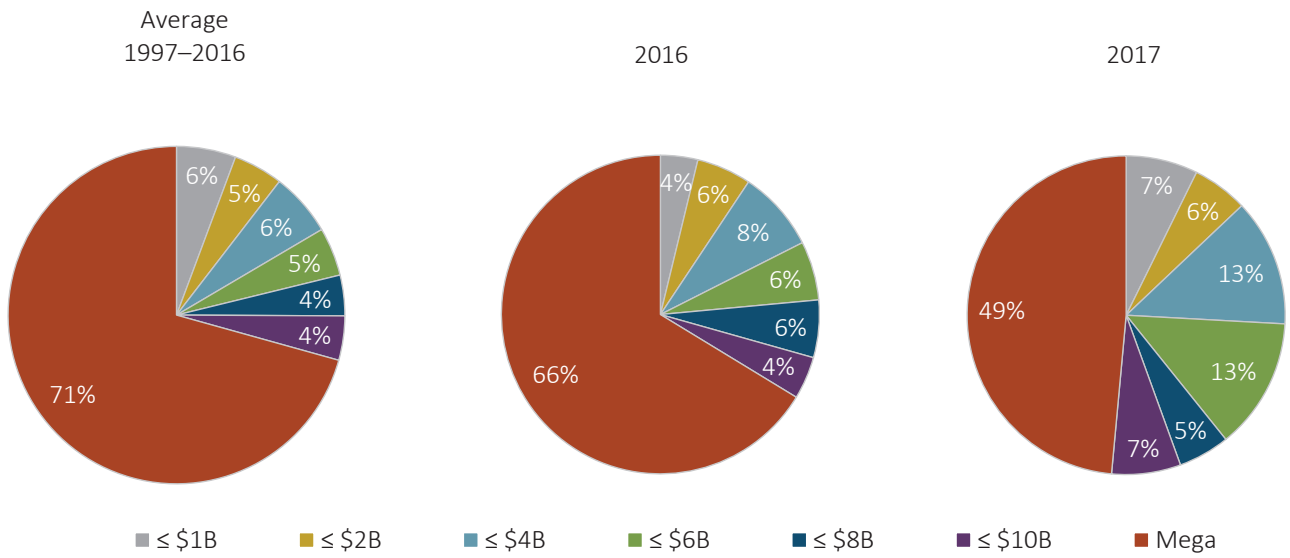
Distribution of MDL Values

These charts compare the distribution of MDL attributable to filings of a given size in 2017 with the historical distribution of MDL.

- In 2017, mega MDL filings represented 7 percent of the total number of filings and 49 percent of total MDL.
- The distribution of MDL in 2017 deviated further from the 1997–2016 average compared to 2016. The percentage of mega MDL filings decreased in 2017 from 2016, while the percentage of MDL under $1 billion increased.

The distribution of MDL in 2017 diverged more from historical averages than in 2016.

Figure 28: Distribution of MDL—Percentage of Total MDL Attributable to Filings in the Grouping



Note:
1. Values are calculated only for filings with positive MDL data.
2. Size of each slice represents the percentage of total MDL.
3. Percentages may not add to 100 percent due to rounding.

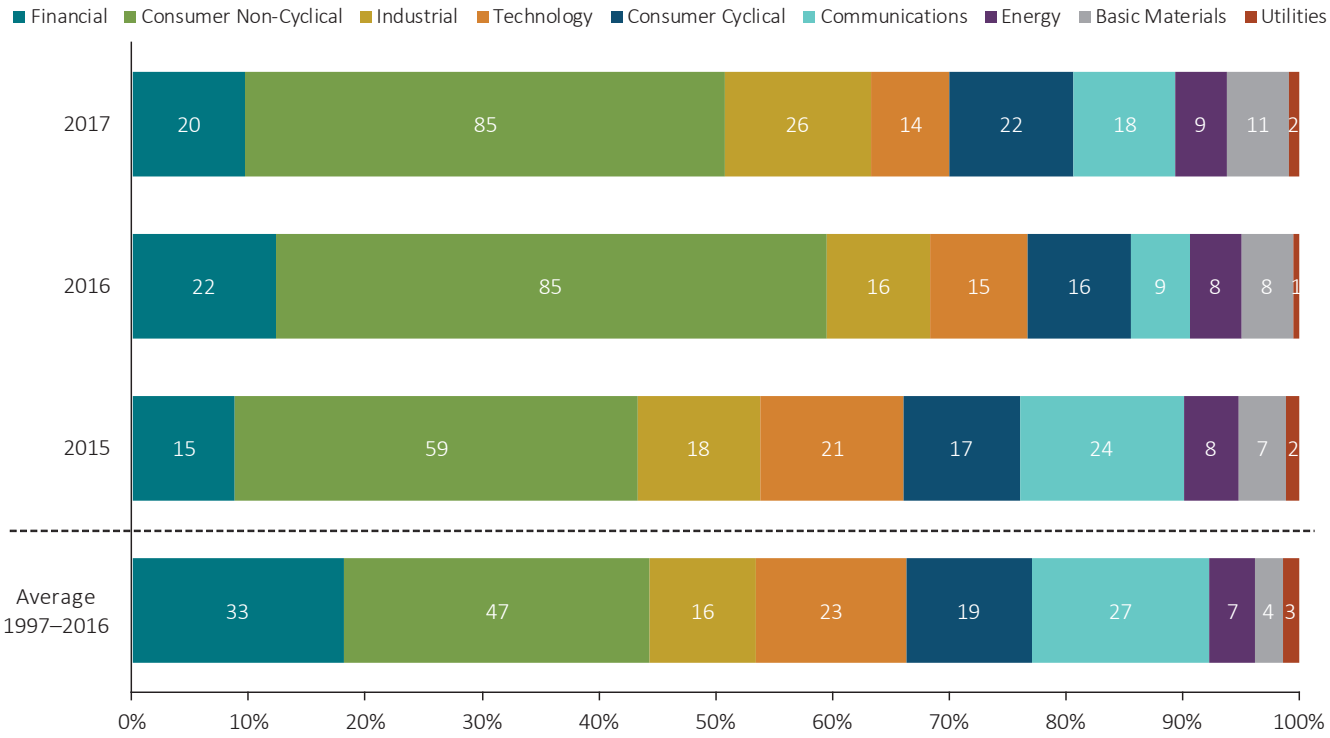
Industry

This analysis includes both the large capitalization companies of the S&P 500 as well as smaller companies.

- There were more Basic Materials filings in 2017 than in any other year.
- Core filings against companies in the Financial sector fell from 22 in 2016 to 20 in 2017, a 9 percent decline. The MDL of these cases, however, fell 72 percent from 2016. The $14 billion DDL for filings in this sector was 30 percent below the 2016 figure and 26 percent below the 1997–2016 average. See Appendix 6.
- The number of filings against companies in the Consumer Non-Cyclical sector stayed constant in 2017. While DDL for these filings increased 11 percent, MDL fell 49 percent from 2016.

The Consumer Non-Cyclical sector had the most filings for the eighth consecutive year.

Figure 29: Filings by Industry—Core Filings



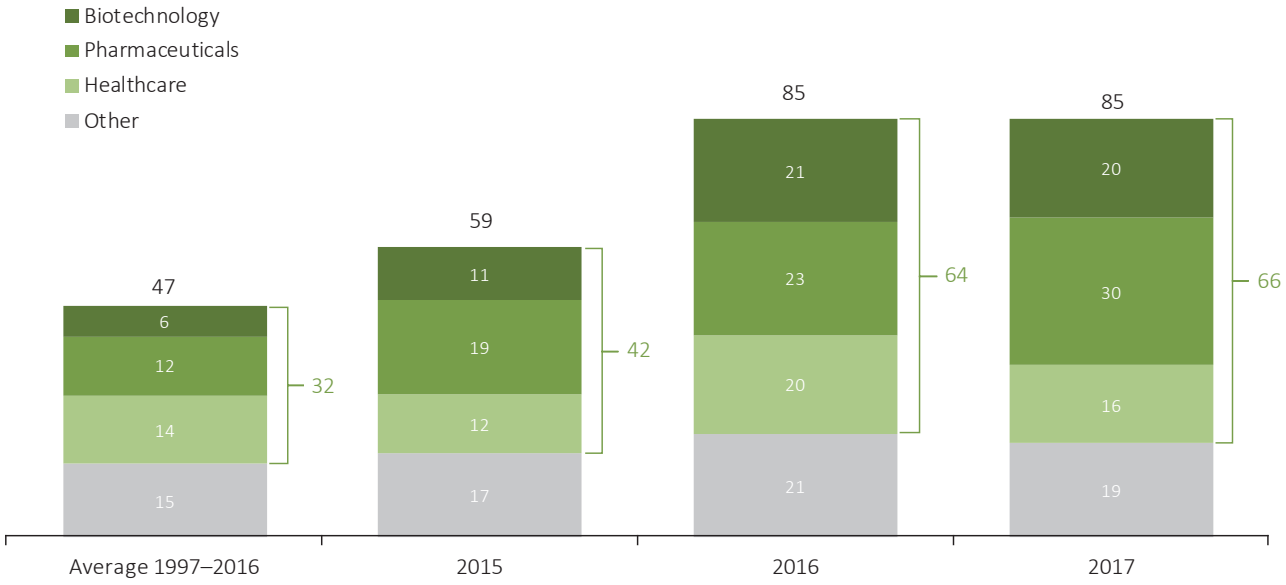
Note:
1. Filings with missing sector information or infrequently used sectors may be excluded. For more information, see Appendix 6.
2. Sectors are based on the Bloomberg Industry Classification System.

Consumer Non-Cyclical Sector

- In the Consumer Non-Cyclical sector, core filings involving biotechnology, pharmaceutical, and healthcare companies totaled 66, slightly above 2016 filings.
- The number of filings against pharmaceutical companies increased 30 percent, from 23 to 30. However, filings against biotechnology and, more noticeably, healthcare companies declined in a near-offsetting amount.

Filings against biotechnology, pharmaceutical, and healthcare companies remained at high levels.

Figure 30: Consumer Non-Cyclical Sector—Core Filings 2015–2017



Note:
1. Sectors and subsectors are based on the Bloomberg Industry Classification System.
2. The "Other" category is a grouping primarily encompassing the Agriculture, Beverage, Commercial Services, and Food subsectors.

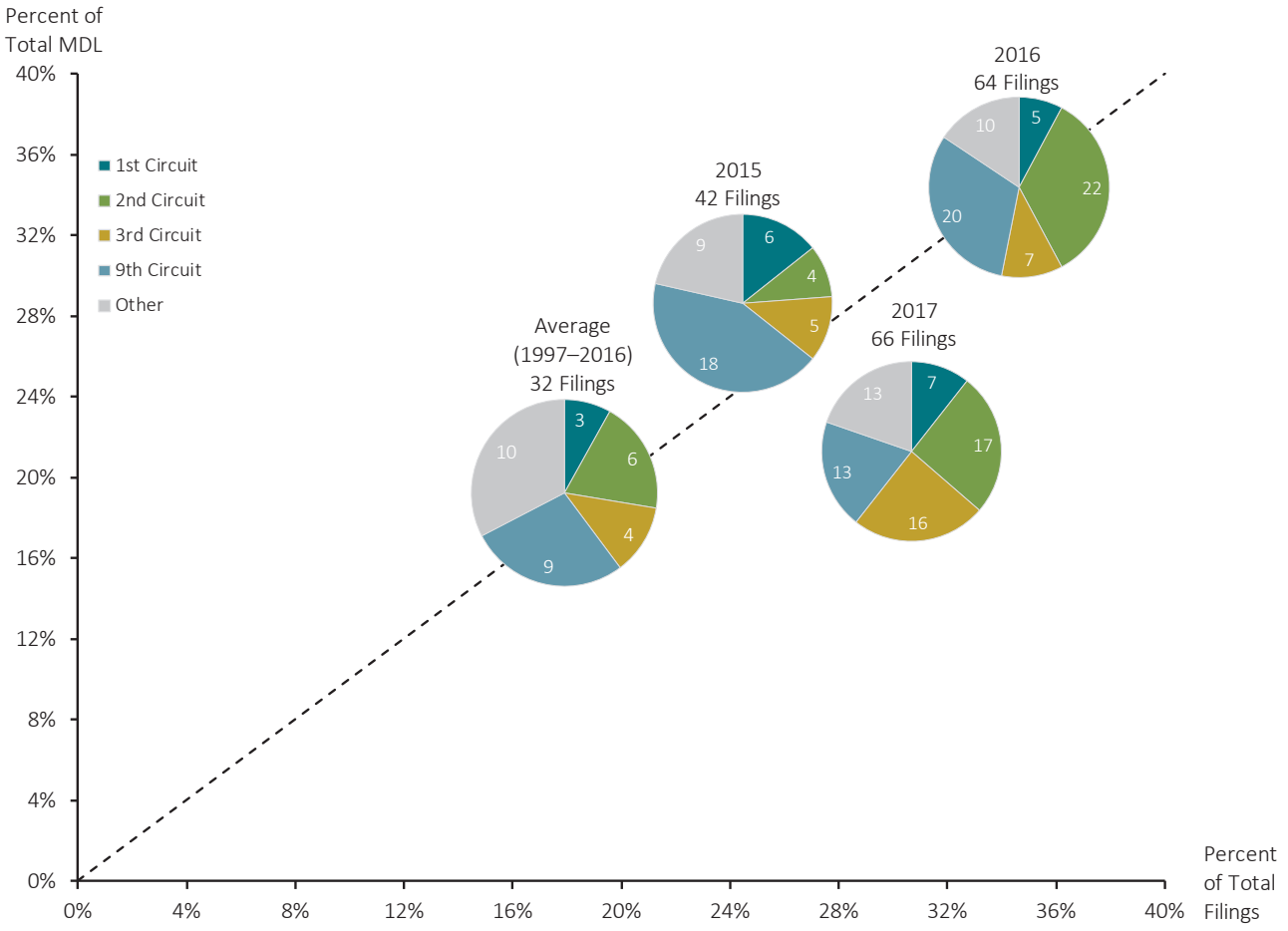
Updated Analysis: Biotechnology, Pharmaceutical, and Healthcare Subsectors

- In recent years, biotechnology, pharmaceutical, and healthcare filings in terms of MDL have been larger than the average filing, but 2017 bucked this trend.

MDL involving biotechnology, pharmaceutical, and healthcare filings declined.

- In 2017, 31 percent of all core filings involved biotechnology, pharmaceutical, and healthcare companies, but their collective MDL was 21 percent of total MDL. In 2016, the comparable figures were 35 percent and 34 percent, respectively.
- Biotechnology, pharmaceutical, and healthcare filings were most common in the Second, Third, and Ninth Circuits in 2017.

Figure 31: Annual Number and Percentage of MDL for Biotechnology, Pharmaceuticals, and Healthcare—Core Filings 2015–2017



Note: Biotechnology, pharmaceuticals, and healthcare filings are part of the Consumer Non-Cyclical sector based on the Bloomberg Industry Classification System. See Appendix 7 for more detail.

Exchange

- In 2017, 223 class actions were filed against NASDAQ-listed companies, and 159 class actions were filed against companies listed on the NYSE.
- The number of filings against NASDAQ and NYSE companies increased by 56 percent and by 33 percent, respectively, compared to 2016. However, core filings decreased slightly against NYSE-listed companies.
- While median DDL for core filings against NYSE companies increased by 21 percent in 2017, median MDL decreased by 32 percent.
- Both the median DDL and MDL for filings against NASDAQ-listed companies decreased in 2017 compared to 2016.

Filings against NASDAQ companies remained more common than filings against NYSE companies for the fifth consecutive year.

Figure 32: Filings by Exchange Listing—Core Filings

	Average (1997–2016)		2016		2017	
	NYSE/Amex	NASDAQ	NYSE	NASDAQ	NYSE	NASDAQ
Class Action Filings	79	98	120	143	159	223
Core Filings	73	92	82	96	81	111
Disclosure Dollar Loss						
DDL Total ($ Billions)	$84	$35	$76	$31	$84	$46
Average ($ Millions)	$1,267	$404	$941	$328	$1,053	$424
Median ($ Millions)	$251	$97	$321	$128	$387	$105
Maximum Dollar Loss						
MDL Total ($ Billions)	$407	$197	$584	$219	$324	$196
Average ($ Millions)	$6,054	$2,179	$7,215	$2,356	$4,054	$1,794
Median ($ Millions)	$1,291	$452	$2,250	$672	$1,528	$415

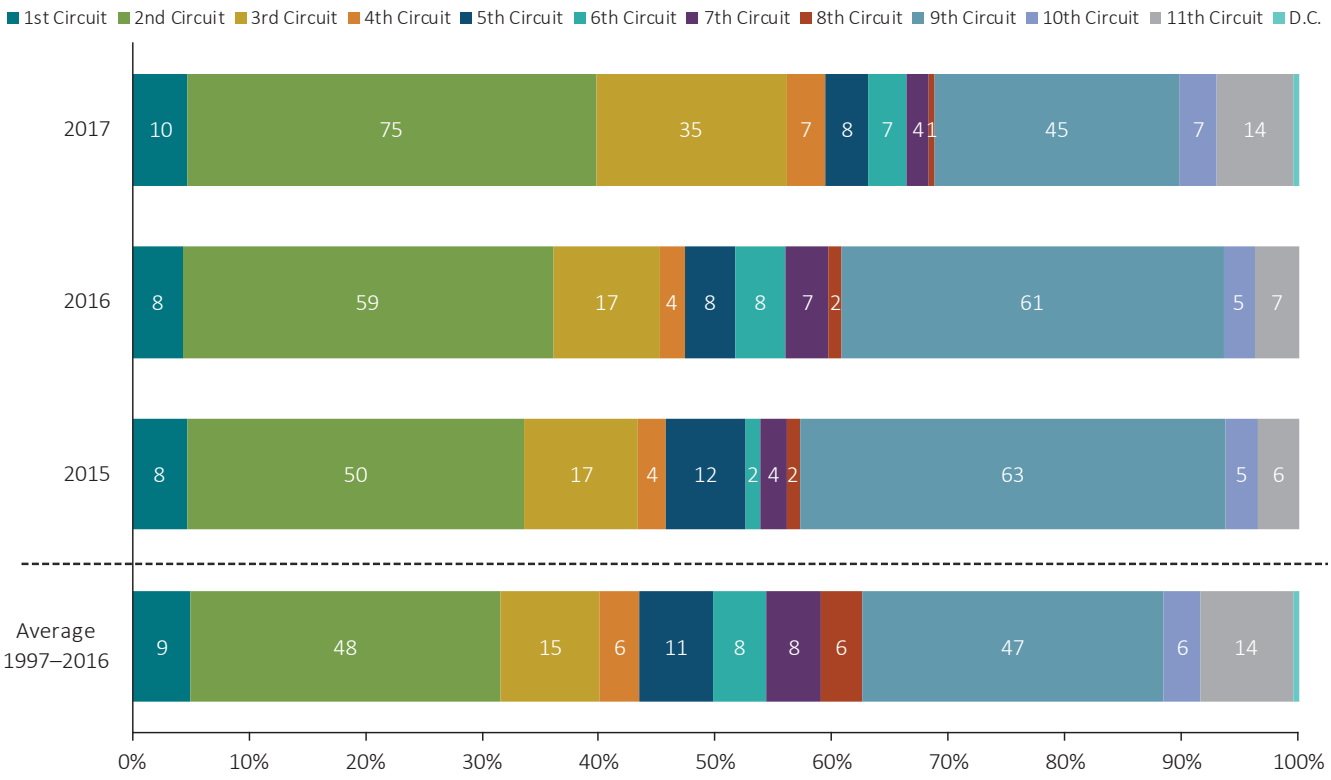
Note:
1. Average and median numbers are calculated only for filings with MDL and DDL data.
2. NYSE/Amex was renamed NYSE MKT in May 2012.

Circuit

- Core filings in the Second Circuit increased to 75, the most since 2008 at the height of the financial crisis and an increase of 27 percent from 2016.
- Core filings in the Ninth Circuit declined to 45 filings, a 26 percent decline from 2016.
- The Second and Ninth Circuits combined made up 56 percent of all core filings, marginally higher than the 1997–2016 average of 53 percent.
- Core filings in the Third Circuit more than doubled from the 1997–2016 average to a record 35 filings. Almost half of these cases comprised biotechnology and pharmaceutical cases.
- The largest industry subsectors for core filings in the Ninth Circuit were healthcare and pharmaceuticals (five filings each) followed by Internet and software companies (four filings each).
- As a result of the decline in mega filings, MDL in the Second and Ninth Circuits decreased significantly from 2016 to 2017. See Appendix 8.

Core filings in the Third Circuit were the highest on record.

Figure 33: Filings by Circuit—Core Filings



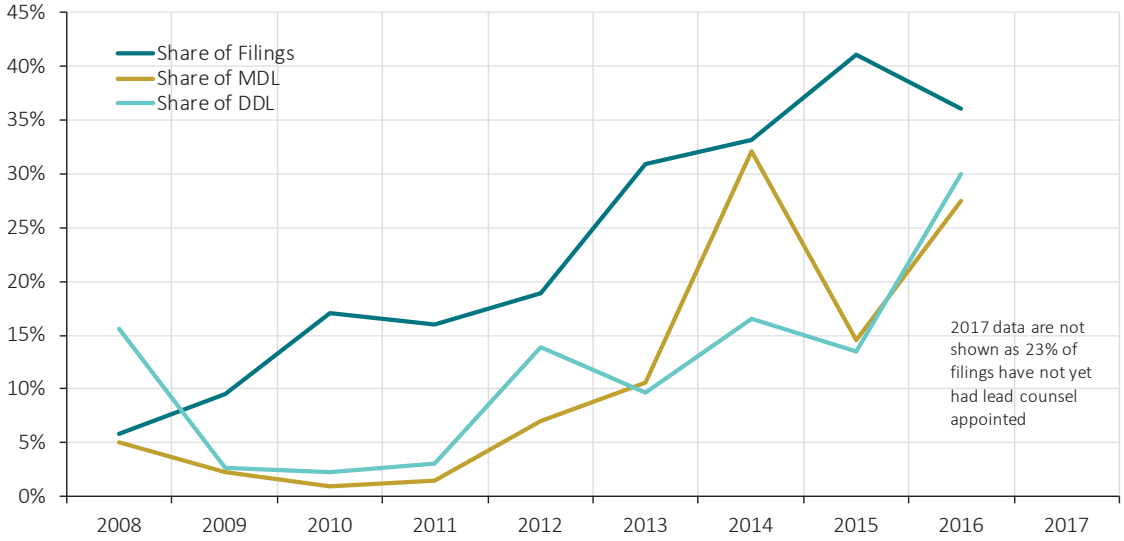
Note: For more information, see Appendix 8.

Appointment of Plaintiff Lead Counsel

- This analysis looks at three law firms—The Rosen Law Firm, Pomerantz LLP, and Glancy Prongay & Murray LLP.
- The percentage of cases for which these firms were appointed lead counsel rose steadily from 2008 to 2015, peaking at 41 percent, before declining to 36 percent in 2016.
- With the exception of 2008, these firms were typically appointed lead counsel for smaller cases (i.e., their share of filings exceeded their share of total MDL and DDL).
- For the last four years, these firms have been responsible for more than 50 percent of the initial complaints filed.
- These firms have been the counsel of record on the first identified complaint a greater percentage of the time than they have been appointed lead counsel. For example, in 2016, these firms filed 66 percent of the initial complaints, but were appointed lead counsel 36 percent of the time.
- These firms have been largely responsible for the declining median filing lag discussed on page 23 and for the increasing frequency of the appointment of individuals, rather than institutional investors, as lead plaintiff discussed on page 17.

From 2008 to 2016, three plaintiff law firms were increasingly appointed lead or co-lead plaintiff counsel in smaller-than-average-sized cases.

Figure 34: Frequency of Three Law Firms' Appointment as Lead or Co-lead Plaintiff Counsel—Core Filings 2008–2017



Frequency of These Firms as the Counsel of Record on the First Identified Complaint	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Number of Core Filings	22	23	26	35	40	66	79	104	122	127
% of Total Core Filings	10%	15%	19%	24%	29%	43%	52%	60%	66%	59%

Note:
1. This analysis considers law firms that were appointed lead or co-lead counsel by the court. For filings in which the case was resolved prior to the appointment of lead counsel, the counsel listed on the first identified complaint (FIC) are considered the lead counsel.
2. One percent of filings in 2014, 5 percent of filings in 2016, and 23 percent of filings in 2017 have not yet had lead counsel appointed.
3. These counts include circumstances when the FIC includes one or any of these law firms, regardless of whether other plaintiff counsel are also listed on the complaint.

New Developments

Initial Coin Offerings

With the rise of cryptocurrencies in 2017, initial coin offerings, or ICOs, emerged. Price volatility of various cryptocurrencies at the end of the year resulted in multiple class actions involving ICOs.

The Clearinghouse tracked five ICO filings, all of them in December 2017. Some of these cases included Section 10(b), Section 11, and/or Section 12 claims; however, many of these cases were filed based on Section 5. Although Section 5 claims are extremely rare, they are still Securities Act claims and will therefore be tracked going forward.

According to the SEC,

> Virtual coins or tokens are created and disseminated using distributed ledger or blockchain technology. Recently promoters have been selling virtual coins or tokens in ICOs. Purchasers may use fiat currency (e.g., U.S. dollars) or virtual currencies to buy these virtual coins or tokens. Promoters may tell purchasers that the capital raised from the sales will be used to fund development of a digital platform, software, or other projects and that the virtual tokens or coins may be used to access the platform, use the software, or otherwise participate in the project. Some promoters and initial sellers may lead buyers of the virtual coins or tokens to expect a return on their investment or to participate in a share of the returns provided by the project. After they are issued, the virtual coins or tokens may be resold to others in a secondary market on virtual currency exchanges or other platforms.
>
> Depending on the facts and circumstances of each individual ICO, the virtual coins or tokens that are offered or sold may be securities. If they are securities, the offer and sale of these virtual coins or tokens in an ICO are subject to the federal securities laws. ("Investor Bulletin: Initial Coin Offerings," U.S. Securities and Exchange Commission, July 25, 2017, available at https://www.sec.gov/oiea/investor-alerts-and-bulletins/ib_coinofferings.)

Item 303 Required Disclosures and Actionable Statements

Leidos Inc. v. Indiana Public Retirement System was scheduled to be argued by the U.S. Supreme Court on November 6, 2017. The case addressed whether omissions or the failure to make a disclosure required by Item 303 of Reg. S-K are actionable under Section 10(b) and Rule 10b-5, if the omitted information is required to be disclosed by the U.S. Securities and Exchange Commission (SEC) regulations in periodic reports but does not render any affirmative statement false or misleading.

The U.S. Supreme Court granted the writ of certiorari after a circuit split on the issue—with the Second Circuit holding that Item 303 creates a duty to disclose, while the Ninth and Third Circuits held that it does not.

The case settled before it could be heard in the U.S. Supreme Court for $6.5 million, with plaintiff counsel seeking only an award for costs and expenses and not attorney's fees.

Administrative Law Judge Appointments

Lucia v. Securities and Exchange Commission addresses the question of whether the administrative law judges (ALJs) of the SEC are Officers of the United States within the meaning of the Appointments Clause.

The case is now at the U.S. Supreme Court after an opinion split between the Tenth Circuit (which found ALJ appointments violated the Appointments Clause of the U.S. Constitution) and the D.C. Circuit (which considered the rulings of ALJ not final and therefore that ALJ appointments do not violate the Appointments Clause).

Glossary

California state Section 11 filing is a class action filed in a California state court that has Section 11 claims. These filings may also have Section 12 and/or Section 15 claims, but do not have Rule 10b-5 claims.

Chinese reverse merger (CRM) filing is a securities class action against a China-headquartered company listed on a U.S. exchange as a result of a reverse merger with a public shell company. See Cornerstone Research, *Investigations and Litigation Related to Chinese Reverse Merger Companies*.

Class Action Filings Index® (CAF Index®) tracks the number of federal securities class action filings.

Class Action Filings Non-U.S. Index tracks the number of filings against non-U.S. issuers (companies headquartered outside the United States) relative to total filings, excluding M&A filings.

Core filings are all federal securities class actions excluding those defined as M&A filings.

Cohort is the group of securities class actions all filed in a particular calendar year.

Disclosure Dollar Loss Index® (DDL Index®) measures the aggregate DDL for all filings over a period of time. DDL is the dollar value change in the defendant firm's market capitalization between the trading day immediately preceding the end of the class period and the trading day immediately following the end of the class period. DDL should not be considered an indicator of liability or measure of potential damages. Instead, it estimates the impact of all information revealed at the end of the class period, including information unrelated to the litigation.

Filing lag is the number of days between the end of a class period and the filing date of the securities class action.

First identified complaint (FIC) is the first complaint filed of one or more securities class action complaints with the same underlying allegations filed against the same defendant or set of defendants.

Heat Maps of S&P 500 Securities Litigation™ analyze securities class action activity by industry sector. The analysis focuses on companies in the Standard & Poor's 500 (S&P 500) index, which comprises 500 large, publicly traded companies in all major sectors. Starting with the composition of the S&P 500 at the beginning of each year, the Heat Maps examine two questions for each sector: (1) What percentage of these companies were subject to new securities class actions in federal court during each calendar year? (2) What percentage of the total market capitalization of these companies was subject to new securities class actions in federal courts during each calendar year?

Market capitalization losses measure changes to market values of the companies subject to class action filings. This report tracks market capitalization losses for defendant firms during and at the end of class periods. They are calculated for publicly traded common equity securities, closed-ended mutual funds, and exchange-traded funds where data are available. Declines in market capitalization may be driven by market, industry, and/or firm-specific factors. To the extent that the observed losses reflect factors unrelated to the allegations in class action complaints, indices based on class period losses would not be representative of potential defendant exposure in class actions. This is especially relevant in the post-*Dura* securities litigation environment. In April 2005, the U.S. Supreme Court ruled that plaintiffs in a securities class action are required to plead a causal connection between alleged wrongdoing and subsequent shareholder losses. This report tracks market capitalization losses at the end of each class period using DDL, and market capitalization losses during each class period using MDL.

Maximum Dollar Loss Index® (MDL Index®) measures the aggregate MDL for all filings over a period of time. MDL is the dollar value change in the defendant firm's market capitalization from the trading day with the highest market capitalization during the class period to the trading day immediately following the end of the class period. MDL should not be considered an indicator of liability or measure of potential damages. Instead, it estimates the impact of all information revealed during or at the end of the class period, including information unrelated to the litigation.

Mega filings include mega DDL filings, securities class action filings with a DDL of at least $5 billion; and mega MDL filings, securities class action filings with an MDL of at least $10 billion.

Merger and acquisition (M&A) filings are securities class actions that have Section 14 claims, but no Rule 10b-5, Section 11, or Section 12(2) claims, and involve merger and acquisition transactions.

Securities Class Action Clearinghouse is an authoritative source of data and analysis on the financial and economic characteristics of federal securities fraud class action litigation, cosponsored by Cornerstone Research and Stanford Law School.

Appendices

Appendix 1: Filings Basic Metrics

			Disclosure Dollar Loss			Maximum Dollar Loss			U.S. Exchange-Listed Firms: Core Filings		
Year	Class Action Filings	Core Filings	DDL Total ($ Billions)	Average ($ Millions)	Median ($ Millions)	MDL Total ($ Billions)	Average ($ Millions)	Median ($ Millions)	Number	Number of Listed Firms Sued	Percentage of Listed Firms Sued
1997	174	174	$42	$272	$57	$145	$940	$405	8,113	165	2.0%
1998	242	242	$80	$365	$61	$224	$1,018	$294	8,190	225	2.7%
1999	209	209	$140	$761	$101	$364	$1,978	$377	7,771	197	2.5%
2000	216	216	$240	$1,251	$119	$761	$3,961	$689	7,418	205	2.8%
2001	180	497	$198	$1,215	$93	$1,487	$9,120	$771	7,197	168	2.3%
2002	224	266	$201	$989	$136	$2,046	$10,080	$1,494	6,474	204	3.2%
2003	192	228	$77	$450	$100	$575	$3,363	$478	5,999	181	3.0%
2004	228	239	$144	$739	$108	$726	$3,722	$498	5,643	210	3.7%
2005	182	182	$93	$595	$154	$362	$2,321	$496	5,593	168	3.0%
2006	120	120	$52	$496	$109	$294	$2,827	$413	5,525	114	2.1%
2007	177	177	$158	$1,013	$156	$700	$4,489	$715	5,467	158	2.9%
2008	223	223	$221	$1,516	$208	$816	$5,591	$1,077	5,339	169	3.2%
2009	165	158	$84	$830	$138	$550	$5,447	$1,066	5,042	119	2.4%
2010	175	135	$73	$691	$146	$474	$4,515	$598	4,764	107	2.2%
2011	187	144	$110	$827	$91	$511	$3,842	$422	4,660	125	2.7%
2012	151	138	$97	$767	$151	$404	$3,183	$659	4,529	116	2.6%
2013	165	152	$104	$750	$153	$278	$2,011	$532	4,411	137	3.1%
2014	168	155	$56	$384	$168	$213	$1,460	$528	4,416	142	3.2%
2015	207	173	$118	$702	$145	$387	$2,305	$502	4,578	164	3.6%
2016	271	186	$107	$603	$195	$804	$4,541	$1,155	4,593	176	3.8%
2017	412	214	$131	$667	$148	$521	$2,657	$658	4,411	187	4.2%
Average (1997–2016)	193	201	$120	$761	$129	$606	$3,836	$658	5,786	163	2.9%

Note:
1. Average and median numbers are calculated only for filings with MDL and DDL data. Filings without MDL and DDL data include M&A-only filings, ICO filings, and other filings where calculations of MDL and DDL are non-obvious.
2. The number and percentage of U.S. exchange-listed firms sued are based on core filings.

Appendix 2A: S&P 500 Securities Litigation—Percentage of S&P 500 Companies Subject to Core Filings

Year	Consumer Discretionary	Consumer Staples	Energy / Materials	Financials / Real Estate	Health Care	Industrials	Telecom / IT	Utilities	All S&P 500 Companies
2001	2.4%	8.3%	0.0%	1.4%	7.1%	0.0%	18.0%	7.9%	5.6%
2002	10.2%	2.9%	3.1%	16.7%	15.2%	6.0%	11.0%	40.5%	12.0%
2003	4.6%	2.9%	1.7%	8.6%	10.4%	3.0%	5.6%	2.8%	5.2%
2004	3.4%	2.7%	1.8%	19.3%	10.6%	8.5%	3.2%	5.7%	7.2%
2005	10.3%	8.6%	1.7%	7.3%	10.7%	1.8%	6.7%	3.0%	6.6%
2006	4.4%	2.8%	0.0%	2.4%	6.9%	0.0%	8.1%	0.0%	3.6%
2007	5.7%	0.0%	0.0%	10.3%	12.7%	5.8%	2.3%	3.1%	5.4%
2008	4.5%	2.6%	0.0%	31.2%	13.7%	3.6%	2.5%	3.2%	9.2%
2009	3.8%	4.9%	1.5%	10.7%	3.7%	6.9%	1.2%	0.0%	4.4%
2010	5.1%	0.0%	4.3%	10.3%	13.5%	0.0%	2.4%	0.0%	4.8%
2011	3.8%	2.4%	0.0%	1.2%	2.0%	1.7%	7.1%	2.9%	2.8%
2012	4.9%	2.4%	2.7%	3.7%	1.9%	1.6%	3.8%	0.0%	3.0%
2013	8.4%	0.0%	0.0%	0.0%	5.7%	0.0%	9.1%	0.0%	3.4%
2014	1.2%	0.0%	1.3%	1.2%	0.0%	4.7%	0.0%	0.0%	1.2%
2015	0.0%	5.0%	0.0%	1.2%	1.9%	0.0%	4.2%	3.4%	1.6%
2016	3.6%	2.6%	4.5%	6.9%	17.9%	6.1%	6.8%	3.4%	6.6%
2017	8.5%	2.7%	3.3%	3.3%	8.3%	8.7%	8.5%	7.1%	6.4%
Average 2001–2016	4.8%	2.9%	1.4%	8.4%	8.3%	3.1%	5.9%	5.1%	5.2%

Appendix 2B: S&P 500 Securities Litigation—Percentage of Market Capitalization of S&P 500 Companies Subject to Core Filings

Year	Consumer Discretionary	Consumer Staples	Energy / Materials	Financials / Real Estate	Health Care	Industrials	Telecom / IT	Utilities	All S&P 500 Companies
2001	1.3%	6.3%	0.0%	0.8%	5.4%	0.0%	32.6%	17.4%	10.9%
2002	24.7%	0.3%	1.2%	29.2%	35.2%	13.3%	9.1%	51.0%	18.8%
2003	2.0%	2.3%	0.4%	19.9%	16.3%	4.6%	1.7%	4.3%	8.0%
2004	7.9%	0.1%	29.7%	46.1%	24.1%	8.8%	1.2%	4.8%	17.7%
2005	5.7%	11.4%	1.6%	22.2%	10.1%	5.6%	10.3%	5.6%	10.7%
2006	8.9%	0.8%	0.0%	8.2%	18.1%	0.0%	8.3%	0.0%	6.7%
2007	4.4%	0.0%	0.0%	18.1%	22.5%	2.2%	3.4%	5.5%	8.2%
2008	7.2%	2.6%	0.0%	55.0%	20.0%	26.4%	1.4%	4.0%	16.2%
2009	1.9%	3.9%	0.8%	31.2%	1.7%	23.2%	0.3%	0.0%	7.7%
2010	4.9%	0.0%	5.2%	31.1%	32.7%	0.0%	5.9%	0.0%	11.1%
2011	4.6%	0.8%	0.0%	6.9%	0.7%	2.1%	13.4%	0.6%	5.0%
2012	1.6%	14.0%	0.9%	11.0%	0.8%	1.2%	2.2%	0.0%	4.3%
2013	4.4%	0.0%	0.0%	0.0%	4.4%	0.0%	16.6%	0.0%	4.7%
2014	2.5%	0.0%	0.2%	0.3%	0.0%	1.7%	0.0%	0.0%	0.6%
2015	0.0%	1.9%	0.0%	3.0%	3.1%	0.0%	7.0%	3.7%	2.8%
2016	2.8%	1.0%	19.8%	11.9%	13.2%	8.7%	12.3%	4.4%	10.0%
2017	8.2%	6.7%	2.3%	1.5%	2.7%	22.3%	4.4%	9.6%	6.1%
Average 2001–2016	4.9%	2.7%	3.1%	16.9%	12.3%	5.8%	8.6%	5.6%	8.4%

Appendix 3: M&A Filings Overview

		M&A Case Status			Case Status of All Other Filings		
Year	M&A Filings	Dismissed	Settled	Continuing	Dismissed	Settled	Continuing
2009	7	5	2	0	83	64	11
2010	40	34	6	0	68	63	4
2011	43	40	2	1	69	70	5
2012	13	9	4	0	72	55	11
2013	13	7	6	0	88	57	7
2014	13	10	2	1	65	66	24
2015	34	26	6	2	94	31	48
2016	85	63	12	10	55	16	115
2017	198	147	0	51	33	0	181
Average (2009–2016)	31	24	5	2	74	53	28

Note:
1. The Securities Class Action Clearinghouse began tracking M&A filings as a separate category in 2009.
2. Case status is as of the end of 2017.

Appendix 4: Case Status by Year—Core Filings

	In the First Year				In the Second Year				In the Third Year			
Filing Year	Settled	Dismissed	Trial	Total Resolved	Settled	Dismissed	Trial	Total Resolved	Settled	Dismissed	Trial	Total Resolved within Three Years
1997	0.0%	7.5%	0.6%	8.0%	14.9%	8.6%	0.0%	31.6%	16.7%	4.0%	0.0%	52.3%
1998	0.8%	7.9%	0.0%	8.7%	16.1%	12.0%	0.0%	36.8%	16.1%	8.3%	0.0%	61.2%
1999	0.5%	7.2%	0.0%	7.7%	11.0%	11.5%	0.0%	30.1%	18.2%	9.1%	0.0%	57.4%
2000	1.9%	4.2%	0.0%	6.0%	11.6%	13.0%	0.0%	30.6%	15.7%	10.6%	0.5%	57.4%
2001	1.7%	6.7%	0.0%	8.3%	11.7%	10.6%	0.0%	30.6%	18.3%	5.0%	0.0%	53.9%
2002	0.9%	5.8%	0.4%	7.1%	6.7%	9.4%	0.0%	23.2%	15.2%	11.6%	0.0%	50.0%
2003	0.5%	7.8%	0.0%	8.3%	7.8%	13.5%	0.0%	29.7%	14.6%	14.6%	0.0%	58.9%
2004	0.0%	10.5%	0.0%	10.5%	9.6%	16.2%	0.0%	36.4%	12.3%	9.6%	0.0%	58.3%
2005	0.5%	11.5%	0.0%	12.1%	8.2%	20.3%	0.0%	40.7%	17.6%	8.8%	0.0%	67.0%
2006	0.8%	9.2%	0.0%	10.0%	8.3%	16.7%	0.0%	35.0%	14.2%	6.7%	0.0%	55.8%
2007	0.6%	6.8%	0.0%	7.3%	7.9%	13.6%	0.0%	28.8%	17.5%	14.1%	0.0%	60.5%
2008	0.0%	14.3%	0.0%	14.3%	3.6%	17.9%	0.0%	35.9%	9.9%	10.8%	0.0%	56.5%
2009	0.0%	10.1%	0.0%	10.1%	4.4%	19.6%	0.0%	34.2%	8.2%	6.3%	0.0%	48.7%
2010	1.5%	11.9%	0.0%	13.3%	7.4%	16.3%	0.0%	37.0%	3.7%	14.8%	0.0%	55.6%
2011	0.0%	12.5%	0.0%	12.5%	2.1%	16.7%	0.0%	31.3%	18.8%	12.5%	0.0%	62.5%
2012	0.7%	13.8%	0.0%	14.5%	4.3%	22.5%	0.0%	41.3%	8.7%	10.1%	0.0%	60.1%
2013	0.0%	17.8%	0.0%	17.8%	5.3%	20.4%	0.0%	43.4%	10.5%	9.9%	0.0%	63.8%
2014	0.6%	9.0%	0.0%	9.7%	7.1%	19.4%	0.0%	36.1%	16.8%	11.0%	0.0%	63.9%
2015	0.0%	16.2%	0.0%	16.2%	6.4%	29.5%	0.0%	52.0%	11.6%	8.7%	0.0%	72.3%
2016	0.5%	15.6%	0.0%	16.1%	8.1%	14.0%	0.0%	38.2%	-	-	-	-
2017	0.0%	15.4%	0.0%	15.4%	-	-	-	-	-	-	-	-

Note: Numbers may not add due to rounding. Figures below the dashed lines indicate cohorts for which data are not complete.

Appendix 5: California State Section 11 Filings Overview

	California State Section 11 Filings					California State Section 11 Filing Status				Federal Section 11–Only Filing Status			
Year	Los Angeles County	Santa Clara County	San Francisco County	San Mateo County	Other	Ongoing	Settled	Dismissed	Removed to Federal Court	Ongoing	Settled	Dismissed	Remanded to State Court
2010	0	0	0	0	1	0	1	0	0	2	7	8	1
2011	0	0	1	1	1	0	1	2	0	0	4	5	1
2012	0	1	1	2	1	0	2	2	1	1	5	3	2
2013	0	0	0	1	0	0	1	0	0	0	2	5	1
2014	2	1	1	1	0	1	3	1	0	2	3	4	2
2015	2	4	2	7	0	3	8	2	2	1	4	4	4
2016	2	0	1	14	1	12	1	2	3	4	1	1	5
2017	2	0	0	5	0	3	0	0	4	10	0	1	3
Average (2010–2016)	1	1	1	4	1	2	2	1	1	1	4	4	2

Appendix 6: Filings by Industry—Core Filings

(Dollars in Billions)

	Class Action Filings				Disclosure Dollar Loss				Maximum Dollar Loss			
Industry	Average 1997–2016	2015	2016	2017	Average 1997–2016	2015	2016	2017	Average 1997–2016	2015	2016	2017
Financial	33	15	22	20	$19	$8	$20	$14	$113	$26	$169	$48
Consumer Non-Cyclical	47	59	85	85	$36	$52	$38	$42	$134	$141	$326	$165
Industrial	16	18	16	26	$12	$2	$18	$26	$36	$11	$77	$85
Technology	23	21	15	14	$17	$25	$12	$8	$78	$90	$33	$58
Consumer Cyclical	19	17	16	22	$9	$16	$5	$15	$48	$31	$41	$84
Communications	27	24	9	18	$21	$8	$1	$13	$151	$39	$49	$37
Energy	7	8	8	9	$4	$3	$11	$5	$23	$18	$56	$20
Basic Materials	4	7	8	11	$1	$2	$2	$7	$14	$26	$51	$17
Utilities	3	2	1	2	$1	$1	$0	$1	$9	$6	$2	$8
Unknown/ Unclassified	1	2	6	7	-	-	-	-	-	-	-	-
Total	180	173	186	214	$120	$118	$107	$131	$606	$387	$803	$521

Appendix 7: Biotechnology, Pharmaceutical, and Healthcare Subsectors—Core Filings

Year	Filings	Circuit					Percent of Total MDL
		1st	2nd	3rd	9th	Other	
1997	28	2	4	3	9	10	20.3%
1998	40	3	7	6	11	13	19.6%
1999	28	1	3	2	10	12	10.8%
2000	22	2	4	5	3	9	9.4%
2001	18	0	3	2	6	7	2.9%
2002	33	3	6	6	6	13	13.9%
2003	37	5	4	2	9	17	30.7%
2004	40	4	8	4	11	13	19.4%
2005	32	5	4	4	3	17	41.1%
2006	25	0	5	3	3	14	18.9%
2007	29	0	11	2	7	9	25.9%
2008	25	5	5	2	2	11	17.4%
2009	22	1	1	2	11	7	6.1%
2010	32	3	6	2	15	6	45.3%
2011	21	0	5	0	6	10	5.6%
2012	28	2	5	5	5	11	7.0%
2013	34	2	10	5	11	6	14.8%
2014	38	3	8	11	11	5	13.8%
2015	42	6	4	5	18	9	30.1%
2016	64	5	22	7	20	10	35.4%
2017	66	7	17	16	13	13	21.4%
Average (1997–2016)	32	3	6	4	9	10	19.4%

Appendix 8: Filings by Circuit—Core Filings

Circuit	Class Action Filings				Disclosure Dollar Loss				Maximum Dollar Loss			
	Average 1997–2016	2015	2016	2017	Average 1997–2016	2015	2016	2017	Average 1997–2016	2015	2016	2017
1st	9	8	8	10	$8	$23	$3	$1	$22	$45	$7	$6
2nd	48	50	59	75	$41	$29	$16	$46	$217	$119	$247	$161
3rd	15	17	17	35	$17	$17	$7	$27	$59	$64	$44	$106
4th	6	4	4	7	$2	$1	$2	$5	$13	$7	$3	$17
5th	11	12	8	8	$7	$5	$11	$4	$37	$22	$55	$16
6th	8	2	8	7	$7	$0	$6	$4	$27	$1	$24	$36
7th	8	4	7	4	$6	$13	$15	$3	$25	$17	$62	$20
8th	6	2	2	1	$3	$1	$2	$0	$14	$9	$13	$0
9th	47	63	61	45	$21	$25	$43	$31	$144	$94	$331	$114
10th	6	5	5	7	$3	$3	$0	$2	$13	$5	$11	$14
11th	14	6	7	14	$5	$1	$2	$8	$23	$4	$6	$20
D.C.	1	0	0	1	$1	$0	$0	$0	$3	$0	$0	$11
Total	180	173	186	214	$120	$118	$107	$131	$596	$387	$804	$521

Note: Totals may not sum due to rounding.

Research Sample

- The Stanford Law School Securities Class Action Clearinghouse, in collaboration with Cornerstone Research, has identified 4,784 federal securities class action filings between January 1, 1996, and December 31, 2017 (securities.stanford.edu). The analysis in this report is based on data identified by Stanford as of January 12, 2018.
- The sample used in this report includes federal filings that allege violations of the Securities Exchange Act of 1933 Section 11, the Securities Exchange Act of 1934 Section 10b, Section 12(a) (registration requirements), or Section 14(a) (proxy solicitation requirements).
- The sample is referred to as the "classic filings" sample and excludes IPO allocation, analyst, and mutual fund filings (313, 68, and 25 filings, respectively).
- Multiple filings related to the same allegations against the same defendant(s) are consolidated in the database through a unique record indexed to the first identified complaint.
- In addition to federal filings, class actions filed in California state courts since January 1, 2010, alleging violations of the Securities Exchange Act of 1933 Section 11 are also separately tracked.
- An additional 55 state class action filings in California courts from January 1, 2010, to December 31, 2017, have also been identified.

The authors request that you reference Cornerstone Research and the Stanford Law School Securities Class Action Clearinghouse in any reprint of the information or figures included in this study.

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Cornerstone Research

Cornerstone Research provides economic and financial consulting and expert testimony in all phases of complex litigation and regulatory proceedings. The firm works with an extensive network of prominent faculty and industry practitioners to identify the best-qualified expert for each assignment. Cornerstone Research has earned a reputation for consistent high quality and effectiveness by delivering rigorous, state-of-the-art analysis for over 25 years. The firm has 700 staff and offices in Boston, Chicago, London, Los Angeles, New York, San Francisco, Silicon Valley, and Washington.

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Exhibit 3

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE VIRTUS INVESTMENT PARTNERS, INC. SECURITIES LITIGATION	Case No. 15-cv-1249 (WHP)

DECLARATION OF TARA DONOHUE REGARDING (A) MAILING OF SETTLEMENT NOTICE AND CLAIM FORM AND (B) PUBLICATION OF SUMMARY SETTLEMENT NOTICE

I, Tara Donohue, declare as follows:

1. I am an Assistant Director of Operations for The Garden City Group, LLC ("GCG"). Pursuant to the Court's June 28, 2018 Order Preliminarily Approving Settlement and Providing for Notice (the "Preliminary Approval Order"), GCG was authorized to act as the Claims Administrator in connection with the Settlement of the above-captioned action (the "Action").[1] I am over 21 years of age and am not a party to the Action. I have personal knowledge of the facts set forth herein and, if called as a witness, could and would testify competently thereto.

MAILING OF THE SETTLEMENT NOTICE AND PROOF OF CLAIM

2. Pursuant to the Preliminary Approval Order, GCG mailed the Notice of (I) Proposed Settlement and Plan of Allocation; (II) Settlement Hearing; and (III) Motion for an Award of Attorneys' Fees and Payment of Litigation Expenses (the "Settlement Notice") and the Proof of Claim and Release form (the "Claim Form" and, collectively with the Settlement

[1] Unless otherwise defined herein, all capitalized terms have the meanings set forth in the Stipulation and Agreement of Settlement, dated May 18, 2018 (the "Stipulation").

Notice, the "Settlement Notice Packet") to potential Class Members. A copy of the Settlement Notice Packet is attached hereto as Exhibit A.

3. In preparation for mailing the Settlement Notice Packet, GCG created a mailing file consisting of 127,403 unique names and addresses compiled in connection with mailing the Notice of Pendency of Class Action (the "Class Notice") in January 2018. On July 27, 2018, Settlement Notice Packets were disseminated to those 127,403 potential Class Members by first-class mail. On July 27, 2018, 4,953 Settlement Notice Packets were also sent to two nominees who previously, in connection with the Class Notice mailing, requested that notices be sent to them in bulk for forwarding to their beneficial owner clients together with letters instructing those nominees to mail the Settlement Notice Packets to their clients.

4. In addition, on July 27, 2018, Settlement Notice Packets were also mailed to the 1,754 brokers and other "nominees" listed in GCG's proprietary nominee database.[2] As in most class actions of this nature, the 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. GCG maintains a proprietary database with names and addresses of the largest and most common U.S. banks, brokerage firms, and nominees, including national and regional offices of certain nominees (the "Nominee Database"). The Settlement Notice Packets included language explaining that if the nominees had previously submitted names and addresses in connection with the January 2018 Class Notice mailing and those names and addresses remained current, they did not need to provide that information again unless they had additional

[2] While this Nominee Database was substantially the same as the database used for the January 2018 Class Notice mailing, GCG continuously updates its Nominee Database with new addresses when they are received, and eliminates duplicates or obsolete addresses when identified (as brokers merge or go out of business).

names and addresses to provide to GCG. The language also explained that nominees that previously elected to receive notices in bulk, which they could then mail directly to clients who are potential Class Members, would be receiving the same number of notices for mailing to their clients, unless they requested additional notices from GCG. *See* Settlement Notice ¶ 78.

5. Since July 27, 2018, GCG has received an additional 3,006 names and addresses of potential Class Members from individuals and nominees. GCG promptly sent a Settlement Notice Packet to each such potential Class Member. In addition, during this same time period, GCG received bulk requests from nominees for 6,183 Settlement Notice Packets for forwarding by the nominee to potential Class Members. GCG promptly provided the requested Settlement Notice Packets to the nominees.

6. In the aggregate, through September 18, 2018, GCG has mailed 143,299 Settlement Notice Packets to potential members of the Class and nominees. GCG has re-mailed 261 Settlement Notice Packets to persons whose original mailing was returned by the U.S. Postal Service and for whom updated addresses were provided to GCG by the U.S. Postal Service.[3]

PUBLICATION OF THE SUMMARY SETTLEMENT NOTICE

7. In accordance with Paragraph 4(c) of the Preliminary Approval Order, GCG caused the Summary Notice of (I) Proposed Settlement and Plan of Allocation; (II) Settlement Hearing; and (III) Motion for an Award of Attorneys' Fees and Payment of Litigation Expenses (the "Summary Settlement Notice") to be published in the *Wall Street Journal* and *Financial Times* and released via *PR Newswire* on August 8, 2018. Copies of the proofs of publication of

[3] This includes Settlement Notice Packets that were returned as undeliverable and for which GCG was able to obtain an updated address through the U.S. Postal Service National Change of Address ("NCOA") database.

the Summary Settlement Notice in the *Wall Street Journal* and *Financial Times* and over *PR Newswire* are attached hereto as Exhibits B and C, respectively.

TELEPHONE HELP LINE

8. Beginning on January 22, 2018, in connection with the Class Notice mailing, GCG established, and since then has continued to maintain, a case-specific, toll-free telephone helpline, 1-866-680-8403, with an interactive voice response system and operators during business hours, to accommodate potential Class Members who have questions about the Action and the Settlement. The automated attendant answers the calls and presents callers with a series of choices to respond to basic questions. Callers requiring further help have the option to be transferred to an operator during business hours. GCG continues to maintain the telephone helpline and will update the interactive voice response system as necessary through the administration of the Settlement.

CASE WEBSITE

9. In accordance with Paragraph 4(b) of the Preliminary Approval Order, GCG updated the website (www.VirtusSecuritiesLitigation.com) designated for the Action with information regarding the Settlement, including the dates and deadlines in connection therewith. The website address is provided in the Settlement Notice and the Summary Settlement Notice. In addition, copies of the Settlement Notice, Claim Form, Stipulation, Preliminary Approval Order, and operative complaint are posted on the website and are available for downloading. The website became operational on January 22, 2018, in connection with the Class Notice mailing, and updates concerning the Settlement were made on July 27, 2018. The website is accessible 24 hours a day, 7 days a week. GCG will continue operating, maintaining and, as appropriate, updating the website until the conclusion of the administration.

I declare under penalty of perjury that the foregoing is true and correct. Executed on September 19, 2018.

Tara Donohue

Exhibit A

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE VIRTUS INVESTMENT PARTNERS, INC. SECURITIES LITIGATION	Case No. 15-cv-1249 (WHP)

NOTICE OF (I) PROPOSED SETTLEMENT AND PLAN OF ALLOCATION; (II) SETTLEMENT HEARING; AND (III) MOTION FOR AN AWARD OF ATTORNEYS' FEES AND PAYMENT OF LITIGATION EXPENSES

To: All persons and entities that, during the period between January 25, 2013 and May 11, 2015, inclusive (the "Class Period"), purchased or otherwise acquired shares of the publicly traded common stock of Virtus Investment Partners, Inc. ("Virtus") and were damaged thereby (the "Class").[1]

This notice contains important deadlines that may affect your rights.
A Federal Court authorized this notice. This is not a solicitation from a lawyer.

ATTENTION: If you ***only*** ever acquired Virtus common stock ***before*** January 25, 2013—including in 2009 in connection with the spin-off transaction by the Phoenix Companies, Inc. that created Virtus—you can ignore this notice. You are not a Class Member.

- Court-appointed representative for the Court-certified Class (defined in ¶ 24 below), Arkansas Teacher Retirement System ("Class Representative" or "Lead Plaintiff"), on behalf of itself and the Class, has reached a proposed settlement of the above-captioned securities class action (the "Action") for $22,000,000 in cash that, if approved, will resolve all claims in the Action (the "Settlement").
- The Settlement, if approved by the Court, will: resolve claims in the Action that Virtus's investors were allegedly misled about, among other things, the April 1, 2001 "inception date" for the indices which Virtus's AlphaSector funds sought to track, and that, since that time, the performance of the AlphaSector indices had been achieved through live trading with real client assets; provide a cash payment to Class Members who timely submit valid claims that are entitled to a payment; and release Defendants and related persons and entities from liability. The terms and provisions of the Settlement are contained in the Stipulation.
- This notice explains important rights you may have, including your possible receipt of cash. **If you are a Class Member, your legal rights will be affected whether or not you act. Please read this notice carefully.**
- The Court in charge of the Action still has to decide whether to approve the Settlement.

1. **Description of the Action and the Class:** This notice relates to a proposed Settlement of claims in a pending securities class action brought by investors alleging, among other things, that defendants Virtus, Virtus Opportunities Trust ("VOT"), and George R. Aylward, Jeffrey T. Cerutti, and Francis G. Waltman (collectively, the "Individual Defendants," and, together with Virtus and VOT, the "Defendants") violated the federal securities laws by making false and misleading statements regarding certain mutual funds issued by VOT. A more detailed description of the Action is set forth in ¶¶ 11-23 below. If the Court approves the proposed Settlement, the Action will be dismissed with prejudice and members of the Class (defined in ¶ 24 below) will settle and release all Released Plaintiff's Claims (defined in ¶ 30 below) against the Defendants' Releasees (defined in ¶ 31 below).

2. **Statement of the Class's Recovery:** Subject to Court approval, Class Representative, on behalf of itself and the Class, has agreed to settle the Action in exchange for a settlement payment of $22,000,000 in cash (the "Settlement Amount"). The Net Settlement Fund (*i.e.*, the Settlement Amount plus any and all interest earned thereon (the "Settlement Fund") less (i) any Taxes; (ii) any and all Notice and Administration Costs; (iii) any attorneys' fees awarded by the Court; (iv) any Litigation Expenses awarded by the Court; and (v) any other costs or fees approved by the Court) will be distributed in accordance with a plan of allocation that is approved by the Court, which will determine how the Net Settlement Fund shall be allocated among members of the Class. The proposed plan of allocation (the "Plan of Allocation") is set forth in ¶¶ 39-66 below.

3. **Estimate of Average Amount of Recovery Per Share:** Based on Class Representative's damages expert's estimate of the number of shares of publicly traded Virtus common stock purchased during the Class Period that may have been affected by the conduct alleged in the Action and assuming that all Class Members elect to participate in the Settlement, the estimated average recovery (before the deduction of any Court-approved fees, expenses and costs as described below) per eligible share is $2.36. Class

[1] Any capitalized terms used in this notice that are not otherwise defined shall have the meanings given to them in the Stipulation and Agreement of Settlement, dated May 18, 2018 (the "Stipulation"), which can be viewed at www.VirtusSecuritiesLitigation.com.

Members should note, however, that the foregoing average recovery per share is only an estimate. Some Class Members may recover more or less than this estimated amount depending on, among other factors, the price at which they purchased shares of Virtus common stock, whether they sold their shares of Virtus common stock, and the total number and value of valid Claim Forms submitted. Distributions to Class Members will be made based on the Plan of Allocation set forth below (*see* pages 7-10 below) or such other plan of allocation as may be ordered by the Court.

4. **Average Amount of Damages Per Share:** The Parties do not agree on the average amount of damages per share that would be recoverable if Class Representative were to prevail in the Action. Among other things, Defendants do not agree with the assertion that they violated the federal securities laws or that any damages were suffered by any members of the Class as a result of their conduct.

5. **Attorneys' Fees and Expenses Sought:** Class Counsel, which have been prosecuting the Action on a wholly contingent basis since its inception in 2015, have not received any payment of attorneys' fees for their representation of the Class and have advanced the funds to pay expenses necessarily incurred to prosecute this Action. Court-appointed Class Counsel – Bernstein Litowitz Berger & Grossmann LLP and Labaton Sucharow LLP – will apply to the Court for an award of attorneys' fees in an amount not to exceed 25% of the Settlement Fund. In addition, Class Counsel will apply for payment of Litigation Expenses incurred in connection with the institution, prosecution, and resolution of the claims against the Defendants, in an amount not to exceed $1,200,000, which amount may include an application for reimbursement of the reasonable costs and expenses incurred by Class Representative directly related to its representation of the Class. Any 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. Estimates of the average cost per affected share of publicly traded Virtus common stock, if the Court approves Class Counsel's fee and expense application, is $0.72 per share. **Please note that this amount is only an estimate.**

6. **Identification of Attorneys' Representatives and Further Information:** Class Representative and the Class are represented by John C. Browne, Esq. of Bernstein Litowitz Berger & Grossmann LLP, 1251 Avenue of the Americas, 44th Floor, New York, NY 10020, 1-800-380-8496, blbg@blbglaw.com, and Michael H. Rogers, Esq. of Labaton Sucharow LLP, 140 Broadway, New York, NY 10005, 1-888-219-6877, settlementquestions@labaton.com. Further information regarding the Action, the Settlement, and this notice may be obtained by contacting Class Counsel or the Court-appointed Claims Administrator at: *In re Virtus Investment Partners, Inc. Securities Litigation*, c/o GCG, P.O. Box 10489, Dublin, Ohio 43017-4089, 1-866-680-8403, info@VirtusSecuritiesLitigation.com, www.VirtusSecuritiesLitigation.com.

7. **Reasons for the Settlement:** Class Representative's principal reason for entering into the Settlement is the substantial immediate cash benefit for the Class without the risk or the delays inherent in further litigation. Moreover, the substantial cash benefit provided under the Settlement must be considered against the significant risk that a smaller recovery – or indeed no recovery at all – might be achieved after further contested motions, a trial of the Action, and the likely appeals that would follow a trial. This process could last several additional years. Defendants, who deny all allegations of wrongdoing or liability whatsoever, are entering into the Settlement to eliminate the uncertainty, burden, and expense of further protracted litigation.

YOUR LEGAL RIGHTS AND OPTIONS IN THE SETTLEMENT	
SUBMIT A CLAIM FORM ONLINE OR POSTMARKED NO LATER THAN OCTOBER 10, 2018.	This is the only way to be eligible to receive a payment from the Net Settlement Fund. If you are a Class Member, you will be bound by the Settlement as approved by the Court and you will give up any and all Released Plaintiff's Claims (defined in ¶ 30 below) that you have against Defendants and the other Defendants' Releasees (defined in ¶ 31 below), so it is in your interest to submit a Claim Form.
OBJECT TO THE SETTLEMENT BY SUBMITTING A WRITTEN OBJECTION SO THAT IT IS *RECEIVED* NO LATER THAN OCTOBER 3, 2018.	If you do not like the proposed Settlement, the proposed Plan of Allocation, and/or the request for attorneys' fees and payment of Litigation Expenses, you may write to the Court and explain why you do not like them. You cannot object to the Settlement, the Plan of Allocation, or the fee and expense request unless you are a Class Member.
GO TO A HEARING ON OCTOBER 24, 2018 AT 10:00 A.M., AND FILE A NOTICE OF INTENTION TO APPEAR SO THAT IT IS *RECEIVED* NO LATER THAN OCTOBER 3, 2018.	Filing a written objection and notice of intention to appear by October 3, 2018 allows you to speak in Court, at the discretion of the Court, about the fairness of the proposed Settlement, the proposed Plan of Allocation, and/or the request for attorneys' fees and payment of Litigation Expenses. If you submit a written objection, you may (but you do not have to) attend the hearing and, at the discretion of the Court, speak to the Court about your objection.
DO NOTHING.	If you are a member of the Class and you do not submit a valid Claim Form, you will not be eligible to receive any payment from the Settlement Fund. You will, however, remain a member of the Class, which means that you give up your right to sue about the claims that are resolved by the Settlement and you will be bound by any judgments or orders entered by the Court in the Action.

The rights and options set forth above — and the deadlines to exercise them — are explained in this notice.

WHAT THIS NOTICE CONTAINS

WHY DID I GET THIS NOTICE?

8. The Court directed that this notice be mailed 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 Virtus common stock during the Class Period. The Court has directed us to send you this notice because, as a potential Class Member, you have a right to know about your options before the Court rules on the proposed Settlement. Additionally, you have the right to understand how this class action lawsuit and the Settlement will affect your legal rights. If the Court approves the Settlement, and the Plan of Allocation (or some other plan of allocation), the Claims Administrator selected by Class Representative and approved by the Court will make payments pursuant to the Settlement after any objections and/or appeals are resolved.

9. The purpose of this Notice is to inform you of the terms of the proposed Settlement, and of a hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement, the proposed Plan of Allocation, and the motion by Class Counsel for an award of attorneys' fees and payment of Litigation Expenses (the "Settlement Hearing"). *See* ¶¶ 69-70 below for details about the Settlement Hearing, including the date and location of the hearing.

10. The issuance of this Notice is not an expression of any opinion by the Court concerning the merits of any claim in the Action, and the Court still has to decide whether to approve the Settlement. If the Court approves the Settlement and a plan of allocation, then payments to Authorized Claimants will be made after any appeals are resolved and after the completion of all claims processing. Please be patient, as this process can take some time to complete.

WHAT IS THIS CASE ABOUT?

11. This case arises out of allegations that Defendants violated Sections 10(b) and 20(a) of the Securities Exchange Act of 1934. Among other things, the Action alleges that, during the Class Period (*i.e.*, between January 25, 2013 and May 11, 2015, inclusive), Defendants told investors that the indices which Virtus's AlphaSector funds sought to track had an "inception date" of April 1, 2001, and that the performance of the AlphaSector indices had been achieved through live trading with real client assets since that time, when in fact Defendants knew or were reckless in not knowing that the AlphaSector indices did not come into existence until 2008. Further, in a January 2013 conference call, Virtus CEO (and Defendant) Aylward told investors that "[o]ur portfolio managers continued to deliver strong relative investment performance, and this performance has been a key driver of our high level sales and net flows," which allegedly omitted that a portion of that performance was attributable to Defendants' misleading statements concerning the AlphaSector indices. Defendants deny that these statements were made by Defendants, were false and misleading, or otherwise give rise to liability.

12. The Action was commenced in February 2015. On June 9, 2015, the Court issued an Order appointing the Arkansas Teacher Retirement System ("ATRS") as "Lead Plaintiff" pursuant to the Private Securities Litigation Reform Act of 1995. In the same Order, the Court approved Lead Plaintiff's selection of Bernstein Litowitz Berger & Grossmann LLP and Labaton Sucharow LLP as "Co-Lead Counsel" for the Class, and consolidated all related actions.

13. The operative complaint in the Action, the Consolidated Class Action Complaint (the "Complaint"), was filed on August 21, 2015. On October 21, 2015, Defendants filed and served their motion to dismiss the Complaint. On November 20, 2015, Lead Plaintiff filed and served its memorandum of law in opposition to the motion to dismiss and, on December 4, 2015, Defendants filed and served their reply papers. Oral argument on Defendants' motion to dismiss was held on December 17, 2015, and on July 1, 2016, the Court entered its Memorandum and Order largely denying Defendants' motion to dismiss and sustaining Lead Plaintiff's claims relating to the allegations described in ¶ 11 above.

14. Discovery in the Action commenced promptly after the Court denied Defendants' motion to dismiss on July 1, 2016, and continued until August 15, 2017. In connection with discovery, over 900,000 documents—constituting over five million pages—were produced, including over 600,000 documents from Defendants. In addition, over twenty depositions were taken, including fifteen fact witnesses. Multiple expert reports and rebuttal reports were also exchanged.

15. On November 7, 2016, Lead Plaintiff filed a motion for class certification. Following briefing on the motion and oral argument, on May 15, 2017, the Court issued an Order granting the class certification motion, certifying the Class as defined in ¶ 24 below, appointing ATRS as "Class Representative," and appointing Co-Lead Counsel as "Class Counsel."

16. On November 17, 2017, the Court granted Class Representative's unopposed motion, pursuant to Rule 23 of the Federal Rules of Civil Procedure, for approval of notice of the pendency of the Action and entered an Order approving the form, content, and method of notice to the Class (the "Notice Order"). Among other things, the Notice Order found that the form, content, and method of the notice of pendency of the Action met the requirements of Rule 23 and due process, constituted the best notice practicable under the circumstances, and constituted due and sufficient notice to all persons and entities entitled to receive notice.

17. On December 21, 2017, Class Counsel and Defendants' Counsel participated in a full-day mediation session before Jed D. Melnick, Esq. of JAMS (the "Mediator"). In advance of that session, the Parties provided detailed mediation statements and exhibits to the Mediator, which addressed the issues of both liability and damages. The session ended without any agreement being reached.

18. Beginning on January 22, 2018, the Notice of Pendency of Class Action (the "Class Notice") was mailed to potential Class Members, and on February 1, 2018, the Summary Notice of Pendency of Class Action was published in the *Wall Street Journal* and *Financial Times* and transmitted over the *PR Newswire*.

19. The Class Notice provided Class Members with the opportunity to request exclusion from the Class, explained that right, and set forth the deadline and procedures for doing so. The Class Notice stated that it would be within the Court's discretion whether to permit a second opportunity to request exclusion if there is a settlement in the Action. The Class Notice informed Class Members that if they chose to remain a member of the Class, they would "be bound by all past, present, and future orders and judgments in the Action, whether favorable or unfavorable." The deadline for requesting exclusion from the Class was March 23, 2018.[2]

20. On October 6, 2017, Defendants moved for summary judgment. Class Representative filed its opposition papers on December 4, 2017, and on December 22, 2017, Defendants filed their reply papers. Oral argument on Defendants' motion for summary judgment was held on January 18, 2018.

21. Trial of the Action was scheduled by the Court to begin on March 19, 2018.

22. On February 6, 2018, following extensive arm's-length negotiations, as well as additional efforts by the Mediator, the Parties reached an agreement in principle to settle the Action for $22,000,000. On May 18, 2018, the Parties entered into the Stipulation, which sets forth the terms and conditions of the Settlement. The Stipulation can be viewed at www.VirtusSecuritiesLitigation.com.

23. On June 28, 2018, the Court preliminarily approved the Settlement, authorized this notice to be disseminated to potential Class Members, and scheduled the Settlement Hearing to consider whether to grant final approval of the Settlement.

HOW DO I KNOW IF I AM AFFECTED BY THE SETTLEMENT? WHO IS INCLUDED IN THE CLASS?

24. If you are a member of the Class, and not excluded as explained below, you are subject to the Settlement. The Class certified by Order of the Court consists of:

> all persons and entities that, during the period between January 25, 2013 and May 11, 2015, inclusive, purchased or otherwise acquired shares of the publicly traded common stock of Virtus Investment Partners, Inc. and were damaged thereby.

By Order dated November 17, 2017, excluded from the Class by definition are: (i) Defendants; (ii) former Defendants; (iii) the affiliates, parents, and subsidiaries of Virtus and VOT; (iv) the Officers and directors of Virtus, VOT, and the affiliates, parents, and subsidiaries of Virtus and VOT during the Class Period; (v) members of the Immediate Family of any excluded person; (vi) any entity in which any excluded person or entity has or had during the Class Period a controlling interest; (vii) the legal representatives, heirs, successors, and assigns of any excluded person or entity; and (viii) persons and entities that timely and validly requested exclusion in the connection with the Class Notice, if any.

PLEASE NOTE: RECEIPT OF THIS NOTICE DOES NOT MEAN THAT YOU ARE A CLASS MEMBER OR THAT YOU WILL BE ENTITLED TO RECEIVE PROCEEDS FROM THE SETTLEMENT. ALSO, IF YOU *ONLY* EVER ACQUIRED VIRTUS COMMON STOCK *BEFORE* JANUARY 25, 2013—INCLUDING IN 2009 IN CONNECTION WITH THE SPIN-OFF TRANSACTION BY THE PHOENIX COMPANIES, INC. THAT CREATED VIRTUS—YOU ARE NOT A CLASS MEMBER.

[2] Pursuant to its Order Preliminarily Approving Settlement and Providing for Notice ("Preliminary Approval Order") dated June 28, 2018, there is no second opportunity for seeking exclusion from the Class in connection with the Settlement.

IF YOU ARE A CLASS MEMBER AND YOU WISH TO BE ELIGIBLE TO PARTICIPATE IN THE DISTRIBUTION OF PROCEEDS FROM THE SETTLEMENT, YOU ARE REQUIRED TO SUBMIT THE CLAIM FORM THAT IS BEING DISTRIBUTED WITH THIS NOTICE AND THE REQUIRED SUPPORTING DOCUMENTATION NO LATER THAN OCTOBER 10, 2018.

WHAT ARE CLASS REPRESENTATIVE'S REASONS FOR THE SETTLEMENT?

25. The Class Representative and Class Counsel believe that the claims asserted against Defendants have merit. They recognize, however, the expense and length of continued proceedings necessary to pursue their claims against Defendants through trial and appeals, as well as the very substantial risks they would face in establishing liability at trial. For example, in addition to credible arguments concerning liability and scienter, Defendants forcefully argued in their motion for summary judgment that Class Representative cannot establish that Defendants' alleged false and misleading statements and omissions caused any investor losses. Specifically, Defendants argued that the drops in the price of Virtus common stock that Class Representative asserted were caused by Defendants' alleged fraud did not relate to the disclosure of any new information corrective of—or the materialization of any risks concealed by—Defendants' alleged false statements and omissions. At the time that the Parties agreed in principle to settle the Action, the Court had not yet decided Defendants' motion for summary judgment, and while Class Representative believes it had compelling arguments in response, Class Representative acknowledges that a serious risk exists that Defendants' arguments would persuade the Court to reduce dramatically, or even eliminate altogether, the damages that it could recover from Defendants. What's more, even if Class Representative successfully defeated Defendants' motion, Defendants would in all likelihood make the same arguments to a jury should this case proceed to trial.

26. In light of these risks, the amount of the Settlement, and the immediacy of recovery to the Class, Class Representative and Class Counsel believe that the proposed Settlement is fair, reasonable, and adequate, and in the best interests of the Class. Class Representative and Class Counsel believe that the Settlement provides a substantial benefit to the Class, namely $22,000,000 in cash (less the various deductions described in this notice), as compared to the risk that the claims in the Action would produce a smaller, or zero, recovery after trial and appeals, possibly years in the future.

27. Defendants have denied all claims asserted against them in the Action and deny having engaged in any wrongdoing or violation of law of any kind whatsoever. Defendants have agreed to the Settlement solely to eliminate the distraction, burden, and expense of continued litigation. Accordingly, the Settlement may not be construed as an admission of any wrongdoing by Defendants.

WHAT MIGHT HAPPEN IF THERE WERE NO SETTLEMENT?

28. If there were no Settlement and Class Representative failed to establish any essential legal or factual element of its claims against Defendants, neither Class Representative nor the other members of the Class would recover anything from Defendants. Also, if Defendants were successful in proving any of their defenses at trial or on appeal, the Class could recover less than the amount provided in the Settlement, or nothing at all.

HOW ARE CLASS MEMBERS AFFECTED BY THE SETTLEMENT?

29. If you are a Class Member, you are bound by any orders issued by the Court. If the Settlement is approved, the Court will enter a judgment (the "Judgment"). The Judgment will dismiss with prejudice the claims against Defendants and will provide that, upon the Effective Date of the Settlement, Class Representative and each of the other Class Members, on behalf of themselves, and their respective heirs, executors, administrators, predecessors, successors, and assigns in their capacities as such, shall be deemed to have, and by the operation of law and of the judgement shall have, fully, finally and forever compromised, settled, released, resolved, relinquished, waived and discharged each and every Released Plaintiff's Claim (as defined in ¶ 30 below) against Defendants and the other Defendants' Releasees (as defined in ¶ 31 below), and shall forever be barred and enjoined from prosecuting any or all of the Released Plaintiff's Claims against any of the Defendants' Releasees.

30. "Released Plaintiff's Claims" means all claims, demands, losses, rights, causes of action, liabilities, obligations, judgments, suits, matters, and issues of any kind or nature whatsoever, whether known claims or Unknown Claims, whether arising under federal, state, or foreign law, common law, statute, rule or regulation, whether individual or class in nature, that Lead Plaintiff or any other member of the Class: (i) asserted in the Complaint; or (ii) could have asserted in this Action or in any other forum, including without limitation any claims relating to alleged fraud, breach of any duty, negligence, violations of the federal securities laws, or otherwise, and including all claims within the exclusive jurisdiction of the federal courts, which Lead Plaintiff or any other Class Member ever had or now has, that arise out of, are based upon, or relate to the allegations, transactions, facts, matters or occurrences, representations or omissions involved, set forth, or referred to in the Complaint and that relate to the purchase or other acquisition of Virtus publicly traded common stock during the Class Period. Released Plaintiff's Claims do not include any claims relating to the enforcement of the Settlement. Also, for the avoidance of doubt, Released Plaintiff's Claims do not include: (i) any claims of any person or entity that submitted a request for exclusion from the Class in connection with the Class Notice and whose request is accepted by the Court; or (ii) if and only if the Court requires a second opportunity for Class Members to request exclusion from the Class, any claims

of any person or entity that submits a request for exclusion from the Class in connection with the Settlement Notice and whose request is accepted by the Court.

31. "Defendants' Releasees" means Defendants and their respective current and former parent entities, business units, business divisions, affiliates or subsidiaries and each and all of their current and former officers, directors, attorneys, employees, agents, trustees, parents, affiliates, subsidiaries, attorneys, financial or investment advisors, consultants, accountants, investment bankers, commercial bankers, insurers, engineers, advisors, heirs, executors, trustees, general or limited partners or partnerships, personal representatives, estates, administrators, and each of their successors, predecessors, assigns, and assignees, and any of the Individual Defendants' Immediate Family members.

32. "Unknown Claims" means any Released Plaintiff's Claims which Lead Plaintiff 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, and any Released Defendants' Claims which any Defendant does not know or suspect to exist in his or its favor at the time of the release of such claims, which, if known by him, her or it, might have affected his, her or its decision(s) with respect to this Settlement. With respect to any and all Released Claims, the Parties stipulate and agree that, upon the Effective Date of the Settlement, Lead Plaintiff and Defendants shall expressly waive, and each of the other Class Members 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 or foreign law, which is similar, comparable, or equivalent to California Civil 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 each of the other Class Members shall be deemed by operation of law to have acknowledged, that the foregoing waiver was separately bargained for and a key element of the Settlement.

33. The Judgment will also provide that, upon the Effective Date of the Settlement, Defendants, on behalf of themselves, and their respective heirs, executors, administrators, predecessors, successors, and assigns in their capacities as such, shall be deemed to have, and by the operation of law and of the judgement shall have, fully, finally and forever compromised, settled, released, resolved, relinquished, waived and discharged each and every Released Defendants' Claim (as defined in ¶ 34 below) against Class Representative and the other Plaintiff's Releasees (as defined in ¶ 35 below), and shall forever be barred and enjoined from prosecuting any or all of the Released Defendants' Claims against any of the Plaintiff's Releasees.

34. "Released Defendants' Claims" means all claims, demands, losses, rights, causes of action, liabilities, obligations, judgments, suits, matters, and issues of any kind or nature whatsoever, whether known claims or Unknown Claims, whether arising under federal, state, or foreign law, common law, statute, rule or regulation, that arise out of or relate in any way to the institution, prosecution, or settlement of the claims asserted in the Action against Defendants. Released Defendants' Claims do not include any claims relating to the enforcement of the Settlement. Also, for the avoidance of doubt, Released Defendants' Claims do not include: (i) any claims against any person or entity that submitted a request for exclusion from the Class in connection with the Class Notice and whose request is accepted by the Court; or (ii) if and only if the Court requires a second opportunity for Class Members to request exclusion from the Class, any claims against any person or entity that submits a request for exclusion from the Class in connection with the Settlement Notice and whose request is accepted by the Court.

35. "Plaintiff's Releasees" means Lead Plaintiff and all other Class Members, and their respective current and former parent entities, business units, business divisions, affiliates or subsidiaries and each and all of their current and former officers, directors, attorneys, employees, agents, trustees, parents, affiliates, subsidiaries, attorneys, financial or investment advisors, consultants, accountants, investment bankers, commercial bankers, insurers, engineers, advisors, heirs, executors, trustees, general or limited partners or partnerships, personal representatives, estates, administrators, and each of their successors, predecessors, assigns, and assignees.

HOW DO I PARTICIPATE IN THE SETTLEMENT? WHAT DO I NEED TO DO?

36. To be eligible for a payment from the proceeds of the Settlement, you must be a member of the Class and you must timely complete and return the Claim Form with adequate supporting documentation **postmarked or submitted online using the case website no later than October 10, 2018**. A Claim Form is included with this notice, or you may obtain one from the case website maintained by the Claims Administrator, www.VirtusSecuritiesLitigation.com, or you may request that a Claim Form be mailed to you by calling the Claims Administrator toll free at 1-866-680-8403 or by emailing the Claims Administrator at info@VirtusSecuritiesLitigation.com. Please retain all records of your ownership of and transactions in Virtus common stock, as they may be needed to document your Claim. If you do not submit a timely and valid Claim Form, you will not be eligible to share in the Net Settlement Fund.

37. Participants in and beneficiaries of any employee retirement and/or benefit plan ("Employee Plan") should NOT include any information relating to shares of Virtus common stock purchased/acquired through an Employee Plan in any Claim Form they submit in this Action. They should include ONLY those shares of Virtus common stock purchased/acquired during the Class Period outside of an Employee Plan. Claims based on any Employee Plan(s)' purchases/acquisitions of eligible Virtus common stock during the Class

Period may be made by the Employee Plan(s)' trustees. To the extent any of the Defendants or any of the other persons or entities excluded from the Class are participants in an Employee Plan(s), such persons or entities shall not receive, either directly or indirectly, any portion of the recovery that may be obtained from the Settlement by such Employee Plan(s).

38. Unless the Court otherwise orders, any Class Member who fails to submit a Claim Form online or postmarked on or before October 10, 2018 shall be fully and forever barred from receiving payments pursuant to the Settlement but will in all other respects remain a Class Member and be subject to the provisions of the Stipulation, including the terms of any Judgment entered and the releases given. This means that each Class Member releases the Released Plaintiff's Claims (as defined in ¶ 30 above) against the Defendants' Releasees (as defined in ¶ 31 above) and will be barred and enjoined from filing, prosecuting, or pursuing any of the Released Plaintiff's Claims against any of the Defendants' Releasees whether or not such Class Member submits a Claim Form.

HOW MUCH WILL MY PAYMENT BE? WHAT IS THE PROPOSED PLAN OF ALLOCATION?

39. At this time, it is not possible to make any determination as to how much any individual Class Member may receive from the Settlement.

40. Pursuant to the Settlement, Defendants have paid $22,000,000 in cash. The Settlement Amount has been deposited into an escrow account. The Settlement Amount plus any interest earned thereon is referred to as the "Settlement Fund." If the Settlement is approved by the Court and the Effective Date occurs, the "Net Settlement Fund" (that is, the Settlement Fund less (i) any Taxes, (ii) any and all Notice and Administration Costs, (iii) any attorneys' fees awarded by the Court; (iv) any Litigation Expenses awarded by the Court; and (v) any other costs or fees approved by the Court) will be distributed to Class Members who submit valid Claim Forms, in accordance with the proposed Plan of Allocation or such other plan of allocation as the Court may approve. The Court may revise the Plan of Allocation without notifying the Class. Any modified plan of allocation will be posted on the website for the Action, www.VirtusSecuritiesLitigation.com.

41. The Net Settlement Fund will not be distributed unless and until the Court has approved the Settlement and a plan of allocation, and the time for any petition for rehearing, appeal, or review, whether by certiorari or otherwise, has expired.

42. Neither Defendants nor any other person or entity that paid any portion of the Settlement Amount on their behalf are entitled to get back any portion of the Settlement Fund once the Court's order or judgment approving the Settlement becomes Final. Defendants shall not have any liability, obligation, or responsibility for the administration of the Settlement, the disbursement of the Net Settlement Fund, or the Plan of Allocation.

43. Approval of the Settlement is independent from approval of a plan of allocation. Any determination with respect to a plan of allocation will not affect the Settlement, if approved.

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

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

46. Only Class Members or persons authorized to submit a Claim on their behalf will be eligible to share in the distribution of the Net Settlement Fund. Persons and entities that are excluded from the Class by definition or that previously validly excluded themselves from the Class pursuant to request in connection with the Class Notice will not be eligible to receive a distribution from the Net Settlement Fund and should not submit Claim Forms.

PROPOSED PLAN OF ALLOCATION

47. The objective of the Plan of Allocation is to equitably distribute the Net Settlement Fund to those Class Members who suffered economic losses as a proximate result of the alleged wrongdoing. The calculations made pursuant to the Plan of Allocation are not intended to be estimates of, nor indicative of, the amounts that Class Members might have been able to recover after a trial. Nor are the calculations pursuant to the Plan of Allocation intended to be estimates of the amounts that will be paid to Authorized Claimants pursuant to the Settlement. The computations under the Plan of Allocation are only a method to weigh the claims of Authorized Claimants against one another for the purposes of making *pro rata* allocations of the Net Settlement Fund.

48. In developing the Plan of Allocation, Class Representative's damages expert calculated the estimated amount of artificial inflation in the per share closing price of Virtus common stock which allegedly was proximately caused by Defendants' alleged false and misleading statements and material omissions. In calculating the estimated artificial inflation allegedly caused by Defendants' alleged misrepresentations and omissions, Class Representative's damages expert considered price changes in Virtus common stock in reaction to certain public announcements allegedly revealing the truth concerning Defendants' alleged misrepresentations and material omissions, adjusting for price changes that were attributable to market or industry forces. The estimated artificial inflation in Virtus common stock is stated in Tables A-1 and A-2 at the end of this notice.

49. For losses to be compensable damages under the federal securities laws, the disclosure of the allegedly misrepresented information must be, among other things, the cause of the decline in the price or value of the security. In this case, Class Representative alleges that Defendants made false statements and omitted material facts during the Class Period, which had the effect of artificially inflating the price of Virtus common stock. Class Representative further alleges that corrective information was released to

the market on: September 3, 2014 (at 2:14 p.m. New York time),[3] September 17, 2014 (after the close of trading), November 14, 2014 (at 10:40 a.m. New York time),[4] April 14, 2015 (prior to the opening of trading), and May 11, 2015 (prior to the opening of trading), which partially removed the artificial inflation from the price of Virtus common stock on: September 3-5, 2014, September 18, 2014, November 14-17, 2014, April 14, 2015, and May 11, 2015.

50. Recognized Loss Amounts are based primarily on the difference in the amount of alleged artificial inflation in the price of Virtus common stock at the time of purchase or acquisition and at the time of sale or the difference between the actual purchase price and sale price. Accordingly, in order to have a Recognized Loss Amount under the Plan of Allocation: (i) shares of Virtus common stock purchased/acquired prior to the first partial corrective disclosure on September 3, 2014 at 2:14 p.m. New York time must have been held through at least 2:14 p.m. New York time on September 3, 2014; (ii) shares of Virtus common stock purchased/acquired at or after 2:14 p.m. New York time on September 3, 2014 must have been held through at least the close of trading on September 4, 2014; and (iii) shares of Virtus common stock purchased/acquired on or after September 5, 2014 must have been held through at least one of the later dates where new corrective information was released to the market and partially removed the artificial inflation from the price of Virtus common stock.

51. Based on the formula stated in ¶ 52 below, a "Recognized Loss Amount" will be calculated for each purchase or acquisition of Virtus publicly traded common stock during the Class Period (*i.e.*, from January 25, 2013 through and including the close of trading on May 11, 2015, inclusive), 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 number shall be zero.

CALCULATION OF RECOGNIZED LOSS AMOUNTS

52. For each share of Virtus publicly traded common stock purchased or otherwise acquired during the period from January 25, 2013, through and including the close of trading on May 11, 2015, and:

i. Sold before September 3, 2014, 2:14 p.m. New York time, the Recognized Loss Amount will be $0.00.

ii. Sold during the period from September 3, 2014 at or after 2:14 p.m. New York time through and including the close of trading on May 10, 2015, the Recognized Loss Amount will be ***the lesser of***: (i) the amount of artificial inflation per share on the date of purchase/acquisition as stated in Table A-1 *minus* the amount of artificial inflation per share on the date of sale as stated in Table A-2; or (ii) the purchase/acquisition price (excluding all fees, taxes, and commissions) *minus* the sale price (excluding all fees, taxes, and commissions).

iii. Sold during the period from May 11, 2015 through and including the close of trading on August 7, 2015, the Recognized Loss Amount will be ***the least of***: (i) the amount of artificial inflation per share on the date of purchase/acquisition as stated in Table A-1; (ii) the purchase/acquisition price (excluding all fees, taxes, and commissions) *minus* the sale price (excluding all fees, taxes, and commissions); or (iii) the purchase/acquisition price (excluding all fees, taxes, and commissions) *minus* the average closing price between May 11, 2015 and the date of sale as stated in Table B at the end of this notice.

iv. Held as of the close of trading on August 7, 2015, the Recognized Loss Amount will be ***the lesser of***: (i) the amount of artificial inflation per share on the date of purchase/acquisition as stated in Table A-1; or (ii) the purchase/acquisition price (excluding all fees, taxes, and commissions) *minus* $126.21, the average closing price for Virtus common stock between May 11, 2015 and August 7, 2015 (the last entry on Table B).[5]

ADDITIONAL PROVISIONS

53. **FIFO Matching:** If a Class Member made more than one purchase/acquisition or sale of Virtus common stock during the Class Period, all purchases/acquisitions 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.

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[3] With respect to the partial corrective disclosure that occurred on September 3, 2014, Class Representative contends that the alleged artificial inflation was removed from the price of Virtus common stock over three days: September 3, 2014, September 4, 2014, and September 5, 2014. On September 5, 2014, there was information released to the market that clarified the link between the news and the implications for Virtus common stock.

[4] With respect to the partial corrective disclosure that occurred on November 14, 2014, Class Representative contends that the alleged artificial inflation was removed from the price of Virtus common stock over two days: November 14, 2014 and November 17, 2014.

[5] Under Section 21D(e)(1) of the Exchange Act, "in any private action arising under this title in which the plaintiff seeks to establish damages by reference to the market price of a security, the award of damages to the plaintiff shall not exceed the difference between the purchase or sale price paid or received, as appropriate, by the plaintiff for the subject security and the mean trading price of that security during the 90-day period beginning on the date on which the information correcting the misstatement or omission that is the basis for the action is disseminated to the market." Consistent with the requirements of the statute, Recognized Loss Amounts are reduced to an appropriate extent by taking into account the closing prices of Virtus common stock during the "90-day look-back period," May 11, 2015 through August 7, 2015, inclusive. The mean (average) closing price for Virtus common stock during this 90-day look-back period was $126.21.

54. **"Purchase/Sale" Dates:** Purchases or acquisitions and sales of Virtus 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 Virtus common stock during the Class Period shall not be deemed a purchase or acquisition of Virtus common stock for the calculation of a Claimant's Recognized Loss Amount, nor shall the receipt or grant be deemed an assignment of any claim relating to the purchase/acquisition of Virtus common stock unless (i) the donor or decedent purchased or otherwise acquired Virtus common stock during the Class Period; (ii) the instrument of gift or assignment specifically provides that it is intended to transfer such rights; and (iii) no Claim Form was submitted by or on behalf of the donor, on behalf of the decedent, or by anyone else with respect to such Virtus common stock shares.

55. **Short Sales:** The date of covering a "short sale" is deemed to be the date of purchase or acquisition of the Virtus common stock. The date of a "short sale" is deemed to be the date of sale of the Virtus common stock. In accordance with the Plan of Allocation, however, the Recognized Loss Amount on "short sales" and the purchases covering "short sales" is zero.

56. In the event that a Claimant has an opening short position in Virtus common stock, the earliest purchases or acquisitions of Virtus common stock during the Class Period will be matched against such opening short position, and not be entitled to a recovery, until that short position is fully covered.

57. **Common Stock Purchased/Sold Through the Exercise of Options:** With respect to Virtus publicly traded common stock purchased or sold through the exercise of an option, the purchase/sale date of the common stock is the exercise date of the option and the purchase/sale price is the exercise price of the option.

58. **Calculation of Claimant's "Recognized Claim":** A Claimant's "Recognized Claim" under the Plan of Allocation will be the sum of his, her, or its Recognized Loss Amounts as calculated above.

59. **Market Gains and Losses:** With respect to all Virtus common stock shares purchased or acquired during the Class Period, the Claims Administrator will determine if the Claimant had a "Market Gain" or a "Market Loss" with respect to his, her, or its overall transactions in Virtus publicly traded common stock during the Class Period. For purposes of making this calculation, the Claims Administrator shall determine the difference between (i) the Claimant's Total Purchase Amount[6] and (ii) the sum of the Claimant's Total Sales Proceeds[7] and the Claimant's Holding Value.[8] If the Claimant's Total Purchase Amount minus the sum of the Claimant's Total Sales Proceeds and the Holding Value is a positive number, that number will be the Claimant's Market Loss; if the number is a negative number or zero, that number will be the Claimant's Market Gain.

60. If a Claimant had a Market Gain with respect to his, her, or its overall transactions in Virtus common stock during the Class Period, the value of the Claimant's Recognized Claim will be zero, and the Claimant will in any event be bound by the Settlement. If a Claimant suffered an overall Market Loss with respect to his, her, or its overall transactions in Virtus common stock during the Class Period but that Market Loss was less than the Claimant's Recognized Claim, then the Claimant's Recognized Claim will be limited to the amount of the Market Loss, and the Claimant will in any event be bound by the Settlement.

61. **Determination of Distribution Amount:** If the sum total of Recognized Claims of all Authorized Claimants who are entitled to receive payment out of the Net Settlement Fund is greater than the Net Settlement Fund, each Authorized Claimant shall receive his, her, or its *pro rata* share of the Net Settlement Fund. The *pro rata* share will be the Authorized Claimant's Recognized Claim divided by the sum total amount of the Recognized Claims of all Authorized Claimants, multiplied by the total amount in the Net Settlement Fund.

62. If the Net Settlement Fund exceeds the sum total amount of the Recognized Claims of all Authorized Claimants entitled to receive payment out of the Net Settlement Fund, the excess amount in the Net Settlement Fund will be distributed *pro rata* to all Authorized Claimants entitled to receive payment.

63. If an Authorized Claimant's Distribution Amount calculates to less than $10.00, no distribution will be made to that Authorized Claimant.

64. 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 Net Settlement 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

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[6] The "Total Purchase Amount" is the total amount the Claimant paid (excluding all fees, taxes, and commissions) for all shares of Virtus common stock purchased/acquired during the Class Period.

[7] The Claims Administrator shall match any sales of Virtus common stock during the Class Period first against the Claimant's opening position in the stock (the proceeds of those sales will not be considered for purposes of calculating market gains or losses). The total amount received (excluding all fees, taxes, and commissions) for sales of the remaining shares of Virtus common stock sold during the Class Period is the "Total Sales Proceeds."

[8] The Claims Administrator shall ascribe a "Holding Value" of $116.27 to each share of Virtus Common Stock purchased/acquired during the Class Period that was still held as of the close of trading on May 11, 2015.

who would receive at least $10.00 from such re-distribution. Additional re-distributions to Authorized Claimants who have cashed their prior checks and who would receive at least $10.00 on such additional re-distributions 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. At such time as it is determined that the re-distribution of funds remaining in the Net Settlement Fund is not cost-effective, the remaining balance will be contributed to non-sectarian, not-for-profit, 501(c)(3) organization(s), to be recommended by Class Counsel and approved by the Court.

65. 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 Representative, Class Counsel, Class Representative's damages expert, Defendants, Defendants' Counsel, or any of the other Plaintiff's Releasees or Defendants' Releasees, 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 Representative, Defendants, and their respective counsel, and all other Defendants' Releasees, 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 or nonperformance of the Claims Administrator; the payment or withholding of Taxes; or any losses incurred in connection therewith.

66. The Plan of Allocation set forth herein is the plan that is being proposed to the Court for its approval by Class Representative after consultation with its damages expert. The Court may approve this plan as proposed or it may modify the Plan of Allocation without further notice to the Class. Any Orders regarding any modification of the Plan of Allocation will be posted on the website for the Action, www.VirtusSecuritiesLitigation.com.

WHAT PAYMENTS ARE THE ATTORNEYS FOR THE CLASS SEEKING?
HOW WILL THE LAWYERS BE PAID?

67. As a Class Member, you are represented by Class Representative and Class Counsel, unless you enter an appearance through counsel of your own choice at your own expense. You are not required to retain your own counsel, but if you choose to do so, such counsel must file a notice of appearance on your behalf and must serve copies of his or her appearance on the attorneys listed in the section entitled, "When And Where Will The Court Decide Whether To Approve The Settlement?," below.

68. Class Counsel have not received any payment for their services in pursuing claims against Defendants on behalf of the Class, nor have Class Counsel been paid for their Litigation Expenses. Before final approval of the Settlement, Class Counsel will apply to the Court for an award of attorneys' fees in an amount not to exceed 25% of the Settlement Fund. At the same time, Class Counsel also intend to apply for payment of Litigation Expenses in an amount not to exceed $1,200,000, which may include an application for reimbursement of the reasonable costs and expenses incurred by Class Representative directly related to its representation of the Class. The Court will determine the amount of any award of attorneys' fees or payment of Litigation Expenses. Such sums as may be approved by the Court will be paid from the Settlement Fund. Class Members are not personally liable for any such fees or expenses.

WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT? DO I HAVE TO COME TO THE HEARING?
MAY I SPEAK AT THE HEARING IF I DON'T LIKE THE SETTLEMENT?

69. **Class Members do not need to attend the Settlement Hearing. The Court will consider any submission made in accordance with the provisions below even if a Class Member does not attend the hearing. You can participate in the Settlement without attending the Settlement Hearing.** Please Note: The date and time of the Settlement Hearing may change without further written notice to the Class. You should monitor the Court's docket and the website maintained by the Claims Administrator, www.VirtusSecuritiesLitigation.com, before making plans to attend the Settlement Hearing. You may also confirm the date and time of the Settlement Hearing by contacting Class Counsel.

70. The Settlement Hearing will be held on **October 24, 2018 at 10:00 a.m.**, before the Honorable William H. Pauley III, in the United States District Court for the Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, NY 10007-1312, Courtroom 20B. The Court reserves the right to approve the Settlement, the Plan of Allocation, Class Counsel's motion for an award of attorneys' fees and payment of Litigation Expenses, and/or any other matter related to the Settlement at or after the Settlement Hearing without further notice to the members of the Class.

71. Any Class Member may object to the Settlement, the proposed Plan of Allocation, and/or Class Counsel's motion for an award of attorneys' fees and payment of Litigation Expenses. Objections must be in writing. You must file any written objection, together with copies of all other papers and briefs supporting the objection, with the Clerk's Office at the United States District Court for the Southern District of New York at the address set forth below **on or before October 3, 2018**. You must also serve the papers on Class Counsel and on the Defendants' Counsel at the addresses set forth below so that the papers are ***received*** **on or before October 3, 2018**.

Clerk's Office

United States District Court
Southern District of New York
Clerk of the Court
Daniel Patrick Moynihan
United States Courthouse
500 Pearl Street
New York, NY 10007-1312

Class Counsel

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

Labaton Sucharow LLP
Michael H. Rogers, Esq.
140 Broadway
New York, NY 10005

Defendants' Counsel

Simpson Thacher & Bartlett LLP
Joseph M. McLaughlin, Esq.
425 Lexington Avenue
New York, NY 10017

72. Any objections (i) must state the name, address, and telephone number of the person or entity objecting and must be signed by the objector; (ii) must state whether the objector is represented by counsel and, if so, the name, address, and telephone number of the objector's counsel; (iii) must 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 (iv) must include documents sufficient to prove membership in the Class, including documents showing the number of shares of Virtus common stock that the objecting Class Member purchased/acquired and sold during the Class Period (*i.e.*, between January 25, 2013 and May 11, 2015, inclusive), as well as the number of shares, dates, and prices for each such purchase and sale. You may not object to the Settlement, the Plan of Allocation, or Class Counsel's motion for attorneys' fees and payment of Litigation Expenses if you are not a member of the Class.

73. You may file a written objection without having to appear at the Settlement Hearing. You may not, however, appear at the Settlement Hearing to present your objection unless you first file and serve a written objection in accordance with the procedures described above, unless the Court orders otherwise.

74. If you wish to be heard orally at the hearing in opposition to the approval of the Settlement, the Plan of Allocation, and/or Class Counsel's motion for an award of attorneys' fees and payment of Litigation Expenses, and if you timely file and serve a written objection as described above, you must also file a notice of appearance with the Clerk's Office and serve it on Class Counsel and Defendants' Counsel at the addresses set forth in ¶ 71 above so that it is ***received*** **on or before October 3, 2018**. Persons who intend to object and desire to present evidence at the Settlement Hearing must include in their written objection or notice of appearance the identity of any witnesses they may call to testify and exhibits they intend to introduce into evidence at the hearing. Such persons may be heard orally at the discretion of the Court.

75. You are not required to hire an attorney to represent you in making written objections or in appearing at the Settlement Hearing. However, if you decide to hire an attorney, it will be at your own expense, and that attorney must file a notice of appearance with the Court and serve it on Class Counsel and Defendants' Counsel at the addresses set forth in ¶ 71 above so that the notice is ***received*** **on or before October 3, 2018**.

76. The Settlement Hearing may be adjourned by the Court without further written notice to the Class. If you plan to attend the Settlement Hearing, you should confirm the date and time with Class Counsel.

77. **Unless the Court orders otherwise, any Class Member who does not object in the manner described above will be deemed to have waived any objection and shall be forever foreclosed from making any objection to the proposed Settlement, the proposed Plan of Allocation, or Class Counsel's motion for an award of attorneys' fees and payment of Litigation Expenses. Class Members do not need to appear at the Settlement Hearing or take any other action to indicate their approval.**

WHAT IF I BOUGHT VIRTUS SHARES ON SOMEONE ELSE'S BEHALF?

78. **IMPORTANT: If you previously provided the names and addresses of persons and entities on whose behalf you purchased/acquired publicly traded Virtus common stock during the period between January 25, 2013 and May 11, 2015, inclusive, in connection with the Class Notice, and (i) those names and addresses remain current and (ii) you have no additional names and addresses for potential Class Members to provide to the Claims Administrator, *you need do nothing further at this time*. The Claims Administrator will mail a copy of this notice (the "Settlement Notice") and the Claim Form (together, the "Settlement Notice Packet") to the beneficial owners whose names and addresses were previously provided in connection with the Class Notice.** If you elected to mail the Class Notice directly to beneficial owners, you were advised that you must retain the mailing records for use in connection with any further notices that may be provided in the Action. If you elected this option, the Claims Administrator will forward the same number of Settlement Notice Packets to you to send to the beneficial owners. If you require more copies of the Settlement Notice Packet than you previously requested in connection with the Class Notice mailing, please contact the Claims Administrator, GCG, toll-free at 1-866-680-8403 and let them know how many additional packets you require. You must mail the Settlement Notice Packets to the beneficial owners within seven (7) calendar days of your receipt of the packets.

79. If you have not already provided the names and addresses for persons and entities on whose behalf you purchased/acquired publicly traded Virtus common stock during the period between January 25, 2013 and May 11, 2015, inclusive, in connection with the

Class Notice, then, the Court has ordered that you must, WITHIN SEVEN (7) CALENDAR DAYS OF YOUR RECEIPT OF THIS NOTICE, either: (i) send the Settlement Notice Packet to all beneficial owners of such Virtus common stock, or (ii) send a list of the names and addresses of such beneficial owners to the Claims Administrator at *In re Virtus Investment Partners, Inc. Securities Litigation*, c/o GCG, P.O. Box 10489, Dublin, OH 43017-4089, in which event the Claims Administrator shall promptly mail the Settlement Notice Packet to such beneficial owners. **AS STATED ABOVE, IF YOU HAVE ALREADY PROVIDED THIS INFORMATION IN CONNECTION WITH THE CLASS NOTICE, UNLESS THAT INFORMATION HAS CHANGED (*E.G.*, BENEFICIAL OWNER HAS CHANGED ADDRESS), IT IS UNNECESSARY TO PROVIDE SUCH INFORMATION AGAIN.**

80. Upon full and timely compliance with these directions, nominees who mail the Settlement Notice Packet to beneficial owners may seek reimbursement of their reasonable expenses actually incurred by providing GCG with proper documentation supporting the expenses for which reimbursement is sought. Such properly documented expenses incurred by nominees shall be paid from the Settlement Fund, with any disputes as to the reasonableness or documentation of expenses incurred subject to review by the Court.

81. Copies of the Settlement Notice and the Claim Form may also be obtained from the website maintained by the Claims Administrator, www.VirtusSecuritiesLitigation.com, by calling the Claims Administrator toll-free at 1-866-680-8403, or by emailing the Claims Administrator at info@VirtusSecuritiesLitigation.com.

CAN I SEE THE COURT FILE? WHOM SHOULD I CONTACT IF I HAVE QUESTIONS?

82. This notice contains only a summary of the terms of the proposed Settlement. For more detailed information about the matters involved in this Action, you are referred to the papers on file in the Action, including the Stipulation, which may be inspected during regular office hours at the Office of the Clerk, United States District Court for the Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, NY 10007-1312. Additionally, copies of the Stipulation and any related orders entered by the Court will be posted on the website maintained by the Claims Administrator, www.VirtusSecuritiesLitigation.com.

83. All inquiries concerning this notice and the Claim Form should be directed to:

In re Virtus Investment Partners, Inc. Securities Litigation
c/o GCG
P.O. Box 10489
Dublin, OH 43017-4089
1-866-680-8403
info@VirtusSecuritiesLitigation.com
www.VirtusSecuritiesLitigation.com

and/or

Bernstein Litowitz Berger & Grossmann LLP
John C. Browne, Esq.
1251 Avenue of the Americas
New York, NY 10020
1-800-380-8496
blbg@blbglaw.com

Labaton Sucharow LLP
Michael H. Rogers, Esq.
140 Broadway
New York, NY 10005
1-888-219-6877
settlementquestions@labaton.com

DO NOT CALL OR WRITE THE COURT, THE OFFICE OF THE CLERK OF THE COURT, DEFENDANTS OR THEIR COUNSEL REGARDING THIS NOTICE.

Dated: July 27, 2018

By Order of the Court
United States District Court
Southern District of New York

TABLE A-1

Estimated Artificial Inflation from January 25, 2013 Through and Including May 11, 2015 With Respect to Purchases/Acquisitions of Virtus Publicly Traded Common Stock

Purchase/Acquisition Transaction Date	Artificial Inflation Per Share
January 25, 2013 – September 2, 2014	$100.86
September 3, 2014: purchased before 2:14 p.m. New York time	$100.86
September 3, 2014: purchased at or after 2:14 p.m. New York time	$81.77
September 4, 2014	$81.77
September 5, 2014 – September 17, 2014	$60.39
September 18, 2014 – November 13, 2014	$49.57
November 14, 2014: purchased before 10:40 a.m. New York time	$49.57
November 14, 2014: purchased at or after 10:40 a.m. New York time	$27.25
November 17, 2014 – April 13, 2015	$27.25
April 14, 2015 – May 10, 2015	$17.17
May 11, 2015	$0.17

TABLE A-2

Estimated Artificial Inflation from January 25, 2013 Through and Including May 10, 2015 With Respect to Sales of Virtus Publicly Traded Common Stock

Sale Transaction Date	Artificial Inflation Per Share
January 25, 2013 – September 2, 2014	$100.86
September 3, 2014: sold before 2:14 p.m. New York time	$100.86
September 3, 2014: sold at or after 2:14 p.m. New York time	$98.75
September 4, 2014	$81.77
September 5, 2014 – September 17, 2014	$60.39
September 18, 2014 – November 13, 2014	$49.57
November 14, 2014: sold before 10:40 a.m. New York time	$49.57
November 14, 2014: sold at or after 10:40 a.m. New York time	$31.88
November 17, 2014 – April 13, 2015	$27.25
April 14, 2015 – May 10, 2015	$17.17

TABLE B

90-Day Look-Back Table for Virtus Common Stock

Date	Closing Price	Average Closing Price Between May 11, 2015 and Date Shown		Date	Closing Price	Average Closing Price Between May 11, 2015 and Date Shown
5/11/2015	$116.27	$116.27		6/25/2015	$136.40	$127.26
5/12/2015	$115.09	$115.68		6/26/2015	$135.65	$127.50
5/13/2015	$116.06	$115.81		6/29/2015	$128.81	$127.54
5/14/2015	$115.58	$115.75		6/30/2015	$132.25	$127.67
5/15/2015	$115.21	$115.64		7/1/2015	$132.25	$127.79
5/18/2015	$117.46	$115.95		7/2/2015	$130.35	$127.86
5/19/2015	$117.31	$116.14		7/6/2015	$128.68	$127.88
5/20/2015	$117.87	$116.36		7/7/2015	$128.42	$127.90
5/21/2015	$118.75	$116.62		7/8/2015	$123.46	$127.79
5/22/2015	$120.64	$117.02		7/9/2015	$124.48	$127.71
5/26/2015	$121.59	$117.44		7/10/2015	$121.78	$127.57
5/27/2015	$124.16	$118.00		7/13/2015	$126.17	$127.54
5/28/2015	$127.25	$118.71		7/14/2015	$128.16	$127.55
5/29/2015	$124.41	$119.12		7/15/2015	$128.64	$127.58
6/1/2015	$125.41	$119.54		7/16/2015	$130.33	$127.64
6/2/2015	$126.42	$119.97		7/17/2015	$129.16	$127.67
6/3/2015	$127.26	$120.40		7/20/2015	$123.85	$127.59
6/4/2015	$125.41	$120.68		7/21/2015	$124.01	$127.52
6/5/2015	$132.81	$121.31		7/22/2015	$122.87	$127.43
6/8/2015	$129.62	$121.73		7/23/2015	$120.97	$127.30
6/9/2015	$131.81	$122.21		7/24/2015	$119.89	$127.16
6/10/2015	$132.05	$122.66		7/27/2015	$118.38	$127.00
6/11/2015	$132.83	$123.10		7/28/2015	$118.36	$126.84
6/12/2015	$130.52	$123.41		7/29/2015	$120.55	$126.73
6/15/2015	$128.38	$123.61		7/30/2015	$117.93	$126.58
6/16/2015	$135.00	$124.05		7/31/2015	$120.86	$126.48
6/17/2015	$138.60	$124.58		8/3/2015	$125.03	$126.45
6/18/2015	$137.98	$125.06		8/4/2015	$124.66	$126.42
6/19/2015	$140.30	$125.59		8/5/2015	$122.79	$126.36
6/22/2015	$139.95	$126.07		8/6/2015	$122.06	$126.29
6/23/2015	$140.54	$126.53		8/7/2015	$120.80	$126.21
6/24/2015	$140.50	$126.97				

Must be Postmarked or Submitted Online No Later Than October 10, 2018

In re Virtus Investment Partners, Inc. Securities Litigation
c/o GCG
P.O. Box 10489
Dublin, OH 43017-4089
info@VirtusSecuritiesLitigation.com
www.VirtusSecuritiesLitigation.com

VIP

Claim Number:

Control Number:

PROOF OF CLAIM AND RELEASE

TO BE ELIGIBLE TO RECEIVE A SHARE OF THE NET SETTLEMENT FUND CREATED IN THE SETTLEMENT, YOU MUST COMPLETE AND SIGN THIS PROOF OF CLAIM AND RELEASE ("CLAIM FORM") AND SUBMIT IT **ONLINE AT WWW.VIRTUSSECURITIESLITIGATION.COM OR MAIL IT BY PREPAID, FIRST-CLASS MAIL, POSTMARKED, NO LATER THAN OCTOBER 10, 2018,** TO THE ADDRESS SET FORTH AT THE TOP OF THIS PAGE.

FAILURE TO SUBMIT YOUR CLAIM FORM BY THIS DEADLINE WILL SUBJECT YOUR CLAIM TO REJECTION AND MAY PRECLUDE YOU FROM RECOVERING ANY MONEY IN CONNECTION WITH THE PROPOSED SETTLEMENT.

SUBMIT YOUR CLAIM FORM ONLY TO THE CLAIMS ADMINISTRATOR AS SET FORTH ABOVE. If you have any questions or concerns regarding your claim, please contact the Claims Administrator at the address above, by email at info@VirtusSecuritiesLitigation.com, or by toll-free phone at 1-866-680-8403 or you may visit www.VirtusSecuritiesLitigation.com.

TABLE OF CONTENTS **PAGE NO.**

Important - *This form should be completed IN CAPITAL LETTERS using BLACK or DARK BLUE ballpoint/fountain pen. Characters and marks used should be similar in the style to the following:*

A B C D E F G H I J K L M N O P Q R S T U V W X Y Z 1 2 3 4 5 6 7 0

PART I - CLAIMANT IDENTIFICATION

The Claims Administrator will use this information for all communications regarding this Claim Form. If this information changes, you MUST notify the Claims Administrator. Complete names must be provided.

Claimant Name(s) (as they should appear on check, if eligible; must provide names of all beneficial owners):

Name of Person the Claims Administrator Should Contact Regarding this Claim Form (Must Be Provided):

Street Address:

City:

State: **Zip Code:** **Country (if Other than U.S.):**

Last 4 digits of Claimant Social Security/Taxpayer Identification Number:

Daytime Telephone Number: - -

Evening Telephone Number: - -

Email Address (not required; authorizes the Claims Administrator to use it in providing you with relevant information):

PART II - SCHEDULE OF TRANSACTIONS IN PUBLICLY TRADED VIRTUS COMMON STOCK

Complete this Part II if and only if you purchased or acquired publicly traded Virtus Investment Partners, Inc. common stock ("Virtus Common Stock") during the period between January 25, 2013 and May 11, 2015, inclusive. Please be sure to include proper documentation with your Claim Form as described in detail in Part III – General Instructions, Paragraph 7, below. Do not include information regarding securities other than Virtus Common Stock.

1.	**HOLDINGS AS OF JANUARY 25, 2013 –** State the total number of shares of Virtus Common Stock held as of the opening of trading on January 25, 2013. (Must be documented.) If none, write "zero" or "0."		Confirm Proof of Position Enclosed ☐

2.	**PURCHASES/ACQUISITIONS FROM JANUARY 25, 2013 THROUGH MAY 11, 2015 –** Separately list each and every purchase/acquisition (including free receipts) of Virtus Common Stock from after the opening of trading on January 25, 2013 through and including May 11, 2015. (Must be documented.)[1]		**IF NONE, CHECK HERE** ☐

Date(s) of Purchase/Acquisition (List Chronologically) (Month/Day/Year)	Number of Shares Purchased/Acquired	Purchase/Acquisition Price Per Share	Total Purchase or Acquisition Price (excluding taxes, commissions and fees)	Confirm Proof of Purchase Enclosed
/ /		.	.	☐
/ /		.	.	☐
/ /		.	.	☐

3.	**PURCHASES/ACQUISITIONS FROM MAY 12, 2015 THROUGH AUGUST 7, 2015 –** State the total number of shares of Virtus Common Stock purchased/acquired (including free receipts) from May 12, 2015 through and including the close of trading on August 7, 2015. (Must be documented.) If none, write "zero" or "0."[2]		Confirm Proof of Position Enclosed ☐

4.	**SALES FROM JANUARY 25, 2013 THROUGH AUGUST 7, 2015 –** Separately list each and every sale/disposition (including free deliveries) of Virtus Common Stock from after the opening of trading on January 25, 2013 through and including the close of trading on August 7, 2015. (Must be documented.)[3]		**IF NONE, CHECK HERE** ☐

Date of Sale (List Chronologically) (Month/Day/Year)	Number of Shares Sold	Sale Price Per Share	Total Sale Price (excluding taxes, commissions and fees)	Confirm Proof of Sale Enclosed
/ /		.	.	☐
/ /		.	.	☐
/ /		.	.	☐

5.	**HOLDINGS AS OF AUGUST 7, 2015 –** State the total number of shares of Virtus Common Stock held as of the close of trading on August 7, 2015. (Must be documented.) If none, write "zero" or "0."		Confirm Proof of Position Enclosed ☐

[1] As explained in Paragraph 8 below, the Claimant may need to submit a time-stamped order form or similar documentation.

[2] **Please note**: Information requested with respect to your purchases/acquisitions of Virtus Common Stock from May 12, 2015 through and including the close of trading on August 7, 2015 is needed in order to balance your claim; purchases/acquisitions during this period, however, are not eligible purchases and will not be used for purposes of calculating Recognized Loss Amounts pursuant to the Plan of Allocation.

[3] As explained in Paragraph 8 below, the Claimant may need to submit a time-stamped order form or similar documentation.

IF YOU REQUIRE ADDITIONAL SPACE FOR THE SCHEDULE ABOVE, ATTACH EXTRA SCHEDULES IN THE SAME FORMAT. PRINT THE BENEFICIAL OWNER'S FULL NAME AND LAST FOUR DIGITS OF SOCIAL SECURITY/ TAXPAYER IDENTIFICATION NUMBER ON EACH ADDITIONAL PAGE. IF YOU DO ATTACH EXTRA SCHEDULES, CHECK THIS BOX. ☐

PART III - GENERAL INSTRUCTIONS

1. It is important that you completely read the Notice of (I) Proposed Settlement and Plan of Allocation; (II) Settlement Hearing; and (III) Motion for an Award of Attorneys' Fees and Payment of Litigation Expenses (the "Settlement Notice") that accompanies this Claim Form, including the proposed Plan of Allocation of the Net Settlement Fund within the Settlement Notice (the "Plan of Allocation"). The Settlement Notice also contains the definitions of many capitalized terms used in this Claim Form. By signing and submitting this Claim Form, you will be certifying that you have read the Settlement Notice, including the terms of the releases described therein and provided for herein.

2. This Claim Form is directed to all persons and entities that, during the period between January 25, 2013 and May 11, 2015, inclusive (the "Class Period"), purchased or otherwise acquired shares of the publicly traded common stock of Virtus and were damaged thereby (the "Class"). Certain persons and entities are excluded from the Class by definition as set forth in Paragraph 24 of the Settlement Notice. If you were issued Virtus common stock in 2009, when Virtus was created in a spin-off transaction, receiving those shares in 2009 does not make you a Class Member.

3. **IF YOU ARE NOT A CLASS MEMBER** (see the definition of the Class in Paragraph 24 of the Settlement Notice, which sets forth who is included in and who is excluded from the Class), DO NOT SUBMIT A CLAIM FORM. **YOU MAY NOT, DIRECTLY OR INDIRECTLY, PARTICIPATE IN THE SETTLEMENT.** 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.

4. **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 approved by the Court.**

5. Use the Schedule of Transactions in Part II of this Claim Form to supply all required details of your transaction(s) (including free transfers and deliveries) in and holdings of publicly traded Virtus common stock. On this schedule, please provide all of the requested information with respect to your holdings, purchases, acquisitions, and sales of publicly traded Virtus 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.**

6. **PLEASE NOTE: Only publicly traded Virtus common stock purchased or otherwise acquired during the Class Period (*i.e.*, between January 25, 2013 and May 11, 2015, inclusive) is eligible under the Settlement.** However, your sales of Virtus common stock during the Class Period and during the period from May 12, 2015 through August 7, 2015, inclusive, will be used for purposes of calculating your claim. Therefore, in order for the Claims Administrator to be able to calculate your claim, the requested purchase information during the period from May 12, 2015 through August 7, 2015, inclusive, must also be provided.

7. You are required to submit genuine and sufficient documentation for all of your transactions in the Schedule of Transactions in Part II 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 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 Virtus 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, do not highlight any portion of the Claim Form or any supporting documents.**

8. **PLEASE NOTE: Additional Documentation Requirement Regarding Purchases and Sales on September 3, 2014 and November 14, 2014:** If you purchased/acquired or sold shares of publicly traded Virtus common stock on September 3, 2014 or November 14, 2014 at prices within the range set forth in this paragraph, you will also be required to submit supporting documentation that shows the time of day when the transaction occurred. For any shares of publicly traded Virtus common stock purchased/acquired or sold on September 3, 2014, if the transaction price per share was ***between (but not equal to)*** $223.06 and $224.20, you must submit a time-stamped order form or similar documentation that shows the time of day of the transaction. Similarly, for any shares of Virtus common stock purchased/acquired or sold on November 14, 2014, if the transaction price per share was ***greater than (but not equal to)*** $180.49, you must submit a time-stamped order form or similar documentation that shows the time of day of the transaction. For all other trades on September 3, 2014 and November 14, 2014 (*i.e.*, any trades on September 3, 2014 ***equal to or less than*** $223.06 per share or ***equal to or greater than*** $224.20 per share, and any trades on November 14, 2014 ***equal to or less than*** $180.49 per share), the supporting documentation does not need to provide the time of day the transaction occurred.

9. All joint beneficial owners must each sign this Claim Form and each of their names must appear as "Claimants" in Part I above. The complete name(s) of the beneficial owner(s) must also be entered. If you purchased or otherwise acquired Virtus common stock and held the shares in your name, you are the beneficial owner as well as the record owner. If you purchased or

otherwise acquired Virtus common stock during the Class Period and the shares 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.

10. **One Claim should be submitted for each separate legal entity.** 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).

11. 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 Virtus 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.)

12. 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.

13. 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.

14. **PLEASE ALSO NOTE:** As set forth in the Plan of Allocation, each Authorized Claimant will 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.

15. If you have questions concerning the Claim Form, or need additional copies of the Claim Form or the Settlement Notice, you may contact the Claims Administrator, GCG, at the above address, by email at info@VirtusSecuritiesLitigation.com, or by toll-free phone at 1-866-680-8403, or you can visit the case website, www.VirtusSecuritiesLitigation.com, where copies of the Claim Form and Settlement Notice are available for downloading.

16. **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 case website at www.VirtusSecuritiesLitigation.com or you may email the Claims Administrator's electronic filing department at info@VirtusSecuritiesLitigation.com. **Any file not in accordance with the required electronic filing format will be subject to rejection.** Only one Claim should be submitted for each separate legal entity (*see* Paragraph 10 above) and the ***complete*** name of the beneficial owner of the securities must be entered where called for (*see* Paragraph 9 above). No electronic files will be considered to have been properly submitted unless the Claims Administrator issues an email to that effect. **Do not assume that your file has been received until you receive an email. If you do not receive such an email within 10 days of your submission, you should contact the Claims Administrator's electronic filing department at info@VirtusSecuritiesLitigation.com to inquire about your file and confirm it was received.**

YOUR CLAIM IS NOT DEEMED FILED UNTIL YOU RECEIVE AN ACKNOWLEDGEMENT POSTCARD. THE CLAIMS ADMINISTRATOR WILL MAIL YOU A POSTCARD WITHIN 60 DAYS. IF YOU DO NOT RECEIVE A POSTCARD WITHIN 60 DAYS, CALL THE CLAIMS ADMINISTRATOR AT 1-866-680-8403.

PART IV - RELEASE OF CLAIMS AND SIGNATURE

YOU MUST READ THE RELEASE AND CERTIFICATION BELOW AND SIGN ON PAGE 6.

I (we) hereby acknowledge that, pursuant to the terms set forth in the Stipulation, upon the Effective Date of the Settlement, I (we), on behalf of myself (ourselves) and my (our) heirs, executors, administrators, predecessors, successors, and assigns in their capacities as such, shall be deemed to have, and by operation of law and of the Judgment entered with respect to the Settlement, shall have, fully, finally and forever compromised, settled, released, resolved, relinquished, waived and discharged each and every Released Plaintiff's Claim (as defined in the Stipulation and the Settlement Notice) against Defendants and the other Defendants' Releasees, and shall forever be barred and enjoined from prosecuting any or all of the Released Plaintiff's Claims against any of the Defendants' Releasees.

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 Settlement 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 Settlement Notice, and is (are) not excluded by definition from the Class as set forth in the Settlement Notice;

3. that I (we) own(ed) the Virtus common stock identified in the Claim Form and have not assigned the claim against any of the Defendants or any of the other Defendants' Releasees 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;

4. that the Claimant(s) has (have) not submitted any other Claim covering the same purchases of Virtus common stock and knows (know) of no other person having done so on the Claimant's (Claimants') behalf;

5. 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;

6. 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;

7. that the Claimant(s) waive(s) the right to trial by jury, to the extent it exists, agree(s) to the determination by the Court of the validity or amount of this Claim and waives any right of appeal or review with respect to such determination;

8. 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

9. 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. (If you have been notified by the IRS that you are subject to backup withholding, strike the previous sentence.)

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

_____ _____
Print Name of Claimant Date

_____
Signature of Joint Claimant, if any

_____ _____
Print Name of Joint Claimant, if any Date

Provide the following if the Claimant is other than an individual, or is not the person completing this form:

_____
Signature of person signing on behalf of Claimant

_____ _____
Print name of person signing on behalf of Claimant Date

_____
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.)

REMINDER CHECKLIST

1. Sign above. If this Claim Form is being made on behalf of joint claimants, then both must sign.

2. Attach only **copies** of supporting documentation as these documents will not be returned to you.

3. Do not highlight, or use red ink on, any portion of the Claim Form or any supporting documents.

4. Keep copies of the completed Claim Form and documentation for your own records.

5. The Claims Administrator will acknowledge receipt of your Claim Form by mailing a postcard within 60 days. Your claim is not deemed filed until you receive this postcard. **If you do not receive a postcard within 60 days, please call the Claims Administrator toll-free at 1-866-680-8403.**

6. If your address or name changes, or if this Claim Form was sent to an old or incorrect address, you must send the Claims Administrator written notification of your new address/ name.

7. If you have any questions or concerns regarding your Claim, please contact the Claims Administrator at the address below, by email at info@VirtusSecuritiesLitigation.com, or by toll-free phone at 1-866-680-8403 or you may visit www.VirtusSecuritiesLitigation.com. DO NOT call Virtus or any of the other Defendants or their counsel with questions regarding your Claim.

THIS CLAIM FORM MUST BE SUBMITTED ONLINE AT WWW.VIRTUSSECURITIESLITIGATION.COM OR MAILED TO THE CLAIMS ADMINISTRATOR BY FIRST-CLASS MAIL, POSTMARKED, **NO LATER THAN OCTOBER 10, 2018**, ADDRESSED AS FOLLOWS:

In re Virtus Investment Partners, Inc. Securities Litigation
c/o GCG
P.O. Box 10489
Dublin, OH 43017-4089

Exhibit B

ADVERTISEMENT

The Marketplace

To advertise: 800-366-3975 or WSJ.com/classifieds

CLASS ACTION

NOTICE THAT THE FORTIS SETTLEMENT HAS BEEN DECLARED BINDING

pursuant to article 1017(3) of the Dutch Code of Civil Procedure, at the request and instruction of the Amsterdam Court of Appeal (the "Court").

This notice is addressed to all natural and legal persons that purchased or held Fortis shares at any time between 28 February 2007 close of business and 14 October 2008 close of business (referred to as the "**eligible shareholders**").

Binding declaration of the Agreement

The Court has declared the settlement agreement entered into between Ageas (formerly Fortis), Dutch Investors' Association (VEB), Deminor, SICAF, FortisEffect and Stichting FORsettlement (the "**Agreement**") to be irrevocably binding in a judgment of 13 July 2018.

Content of the Agreement

Under certain conditions, the Agreement grants the eligible shareholders compensation in connection with the events that occurred in 2007 and 2008 at what was formerly Fortis (now Ageas). These are events that may have affected the price of the shares, in particular Fortis' communication (or lack thereof) and policy with regard to its financial position, the run-up to the break-up of Fortis and the takeover of ABN AMRO, as described in greater detail in the Agreement.

Consequences of binding declaration

As the Court has declared the Agreement binding, all eligible shareholders are, in principle, bound by the Agreement. The Agreement entitles the eligible shareholders to compensation under the conditions set out therein. In return, the eligible shareholders grant full and final discharge to Ageas, the (former) officers of Ageas and the coordinating banks in the manner set out in the Agreement for the events that occurred at Fortis in 2007 and 2008.

Claiming compensation

All those wishing to be eligible for compensation under the Agreement must submit a claim form. A claim form can be downloaded from the website www.forsettlement.com or can be requested by telephone via the numbers listed below (see under "Additional information and contact"). The fully completed and signed claim form (along with the evidence requested) must be sent to the Claims Administrator at the postal address mentioned below (see under "Additional information and contact") or via the website www.forsettlement.com. The claim form may be filed as from 27 July 2018 and must be received by the Claims Administrator no later than on 28 July 2019 or bear the postmark of that date. Eligible shareholders failing to timely submit a claim form in the prescribed manner are not or no longer entitled to compensation. Additional information on submitting the claim form can be found on the claim form and in the corresponding instructions.

'Opt-out' possibility

If an eligible shareholder does not wish to be bound by the Agreement, that shareholder must deliver a notice to that effect (an "**opt-out notice**") to the Claims Administrator within five months, i.e. no later than on 31 December 2018. Eligible shareholders who validly submit an opt-out notice are not bound by the Agreement, nor are they entitled to compensation pursuant to the Agreement nor may they derive any other right from the Agreement.

An opt-out notice may be submitted to the Claims Administrator electronically via the email address forsettlement@computershare.com or by post at the postal address mentioned below (see under "Additional information and contact").

For an opt-out notice, eligible shareholders are requested to use the opt-out notice form that can be downloaded from www.forsettlement.com or requested by telephone via the numbers indicated below (see under "Additional information and contact"). The opt-out notice must include the name, address, telephone number and email address of the eligible shareholder. In addition, eligible shareholders are requested to indicate the number of Fortis shares they held on certain dates listed in the Agreement and to state whether they are represented by Dutch Investors' Association (VEB), Deminor, SICAF and/or FortisEffect.

Additional information and contact

The Court's judgment in which the settlement was declared binding and the Agreement can be accessed, downloaded and printed at www.rechtspraak.nl (via the search term "WCAM Fortis") and www.forsettlement.com. The latter website also provides other relevant documentation. We urge you to consult www.forsettlement.com to keep up to date on further communications.

The Claims Administrator's postal address is:

Computershare Investor Services plc PO Box 7148 3109 AC Schiedam The Netherlands	or	Computershare Investor Services plc PO Box 304 2800 Mechelen Belgium

For answers to frequently asked questions, please visit www.forsettlement.com/page/support. Please contact the FORsettlement Contact Centre via the contact form at www.forsettlement.com/page/contact or via the telephone numbers below if you have further questions:

- Belgium: 0800 26 83 2
- The Netherlands: +31 30 252 53 59
- International: +32 2 557 59 00

* * *

If You Purchased Liquid Aluminum Sulfate From January 1, 1997 Through February 28, 2011, You Could Be Affected By A Proposed Class Action Settlement

Please read this entire Notice carefully. Partial settlements of the lawsuit may affect your rights.

A partial settlement in a lawsuit pending in the United States District Court for the District of New Jersey ("the Court") against the following Defendants, General Chemical Corporation; General Chemical Performance Products, LLC; General Chemical LLC, GenTek Inc., Chemtrade Logistics Income Fund; Chemtrade Logistics Inc., Chemtrade Chemicals Corporation; and Chemtrade Chemicals US, LLC.; Chemtrade Solutions, LLC; C&S Chemicals, Inc., USALCO, LLC, Kemira Chemicals, Inc., Southern Ionics, Inc., GEO Specialty Chemicals, Inc., Frank A. Reichl, Vincent J. Opalewski, Alex Avraamides, Amita Gupta, Milton Sundbeck, Kenneth A. Ghazey, Brian C. Steppig, American Securities LLC, Matthew Lebaron, and Scott Wolff. Plaintiffs in the lawsuit claim that Defendants hurt competition and violated state antitrust, consumer protection, and other laws by allocating customers and markets and fixing the price of Liquid Aluminum Sulfate ("Alum"), thereby causing indirect purchasers to pay too much for Alum. Defendants deny any wrongdoing.

A Settlement has been reached with Defendant GEO Specialty Chemicals Inc. ("GEO"), Kenneth A. Ghazey ("Ghazey") and Brian C. Steppig (the "GEO Settling Parties"). The lawsuit will continue against the other Defendants (collectively, "Non-Settling Defendants").

WHO IS INCLUDED IN THE CLASS? The Indirect Purchaser Settlement Class consists of all persons or entities in AL, AR, AZ, CA, CO, DC, FL, HI, IL, IA, KS, ME, MA, MI, MN, MS, NE, NV, NH, NM, NY, NC, ND, OR, PR, RI, SC, SD, TN, UT, VT, WV, and WI that purchased liquid aluminum sulfate, not for resale, which was manufactured, produced or supplied by Defendants or their unnamed co-conspirators from January 1, 1997 through February 28, 2011. Excluded from the Class are Defendants, co-conspirators and their respective parents, subsidiaries, and affiliates.

WHAT DOES THE SETTLEMENT PROVIDE? GEO and the Settling Parties agreed to pay into an Escrow Account the sum of up to $4,375,000 (the "Settlement Funds") as follows. GEO shall use its best efforts to cause its insurers to pay $801,074 directly into the Indirect Purchaser Escrow Account within thirty (30) days of Final Judgment. GEO shall also pay $898,926 into the Indirect Purchaser Escrow Account (collectively, the "First Installment"). GEO shall make one additional payment of $1,675,000 that shall be paid into the Indirect Purchaser Escrow Account on or before the first anniversary of the First Installment. GEO will undertake a marketing process for a sale of all or substantially all of its equity interests, a merger of GEO and another entity, or a sale of all or substantially all of its assets (collectively, a "Sale") that will commence no later than thirty (30) days after entry of Final Judgment. If this marketing process is successful, upon the closing of the Sale, the Indirect Purchaser Settlement Class shall be entitled to receive from GEO additional compensation pursuant to an equity value formula up to $1,000,000.

At this time, Interim IPP Lead Counsel are not seeking attorneys' fees in connection with this Settlement. Interim IPP Lead Counsel intends to ask for reimbursement of certain of their out of pocket expenses incurred so far in this litigation, including expert witness expenses incurred to date, as well as service awards for the class representatives of up to $25,000.00 each from the Settlement Fund in recognition of their efforts to date on behalf of the Class. At a later date, Interim IPP Lead Counsel may seek up to one-third of the aggregate of funds achieved for the Class, and from any future recovery that may occur in this Class Action against the Non-Settling Defendants.

HOW DO I RECEIVE A PAYMENT FROM THE SETTLEMENT? No money will be distributed yet. The Interim IPP Lead Counsel will continue to pursue the lawsuit against the Non-Settling Defendants. All Settlement Funds that remain after payment of the Court-ordered attorneys' fees, incentive awards, costs, and expenses will be distributed at the conclusion of the lawsuit or as ordered by the Court.

You may visit the website www.LiquidAluminumSulfate.com for updates on the status of the lawsuit.

WHAT ARE YOUR OPTIONS? If you wish to remain an Indirect Purchaser Settlement Class Member, you need not take any action at this time. You will give up your right to sue the GEO Settling Parties for the claims that the Settlement with them will resolve. If you want to keep the right to sue or continue to sue the GEO Settling Parties about the legal issues in this case, then you must exclude yourself from the Class. **If you exclude yourself from the Indirect Purchaser Settlement Class, you will not get any payment from the Settlement.** To exclude yourself, you must send a letter to the Settlement Administrator, **postmarked no later than October 2, 2018.** You may also comment on or object to the proposed Settlement. Your objections must be **filed no later than October 2, 2018.** Details on how to request exclusion, comment, or object to the Settlement are available on the Settlement website, www.LiquidAluminumSulfate.com.

WHO REPRESENTS ME? The Court appointed Jay B. Shapiro of Stearns Weaver Miller Weissler Alhadeff & Sitterson, P.A. and Marvin A. Miller of Miller Law LLC as Interim IPP Lead Counsel to represent the Indirect Purchaser Settlement Class on an interim basis and for purposes of the Settlement. If you want to be represented by your own lawyer, you may hire one at your own expense.

The Court will hold a final fairness hearing to decide whether to approve the terms of the Settlement at **10:00 a.m. on November 14, 2018,** at the Martin Luther King, Jr. Building & U.S. Courthouse, 50 Walnut Street, Newark, New Jersey 07101. If there are objections, the Court will consider them but may still approve the Settlement. You may appear at the hearing, but you are not required to do so. The hearing may be rescheduled without notice to the Class, so if you plan to attend, please periodically check the Settlement website for any updates.

This notice is only a summary. For more information, please visit the Settlement website, www.LiquidAluminumSulfate.com or call 1-866-217-4455.

CLASS ACTION

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE VIRTUS INVESTMENT PARTNERS, INC. SECURITIES LITIGATION	Case No. 15-cv-1249 (WHP)

SUMMARY NOTICE OF (I) PROPOSED SETTLEMENT AND PLAN OF ALLOCATION; (II) SETTLEMENT HEARING; AND (III) MOTION FOR AN AWARD OF ATTORNEYS' FEES AND PAYMENT OF LITIGATION EXPENSES

To: **All persons and entities that, during the period between January 25, 2013 and May 11, 2015, inclusive (the "Class Period"), purchased or otherwise acquired shares of the publicly traded common stock of Virtus Investment Partners, Inc. ("Virtus") and were damaged thereby (the "Class").[1]**

PLEASE READ THIS NOTICE CAREFULLY; YOUR RIGHTS WILL BE AFFECTED BY THE SETTLEMENT OF A CLASS ACTION LAWSUIT PENDING IN THIS COURT.

YOU ARE HEREBY NOTIFIED, pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the Southern District of New York, that Court-appointed Class Representative, Arkansas Teacher Retirement System, on behalf of itself and the Court-certified Class, in the above-captioned securities class action (the "Action") has reached a proposed settlement of the Action with defendants Virtus, Virtus Opportunities Trust, George R. Aylward, Jeffrey T. Cerutti, and Francis G. Waltman (collectively, the "Defendants") for $22,000,000 in cash that, if approved, will resolve all claims in the Action.

A hearing will be held on **October 24, 2018 at 10:00 a.m.**, before the Honorable William H. Pauley III, in the United States District Court for the Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, NY 10007-1312, Courtroom 20B, to determine whether: (i) the proposed Settlement should be approved as fair, reasonable, and adequate; (ii) the Action should be dismissed with prejudice against Defendants, and the releases specified and described in the Stipulation and Agreement of Settlement, dated May 18, 2018 should be granted; (iii) the proposed Plan of Allocation should be approved as fair and reasonable; and (iv) Class Counsel's application for an award of attorneys' fees and payment of expenses should be approved.

If you are a member of the Class, your rights will be affected by the pending Action and the Settlement, and you may be entitled to share in the Net Settlement Fund. If you have not yet received the full printed Notice of (I) Proposed Settlement and Plan of Allocation; (II) Settlement Hearing; and (III) Motion for an Award of Attorneys' Fees and Payment of Litigation Expenses (the "Settlement Notice") and the Claim Form, you may obtain copies of these documents by contacting the Claims Administrator at *In re Virtus Investment Partners, Inc. Securities Litigation*, c/o GCG, P.O. Box 10489, Dublin, OH 43017-4089, 1-866-680-8403, info@VirtusSecuritiesLitigation.com. Copies of the Settlement Notice and Claim Form can also be downloaded from the website for the Action, www.VirtusSecuritiesLitigation.com.

If you are a Class Member, in order to be eligible to receive a payment under the proposed Settlement, you must submit a Claim Form ***online or postmarked* no later than October 10, 2018**. If you are a Class Member and do not submit a proper Claim Form, you will not be eligible to share in the distribution of the net proceeds of the Settlement but you will nevertheless be bound by any judgments or orders entered by the Court in the Action.

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 delivered to Class Counsel and counsel for Defendants such that they are ***received* on or before October 3, 2018**, in accordance with the instructions set forth in the Settlement Notice.

Please do not contact the Court, the Clerk's office, Virtus, any other Defendants in the Action, or their counsel regarding this notice. All questions about this notice, the proposed Settlement, or your eligibility to participate in the Settlement should be directed to the Claims Administrator or Class Counsel.

Requests for the Settlement Notice and Claim Form should be made to:

In re Virtus Investment Partners, Inc. Securities Litigation
c/o GCG
P.O. Box 10489
Dublin, OH 43017-4089
1-866-680-8403
info@VirtusSecuritiesLitigation.com
www.VirtusSecuritiesLitigation.com

Inquiries, other than requests for the Settlement Notice and Claim Form, may be made to Class Counsel:

Bernstein Litowitz Berger & Grossmann LLP John C. Browne, Esq. 1251 Avenue of the Americas New York, NY 10020 1-800-380-8496 blbg@blbglaw.com	**Labaton Sucharow LLP** Michael H. Rogers, Esq. 140 Broadway New York, NY 10005 1-888-219-6877 settlementquestions@labaton.com

By Order of the Court

[1] Certain persons and entities are excluded from the Class by definition and others are excluded pursuant to request. The full definition of the Class including a complete description of who is excluded from the Class is set forth in the full Settlement Notice referred to below.

AFFIDAVIT

STATE OF TEXAS)
) ss:
CITY AND COUNTY OF DALLAS)

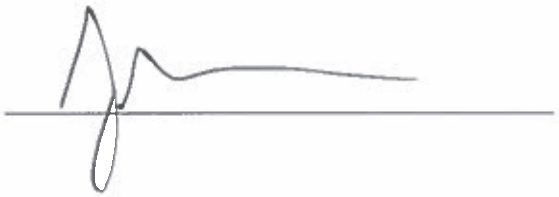
I, Jeb Smith, being duly sworn, depose and say that I am the Advertising Clerk of the Publisher of THE WALL STREET JOURNAL, a daily national newspaper of general circulation throughout the United States, and that the notice attached to this Affidavit has been regularly published in THE WALL STREET JOURNAL for National distribution for

1 insertion(s) on the following date(s):

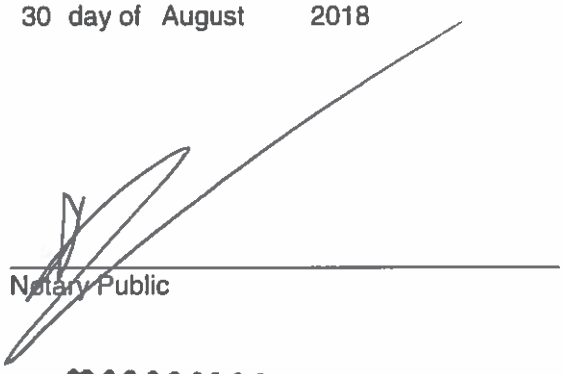
AUG-08-2018

ADVERTISER: VIRTUS INVESTMENT PARTNERS;

and that the foregoing statements are true and correct to the best of my knowledge.



Sworn to before me this
30 day of August 2018



Notary Public

Airlines

Aviation industry told to attract more female pilots

Executive warns of possible shortage 'crisis' as demand for flights grows

JOSH SPERO
TRANSPORT CORRESPONDENT

The male-dominated aviation industry needs to attract more women into the workforce to avoid the "impending crisis" of not having enough pilots, a senior executive has warned.

Angela Gittens, director-general of the Airports Council International, said that if demand for flights continued to rise rapidly, men alone could not provide sufficient pilots.

According to the International Society of Women Airline Pilots, only 6.7 per cent of pilots are female.

"The fact is that if you ignore half of the world's population, we'll never get there," said Ms Gittens.

Aerospace manufacturer Airbus has projected that the industry will need 550,000 new pilots in the next 20 years, as well as 550,000 new technicians.

Ms Gittens was speaking ahead of the first Global Aviation Gender Summit, opening in Cape Town, South Africa, today.

She said: "Aviation in general has a difficult enough time luring the best and brightest over to our industry . . . It's not a track that girls and young women are particularly aware of. We need to reverse that."

Ms Gittens said improving the gender balance in the industry was also a question of fairness.

Airlines are already facing pilot shortages: a rostering problem with insufficient staff last year forced Ryanair to cancel thousands of flights.

In June, Akbar Al Baker, chief executive of Qatar Airways, caused a stir when he said that a woman could not do his job. He quickly apologised.

When he made the comment, he had just been appointed chairman of the International Air Transport Association's board of governors, which has only two women among its 30 members.

Fang Liu, the first female secretary-general of the International Civil Aviation Organization, which organised the conference, said the industry was looking to other sectors for ideas.

The aviation industry has a serious gender pay gap, with its highest earners — pilots — mostly men and its lowest earners — cabin crew — often women.

Ryanair's most recently reported median hourly pay rate for women was 72 per cent lower than for men, easyJet's is 46 per cent lower and at British Airways the pay rate for women is 10 per cent lower.

The median pay gap across the whole of the UK is 9.7 per cent.

Food & beverage. Consumer goods

Open season declared on MSG as China's tastes shift

Demand for chocolate, confectionery and chewing gum has also slumped

TOM HANCOCK — XIANGCHENG, CHINA

Less than a decade ago, Henan Lotus — the largest producer of monosodium glutamate — bestrode the Asian food market, racking up billions of renminbi in sales as China became the largest consumer of the flavouring.

Today, it is a monument to how companies can lose out in China's $180bn urban market for fast-moving consumer goods if they miss a shift towards healthy products, a trend that has also wrongfooted international conglomerates such as the Coca-Cola Company.

Lotus's top line has fallen by more than Rmb900m ($132m) since 2011 to Rmb1.8bn last year, mainly driven by a Rmb800m decline in national MSG sales over the same period.

Analysts say consumers have turned against MSG because it is perceived as unhealthy.

Chinese MSG sales peaked in 2013 at 1.2m tonnes and have since declined, according to research group Euromonitor. More than half of urban consumers have tried to limit MSG in their diet, according to Mintel, a consultancy.

"Concerns about food have shifted more towards nutrition," said Summer Chen, analyst at Mintel. Perceptions about health drove purchases more than nutritional facts. "Consumers are more concerned about the harm salt and MSG will do to the human body than sugar."

Rebranded as Lotus Health three years ago, the company's decline has taken a heavy toll on Xiangcheng, its home city of about 1m people, 600km south of Beijing. "Male workers have nearly all left town to seek jobs," said Ma Chun, a shop clerk. "It used to be our city's strongest enterprise."

The desire for healthy lifestyles comes as the country experiences high rates of obesity and related diseases such as diabetes
Frederic Soltan/Corbis

Locals said the company had given early retirement to thousands of staff in recent years.

"Every street you walk on here, you can find a laid-off Lotus employee," said a woman who left the group last year.

The company's troubles have had ramifications abroad. Tony Xia, a businessman who bought the English football team Aston Villa in 2016, holds an 11 per cent stake in Lotus. That stake has lost 80 per cent of its value since 2015, contributing to financial strains that forced him to relinquish ownership of the club last month. He also stepped down as chairman of Lotus late last month for "personal reasons".

It is not just MSG which has felt the impact.

Sales of chewing gum fell 14 per cent in China over the past two years, while chocolate and confectionery saw declines of 6 and 4 per cent respectively, according to a survey by consultancies Bain and Kantar Worldpanel.

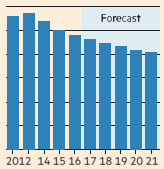
The survey indicates that efforts by Chinese urban consumers to lead healthier lives are the "biggest theme" in the country's FMCG market, which includes food and beverages, toiletries, over-the-counter medicines and other perishable personal care items. The fastest growing food and beverage categories included bottled water and yoghurt, both of which saw sales value grow by more than 10 per cent, driven by perceived health benefits.

The desire for healthy lifestyles comes as China boasts world-topping obesity levels, and rates of related diseases such as diabetes.

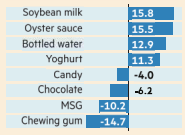
The trend is affecting China's $625bn catering industry. Meituan, one of China's top food delivery platforms, said orders for salads rose 160 per cent year on year in the second quarter of 2018.

Chinese brands have benefited more than multinationals from the health trend. They captured 98 per cent of the growth in FMCG sales in China last year, taking share in nearly every category. It was the fourth consecutive year in which multinationals lost market share.

China loses its taste for MSG
Annual monosodium glutamate consumption (m tonnes)



Chinese consumers shift to healthier snacks
Growth rate of sales for selected consumer goods categories in China, 2015-17 (%)



Sources: Euromonitor; Bain

Delivery platform Meituan says orders for salads rose 160% year on year in the second quarter

In fruit juice, overseas brands such as Coca-Cola lost share to local offerings such as Nongfu and Infinitus, which achieved more than 20 per cent sales growth by offering 100 per cent juice rather than concentrate-based products such as Coca-Cola's Minute Maid brand.

Coca-Cola's China sales grew just 2 per cent in greater China last year, down from double-digit rates less than a decade ago.

Analysts say that overseas brands have been hampered by their centralised decision-making, but the pace of their market share loss is slowing as they adapt to changing tastes. After admitting mistakes in the China market in 2016 as sales fell, Procter & Gamble has returned to growth in China by selling more upmarket products.

Coca-Cola introduced Sprite Zero in China last year and this year launched Sprite Fiber+, said to contain the same amount of fibre as two apples, while paying an undisclosed amount for a 12 per cent stake in Chinese yoghurt brand LePur. Coke won the deal because "their theme is going healthier", said LePur founder Denny Liu.

LePur sells more than 1m units per month, mainly Greek-style yoghurt, which is "perceived by consumers as being extra healthy. We are riding on the tails of this healthy consumer upgrade."

China's imports of fruits such as avocados have surged because of the healthy eating trend, with total food imports growing 25 per cent year on year in 2017 to reach $58bn. Much of that is comprised of online purchases of foreign brands, suggesting multinationals can benefit by bringing their overseas products to China more quickly.

Multinationals "have the premium products, they have the perception of being healthy", said Bruno Lannes, a partner at Bain. "I think the issue is more the speed at which they need to bring innovation to the market."

Legal Notices

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE VIRTUS INVESTMENT PARTNERS, INC. SECURITIES LITIGATION

Case No. 15-cv-1249 (WHP)

SUMMARY NOTICE OF (I) PROPOSED SETTLEMENT AND PLAN OF ALLOCATION; (II) SETTLEMENT HEARING; AND (III) MOTION FOR AN AWARD OF ATTORNEYS' FEES AND PAYMENT OF LITIGATION EXPENSES

To: All persons and entities that, during the period between January 25, 2013 and May 11, 2015, inclusive (the "Class Period"), purchased or otherwise acquired shares of the publicly traded common stock of Virtus Investment Partners, Inc. ("Virtus") and were damaged thereby (the "Class").[1]

PLEASE READ THIS NOTICE CAREFULLY; YOUR RIGHTS WILL BE AFFECTED BY THE SETTLEMENT OF A CLASS ACTION LAWSUIT PENDING IN THIS COURT.

YOU ARE HEREBY NOTIFIED, pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the Southern District of New York, that Court-appointed Class Representative, Arkansas Teacher Retirement System, on behalf of itself and the Court-certified Class, in the above-captioned securities class action (the "Action") has reached a proposed settlement of the Action with defendants Virtus, Virtus Opportunities Trust, George R. Aylward, Jeffrey T. Cerutti, and Francis G. Waltman (collectively, the "Defendants") for $22,000,000 in cash that, if approved, will resolve all claims in the Action.

A hearing will be held on **October 24, 2018 at 10:00 a.m.**, before the Honorable William H. Pauley III, in the United States District Court for the Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, NY 10007-1312, Courtroom 20B, to determine whether: (i) the proposed Settlement should be approved as fair, reasonable, and adequate; (ii) the Action should be dismissed with prejudice against Defendants, and the releases specified and described in the Stipulation and Agreement of Settlement, dated May 18, 2018 should be granted; (iii) the proposed Plan of Allocation should be approved as fair and reasonable; and (iv) Class Counsel's application for an award of attorneys' fees and payment of expenses should be approved.

If you are a member of the Class, your rights will be affected by the pending Action and the Settlement, and you may be entitled to share in the Net Settlement Fund. If you have not yet received the full printed Notice of (I) Proposed Settlement and Plan of Allocation; (II) Settlement Hearing; and (III) Motion for an Award of Attorneys' Fees and Payment of Litigation Expenses (the "Settlement Notice") and the Claim Form, you may obtain copies of these documents by contacting the Claims Administrator at *In re Virtus Investment Partners, Inc. Securities Litigation*, c/o GCG, P.O. Box 10389, Dublin, OH 43017-4089, 1-866-840-8403, info@VirtusSecuritiesLitigation.com. Copies of the Settlement Notice and Claim Form can also be downloaded from the website for the Action, www.VirtusSecuritiesLitigation.com.

If you are a Class Member, in order to be eligible to receive a payment under the proposed Settlement, you must submit a Claim Form **online or postmarked no later than October 10, 2018**. If you are a Class Member and do not submit a proper Claim Form, you will not be eligible to share in the distribution of the net proceeds of the Settlement but you will nevertheless be bound by any judgments or orders entered by the Court in the Action.

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 delivered to Class Counsel and counsel for Defendants such that they are **received on or before October 3, 2018**, in accordance with the instructions set forth in the Settlement Notice.

Please do not contact the Court, the Clerk's office, Virtus, any other Defendants in the Action, or their counsel regarding this notice. All questions about this notice, the proposed Settlement, or your eligibility to participate in the Settlement should be directed to the Claims Administrator or Class Counsel.

Requests for the Settlement Notice and Claim Form should be made to:

In re Virtus Investment Partners, Inc. Securities Litigation
c/o GCG
P.O. Box 10389
Dublin, OH 43017-4089
1-866-840-8403
info@VirtusSecuritiesLitigation.com
www.VirtusSecuritiesLitigation.com

Inquiries, other than requests for the Settlement Notice and Claim Form, may be made to Class Counsel:

Bernstein Litowitz Berger & Grossmann LLP
John C. Browne, Esq.
1251 Avenue of the Americas
New York, NY 10020
1-800-380-8496
blbg@blbglaw.com

Labaton Sucharow LLP
Michael H. Rogers, Esq.
140 Broadway
New York, NY 10005
1-888-219-6877
settlementquestions@labaton.com

By Order of the Court

[1] Certain persons and entities are excluded from the Class by definition and others are excluded pursuant to request. The full definition of the Class including a complete description of who is excluded from the Class is set forth in the full Settlement Notice referred to below.

MINISTRY OF INFRASTRUCTURE AND ENERGY
NOTIFICATION OF THE CONTRACT

1. **Name and Address of Contracting Authority:** Ministry of Infrastructure and Energy, Republic of Albania. Address: Sir. Abdi Toptani, No. 1. Tirane, Albania.

2. **Name and address of Person Responsible:** Enea Kondaci, Ministry of Infrastructure and Energy, (E-mail: enea.kondaci@infrastruktura.gov.al, cc: ervin.duraj@infrastruktura.gov.al).

3. **The Facts, Object and Type of Contract:** Selection of Project for the construction of a photovoltaic plant for electricity generation in the Akrori Zone (Vlora) with installed capacity of 50 MW, as part of the Support Measures, and additional capacity of 20MW to 50 MW, which will not be part of the Support Measures.

4. **Type of Competitive Procedure:** Open Procedure.

5. **Project Land:** The location of the Project is Akrori area in Vlora Municipality at Cadastral Zone Nr 1007, Vlora, Albania.

6. **Duration of Project Agreement:** 30 years, with the right to renew the contract.

7. **Power Purchase Agreement:** As part of the Support Measures, a Power Purchase Agreement will be signed for a purchase capacity of 50 MW for a duration of 15 years.

8. **Time Limit for Execution of Project:** 18 months from Effective Date, which is the date of signing of all Project agreements.

9. **Bid Submission Deadline:** 12.00 Central European Time on 17th September 2018.

10. **Bid Opening:** 12.00 Central European Time on 17th September 2018.

11. **Bid Validity Period:** Bids must be valid for 150 days from final deadline for submission.

12. **Bid Security:** Euro 200,000 (Euro Two Hundred Thousand), payable in the form given in the Bidding Procedure Documents.

13. **Payment of the Participation Fee in the Bidding Procedure:** The fee for participation in the Bidding Procedure is Euro 2,000 (Euro Two Thousand).

14. Bidding Eligibility and Evaluation: As set forth in the Bidding Procedure Documents.

Additional information about the Bidding Procedure documents can be obtained from the Contracting Authority's website: **http://infrastruktura.gov.al/**

Financial

CODEL Digital Certainty
www.codelmark.com

06 Aug 2018
3FA17D26E589CE5367ED7C2EC551301
DC0E3B9ABCEC5D23639F847E1687C127

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Banks

Australian regulator to embed supervisors at largest lenders

JAMIE SMYTH — SYDNEY

Australia's watchdog has been given power to "embed" supervisory officers in the country's biggest banks in an attempt to improve behaviour after scandals.

The move follows a decision to boost funding for the Australian Securities and Investments Commission, which has faced criticism at a public inquiry into bank misconduct for not doing enough.

It is the latest example of a toughening regulatory environment in Australia, which is forcing financial institutions to tighten lending standards and review business models.

"We will be going on site," said James Shipton, Asic chairman, yesterday. "We will have supervisory officers embedded for a significant period of time inside these large institutions because I know it makes a difference to the way that they behave."

This latest tool will bring Asic into line with regulatory powers in the UK, the US and Hong Kong and help the watchdog tackle wrongdoing, according to Australian officials.

A succession of banking scandals, which have ranged from the provision of poor financial advice and money-laundering to rigging Australia's benchmark interest rate, have forced Canberra to respond to public anger. Measures taken include tough accountability rules for board directors and executives of banks, and greater penalties for bad behaviour.

The Liberal-National coalition unveiled fresh measures yesterday that included A$70m in extra funding for Asic to beef up enforcement and enhance its ability to pursue actions for serious misconduct. Part of the funding will be dedicated to embedding up to 20 staff in the big four lenders — Westpac, National Australia Bank, Commonwealth Bank of Australia and ANZ — as well as financial services firm AMP to monitor governance and compliance.

"I think there has been a growing challenge on our regulators to be able to have the right culture, the right approach and the resources to get about that job," said Scott Morrison, Australia's treasurer. "As a cop on the beat, you need to walk softly and carry a big stick."

But experts said there was no guarantee these powers would work.

'On the positive side this [move] signals to bankers that the environment has changed'

"On the positive side, this signals to bankers that the environment has changed," said Elizabeth Sheedy, a financial risk expert at Macquarie University.

"But there are potential downsides, such as creating an 'us against them' situation in which the banks remain uncooperative.

"There is also a danger that embedded regulators start to take on attitudes of the financial organisation where they are placed."

The crackdown comes against the backdrop of a Royal Commission public inquiry that is exposing wrongdoing by financial institutions almost daily. This includes the case of AMP, which admitted misleading Asic on many occasions.

AFFIDAVIT OF PUBLICATION

IN THE MATTER OF: *Virtus Investment Partners Inc.*

STATE OF NEW YORK

ss:

COUNTY OF NEW YORK

I, Hania Owsinski, being duly sworn, hereby certify that (a) I am the Account Planner, US Advertising of FT Publications, Inc. Publisher of the FINANCIAL TIMES, a daily newspaper published and of general circulation worldwide including the City and County of New York, and (b) that the Notice of which the annexed is a copy was published in THE FINANCIAL TIMES ON THE 8th DAY OF August 2018.

HANIA OWSINSKI, ACCOUNT PLANNER, **ADVERTISING:**

Signature

Date 08.08.2018

SWORN TO ME BEFORE THIS DAY:

8th day of August, 2018

NOTARY PUBLIC

NICOLE ELEZA SCHWARTZ
Notary Public, State of New York
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Qualified In New York County
Commission Expires June 8, 2019

Exhibit C

Bernstein Litowitz Berger & Grossmann LLP and Labaton Sucharow LLP Announce a Proposed Settlement in the Virtus Investment Partners, Inc. Class Action

NEWS PROVIDED BY
Bernstein Litowitz Berger & Grossmann LLP and Labaton Sucharow LLP →
09:00 ET

NEW YORK, Aug. 8, 2018 /PRNewswire/ -- The following statement is being issued by Bernstein Litowitz Berger & Grossmann LLP and Labaton Sucharow LLP regarding the *In re Virtus Investment Partners, Inc. Securities Litigation*, Case No. 15-cv-1249 (S.D.N.Y.)

SUMMARY NOTICE OF (I) PROPOSED SETTLEMENT AND PLAN OF ALLOCATION; (II) SETTLEMENT HEARING; AND (III) MOTION FOR AN AWARD OF ATTORNEYS' FEES AND PAYMENT OF LITIGATION EXPENSES

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Requests for the Settlement Notice and Claim Form should be made to:

In re Virtus Investment Partners, Inc. Securities Litigation

c/o GCG

P.O. Box 10489

Dublin, OH 43017-4089

1-866-680-8403

info@VirtusSecuritiesLitigation.com

www.VirtusSecuritiesLitigation.com

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Bernstein Litowitz Berger & Grossmann LLP

John C. Browne, Esq.

1251 Avenue of the Americas

New York, NY 10020

1-800-380-8496

blbg@blbglaw.com

Labaton Sucharow LLP

Michael H. Rogers, Esq.

140 Broadway

New York, NY 10005

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settlementquestions@labaton.com

By Order of the Court

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SOURCE Bernstein Litowitz Berger & Grossmann LLP and Labaton Sucharow LLP

Bernstein Litowitz Berger & Grossmann LLP and Labaton Sucharow LLP Announce a Proposed Settlement in the Virtus Investment Partners, Inc. Class Action

NEWS PROVIDED BY
Bernstein Litowitz Berger & Grossmann LLP and Labaton Sucharow LLP →
09:00 ET

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Exhibit 4

Compendium of Unreported Cases

TAB 1

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

In re AGRIA CORPORATION SECURITIES LITIGATION	Civil Action No. 1:08-cv-03536-WHP CLASS ACTION
This Document Relates To: ALL ACTIONS.	[redacted] ORDER AWARDING LEAD COUNSEL ATTORNEYS' FEES AND EXPENSES

USDC SDNY
DOCUMENT
ELECTRONICALLY FILED
DOC #:
DATE FILED: 6/7/11

This matter having come before the Court on January 21, 2011, on the motion of Lead Counsel for an award of attorneys' fees and expenses incurred in the Action, the Court, having considered all papers filed and proceedings conducted herein, having found the Settlement of this action to be fair, reasonable, and adequate and otherwise being fully informed in the premises and good cause appearing therefore;

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that:

1. All of the capitalized terms used herein shall have the same meanings as set forth in the Stipulation of Settlement dated August 6, 2010 (the "Stipulation"), and filed with the Court.

2. This Court has jurisdiction over the subject matter of this application and all matters relating thereto, including all members of the Class who have not timely and validly requested exclusion.

3. The Court hereby awards Lead Counsel attorneys' fees of 25% of the Settlement Fund, or $937,500, plus litigation expenses in the amount of $43,506.31, together with the interest earned on both amounts for the same time period and at the same rate as that earned on the Settlement Fund until paid, pursuant to 15 U.S.C. §78u-4(a)(6). The Court finds that the amount of fees awarded is fair and reasonable under the "percentage-of-recovery" method.

4. The fees and expenses shall be allocated among Plaintiffs' Counsel in a manner which, in Lead Counsel's good-faith judgment, reflects each such counsel's contribution to the institution, prosecution, and resolution of the Action.

5. The awarded attorneys' fees and expenses and interest earned thereon shall immediately be paid to Lead Counsel subject to the terms, conditions, and obligations of the Stipulation, and in particular ¶6.2 thereof which terms, conditions, and obligations are incorporated herein.

IT IS SO ORDERED.

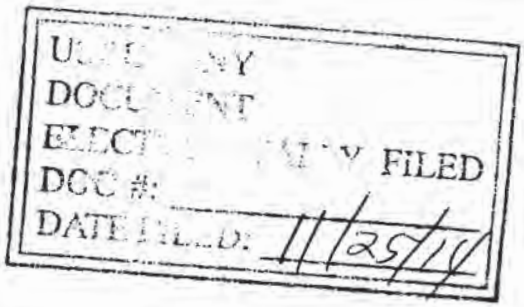
DATED: June 7, 2011

THE HONORABLE WILLIAM H. PAULEY III
UNITED STATES DISTRICT JUDGE

TAB 2

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

ARKANSAS TEACHER RETIREMENT SYSTEM and FRESNO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION, Individually and on Behalf of All Others Similarly Situated, Plaintiffs, v. BANKRATE, INC. et al., Defendants.	Case No. 13-cv-7183 (JSR) **ECF CASE**



ORDER AWARDING ATTORNEYS' FEES AND EXPENSES

This matter came on for hearing on November 21, 2014 (the "Settlement Hearing") on Lead Counsel's motion for an award of attorneys' fees and reimbursement of Litigation Expenses. The Court having considered all matters submitted to it at the Settlement Hearing and otherwise; and it appearing that notice of the Settlement Hearing substantially in the form approved by the Court was mailed to all Settlement Class Members who or which could be identified with reasonable effort, except those persons or entities excluded from the definition of the Settlement Class, and that a summary notice of the hearing substantially in the form approved by the Court was published in *Investor's Business Daily* and was transmitted over the *PR Newswire* 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 Litigation Expenses requested,

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

1. This Order incorporates by reference the definitions in the Amended Stipulation and Agreement of Settlement dated September 17, 2014 (ECF No. 73-1) (the "Amended

Stipulation") and all terms not otherwise defined herein shall have the same meanings as set forth in the Amended Stipulation.

2. The Court has jurisdiction to enter this Order and over the subject matter of the Action and all parties to the Action, including all Settlement Class Members.

3. Notice of Lead Counsel's motion for attorneys' fees and reimbursement of Litigation 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 motion for attorneys' fees and expenses satisfied the requirements of Rule 23 of the Federal Rules of Civil Procedure, the Private Securities Litigation Reform Act of 1995 (15 U.S.C. § 78u-4(a)(7)), due process, and all other applicable law and rules, constituted the best notice practicable under the circumstances, and constituted due and sufficient notice to all persons and entities entitled thereto.

4. Lead Counsel is hereby awarded attorneys' fees in the amount of 25 % of the Settlement Fund, net of Court-awarded expenses, and $ 194,426.83 in reimbursement of litigation expenses (which fees and expenses shall be paid from the Settlement Fund), which sums the Court finds to be fair and reasonable.

5. Lead Counsel shall be paid 50% of the attorneys' fees awarded and 100% of the approved expenses immediately upon entry of this Order. Payment of the balance of the attorneys' fees awarded shall be made to Lead Counsel when distribution of the Net Settlement Fund to claimants has been very substantially completed.

6. In making this award of attorneys' fees and reimbursement of expenses to be paid from the Settlement Fund, the Court has considered and found that:

(a) The Settlement has created a fund of $18,000,000 in cash that has been funded into escrow pursuant to the terms of the Amended Stipulation, and that numerous

Settlement Class Members who submit acceptable Claim Forms will benefit from the Settlement that occurred because of the efforts of Lead Counsel;

(b) The fee sought by Lead Counsel has been reviewed and approved as fair and reasonable by Lead Plaintiffs, who are institutional investors that oversaw the prosecution and resolution of the Action;

(c) Copies of the Notice were mailed to over 35,000 potential Settlement Class Members and nominees stating that Lead Counsel would apply for attorneys' fees in an amount not to exceed 25% of the Settlement Fund and reimbursement of Litigation Expenses in an amount not to exceed $300,000, and there were no objections to the requested attorneys' fees and expenses;

(d) Lead Counsel has conducted the litigation and achieved the Settlement with skill, perseverance and diligent advocacy;

(e) The Action raised a number of complex issues;

(f) Had Lead Counsel not achieved the Settlement there would remain a significant risk that Lead Plaintiffs and the other members of the Settlement Class may have recovered less or nothing from Defendants;

(g) Lead Counsel devoted over 5,100 hours, with a lodestar value of approximately $2,485,000, to achieve the Settlement; and

(h) The amount of attorneys' fees awarded and expenses to be reimbursed from the Settlement Fund are fair and reasonable and consistent with awards in similar cases.

7. Lead Plaintiff Arkansas Teacher Retirement System is hereby awarded $ 4,270.22 from the Settlement Fund as reimbursement for its reasonable costs and expenses directly related to its representation of the Settlement Class.

8. Lead Plaintiff Fresno County Employees' Retirement Association is hereby awarded $ 850.67 from the Settlement Fund as reimbursement for its reasonable costs and expenses directly related to its representation of the Settlement Class.

9. Any appeal or any challenge affecting this Court's approval regarding any attorneys' fees and expense application shall in no way disturb or affect the finality of the Judgment.

10. Exclusive jurisdiction is hereby retained over the parties and the Settlement Class Members for all matters relating to this Action, including the administration, interpretation, effectuation or enforcement of the Amended Stipulation and this Order.

11. In the event that the Settlement is terminated or the Effective Date of the Settlement otherwise fails to occur, this Order shall be rendered null and void to the extent provided by the Amended Stipulation.

12. There is no just reason for delay in the entry of this Order, and immediate entry by the Clerk of the Court is expressly directed.

SO ORDERED this 21st day of November, 2014.

The Honorable Jed S. Rakoff
United States District Judge

#843639

TAB 3

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE CELESTICA INC. SEC. LITIG.	:	Civil Action No.: 07-CV-00312-GBD
	:	(ECF CASE)
	:	Hon. George B. Daniels

[redacted] ORDER AWARDING ATTORNEYS' FEES AND EXPENSES

THIS MATTER having come before the Court on July 28, 2015 for a hearing to determine, among other things, whether and in what amount to award Class Counsel in the above-captioned consolidated securities class action (the "Action") attorneys' fees and litigation expenses and Class Representative New Orleans Employees' Retirement System ("New Orleans") expenses relating to its representation of the Class. All capitalized terms used herein have the meanings as set forth and defined in the Stipulation and Agreement of Settlement, dated as of April 17, 2015 (the "Stipulation"). The Court having considered all matters submitted to it at the hearing and otherwise; and it appearing that a notice of the hearing, substantially in the form approved by the Court (the "Notice"), was mailed to all reasonably identified Class Members; and that a summary notice of the hearing (the "Summary Notice"), substantially in the form approved by the Court, was published in *The Wall Street Journal* and transmitted over *PR Newswire*; and the Court having considered and determined the fairness and reasonableness of the award of attorneys' fees and expenses requested;

NOW, THEREFORE, IT IS HEREBY ORDERED that:

1. The Court has jurisdiction over the subject matter of this Action and over all parties to the Action, including all Class Members and the Claims Administrator.

2. Notice of Class Counsel's motion for attorneys' fees and payment of expenses was given to all Class Members who could be identified with reasonable effort. The form and method of notifying the Class of the motion for attorneys' fees and expenses met the requirements of Rules 23 and 54 of the Federal Rules of Civil Procedure, Section 21D(a)(7) of the Securities Exchange Act of 1934, 15 U.S.C. § 78u-4(a)(7), as amended by the Private Securities Litigation Reform Act of 1995 (the "PSLRA"), due process, and any other applicable law, constituted the best notice practicable under the circumstances, and constituted due and sufficient notice to all persons and entities entitled thereto.

3. Class Counsel is hereby awarded attorneys' fees in the amount of $9,000,000 plus interest at the same rate earned by the Settlement Fund (or 30% of the Settlement Fund, which includes interest earned thereon) and payment of litigation expenses in the amount of $1,392,450.33, plus interest at the same rate earned by the Settlement Fund, which sums the Court finds to be fair and reasonable.

4. In accordance with 15 U.S.C. §78u-4(a)(4), for its representation of the Class, the Court hereby awards New Orleans reimbursement of its reasonable lost wages and expenses directly related to its representation of the Class in the amount of $3,645.18.

5. The award of attorneys' fees and expenses may be paid to Class Counsel from the Settlement Fund immediately upon entry of this Order, subject to the terms, conditions, and obligations of the Stipulation, which terms, conditions, and obligations are incorporated herein.

6. In making the award to Class Counsel of attorneys' fees and litigation expenses to be paid from the Settlement Fund, the Court has considered and found that:

(a) The Settlement has created a common fund of $30 million in cash and that numerous Class Members who submit acceptable Proofs of Claim will benefit from the

Settlement created by the efforts of plaintiffs' counsel;

(b) The requested attorneys' fees and payment of litigation expenses have been reviewed and approved as fair and reasonable by Class Representatives, sophisticated institutional investors that have been directly involved in the prosecution and resolution of the Action and which have a substantial interest in ensuring that any fees paid to Class Counsel are duly earned and not excessive;

(c) Notice was disseminated to putative Class Members stating that Class Counsel would be moving for attorneys' fees in an amount not to exceed 30% of the Settlement Fund, plus accrued interest, and payment of litigation expenses, and the expenses of Class Representatives for reimbursement of their reasonable lost wages and costs directly related to their representation of the Class, in an amount not to exceed $2 million, plus accrued interest;

(d) There were no objections to the requested litigation expenses or to the expense request by New Orleans. The Court has received one objection to the fee request, which was submitted by Jeff M. Brown. The Court finds and concludes that Mr. Brown has not established that he is a Class Member with standing to bring the objection and it is overruled on that basis. The Court has also considered the issues raised in the objection and finds that, even if Mr. Brown were to have standing to object, the objection is without merit. The objection is therefore overruled in its entirety;

(e) Plaintiffs' counsel have expended substantial time and effort pursuing the Action on behalf of the Class;

(f) The Action involves complex factual and legal issues and, in the absence of settlement, would involve lengthy proceedings whose resolution would be uncertain;

(g) Plaintiffs' counsel pursued the Action on a contingent basis, having

received no compensation during the Action, and any fee award has been contingent on the result achieved;

(h) Plaintiffs' counsel conducted the Action and achieved the Settlement with skillful and diligent advocacy;

(i) Public policy concerns favor the award of reasonable attorneys' fees in securities class action litigation;

(j) The amount of attorneys' fees awarded are fair and reasonable and consistent with awards in similar cases; and

(k) Plaintiffs' counsel have devoted more than 28,130.35 hours, with a lodestar value of $14,324,709.25 to achieve the Settlement.

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

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

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

IT IS SO ORDERED.

Dated: JUL 28 2015, 2015

George B. Daniels

Honorable George B. Daniels
UNITED STATES DISTRICT JUDGE

TAB 4

IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

CENTRAL LABORERS' PENSION FUND,

Plaintiff,

v.

SIRVA, INC., BRIAN P. KELLEY, JOAN E. RYAN, JAMES W. ROGERS, RICHARD J. SCHNALL, CARL T. STOCKER, CREDIT SUISSE FIRST BOSTON LLC, GOLDMAN, SACHS & CO., DEUTSCHE BANK SECURITIES INC., CITIGROUP GLOBAL MARKETS INC., J.P. MORGAN SECURITIES INC., BANC OF AMERICA SECURITIES LLC, MORGAN STANLEY & CO. INCORPORATED, PRICEWATERHOUSECOOPERS LLP, and CLAYTON DUBILIER & RICE, INC.

Defendants.

No. 04 C-7644
Judge Ronald A. Guzmán

ORDER AND FINAL JUDGMENT

On the 2nd day of October, 2007, a hearing having been held before Magistrate Judge Denlow to determine: whether the terms and conditions of the Settlement Agreement filed on June 20, 2007 are fair, reasonable and adequate for the settlement of all claims asserted by Plaintiff on behalf of the Settlement Class against Defendants in the Action now pending in this Court under the above caption, including the release of Defendants and the Releasees, and should be approved; whether judgment should be entered dismissing the Action on the merits and with prejudice in favor of Defendants and as against all persons or entities who are members of the Settlement Class who have not requested exclusion therefrom; whether to approve the Plan of Allocation as a fair and reasonable method to allocate the settlement proceeds among the members of the Settlement Class; and whether and in what amount to award Lead Counsel fees and reimbursement of expenses. The Court having heard from Magistrate Judge Denlow, having

reviewed his Report and Recommendation, and considered all matters submitted at the hearing and otherwise; and it appearing that a notice of the hearing substantially in the form approved by the Court was mailed to all persons or entities reasonably identifiable, who purchased or otherwise acquired the common stock of SIRVA, Inc. ("SIRVA") through any public offering or on the open market between November 25, 2003 and January 31, 2005, inclusive ("Settlement Class Period"), as shown by the records of SIRVA's transfer agent, at the respective addresses set forth in such records, and that a summary notice of the hearing substantially in the form approved by the Court was published in *Businesswire* pursuant to the specifications of the Court; and the Court having considered and determined the fairness and reasonableness of the award of attorneys' fees and expenses requested; and all capitalized terms used herein having the meanings as set forth and defined in the Settlement Agreement.

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

1. The Court has jurisdiction over the subject matter of the Action, the Class Representative, all Settlement Class Members, and Defendants.

2. The Court finds that the prerequisites for a class action under Federal Rules of Civil Procedure 23(a) and (b)(3) have been satisfied in that: i) the number of Settlement Class Members is so numerous that joinder of all members thereof is impracticable; ii) there are questions of law and fact common to the Settlement Class; iii) the claims of the Class Representative are typical of the claims of the Settlement Class it seeks to represent; iv) the Class Representative has represented, and will represent, fairly and adequately the interests of the Settlement Class; v) the questions of law and fact common to the members of the Settlement

Class predominate over any questions affecting only individual members of the Settlement Class; and vi) a class action is superior to other available methods for the fair and efficient adjudication of the controversy.

3. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, this Court hereby finally certifies this Action as a class action on behalf of a Settlement Class consisting of all persons or entities who purchased or otherwise acquired the common stock of SIRVA through any public offering or on the open market between November 25, 2003 and January 31, 2005, inclusive. Excluded from the Class are: (a) such persons or entities who have submitted valid and timely requests for exclusion from the Settlement Class in accordance with the procedures set out in Section VI of the Settlement Agreement and described in the Notice (as listed on Exhibit 1 annexed hereto); (b) such persons or entities who are Defendants, Family Members of the Individual Defendants, or the legal representatives, heirs, executors, successors, assigns or majority-owned affiliates (including without limitation Clayton, Dubilier & Rice Fund V Limited Partnership ("CD&R Fund V") and Clayton, Dubilier & Rice Fund VI Limited Partnership ("CD&R Fund VI")) of any such excluded person or entity; or (c) any directors or officers of any such excluded person or entity during the Settlement Class Period.

4. Notice of the pendency of this Action as a class action and of the terms and conditions of the Settlement was given to all Settlement Class Members who could be identified with reasonable effort. The form and method of such notice to the Settlement Class: (a) met the requirements of Rule 23 of the Federal Rules of Civil Procedure, Section 21D(a)(7) of the Securities Exchange Act of 1934, 15 U.S.C. § 78u-4(a)(7)—as amended by the Private Securities

Litigation Reform Act of 1995—due process, and any other applicable law; (b) constituted the best notice practicable under the circumstances; and (c) constituted due and sufficient notice to all persons and entities entitled thereto.

5. The Settlement is approved as fair, reasonable and adequate, and the Settlement Class Members and the parties are directed to consummate the Settlement in accordance with the terms and provisions of the Settlement Agreement.

6. The Complaint, which the Court finds was filed in good faith in accordance with the Private Securities Litigation Reform Act and Rule 11 of the Federal Rules of Civil Procedure based upon all publicly available information, is hereby dismissed with prejudice with each party paying his, her or its own costs of court, except as provided in the Settlement Agreement.

7. "Releasees" means all of the following: (a) SIRVA, CD&R, PwC, the Underwriter Defendants, the Insurers (as defined in the Settlement Agreement) and all of their predecessors and present and former parents, subsidiaries and Affiliates, and each and all of their respective past and present directors, managing directors, officers, employees, members, partners, principals, agents, attorneys, advisors, insurers, trustees, administrators, fiduciaries, consultants, representatives, accountants and auditors (including Ernst & Young LLP); and (b) all investment funds sponsored by CD&R, including, without limitation, CD&R Fund V and CD&R Fund VI; and (c) the Individual Defendants and each of their heirs, executors, trusts, trustees, administrators and assigns.

8. Class Representative and members of the Settlement Class are hereby permanently barred and enjoined from instituting, commencing or prosecuting any Claim or Unknown Claim, whether arising under any federal, state, or foreign statutory or common law or rule—including, without limitation, any Claim or Unknown Claim for negligence, gross negligence, negligent misrepresentation, indemnification, breach of contract, breach of any duty, or fraud—that has been, could have been, or could be asserted against any of the Releasees at any time by or on behalf of Lead Plaintiff or any Settlement Class Member, in any capacity, in the Action or in any court, tribunal, or other forum of competent jurisdiction, arising out of or related, directly or indirectly, to the purchase, acquisition, exchange, retention, transfer or sale of, or Investment Decision involving, SIRVA common stock during the Settlement Class Period, or to other matters and facts at issue in the Action. ("Released Claims") Without limiting the generality of the foregoing, the term Released Claims includes, without limitation, any Claims or Unknown Claims arising out of or relating to: (i) any or all of the acts, failures to act, omissions, facts, events, matters, transactions, occurrences, statements, or representations that have been, could have been or could be directly or indirectly alleged, complained of, asserted, described, or otherwise referred to in this Action; (ii) the contents of any prospectus or SEC Filing relating to SIRVA common stock or SIRVA, including the Registration Statements dated November 24, 2003 and June 10, 2004, during or relating to the Settlement Class Period; (iii) any forward-looking statement made by any of the Releasees during or relating to the Settlement Class Period that have been, could have been or could be directly or indirectly alleged, embraced, complained of, asserted, described, set forth or otherwise referred to in this Action; (iv) any adjustments of financial information of SIRVA during or relating to the Settlement Class Period; (v) any

statements or disclosures of any sort made by any of the Releasees during, or relating in any way to, the Settlement Class Period to any person or entity, or to the public at large, regarding, without limitation, SIRVA's business, its financial condition, its operational results and/or its financial or operational prospects, including, without limitation, any prospectus, press releases and/or press reports, earnings calls, memoranda (whether internally or externally circulated), and presentations to analysts, rating agencies, creditors, banks or other lenders, investment bankers, broker/dealers, investment advisors, investment companies, SIRVA employees, potential investors and/or shareholders; (vi) any internal and/or external accounting and/or actuarial memoranda, reports or opinions relating to SIRVA prepared by or for any of the Releasees during, or relating in any way to, the Settlement Class Period; (vii) SIRVA's accounting practices and procedures, internal accounting controls and recordkeeping practices during or relating in any way to the Settlement Class Period; (viii) any financial statement, audited or unaudited, and any report or opinion on any financial statement relating to SIRVA that was prepared or issued by or for any of the Releasees during, or relating in any way to, the Settlement Class Period, or on which any Settlement Class Member allegedly relied (directly or indirectly) during the Settlement Class Period in purchasing, acquiring, exchanging, retaining, transferring, selling or making an Investment Decision with respect to SIRVA common stock; (ix) any statements or omissions by any of the Releasees as to quarterly or annual results of SIRVA during or relating in any way to the Settlement Class Period; (x) any internal accounting controls or internal audits of SIRVA during or relating in any way to the Settlement Class Period; (xi) any purchases, acquisitions, exchanges, sales, transfers or other trading of SIRVA common stock during or relating in any way to the Settlement Class Period by any of the

Releasees, or any acts taken by Releasees to finance or pay for such trades, including, but not limited to, any profits made or losses avoided in connection with such transactions; and (xii) any or all Claims against an individual Releasee that are based upon or arise out of the Releasee's (*a*) status as a director, officer or employee of, or investor in, SIRVA; (*b*) acts or omissions in his or her capacity as a director, officer or employee of, or investor in, SIRVA; (*c*) acts or omissions in his or her or its capacity as a private equity sponsor of SIRVA; (*d*) acts or omissions in his or her or its capacity as an underwriter of SIRVA common stock; or (*e*) acts or omissions in his or her or its capacity as SIRVA's outside auditor or provider of actuarial services. The Released Claims are hereby compromised, settled, released, discharged and dismissed as against the Releasees on the merits and with prejudice by virtue of the proceedings herein and this Order and Final Judgment.

9. The Releasees are hereby permanently barred and enjoined from instituting, commencing or prosecuting any and all claims, rights, causes of action or liabilities, of every nature and description whatsoever, whether based in law or equity, on federal, state, local, statutory or common law or any other law, rule or regulation, including both known Claims and Unknown Claims, that have been or could have been asserted in the Action or any forum by the Releasees or any of them against any of the Plaintiff, Settlement Class Members or their attorneys, which arise out of or relate in any way to the institution, prosecution, or settlement of the Action, except for claims to enforce the Settlement. All the claims and Unknown Claims of all the Releasees are hereby compromised, settled, released, discharged and dismissed on the merits and with prejudice by virtue of the proceedings herein and this Order and Final Judgment.

10. Defendants, all the Releasees, their heirs, executors, administrators, predecessors, successors, Affiliates, attorneys, and assigns, and any person or entity claiming by or through any of them, are hereby permanently barred and enjoined from commencing or prosecuting (and by operation of law and of this Order & Final Judgment shall have, fully, finally, and forever released, relinquished, settled, and discharged each other from) any and all Claims and Unknown Claims that they could have asserted against each other relating directly or indirectly to the matters alleged in the Action, including but not limited to (i) any claims for indemnification or contribution arising out of the Action, (ii) any claims for breach of fiduciary duty, (iii) any derivative claims, and (iv) any claims for reimbursement of legal fees or costs incurred in defense of the Action (other than the claims for reimbursement of Joan Ryan referred to in this paragraph); provided that nothing in this paragraph shall act to modify, amend, supersede, discharge, or release the terms of the Underwriting Agreements previously entered into by and between SIRVA and the Underwriter Defendants in connection with SIRVA's IPO and SPO, including provisions therein relating to indemnification. Nothing in this paragraph shall act to release or modify any indemnification obligations owed by SIRVA to CD&R or any of the Individual Defendants (including but not limited to, with respect to the Individual Defendants, any indemnification obligations arising under Delaware law or under SIRVA's Charter or By-laws from and after the Final Settlement Date, and, with respect to CD&R, any indemnification obligations arising under the Indemnification Agreement and the Consulting Agreement both dated March 30, 1998 and the Amended and Restated Consulting Agreement dated January 1, 2001, including any amendments thereto or restatements thereof), except that CD&R shall be deemed to have released and settled any and all Claims and Unknown Claims for

indemnification with respect to their obligations pursuant to this Settlement Agreement and with respect to their attorneys' fees and costs in connection with the Action (including such fees and costs incurred in connection with this Settlement Agreement) and except that Joan Ryan shall be reimbursed for reasonable attorneys' fees and expenses related to the Action through the Final Settlement Date.

11. Neither this Order and Final Judgment nor the Settlement Agreement, any of its terms and provisions, the negotiations or proceedings in connection therewith or the documents or statements referred to therein shall be:

(a) offered or received against Defendants as evidence of or construed as or deemed to be evidence of any presumption, concession, or admission by any of the Defendants with respect to the truth of any fact alleged by Plaintiff or the validity of any claim that has been or could have been asserted in the Action or in any litigation, or the deficiency of any defense that has been or could have been asserted in the Action or in any litigation, or of any liability, negligence, fault, or wrongdoing of Defendants;

(b) offered or received against Defendants as evidence of a presumption, concession or admission of any fault, misrepresentation or omission with respect to any statement or written document approved or made by any Defendant;

(c) offered or received against Defendants as evidence of a presumption, concession or admission with respect to any liability, negligence, fault or wrongdoing, or in any way referred to for any other reason as against any of the Defendants, in any other civil, criminal

or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of the Settlement Agreement; provided, however, that Defendants may refer to it to effectuate the liability protection granted them hereunder;

(d) construed against Defendants as an admission or concession that the consideration to be given hereunder represents the amount which could be or would have been recovered after trial; or

(e) construed as or received in evidence as an admission, concession or presumption against Plaintiff or any of the Settlement Class Members that any of their claims are without merit, or that any defenses asserted by Defendants have any merit, or that damages recoverable under the Complaint would not have exceeded the Cash Settlement Fund.

12. The Plan of Allocation is approved as fair and reasonable, and Lead Counsel and the Administrator are directed to administer the Settlement in accordance with the terms and provisions of the Settlement Agreement.

13. The Court finds that all parties and their counsel have complied with each requirement of Rule 11 of the Federal Rules of Civil Procedure as to all proceedings herein.

14. Lead Counsel are hereby awarded 29.85% of the Cash Settlement Fund in fees, which sum the Court finds to be fair and reasonable, and $898,103.22 in reimbursement of expenses, which expenses shall be paid to Lead Counsel from the Cash Settlement Fund with interest from the date such Cash Settlement Fund was funded to the date of payment at the same net rate that the Cash Settlement Fund earns. The award of attorneys' fees may be allocated

among all of Plaintiffs' Counsel in a fashion which, in the opinion of Lead Counsel, fairly compensates Plaintiffs' Counsel for their respective contributions in the prosecution of the Action.

15. In making this award of attorneys' fees and reimbursement of expenses to be paid from the Cash Settlement Fund, the Court has considered and found that:

(a) the Settlement has created a fund of $53,300,000.00 in cash that is already on deposit, plus interest thereon, and that numerous Settlement Class Members who submit acceptable Proofs of Claim will benefit from the Settlement achieved by Lead Counsel;

(b) Over 22,907 copies of the Notice were disseminated to putative Settlement Class Members indicating that Lead Counsel was moving for attorneys' fees in an amount not to exceed 33⅓ percent of the Cash Settlement Fund and for reimbursement of expenses in an amount of approximately $950,000 and only a single objection (which was later withdrawn) was filed against the ceiling on the fees and expenses to be requested by Lead Counsel as disclosed in the Notice;

(c) Lead Counsel have conducted the litigation and achieved the Settlement with skill, perseverance and diligent advocacy;

(d) The Action involves complex factual and legal issues and, in the absence of a settlement, would involve further lengthy proceedings with uncertain resolution of the complex factual and legal issues;

(e) Had Lead Counsel not achieved the Settlement, there would remain a significant risk that Plaintiff and the Settlement Class may have recovered less or nothing from Defendants;

(f) The amount of attorneys' fees awarded and expenses reimbursed from the Cash Settlement Fund are fair and reasonable and consistent with awards in similar cases.

16. Exclusive jurisdiction is hereby retained over the parties and the Settlement Class Members for all matters relating to this Action, including the administration, interpretation, effectuation or enforcement of the Settlement Agreement and this Order and Final Judgment, and including any application for fees and expenses incurred in connection with administering and distributing the settlement proceeds to the members of the Settlement Class.

17. Without further order of the Court, the parties may agree to reasonable extensions of time to carry out any of the provisions of the Settlement Agreement.

SO ORDERED. **ENTERED:** October 31, 2007

HON. RONALD A GUZMAN
United States District Judge

TAB 5

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

CITILINE HOLDINGS, INC., Individually and On Behalf of All Others Similarly Situated, Plaintiff, vs. ISTAR FINANCIAL INC., et al., Defendants.	Civil Action No. 1:08-cv-03612-RJS **(Consolidated)** CLASS ACTION

ORDER AWARDING ATTORNEYS' FEES AND EXPENSES

This matter having come before the Court on April 5, 2013, on the motion of Co-Lead Counsel for an award of attorneys' fees and expenses in the Litigation, the Court, having considered all papers filed and proceedings conducted herein, having found the settlement of this action to be fair, reasonable and adequate, and otherwise being fully informed in the premises and good cause appearing therefore;

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that:

1. This Order incorporates by reference the definitions in the Settlement Agreement dated September 5, 2012 (the "Stipulation") and all capitalized terms used, but not defined herein, shall have the same meanings as set forth in the Stipulation.

2. This Court has jurisdiction over the subject matter of this application and all matters relating thereto, including all Members of the Class who have not timely and validly requested exclusion.

3. The Court hereby awards Co-Lead Counsel attorneys' fees of 30% of the Settlement Fund, plus expenses in the amount of $234,901.71, together with the interest earned on both amounts for the same time period and at the same rate as that earned on the Settlement Fund until paid. The Court finds that the amount of fees awarded is appropriate and that the amount of fees awarded is fair and reasonable under the "percentage-of-recovery" method.

4. The fees and expenses shall be allocated among Lead Plaintiffs' counsel in a manner which, in Co-Lead Counsel's good-faith judgment, reflects each such counsel's contribution to the institution, prosecution, and resolution of the Litigation.

5. The awarded attorneys' fees and expenses and interest earned thereon, shall immediately be paid to Co-Lead Counsel subject to the terms, conditions, and obligations of the Stipulation, and in particular ¶¶6.2-6.3 thereof, which terms, conditions, and obligations are incorporated herein.

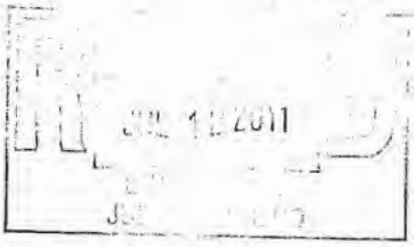
SO ORDERED.

DATED: April 5, 2013
New York, New York

RICHARD J. SULLIVAN
UNITED STATES DISTRICT JUDGE

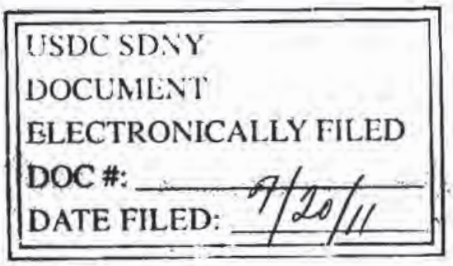
TAB 6

Barrero, 5



UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

KEVIN CORNWELL, Individually and On Behalf of All Others Similarly Situated, Plaintiff, vs. CREDIT SUISSE GROUP, et al., Defendants.	Civil Action No. 08-cv-03758(VM) **(Consolidated)** CLASS ACTION ORDER AWARDING ATTORNEYS' FEES AND EXPENSES



THIS MATTER having come before the Court on July 18, 2011, on the motion of Lead Plaintiffs' counsel for an award of attorneys' fees and expenses incurred in the Action; the Court, having considered all papers filed and proceedings conducted herein, having found the settlement of the Action to be fair, reasonable, and adequate and otherwise being fully informed in the premises and good cause appearing therefore;

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that:

1. All of the capitalized terms used herein shall have the same meanings as set forth in the Settlement Agreement dated March 7, 2011.

2. This Court has jurisdiction over the subject matter of this application and all matters relating thereto, including all members of the Settlement Class who have not timely and validly requested exclusion.

3. Counsel for the Lead Plaintiffs are entitled to a fee paid out of the common fund created for the benefit of the Settlement Class. *Boeing Co. v. Van Gemert*, 444 U.S. 472, 478-79 (1980). In class action suits where a fund is recovered and fees are awarded therefrom by the court, the Supreme Court has indicated that computing fees as a percentage of the common fund recovered is the proper approach. *Blum v. Stenson*, 465 U.S. 886, 900 n.16 (1984). The Second Circuit recognizes the propriety of the percentage-of-the-fund method when awarding fees. *Wal-Mart Stores, Inc. v. Visa U.S.A. Inc.*, 396 F.3d 96, 121 (2d Cir. 2005).

4. Lead Plaintiffs' counsel have moved for an award of attorneys' fees of 27.5% of the Settlement Fund, plus interest.

5. This Court adopts the percentage-of-recovery method of awarding fees in this case, and concludes that the percentage of the benefit is the proper method for awarding attorneys' fees in this case.

6. The Court hereby awards attorneys' fees of 27.5% of the Settlement Fund, plus interest at the same rate as earned on the Settlement Fund. The Court finds the fee award to be fair and reasonable. The Court further finds that a fee award of 27.5% of the Settlement Fund is consistent with awards made in similar cases.

7. Said fees shall be allocated among plaintiffs' counsel by Co-Lead Counsel in manner which, in their good faith judgment, reflects each counsel's contribution to the institution, prosecution and resolution of the Action.

8. The Court hereby awards expenses in an aggregate amount of $285,072.62, plus interest.

9. In making this award of attorneys' fees and expenses to be paid from the Settlement Fund, the Court has considered each of the applicable factors set fort in *Goldberger v. Integrated Res., Inc.*, 209 F.3d 43, 50 (2d Cir. 2000). In evaluating the *Goldberger* factors, the Court finds that:

(a) Counsel for Lead Plaintiffs expended considerable effort and resources over the course of the Action researching, investigating and prosecuting Lead Plaintiffs' claims. Lead Plaintiffs' counsel have represented that they have reviewed tens of thousands of pages of documents, interviewed witnesses and opposed legally and factually complex motions to dismiss. The parties also engaged in settlement negotiations that lasted several months. The services provided by Lead Plaintiffs' counsel were efficient and highly successful, resulting in an outstanding recovery for the Settlement Class without the substantial expense, risk and delay of continued litigation. Such efficiency and effectiveness supports the requested fee percentage.

(b) Cases brought under the federal securities laws are notably difficult and notoriously uncertain. *In re AOL Time Warner, Inc. Sec. & ERISA Litig.*, No. MDL 1500, 2006 U.S. Dist. LEXIS 17588, at *31 (S.D.N.Y. Apr. 6, 2006). "[S]ecurities actions have become more

difficult from a plaintiff's perspective in the wake of the PSLRA." *In re Ikon Office Solutions, Inc., Sec. Litig.*, 194 F.R.D. 166, 194 (E.D. Pa. 2000). Despite the novelty and difficulty of the issues raised, and the procedural posture of the case, Lead Plaintiffs' counsel secured an excellent result for the Settlement Class.

(c) The recovery obtained and the backgrounds of the lawyers involved in the lawsuit are the best evidence that the quality of Lead Plaintiffs' counsel's representation of the Settlement Class supports the requested fee. Lead Plaintiffs' counsel demonstrated that notwithstanding the barriers erected by the PSLRA, they would develop evidence to support a convincing case. Based upon Lead Plaintiffs' counsel's diligent efforts on behalf of the Settlement Class, as well as their skill and reputations, Lead Plaintiffs' counsel were able to negotiate a very favorable result for the Settlement Class. Lead Plaintiffs' counsel are among the most experienced and skilled practitioners in the securities litigation field, and have unparalleled experience and capabilities as preeminent class action specialists. Their efforts in efficiently bringing the Action to a successful conclusion against the Defendants are the best indicator of the experience and ability of the attorneys involved. In addition, Defendants were represented by highly experienced lawyers from a prominent firm. The standing of opposing counsel should be weighed in determining the fee, because such standing reflects the challenge faced by plaintiffs' attorneys. The ability of Lead Plaintiffs' counsel to obtain such a favorable settlement for the Settlement Class in the face of such formidable opposition confirms the superior quality of their representation and the reasonableness of the fee request.

(d) The requested fee of 27.5% of the settlement is within the range normally awarded in cases of this nature.

(e) Public policy supports the requested fee, because the private attorney general role is "'vital to the continued enforcement and effectiveness of the Securities Acts.'" *Taft v. Ackermans*, No. 02 Civ. 7951(PKL), 2007 U.S. Dist. LEXIS 9144, at *33 (S.D.N.Y. Jan. 31, 2007) (citation omitted).

(f) Lead Plaintiffs' counsel's total lodestar is $4,049,631.50. A 27.5% fee represents a multiplier of 4.7. Given the public policy and judicial economy interests that support the expeditious settlement of cases, *Maley v. Del Global Techs. Corp.*, 186 F. Supp. 2d 358, 373 (S.D.N.Y. 2002), the requested fee is reasonable.

10. The awarded attorneys' fees and expenses, and interest earned thereon, shall be paid to Co-Lead Counsel from the Settlement Fund immediately after the date this Order is executed subject to the terms, conditions, and obligations of the Settlement Agreement and in particular ¶6.2 thereof, which terms, conditions, and obligations are incorporated herein.

IT IS SO ORDERED.

Dated: New York, NY
18 July, 2011

THE HONORABLE VICTOR MARRERO
UNITED STATES DISTRICT JUDGE

635891_1

CERTIFICATE OF SERVICE

I hereby certify that on July 11, 2011, I submitted the foregoing to orders_and_judgments@nysd.uscourts.gov and e-mailed to the e-mail addresses denoted on the Court's Electronic Mail Notice List, and I hereby certify that I have mailed the foregoing document or paper via the United States Postal Service to the non-CM/ECF participants indicated on the attached Manual Notice List.

I certify under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on July 11, 2011.

s/ Ellen Gusikoff Stewart
ELLEN GUSIKOFF STEWART

ROBBINS GELLER RUDMAN
& DOWD LLP
655 West Broadway, Suite 1900
San Diego, CA 92101-3301
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Bernard M. Gross
THE LAW OFFICE OF BERNARD M. GROSS, P.C.
100 Penn Square East, Suite 450
Juniper and Market Streets
Philadelphia, PA 19107

TAB 7

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

In re L.G. PHILIPS LCD CO., LTD. SECURITIES LITIGATION	Civil Action No. 1:07-cv-00909-RJS CLASS ACTION
This Document Relates To: ALL ACTIONS.	

[redacted] ORDER AWARDING CO-LEAD COUNSEL ATTORNEYS' FEES AND EXPENSES

Case 1:07-cv-00009-RJS Document 152 Filed 09/19/18 Page 2 of 3

This matter having come before the Court on March 17, 2011, on the motion of Co-Lead Counsel for an award of attorneys' fees and expenses incurred in the action, the Court, having considered all papers filed and proceedings conducted herein, having found the settlement of this action to be fair, reasonable, and adequate and otherwise being fully informed in the premises and good cause appearing therefore;

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that:

1. All of the capitalized terms used herein shall have the same meanings as set forth in the Stipulation and Agreement of Settlement dated October 15, 2010 (the "Stipulation"), and filed with the Court.

2. This Court has jurisdiction over the subject matter of this application and all matters relating thereto, including all members of the Class who have not timely and validly requested exclusion.

3. The Court hereby awards Co-Lead Counsel attorneys' fees of 30% of the Settlement Amount, plus litigation expenses in the amount of $81,993.45, together with the interest earned on both amounts for the same time period and at the same rate as that earned on the Settlement Fund until paid, pursuant to 15 U.S.C. §78u-4(a)(6). The Court finds that the amount of fees awarded is fair and reasonable under the "percentage-of-recovery" method.

4. The fees and expenses shall be allocated among Lead Plaintiffs' counsel in a manner which, in Co-Lead Counsel's good-faith judgment, reflects each such counsel's contribution to the institution, prosecution, and resolution of the action.

5. Justin M. Coren is awarded $1,500.00 pursuant to 15 U.S.C. §78u-4(a)(4) for his efforts and service to the Class during the action.

6. The awarded attorneys' fees and expenses and interest earned thereon shall immediately be paid to Co-Lead Counsel subject to the terms, conditions, and obligations of the Stipulation, and in particular ¶8 thereof which terms, conditions, and obligations are incorporated herein.

IT IS SO ORDERED.

DATED: March 17, 2011

THE HONORABLE RICHARD J. SULLIVAN
UNITED STATES DISTRICT JUDGE

TAB 8

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF IOWA
CEDAR RAPIDS DIVISION

IN RE MCLEODUSA INCORPORATED SECURITIES LITIGATION

No. C02-0001-MWB

ORDER AND FINAL JUDGMENT

On the day of November 29, 2006, a hearing having been held before this Court to determine: (1) whether the terms and conditions of the Stipulation and Agreement of Settlement dated September 14, 2006 (the "Stipulation") are fair, reasonable and adequate for the settlement of all claims asserted by the Purchaser and Merger Classes (together, the "Class") against the Defendants in the Action now pending in this Court under the above-caption, including the release of all Settled Claims as against the Defendants and the Released Parties, and should be approved; (2) whether judgment should be entered dismissing the Action on the merits and with prejudice in favor of the Defendants only and as against all persons or entities who are members of the Class herein who have not requested exclusion therefrom; (3) whether to approve the Plan of Allocation as a fair and reasonable method to allocate the settlement proceeds among the Class Members; (4) whether and in what amount to award Plaintiffs' Counsel attorneys' fees and reimbursement of expenses; and (5) whether and in what amount to award Lead Plaintiffs for reimbursement of their reasonable costs and expenses (including lost wages) directly relating to their representation of the Class. The court having considered all matters submitted to it at the hearing and otherwise; and it appearing that a notice of the hearing substantially in the form approved by the Court was mailed to (a) the Purchaser Class

consisting of all persons who purchased or otherwise acquired McLeodUSA Incorporated ("McLeodUSA") common stock during the period from and including January 3, 2001 through and including December 3, 2001, and were damaged thereby; and (b) the Merger Class consisting of all persons who acquired McLeodUSA common stock pursuant to the Registration Statement and Prospectus issued in connection with McLeodUSA's June 1, 2001 stock for stock acquisition of Intelispan, Inc. as shown by the records of McLeodUSA's shareholder lists, or otherwise, at the respective addresses set forth in such records, and that a summary notice of the hearing substantially in the form approved by the Court was published in the national edition of *The Wall Street Journal* pursuant to the specifications of the Court; and the Court having considered and determined the fairness and reasonableness of the award of attorneys' fees and expenses requested; and the Court having considered an award to Lead Plaintiffs for reimbursement of their reasonable costs and expenses (including lost wages) directly relating to their representation of the Class; and all capitalized terms used herein having the meanings as set forth and defined in the Stipulation.

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

1. The Court has jurisdiction over the subject matter of the Action, the Lead Plaintiffs, all Class Members and the Defendants.

2. The Court finds that for the purposes of the Settlement, the prerequisites for a class action under Rule 23(a) of the Federal Rules of Civil Procedure have been satisfied in that: (a) the number of Class Members is so numerous that joinder of all members thereof is impracticable; (b) there are questions of law and fact common to the Class; (c) the claims of the Class Representatives are typical of the claims of the Class they seek to represent; (d) the Class Representatives have and will fairly and adequately represent the interests of the Class; (e) the questions of law and fact to the Class Members predominate over any questions affecting only individual Class Members; and (f) a class action is superior to other available methods for the fair and efficient adjudication of the controversy.

3. Pursuant to Rule 23 of the Federal Rules of Civil Procedure and for the purposes of the Settlement, this Court hereby certifies this action as a class action on behalf of (a) the Purchaser Class consisting of all persons who purchased or otherwise acquired

McLeodUSA common stock during the period from and including January 3, 2001, through and including December 3, 2001, and were damaged thereby; and (b) the Merger Class consisting of all person who acquired McLeod USA common stock pursuant to the Registration Statement and Prospectus issued in connection with McLeodUSA's March 19, 2001, stock for stock acquisition of Intelispan, Inc. and were damaged thereby (the Purchaser Class and the Merger Class being collectively the "Class"). Excluded from the Class are Defendants, Forstmann Little & Co. (Forstmann), and partners at Forstmann during Class Period, members of Defendants' immediate families, any entity in which any Defendant, McLeodUSA or Forstmann, and the officers, directors, affiliates, legal representatives, heirs, predecessors, successors, or assigns of any of the Defendants, McLeodUSA or Forstmann. Also excluded from the Class are the putative Class Members listed on Exhibit 1 annexed hereto, who have requested exclusion from the Class. Steven C. Paul, Mary L. Estrin, Robert Estrin, Richard Starch, Susan Starch, Timothy J. Brustkern, Sandra K. Brustkern, John Baltezore, Cindy Baltezore, and Ronna J. Stull timely sought exclusion from the class. Jon Kayyem (IFN, LP-MC & Hi Charitable Rem-MC) did not. However, by agreement of the parties, even though Jon Kayyem and his related entities did not timely file a request for exclusion, they are hereby excluded from the Class.

4. Notice of pendency of this Action as a class action and of the proposed Settlement was given to all Class Members who could be identified with reasonable effort. The form and method of notifying the Class Members of the pendency of the action as a class action and of the terms and conditions of the proposed Settlement met the requirements of Rule 23 of the Federal Rules of Civil Procedure, Section 21(D)(a)(7) of the Exchange Act, 15 U.S.C. 78u-4(a)(7) as amended by the Private Securities Litigation Reform Act of 1995 ("PSLRA"), due process and any other applicable law, constituted the best notice practicable under the circumstances, and constituted due and sufficient notice to all persons and entities entitled thereto.

5. The Settlement is approved as fair, reasonable and adequate, and the Class Members and the Parties are directed to consummate the Settlement in accordance with the terms and provisions of the Stipulation.

6. The Complaint is hereby dismissed with prejudice and without costs as against the Defendants.

7. Upon the Effective Date of this Settlement, Lead Plaintiffs and members of the Class on behalf of themselves, their heirs, executors, administrators, successors and assigns, shall, with respect to each and every Settled Claim, release and forever discharge, and shall forever be enjoined from prosecuting, either directly or in any other capacity, any Settled Claims against any and all of the Released Parties. In addition, except for the claims under the Stipulation, and agreements, and transactions contemplated in the Stipulation, no Lead Plaintiff or Class Member will voluntarily become a party to any suit or proceeding arising from or in connection with an attempt by or on behalf of any third party to enforce or collect an amount, based on any Settled Claim.

8. Upon the Effective Date of this Settlement, each of the Defendants, on behalf of themselves and the Released Parties, shall release and forever discharge each and every of the Settled Defendants' Claims, and shall forever be enjoined from prosecuting the Settled Defendants' Claims.

9. The Stipulation and any proceedings taken pursuant to it:

(a) shall not be offered or received against any of the Defendants as evidence of or construed as or deemed to be evidence of any presumption, concession or admission by any of the Defendants with respect to the truth of any allegation in the CAC, with respect to the truth of any allegation asserted by any of the Lead Plaintiffs or with respect to the validity of any claim that has been or could have been asserted in the Action or in any litigation, or the deficiency of any defense that has been or could have been asserted in the Action or in any litigation, or of any liability, negligence fault or wrongdoing of the Defendants;

(b) shall not be offered or received against the Defendants as evidence of a presumption, concession or admission of any fault, misrepresentation or omission with respect to any statement or written document approved or made by any of the Defendants;

(c) shall not be offered or received against any of the Defendants, Lead Plaintiffs or the Class as evidence of a presumption, concession or admission with respect to

any liability, negligence, fault or wrongdoing, or in any way referred to for any other reason as against any of the Defendants, in any other civil, criminal or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of the Stipulation; provided, however, that once the Stipulation is approved by the Court, Defendants may refer to it to effectuate the liability protection granted them hereunder;

(d) shall not be construed as an admission or concession that the consideration to be given thereunder represents the amount which could be or would have been recovered after trial; and

(e) shall not be construed as or received in evidence as an admission, concession or presumption against Lead Plaintiffs or any of the Class Members that any of their claims are without merit, or that any defenses asserted by the Defendants have any merit, or that damages recoverable under the CAC would not have exceeded the Gross Settlement Fund.

10. The Plan of Allocation is approved as fair and reasonable, and the Claims Administrator is directed to administer the Settlement in accordance with its terms and provisions.

11. The court finds that all Parties and their counsel have complied with each requirement of Rule 11 of the Federal Rules of Civil Procedure as to all proceedings herein.

12. Plaintiffs' Counsel are hereby awarded 30% of the Gross Settlement Fund in fees, which sum the Court finds to be fair and reasonable, and $ 900,000 in reimbursement of expenses, which fees and expenses shall be paid to Plaintiffs' Counsel from the Gross Settlement Fund with interest from the date such Settlement Fund was funded to the date of payment at the same interest rate that the Settlement Fund earns. The award of attorneys' fees shall be allocated among other Plaintiffs' Counsel in a fashion which, in the opinion of Plaintiffs' Counsel, fairly compensate Other Plaintiffs' Counsel for their respective contributions in the prosecution of the Action.

13. In making this award of attorneys' fees and reimbursement of expenses to be paid from the Gross Settlement Fund, the Court has considered and found that:

(a) The Settlement has created a fund of $30,000,000 in cash that is already

on deposit, plus interest thereon and that numerous Class Members who file acceptable Proof of Claim and Release forms will benefit from the Settlement created by Plaintiffs' Counsel;

(b) Plaintiffs' Counsel have litigated this Action on a contingency basis; assuming significant risk in light of the uncertainty of payment for their efforts;

(c) The action involves complex factual and legal issues and was actively prosecuted for over four years and, in the absence of a settlement, would involve further lengthy proceedings with uncertain resolution of the complex factual and legal issues;

(d) Plaintiffs' Counsel and Defendants' Counsel are very experienced in federal securities fraud litigation;

(e) Plaintiffs' Counsel have claimed to have devoted over 29,915.29 hours to achieve the Settlement. The court does not believe that all of the time expended was reasonable. This is true, especially, in light of the massive amount of time allegedly devoted to a review of documents, the vast majority of which appear to the court to be neither relevant or useful in proving any of the allegations contained in Plaintiffs' complaint;

(f) Over 104,872 copies of the Notice were disseminated to putative class Members indicating that Plaintiffs' Counsel were moving for attorneys' fees in the amount of up to 33 1/3% of the Gross Settlement Fund and for reimbursement of expenses in an amount of approximately $900,000 and no objections were filed against the terms of the proposed Settlement or the ceiling on the fees and expenses requested by Plaintiffs' Counsel contained in the Notice; and

(g) The amounts of attorneys' fees awarded and expenses reimbursed from the Settlement Fund are consistent with awards in similar cases.

14. Lead Plaintiffs Ailon Gruhkin for Millennium, Richard C. Chapman, Jeffrey H. Brandes are hereby awarded $ 13,068, $ 13,750, and $ 13,500, respectively, from the Gross Settlement Fund for reimbursement of their reasonable costs and expenses (including lost wages) directly relating to their representation of the Class in prosecuting this Action.

15. Exclusive jurisdiction is hereby retained over the Parties and the Class Members for all matters relating to this Action, including the administration, interpretation, effectuation or enforcement of the Stipulation and this Order and Final Judgment, including any application

for fees and expenses incurred in connection with administering and distributing the settlement proceeds to members of the Class, and to resolve any disputes concerning allocation of the attorneys' fees among Plaintiffs' counsel.

16. Without further order of the Court, the Parties may agree to reasonable extensions of time to carry out any of the provisions of the Stipulation.

17. There is no just reason for delaying the entry of this Order and Final Judgment and immediate entry by the Clerk of Court is expressly directed pursuant to Rule 54(b) of the Federal Rules of Civil Procedure.

18. The Clerk of Court is directed to enter this order in the file of the above-captioned action.

IT IS SO ORDERED.

DATED this 5th day of January, 2007.

Mark W. Bennett

MARK W. BENNETT
U. S. DISTRICT COURT JUDGE
NORTHERN DISTRICT OF IOWA

EXHIBIT ONE

McLeodUSA Exclusions

Name 1	Name 2	Address 1	Address 2	City	State	Zip	Postmark Date
Steven C Paul							10/11/2006
Mary L Estrin TR-MC	Robert Estrin						11/6/2006
Richard Starch	Susan Starch						11/9/2006
Timothy J Brustkern	Sandra K Brustkern						11/13/2006
John Baltezore	Cindy Baltezore						11/15/2006
Ronna J Stull							11/15/2006
Jon Kayyem	IFIN, LP-MC						11/17/2006
Jon Kayyem	Hi Charitable Rem-MC						11/17/2006

TAB 9

[EXHIBIT A]

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE NQ MOBILE, INC. SECURITIES LITIGATION This Document Relates to: All Actions	No. 1:13-cv-07608-WHP

~~[PROPOSED]~~ ORDER APPROVING AWARD OF ATTORNEYS' FEES AND REIMBURSEMENT OF EXPENSES AND AWARDING LEAD PLAINTIFF VOLIN REASONABLE COSTS AND EXPENSES UNDER 15 U.S.C. §78u-4(a)(4)

This matter came before the Court on the motion of Lead Counsel for: (1) an award of attorneys' fees; (2) reimbursement of Counsel's litigation expenses; and (2) an award of reasonable costs and expenses to Lead Plaintiff Herbert R. Volin (one of the members of the Lead Plaintiff "Volin Group") under 15 U.S.C. §78u-4(a)(4) in connection with his representation of the Class in this Action (the "Motion"). Having held a Settlement Fairness Hearing on March 11, 2016, and having considered all papers and arguments submitted in support of and in opposition to the Motion and all proceedings in the Action,

THE COURT HEREBY FINDS AND ORDERS AS FOLLOWS:

1. The provisions of the Stipulation, including definitions of the terms used therein, are hereby incorporated by reference as though fully set forth herein.

2. This Court has jurisdiction over the subject matter of the Action and over all Parties to the Action, including all members of the Class.

3. Plaintiffs' Counsel are hereby awarded 30 % of the Settlement Fund in fees, which sum the Court finds to be fair and reasonable, and $ 60,435.96 in reimbursement of expenses, which fees and expenses shall be paid immediately upon entry of this Order to Lead Counsel from the Settlement Fund. Lead Counsel may determine and distribute the attorneys'

fees among other Plaintiffs' Counsel in a manner which, in Lead Counsel's sole discretion, it believes reflects the contributions of such counsel to the prosecution and settlement of the Action with Settling Defendants and the benefits conferred on the Class.

4. The Court finds that an award of attorneys' fees under the percentage-of-recovery method is proper in this case, and further finds that the requested fee is fair, reasonable, and consistent with awards made in similar cases. Furthermore, the Court has reviewed the factors set forth in *Goldberger v. Integrated Res., Inc.*, 209 F.3d 43 (2d Cir. 2000), and finds that they support the award. The Court has also performed a rough lodestar cross-check and finds that the hours and rates are reasonable for the amount and specialized type of work performed. Moreover, the effective lodestar multiplier is well within the range of reasonableness.

5. The Court further awards $3000 from the Settlement Fund to Lead Plaintiff Herbert R. Volin pursuant to 15 U.S.C. §78u-4(a)(4) for reimbursement of reasonable costs and expenses (including lost wages) directly relating to his representation of the Class in this Action, as set forth in the declaration that Mr. Volin submitted to the Court in support of his request.

IT IS SO ORDERED.

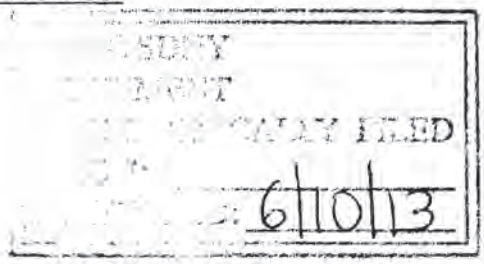
Dated: March 11, 2016

HON. WILLIAM H. PAULEY, III
UNITED STATES DISTRICT JUDGE

TAB 10

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

In re NYSE SPECIALISTS SECURITIES LITIGATION	:	Master File No. 03-CV-8264(RWS)
	:	CLASS ACTION
This Document Relates To:	:	
ALL ACTIONS.	:	



~~[PROPOSED]~~ AMENDED FINAL ORDER AND JUDGMENT

This matter came for a duly-noticed hearing on May 22, 2013 (the "Final Approval Hearing"), upon the Motion for Final Approval of Settlements and Plan of Allocation of Settlements' Proceeds, and Award of Attorneys' Fees and Expenses filed in the above-captioned matter (the "Class Action"), which was filed by Lead Plaintiff and Class Representative California Public Employees' Retirement System ("CalPERS" or "Lead Plaintiff") and Named Plaintiff and Class Representative Market Street Securities (collectively "Plaintiffs"), on behalf of the class certified in the above-captioned matter (the "Class"), and was joined by defendants Bear Wagner Specialists LLC; Bear, Stearns & Co., Inc.; FleetBoston Financial Corp.; Fleet Specialist, Inc.; Bank of America Corp.; Quick & Reilly, Inc.; LaBranche & Co. Inc.; LaBranche & Co. LLC; George M. L. LaBranche, IV; Performance Specialist Group, LLC; Spear, Leeds & Kellogg Specialists LLC; Spear, Leeds & Kellogg, L.P.; Goldman, Sachs & Co.; The Goldman Sachs Group, Inc.; SIG Specialists, Inc. and Susquehanna International Group, LLP (collectively, the "Settling Defendants" and such defendants that were specialists on the New York Stock Exchange during the Class Period being the "Specialist Defendants"). Due and adequate notice of the Stipulation of Settlement dated October 24, 2012 (the "Settlement Agreement"), having been given to the members of the Class, the

Final Approval Hearing having been held and the Court having considered all papers filed and proceedings had herein and otherwise being fully informed in the premises and good cause appearing therefor, and a determination having been made expressly pursuant to Rule 54(b) of the Federal Rules of Civil Procedure that there is no justification for delay, IT IS HEREBY ORDERED, ADJUDGED AND DECREED:

1. This Final Order and Judgment hereby incorporates by reference the definitions in the Settlement Agreement and all terms used herein shall have the same meanings as set forth in the Settlement Agreement.

2. For purposes of this Settlement, the Court hereby finally certifies the Class, as defined in the Court's March 14, 2009, Order granting class certification as: all Persons who submitted orders (directly or through agents) to purchase or sell NYSE-listed securities during the Class Period, which orders were listed on the Specialists' Display Book and subsequently disadvantaged by the Settling Defendants. Excluded from the class are the Settling Defendants, members of the immediate family of each of the individual Settling Defendants, any person, firm, trust, or corporation that controls or is controlled by any Specialist Defendant (an "Affiliate"), any officers or directors of any Settling Defendant, and the legal representatives, agents, heirs, successors-in-interest or assigns of any excluded party, in their capacity as such. Notwithstanding the foregoing, the exclusion set forth herein shall not include any investment company or pooled investment fund, including but not limited to, mutual fund families, exchange-traded funds, fund of funds, and hedge funds, in which any Settling Defendant has or may have a direct or indirect interest, or as to which its Affiliates may act as an investment advisor to, but in which the Settling Defendant or any of its Affiliates is not a majority owner or does not hold a majority beneficial interest. Based on the record, the Court reconfirms that the applicable provisions of Rule 23 of the Federal Rules of Civil

Procedure have been satisfied and the Class Action has been properly maintained according to Rules 23(a) and 23(b)(3) of the Federal Rules of Civil Procedure ("Rule 23(a)" and "Rule 23(b)(3)," respectively).

3. This Court has jurisdiction over the subject matter of the Class Action and over all parties to the Class Action.

4. The Court finds that due process and adequate notice have been provided pursuant to Rule 23 of the Federal Rules of Civil Procedure to all members of the Class, notifying the Class of, among other things, the pendency of the Class Action and the proposed Settlement.

5. The notice provided was the best notice practicable under the circumstances and included individual notice to those members of the Class who could be identified through reasonable efforts. The Court finds that notice was also given by publication in two publications, as set forth in the Declaration of Ronald A. Bertino of Heffler Claims Group, LLC dated May 14, 2013. Such notice fully complied in all respects with the requirements of Rule 23 of the Federal Rules of Civil Procedure, due process of law, and applicable law.

6. Pursuant to and in compliance with Rule 23 of the Federal Rules of Civil Procedure, the Court hereby finds that due and adequate notice of these proceedings was directed to all Class Members of their right to object to the Settlement, the Plan of Allocation, and Lead Counsel's right to apply for attorneys' fees and expenses associated with the Class Action. A full and fair opportunity was accorded to all members of the Class to be heard with respect to the foregoing matters.

7. The Court finds that one Class Member has requested exclusion from the Class pursuant to the Notice.

8. It is hereby determined that all members of the Class, (other than those expressly excluding themselves and who are listed on Exhibit A hereto (the "Excluded Class Members")), are bound by this Final Order and Judgment. The Excluded Class Members are hereby found to have properly excluded themselves from the Class. Any Class Member that requested exclusion from the Class, but that is not included on Exhibit A hereto as an Excluded Class Member is hereby found not to have complied with the requirements of this Court's Order of November 20, 2012, preliminarily approving the Settlement and shall be bound by this Final Order and Judgment.

9. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, this Court hereby approves the Settlement, as set forth in the Settlement Agreement, and finds that the Settlement is, in all respects, fair, reasonable and adequate, and in the best interests of the Class, including Plaintiffs. This Court further finds that the Settlement set forth in the Settlement Agreement is the result of arm's-length negotiations between experienced counsel representing the interests of the Parties. In addition, the Court recognizes that the Parties participated in mediation sessions before the Honorable Daniel Weinstein (Ret.), which resulted in the reaching of the Settlement. Accordingly, the Settlement embodied in the Settlement Agreement is hereby approved in all respects. The Parties are hereby directed to carry out the Settlement Agreement in accordance with all of its terms and provisions, including the termination provisions.

10. The Settlement Fund has been established as an interest-bearing escrow account. The Court further approves the establishment of the Settlement Fund under the Settlement Agreement as a qualified settlement fund pursuant to Internal Revenue Code Section 4688 and the Treasury Regulations promulgated thereunder.

11. The Court reserves exclusive jurisdiction over the implementation and enforcement of the Settlement Agreement and the Settlement contemplated thereby and the enforcement of this Final

Order and Judgment. The Court also retains exclusive jurisdiction, except to the extent the Parties have committed certain issues to resolution by the mediator, to resolve any disputes that may arise with respect to the Settlement Agreement, the Settlement, or the Settlement Fund, to consider or approve administration costs and fees, and to consider or approve the amounts of distributions to members of the Class.

12. The Court hereby approves the release of the Released Class Claims as against the Defendant Released Persons as set forth in the Settlement Agreement. Under the terms and conditions set forth in the Settlement Agreement, any and all actions, claims, debts, demands, causes of action and rights, and liabilities whatsoever (including, but not limited to, any claims for damages, interest, attorneys' fees, expert or consulting fees, and any other costs, expenses, or liabilities whatsoever), including, without limitation, any claims, causes of action and rights that relate in any way to any violation of state, federal, or any foreign jurisdiction's securities laws, any misstatement, omission, or disclosure (including, but not limited to, those in financial statements), any breach of duty, any negligence or fraud, or any other alleged wrongdoing or misconduct by any Defendant Released Persons, including both known claims and Unknown Claims, against any Defendant Released Persons, belonging to the Class Releasing Persons, based on a Class Member's orders which were placed through the DOT System and/or could have been or might have been asserted in the Class Action or any forum in connection with, arising out of, related to, based upon, in whole or in part, directly or indirectly, any allegation, transaction, fact, matter, occurrence, representation, action, omission, or failure to act that was alleged, involved, set forth, referred to, or that could have been alleged in the Class Action, including any allegations that DOT System orders involving stocks traded on the NYSE were affected by actual or claimed frontrunning, trading ahead, interpositioning, or other alleged violations relating to such transactions or orders are hereby released and forever

discharged. Each Class Releasing Person is hereby barred from suing or otherwise seeking to establish or impose liability against any of the Defendant Released Persons based, in whole or in part, on any of the Released Class Claims. Each Class Releasing Person is also hereby found to have expressly waived and released (1) any and all provisions, rights, and benefits conferred by §1542 of the California Civil Code, which provides that:

> 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

and (2) any and all provisions or rights conferred by any law of any state or territory of the United States or other jurisdiction, or principle of common law, which is similar, comparable or equivalent to California Civil Code §1542. Each Class Releasing Person may hereafter discover facts other than or different from those which he, she or it knows or believes to be true with respect to the Released Class Claims, but each Class Releasing Person fully, finally, and forever settles and releases any and all Released Class Claims (including Unknown Claims), known or unknown, suspected or unsuspected, contingent or noncontingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct that is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. The releases given by the Class Releasing Persons shall be and remain in effect as full and complete releases of the claims set forth in the Class Action, notwithstanding the later discovery or existence of such additional or different facts relative hereto or the later discovery of any such additional or different claims that would fall within the scope of the release provided in Section 9.2 of the Settlement Agreement, as if such facts or claims had been

known at the time of this release. The Class Releasing Persons are hereby enjoined from asserting any of the Released Class Claims against any of the Defendant Released Persons.

13. The Court hereby approves the release of the Released Settling Defendants' Claims as against the Class Released Persons as set forth in the Settlement Agreement. Under the terms and conditions set forth in the Settlement Agreement, any and all actions, claims, debts, demands, causes of action and rights, and liabilities whatsoever (including, but not limited to, any claims for damages, interest, attorneys' fees, expert or consulting fees, and any other costs, expenses, or liabilities whatsoever), whether based on federal, state, local statutory, or common law or any other law, rule, or regulation, including both known claims and Unknown Claims, that have been or could have been asserted against the Class Released Persons, belonging to the Defendant Releasing Persons, which arise out of or relate in any way to the institution, prosecution, or settlement of the Class Action, excluding any claims for breaches of the Settlement Agreement are hereby released and forever discharged. The Defendant Releasing Persons are hereby found to have waived and released (1) any and all provisions, rights, and benefits conferred by §1542 of the California Civil Code, which provides that:

> 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

and (2) any and all provisions or rights conferred by any law of any state or territory of the United States or other jurisdiction, or principle of common law, which is similar, comparable or equivalent to California Civil Code §1542. The Defendant Releasing Persons may hereafter discover facts in addition to or different from those which they know or believe to be true with respect to the subject matter of the Released Settling Defendants' Claims, but the Defendant Releasing Persons shall

expressly fully, finally, and forever settle and release any and all Released Settling Defendants' Claims (including Unknown Claims), known or unknown, suspected or unsuspected, contingent or noncontingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, breach of any duty, law, or rule, without regard to the subsequent discovery or existence of such different or additional facts. The releases given by the Defendant Releasing Persons shall be and remain in effect as full and complete releases of the claims set forth in the Class Action, notwithstanding the later discovery or existence of such additional or different facts relative hereto or the later discovery of any such additional or different claims that would fall within the scope of the release provided in Section 9.3 of the Settlement Agreement, as if such facts or claims had been known at the time of this release. The Defendant Releasing Persons are hereby expressly enjoined from asserting any of the Released Settling Defendants' Claims against the Class Released Persons.

14. The Settlement is not and shall not be deemed or construed to be an admission, adjudication or evidence of any violation of any statute or law or of any liability or wrongdoing by any of the Defendant Released Persons or of the truth of any of the claims or allegations alleged in the Class Action. The Settlement Agreement, including its exhibits, and any and all negotiations, documents and discussions associated with it, shall be without prejudice to the rights of any party, shall not be deemed or construed to be an admission or evidence of any violation of any statute or law or of any liability or wrongdoing by the Defendant Released Persons, or of the truth of any of the claims or allegations, or of any damage or injury. Evidence of this Settlement or the negotiation of this Settlement shall not be discoverable or used directly or indirectly, in any way, whether in the

Class Action or in any other action or proceeding of any nature, except in connection with a dispute under this Settlement or an action in which this Settlement is asserted as a defense.

15. The Court finds that during the course of the Class Action, the Parties and their respective counsel at all times complied with the requirements of Rule 11 of the Federal Rules of Civil Procedure.

16. Bar Order: The Court hereby (a) permanently bars, enjoins and restrains any person or entity from commencing, prosecuting, or asserting any Barred Claims against any of the Defendant Released Persons, whether as claims, cross-claims, counterclaims, third-party claims, or otherwise, and whether asserted in the Class Action or any other proceeding, in this Court, in any federal or state court, or in any other court, arbitration proceeding, administrative agency, or other forum in the United States or elsewhere; and (b) permanently bars, enjoins, and restrains the Defendant Released Persons from commencing, prosecuting, or asserting any Barred Claims against any person or entity, whether as claims, cross-claims, counterclaims, third-party claims or otherwise, and whether asserted in the Class Action or any other proceeding, in this Court, in any federal or state court, or in any other court, arbitration proceeding, administrative agency, or other forum in the United States or elsewhere.

17. Judgment Reduction: Any final verdict or judgment that may be obtained by or on behalf of the Class or a Class Member against any person or entity subject to the Bar Order shall be reduced by the greater amount of: (a) an amount that corresponds to the percentage of responsibility of the Settling Defendants for common damages; or (b) the amount paid by or on behalf of the Settling Defendants to the Class or Class Member for common damages.

18. The Plan of Allocation, which has been modified in part as summarized in the proposed letter from the settlement administrator attached hereto, is approved as fair, reasonable, and adequate.

19. The Court has reviewed Lead Counsel's petition for an award of attorneys' fees and expenses. The Court has also reviewed the recommendation of the mediator, the Honorable Daniel Weinstein (Ret.), that Lead Counsel should be awarded $7,613,000.00 in attorneys' fees and $2,219,518.00 in expenses. The Court determines that the mediator's award is fair, reasonable, and adequate and Lead Counsel is hereby awarded $7,613,000.00 in attorneys' fees and $2,219,518.00 in expenses, to be paid by the Settling Defendants in accordance with the terms of the Settlement Agreement.

20. If any deadline imposed herein falls on a non-business day, then the deadline is extended until the next business day.

21. There is no just reason for delay in the entry of this Final Order and 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.

IT IS SO ORDERED.

Signed this 10th day of June, 2013, at the Courthouse for the United States District Court for the Southern District of New York.

THE HONORABLE ROBERT W. SWEET
UNITED STATES DISTRICT COURT JUDGE

TAB 11

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

In re OSG SECURITIES LITIGATION	:	Civil Action No. 1:12-cv-07948-SAS
	:	CLASS ACTION
This Document Relates To:	:	[PROPOSED] ORDER AWARDING ATTORNEYS' FEES AND EXPENSES AND REIMBURSEMENT OF LEAD PLAINTIFFS' EXPENSES
ALL ACTIONS.	:	

This matter having come before the Court on December 1, 2015, on Lead Counsel's Motion for an Award of Attorneys' Fees and Expenses and Reimbursement of Lead Plaintiffs' Expenses ("Fee Motion"), the Court, having considered all papers filed and proceedings conducted herein, having found the Settlements of this class action (the "Action") to be fair, reasonable and adequate, and otherwise being fully informed in the premises and good cause appearing therefor;

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that:

1. All of the capitalized terms used herein shall have the same meanings as set forth in the Stipulations of Settlement filed with the Court and the Memorandum in Support of the Fee Motion submitted in support thereof. *See* Dkt. Nos. 232, 233, 234, and 246.

2. This Court has jurisdiction over the subject matter of this application and all matters relating thereto, including all members of the Class who have not timely and validly requested exclusion.

3. Notice of Lead Counsel's Fee Motion was given to all Class Members who could be identified with reasonable effort. The form and method of notifying the Class of the Fee Motion met the requirements of Rules 23 and 54 of the Federal Rules of Civil Procedure, 15 U.S.C. §77z-1, the Securities Act of 1933, and 15 U.S.C. §78u-4(a)(7), the Securities Exchange Act of 1934, each as amended by the Private Securities Litigation Reform Act of 1995, due process, and any other applicable law, constituted the best notice practicable under the circumstances, and constituted due and sufficient notice to all persons and entities entitled thereto.

4. The Court hereby awards Lead Counsel attorneys' fees of 30% of the total recovery (consisting of the $16,250,000.00 obtained from the Settling Defendants, the $15,426,933.68 obtained to date in the Bankruptcy Court Settlement, as well as any additional funds received as a result of the Bankruptcy Court Settlement, which includes the contingent right to 15% of the net

proceeds of OSG's professional liability action against Proskauer Rose LLP and certain Individual Defendants (the "Proskauer Litigation")), plus expenses in the amount of $338,918.76, together with the interest earned on such amounts for the same time period and at the same rate as that earned on those amounts. The Court finds that the amount of fees awarded is appropriate and that the amount of fees awarded is fair and reasonable under the "percentage-of-recovery" method.

5. The fees and expenses shall be allocated among Plaintiffs' Counsel in a manner which, in Lead Counsel's good-faith judgment, reflects the contributions of such counsel to the prosecution and settlement of the Action.

6. The awarded attorneys' fees, expenses, and Lead Plaintiffs' expenses, shall be paid immediately to Lead Counsel and Lead Plaintiffs subject to the terms, conditions, and obligations of the Stipulations of Settlement.[1]

7. In making the award to Lead Counsel of attorneys' fees and litigation expenses to be paid from the recovery, the Court has considered and found that:

(a) The Settlements have created a common fund of at least $31,676,933.68 and that numerous Class Members who submit acceptable Proofs of Claim will benefit from the Settlements created by the efforts of Lead Counsel;

(b) The requested attorneys' fees and payment of litigation expenses have been approved as fair and reasonable by the Lead Plaintiffs;

[1] Pursuant to the terms of the Bankruptcy Court Settlement, a fixed payment of $5 million (of the $15.426 million Bankruptcy Court Settlement) is not due to be paid to the Class until a set period of time following resolution of the Proskauer Litigation (regardless of its outcome). The fee award on this portion of the recovery shall not be paid to Lead Counsel until after this $5 million payment is made.

(c) Notice was disseminated to putative Class Members stating that Lead Counsel would be moving for attorneys' fees in an amount not to exceed 30% of the total amount of the recovery and payment of litigation expenses, plus interest earned on both amounts;

(d) There were no objections to the requested attorneys' fees and payment of litigation expenses;

(e) Lead Counsel have expended substantial time and effort pursuing the Action on behalf of the Class;

(f) Lead Counsel pursued the Action on a contingent basis, having received no compensation during the Action, and any fee award has been contingent on the result achieved;

(g) The Action involves complex factual and legal issues and, in the absence of settlement, would involve lengthy proceedings whose resolution would be uncertain;

(h) Lead Counsel conducted the Action and achieved the Settlements with skillful and diligent advocacy;

(i) Public policy concerns favor the award of reasonable attorneys' fees in securities class action litigation;

(j) The amount of attorneys' fees awarded are fair and reasonable and consistent with awards in similar cases within the Second Circuit; and

(k) Plaintiffs' Counsel devoted 12,914.50 hours, with a lodestar value of $6,563,933.75 to achieve the Settlements.

8. Any appeal or any challenge affecting this Court's approval regarding any attorneys' fee and expense application shall in no way disturb or affect the finality of the Judgments entered with respect to the Settlements.

9. The Court hereby awards Lead Plaintiff Stitchting Pensioenfonds DSM Nederland $10,000, Lead Plaintiff Indiana Treasurer of State $7,250, and Lead Plaintiff Lloyd Crawford $9,000, for their time and expenses incurred in representing the Class.

10. In the event that the Settlements are terminated or do not become Final or the Effective Date does not occur in accordance with the terms of the Stipulations, this Order shall be rendered null and void to the extent provided by the Stipulations and shall be vacated in accordance with the Stipulations.

IT IS SO ORDERED.

DATED: 12/2/15

THE HONORABLE SHIRA A. SCHEINDLIN
UNITED STATES DISTRICT JUDGE

TAB 12

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TENNESSEE
WESTERN DIVISION

In re REGIONS MORGAN KEEGAN SECURITIES, DERIVATIVE and ERISA LITIGATION	)	
This Document Relates to:	)	
In re Regions Morgan Keegan Closed-End Fund Litigation,	)	No. 2:09-2009 SMH V
No. 2:07-cv-02830-SHM-dkv	)	

ORDER APPROVING PROPOSED SETTLEMENT AND AWARD OF ATTORNEY'S FEES AND EXPENSES

On behalf of the Class and the Subclass, Plaintiffs the Lion Fund L.P., Dr. Samir J. Sulieman, and Larry Lattimore (collectively, "Lead Plaintiffs"), and C. Fred Daniels in his capacity as Trustee Ad Litem for the Leroy S. McAbee, Sr. Family Foundation Trust (the "TAL") (collectively with the Lead Plaintiffs, "Plaintiffs"), filed a Motion on March 8, 2013, for Final Approval of the Proposed Settlement and Plan of Allocation entered into with Defendants Morgan Keegan & Co., Inc. ("Morgan Keegan"), MK Holding, Inc., Morgan Asset Management, Inc., Regions Financial Corporation ("RFC"), the Closed-End Funds, Allen B. Morgan, Jr., J. Kenneth Alderman, Brian B. Sullivan, Joseph Thompson Weller, James C. Kelsoe, Jr., and Carter Anthony (collectively, "Defendants"). (Mot. for Final App., ECF No.

283.) Also before the Court is Plaintiffs' Motion for Award of Attorney's Fees and Expenses. (Mot. for Atty. Fees, ECF No. 285.)

For the following reasons, Plaintiffs' proposed Class is CERTIFIED. Plaintiffs' Motion for Final Approval is GRANTED. Plaintiffs' Motion for Attorney's Fees and Expenses is GRANTED. The parties' joint Stipulation and Agreement of Settlement and their Plan of Allocation are APPROVED.

I. Standard of Review

A. Approval of Settlement and Certification of Class

Under Federal Rule of Civil Procedure 23, a member of a class may bring suit on behalf of all other members if:

> (1) the class is so numerous that joinder of all members is impracticable;
> (2) there are questions of law or fact common to the class;
> (3) the claims or defenses of the representative parties are typical of the claims or defenses of the class; and
> (4) the representative parties will fairly and adequately protect the interests of the class.

Fed. R. Civ. P. 23(a).

If these conditions are met a class action may be maintained if:

> (3) the court finds that the questions of law or fact common to class members predominate over any questions affecting only individual members, and that a class action is superior to other available methods for fairly and efficiently adjudicating the controversy. The matters pertinent to these findings include:
> (A) the class members' interests in individually controlling the prosecution or defense of separate actions;
> (B) the extent and nature of any litigation concerning the

> controversy already begun by or against class members;
> (C) the desirability or undesirability of concentrating the litigation of the claims in the particular forum; and
> (D) the likely difficulties in managing a class action.

Fed. R. Civ. P. 23(b)(3).

The "claims, issues, or defenses of a certified class may be settled, voluntarily dismissed, or compromised only with the court's approval." Fed. R. Civ. P. 23(e). When parties to a class action seek to settle, the Court must comply with the following procedures:

> (1) The court must direct notice in a reasonable manner to all class members who would be bound by the proposal.
> (2) If the proposal would bind class members, the court may approve it only after a hearing and on finding that it is fair, reasonable, and adequate.
> (3) The parties seeking approval must file a statement identifying any agreement made in connection with the proposal.
> (4) If the class action was previously certified under Rule 23(b)(3), the court may refuse to approve a settlement unless it affords a new opportunity to request exclusion to individual class members who had an earlier opportunity to request exclusion but did not do so.
> (5) Any class member may object to the proposal if it requires court approval under this subdivision (e); the objection may be withdrawn only with the court's approval.

Id.

B. Attorney's Fees and Expenses

Under Rule 23(h), in a "certified class action, the court may award reasonable attorney's fees and nontaxable costs that are authorized by law or by the parties' agreement." When parties to a class action seek attorney's fees and costs, the Court must comply with the following procedures:

> (1) A claim for an award must be made by motion under Rule 54(d)(2), subject to the provisions of this subdivision (h), at a time the court sets. Notice of the motion must be served on all parties and, for motions by class counsel, directed to class members in a reasonable manner.
> (2) A class member, or a party from whom payment is sought, may object to the motion.
> (3) The court may hold a hearing and must find facts and state its legal conclusions under Rule 52(a).
> (4) The court may refer issues related to the amount of the award to a special master or a magistrate judge, as provided in Rule 54(d)(2)(D).

Fed. R. Civ. P. 23(h).

II. Analysis

The Court has reviewed the record in this case, the joint Stipulation and Agreement of Settlement, the Plan of Allocation, all attached exhibits, the Plaintiffs' Motions for preliminary and final approval of the Settlement, the supporting memoranda, and the written objections of Class Members. The Court has held a Preliminary Fairness Hearing and a Final Approval Hearing. (Prelim. Hearing, ECF No. 275; Final Hearing, ECF No. 312.) At the Final Approval Hearing, the Court heard presentations from the Lead Plaintiffs, TAL counsel, the Defendants, and objecting Class Members as well as testimony from the Plaintiffs' expert. (Final Hearing.)

Based on its independent assessment of the record and the information presented by the parties, the Court makes the following findings and reaches the following conclusions.

A. Class Certification

The conditions of Rule 23(a) have been satisfied. There is no dispute that the Class satisfies the numerosity, commonality, and typicality requirements. At the time of the Final Approval Hearing, the claims administrator had distributed nearly 100,000 class action notices to potential Class Members and more than 7,000 proofs of claim had been filed. All potential Class Members had purchased or acquired shares of the Closed-End Funds between 2003 and 2009.

After considering numerous motions for appointment, the Court decided that the Lead Plaintiffs were best qualified to represent the Class. (Order Appt. Counsel, ECF No. 179.) There is no dispute about the adequacy of the Class representatives. No party or Class Member has given the Court good cause to believe that the Lead Plaintiffs have not fairly and adequately protected the interests of the Class.

The conditions of Rule 23(b)(3) have been satisfied. The injuries of the Class Members are the same in kind if not in degree. The questions of law and fact common to the Class predominate over any questions affecting only individual members. Because there are so many potential Class Members, a class action is superior to other available methods for the fair and efficient adjudication of the controversy.

The Class is CERTIFIED as described in the Preliminary Approval Order:

All Persons who purchased or otherwise acquired the publicly traded shares of (i) RMH between June 24, 2003 and July 14, 2009, inclusive, and were damaged thereby; (ii) RSF between March 18, 2004 and July 14, 2009, inclusive, and were damaged thereby; (iii) RMA between November 8, 2004 and July 14, 2009, inclusive, and were damaged thereby; (iv) RHY between January 19, 2006 and July 14, 2009, inclusive, or pursuant or traceable to the Registration Statement, Prospectus, and Statement of Additional Information (the "RHY Offering Materials") filed by RHY on or about January 19, 2006 with the SEC, and were damaged thereby; and (v) all members of the TAL Subclass.

Excluded from the Class and as Class Members are the Defendants; the members of the immediate families of the Defendants; the subsidiaries and affiliates of Defendants; any person who is an executive officer, director, partner or controlling person of the Closed-End Funds or any other Defendant (including any of its subsidiaries or affiliates, which include but are not limited to Morgan Asset Management, Inc., Regions Bank, Morgan Keegan, RFC, and MK Holding, Inc.); any entity in which any Defendant has a controlling interest; any Person who has filed a proceeding with FINRA against one or more Released Defendant Parties concerning the purchase of shares in one or more of the Closed-End Funds during the Class Period and such proceeding was not subsequently dismissed to allow the Person to specifically participate as a Class Member; any Person who has filed a state court action that has not been removed to federal court, against one or more of the Defendants concerning the purchase of shares in one or more of the Closed-End Funds during the Class Period and whose claims in that action have been dismissed with prejudice, released, or fully adjudicated absent a specific agreement with such Defendant(s) to allow the person to participate as a Class Member; and the legal representatives, heirs, successors and assigns of any such excluded person or entity. These exclusions do not extend to trusts or accounts as to which the control or legal ownership by any Defendant (or by any subsidiary or affiliate of any Defendant) is derived or arises from an appointment as trustee, custodian, agent, or other fiduciary ("Fiduciary Accounts") unless with respect to any such Fiduciary Account any Person has filed a proceeding with FINRA against one or more Released Defendant Parties concerning the purchase of shares in one or more of the Closed-End Funds during the Class Period and such proceeding was not

subsequently dismissed to allow the Person to specifically participate as a Class Member; any Person who has filed a state court action that has not been removed to federal court, against one or more of the Defendants concerning the purchase of shares in one or more of the Closed-End Funds during the Class Period and whose claims in that action have been dismissed with prejudice, released, or fully adjudicated absent a specific agreement with such Defendant(s) to allow the Person to participate as a Class Member (and such exclusion shall apply to the legal representatives, heirs, successors and assigns of any such excluded Person, entity or Fiduciary Account). With respect to Closed-End Fund shares for which the TAL Orders authorize the Trustee Ad Litem to prosecute the claims or causes of action pleaded in the Complaint in the Action ("TAL Represented Closed-End Fund Shares"), "Class" and "Class Member" also excludes Persons who are, or were during the Class Period, trust and custodial account beneficiaries, principals, settlors, co-trustees, and others owning beneficial or other interests in the TAL Represented Closed-End Fund Shares ("Such Persons"), but this exclusion applies only to any claims or causes of action of Such Persons that the Trustee Ad Litem is not authorized by the TAL Orders to prosecute. With respect to Closed-End Fund Shares that are not TAL Represented Closed-End Fund Shares and in which Such Persons have a beneficial or other interest, the foregoing partial exclusion of Such Persons does not apply. Also excluded from the Class and as Class Members are those Persons who submit valid and timely requests for exclusion from the Class in accordance with the requirements set forth in the Notice.

(Prelim. Order, ECF No. 276.)

Persons and entities who have been deemed excluded from Class Membership are identified in the Court's May 17, 2013 and July 26, 2013 Orders, (ECF No. 330; ECF No. 344), and in the Plaintiffs' May 24, 2013 exhibit, (ECF No. 331-2).

B. Sufficiency of Notice

Due process requires that notice to a class be "reasonably calculated, under all the circumstances, to apprise interested

parties of the pendency of the action and afford them an opportunity to present their objections." Vassalle v. Midland Funding LLC, 708 F.3d 747, 759 (6th Cir. 2013) (internal quotation marks and citations omitted)). "[A]ll that the notice must do is fairly apprise the prospective members of the class of the terms of the proposed settlement so that class members may come to their own conclusions about whether the settlement serves their interests." Id. (internal quotation marks and citations omitted).

The Court approved the Notice submitted by Plaintiffs at the Preliminary Approval Hearing. (Prelim. Order.) The Notice describes the nature of the class action, the proposed settlement terms, the proposed Plan of Allocation, and the requested attorney's fees and expenses in detail. (Notice, ECF No. 260-2.) The Notice is written to be understood by non-attorneys. (Id.) The Court approved the proposed methods of disseminating the Notice. At the time of the Final Approval Hearing, the claims administrator had sent nearly 100,000 Notices by mail and had received more than 7,000 proofs of claim in response. The Defendants had received more than 10,000 requests for share purchase and sale information in response to the Notice. The Court received four timely and valid objections, one untimely objection, and one invalid objection from a non-class member.

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The Notice was sufficient. The due process requirements have been met.

C. Settlement Approval

In compliance with Rule 23(e), the Court required the Plaintiffs to send Notices of Class Action, Proofs of Claim, and information about Requests for Exclusion to all Class Members by means reasonably calculated to give them actual notice of the pendency of the class action and the terms of the proposed Settlement. (Prelim. Order); Fed. R. Civ. P. 23(e)(1). The parties filed a Stipulation and Agreement of Settlement identifying all agreements made in connection with the proposed Settlement. (ECF No. 260); Fed. R. Civ. P. 23(e)(3). The Court allowed all Class Members to file written objections to the proposed Settlement and held a Final Approval Hearing at which proper objectors were entitled to appear. (Prelim. Order; Final Hearing); Fed. R. Civ. P. 23(e)(2), 23(e)(5).

The procedural requirements of Rule 23(a), (b), and (e) have been satisfied. Final approval of the proposed Settlement is warranted if the Court finds that the terms of the Settlement are fair, reasonable, and adequate.

"A district court looks to seven factors in determining whether a class action settlement is fair, reasonable, and adequate: '(1) the risk of fraud or collusion; (2) the complexity, expense and likely duration of the litigation; (3)

the amount of discovery engaged in by the parties; (4) the likelihood of success on the merits; (5) the opinions of class counsel and class representatives; (6) the reaction of absent class members; and (7) the public interest.'" Vassalle, 708 F.3d at 754-755 (quoting UAW v. GMC, 497 F.3d 615, 631 (6th Cir. 2007)). The Court has "'wide discretion in assessing the weight and applicability' of the relevant factors." Id. (quoting Granada Invest., Inc. v. DWG Corp., 962 F.2d 1203, 1205-06 (6th Cir. 1992)). Although the Court need not decide the merits of the case or resolve unsettled legal questions, the Court cannot "'judge the fairness of a proposed compromise' without 'weighing the plaintiff's likelihood of success on the merits against the amount and form of the relief offered in the settlement.'" Id. (quoting UAW, 497 F.3d at 631) (internal citations omitted).

The parties seek approval of a monetary Settlement in the amount of $62,000,000.00. All of the UAW factors support the fairness, reasonableness, and adequacy of the proposed Settlement. The parties protected against the risk of fraud or collusion by using a highly qualified and experienced independent mediator during settlement negotiations. The parties engaged in arms-length negotiations. The complexity and expense of the litigation are evident. The litigation has been pending for more than five-and-a-half years. The matter before the Court represents a consolidation of seven cases; tens of

thousands of claims could be made on the settlement fund.

If the case were to proceed to trial, the Plaintiffs would face a daunting task in establishing loss causation and liability because there is evidence of both management failures and market decline. The parties have stated that they will proceed to trial if the proposed Settlement is rejected. Although the case has not reached the summary judgment stage, the Plaintiffs have completed a substantial amount of discovery to support their loss valuation theory and their mediation position. Because of the complexity of the case, discovery costs would be much higher before the case could proceed to trial.

The opinions of Class counsel and the reactions of Class Members also support approval of the Settlement. Class counsel have represented to the Court that, given the circumstances of the case and the anticipated litigation risk, they believe they have achieved the best possible result. From the tens of thousands of potential Class Members, the Court has received four valid and timely objections, one untimely objection, and one invalid objection raised by a non-class member. (ECF No. 309.) The Court has considered all of the objections and heard from two of the objectors at the Final Approval Hearing. None of the objections has caused the Court to conclude that the proposed Settlement is unfair, unreasonable, or inadequate.

Settlement is also in the public interest. It will conserve judicial resources and permit monetary recovery for potentially tens of thousands of individuals and entities. The Release is narrow and does not implicate individuals or entities with claims outside the Class.

"'The most important of the factors to be considered in reviewing a settlement is the probability of success on the merits. The likelihood of success, in turn, provides a gauge from which the benefits of settlement must be measured.'" Poplar Creek Dev. Co. v. Chesapeake Appalachia, L.L.C., 636 F.3d 235, 245 (6th Cir. 2011) (quoting In re Gen. Tire & Rubber Co. Sec. Litig., 726 F.2d 1075, 1086 (6th Cir. 1984)). The Plaintiffs' likelihood of success on the merits is questionable for several reasons. First, the Defendants argue that they have strong defenses but have chosen to settle because of the projected costs of discovery, the uncertainty and disruption to the Defendants' ongoing businesses, and the risk of higher damages. Second, the Defendants argue, and the Plaintiffs admit, that the Plaintiffs did not have to show loss causation to obtain the proposed Settlement. The Defendants contend that loss causation would be difficult to prove under the circumstances of this case. They argue that, if the Plaintiffs were required to prove the portion of the loss attributable to the Defendants, recovery would be significantly reduced. The

Defendants also argue that it would be difficult at trial for the Plaintiffs to prove material fraudulent misrepresentations and to establish that Morgan Keegan and RFC were controlling persons of the Funds.

Finally, the Plaintiffs' novel damages valuation methodology could be excluded at trial for failure to satisfy the expert testimony standard in Daubert v. Merrell Dow Pharms., Inc., 509 U.S. 579 (1993). "Before an expert may testify at trial, the district 'court must make a preliminary assessment of whether the reasoning or methodology underlying the testimony is scientifically valid and of whether that reasoning or methodology properly can be applied to the facts in issue.'" United States v. Watkins, 450 F. App'x 511, 515 (6th Cir. 2011) (quoting United States v. Smithers, 212 F.3d 306, 313 (6th Cir. 2000) (internal quotations and citations omitted)). At the Final Approval Hearing, the Plaintiffs' expert described substantial differences between the methodology he employed and generally accepted methodologies. Plaintiffs' expert admitted that his method was otherwise untested and that it used daily net asset values as a novel proxy for the potentially fraudulent or misleading statements of Fund managers. It is possible that the expert's method would be found invalid. If the Plaintiffs' damages valuations were excluded at trial, their likelihood of success on the merits and the amount of any recovery would be

greatly reduced.

The proposed Settlement offers the Class Members a monetary recovery for their monetary loss. Based on the information presented by the parties and the objectors, counsel for the Plaintiffs were able to negotiate a multi-million dollar recovery for the Class based on a novel theory. The Plaintiffs' expert testified that, under generally accepted damages valuation models, the total loss to the Class attributable to the Defendants would have been between one sixth and one third of the proposed Settlement amount.

Although the proposed Settlement allows the Class Members to recover, at best, 18% of their losses as alleged by the Plaintiffs, monetary relief is guaranteed. The Plaintiffs could succeed on the merits, but the likelihood is problematic and their theory of recovery introduces unusual litigation risks. Based on these considerations, the proposed Settlement confers a substantial benefit on the Class Members.

The Sixth Circuit looks beyond the UAW factors when evaluating the fairness of a settlement to determine whether the proposed settlement "'gives preferential treatment to the named plaintiffs while only perfunctory relief to unnamed class members.'" Vassalle, 708 F.3d at 755 (quoting Williams v. Vukovich, 720 F.2d 909, 925 n.11 (6th Cir. 1983)). Under the proposed Settlement, each Class Member receives a pro rata share

of the settlement fund based on the number of shares the Class Member purchased. The parties have represented to the Court that there is no side agreement promising a bonus or a different type of relief to the named Plaintiffs.

The form and amount of recovery in the proposed Settlement appropriately balance the risks of litigation. All of the UAW factors weigh in favor of concluding that the proposed Settlement is fair, reasonable, and adequate. Plaintiffs' Motion for Final Approval is GRANTED. The Stipulation and Agreement of Settlement and the Plan of Allocation are ADOPTED and APPROVED.

E. Attorney's Fees and Expenses

In compliance with Rule 23(h), the Plaintiffs have filed a Motion for Award of Attorney's Fees and Expenses that conforms to the requirements of Rule 54(d)(2). (Mot. for Atty. Fees.) Notice of the Motion was served on all parties through the Court's Electronic Filing Docket and on Class Members by mail. (See ECF No. 301.) The Class Members and the Defendants were given an opportunity to object to the Motion. (Prelim. Order.) The Court heard argument from the Lead Plaintiffs, TAL Counsel, Defendants, and several objectors at the Final Approval Hearing.

All of the procedural prerequisites to an award of attorney's fees and expenses have been satisfied. The question is whether the attorney's fees and expenses requested are

reasonable. In general, "there are two methods for calculating attorney's fees: the lodestar and the percentage-of-the-fund." Van Horn v. Nationwide Prop. & Cas. Ins. Co., 436 F. App'x 496, 498 (6th Cir 2011). "District courts have discretion 'to select the more appropriate method for calculating attorney's fees in light of the unique characteristics of class actions in general, and of the unique circumstances of the actual cases before them.'" Id. (quoting Rawlings v. Prudential-Bache Props., Inc., 9 F.3d 513, 516 (6th Cir. 1993)). "The lodestar method better accounts for the amount of work done, while the percentage of the fund method more accurately reflects the results achieved." Rawlings, 9 F.3d at 516. A district court "generally must explain its 'reasons for adopting a particular methodology and the factors considered in arriving at the fee.'" Id. (quoting Moulton v. U.S. Steel Corp., 581 F.3d 344, 352 (6th Cir. 2009)).

Plaintiffs move the Court to approve a percentage-of-the-fund, or common fund, award of attorney's fees in the amount of $18,600,000.00, or 30% of the total common fund. (Mem. in Supp. of Mot. for Atty. Fees, ECF No. 86.) The Plaintiffs contend that the reasonableness of their request is supported by a "lodestar cross-check," a method by which the party requesting an award works backward from the requested amount to determine the multiplier that would be necessary to reach that amount if the party had instead used the lodestar method to determine the

requested fee. (Id.) If the resulting multiplier is within the accepted range, it supports the party's contention that its fee request is reasonable. (Id.)

To recover attorney's fees under the common fund doctrine, "(1) the class of people benefitted by the lawsuit must be small in number and easily identifiable; (2) the benefits must be traceable with some accuracy; and (3) there must be reason for confidence that the costs can in fact be shifted with some exactitude to those benefitting." Geier v. Sundquist, 372 F.3d 784, 790 (6th Cir. 2004). These factors are not satisfied "'where litigants simply vindicate a general social grievance,'" but are satisfied "'when each member of a certified class has an undisputed and mathematically ascertainable claim to part of a lump-sum judgment recovered on his behalf.'" Id. (quoting Boeing Co. v. Van Gemert, 444 U.S. 472, 478 (1980)). For that reason, "the common fund method is often used to determine attorney's fees in class action securities cases." Id.

The instant class action is a securities case. Each Class Member who submits a proper proof of claim will receive a pro rata share of the settlement fund based on the number of shares the Member purchased during the Class Period. Although the Class is large, each Class Member is easily identifiable and the benefit to each Member is easily traceable to the work of Plaintiffs' counsel. Because recovery is pro rata, if the

common fund method is applied, each Class Member will in effect pay a portion of the attorney's fees and expenses based on the size of the Class Member's recovery.

The common fund method is the more appropriate method for calculating attorney's fees in this case. "In common fund cases, the award of attorney's fees need only 'be reasonable under the circumstances.'" Id. (quoting Rawlings, 9 F.3d at 516). "The 'majority of common fund fee awards fall between 20% and 30% of the fund.'" Gooch v. Life Investors Ins. Co. of Am., 672 F.3d 402, 426 (quoting Waters v. Int'l Precious Metals Corp., 190 F.3d 1291, 1294 (11th Cir. 1999)). Although the Court may award fees in its discretion, it should consider:

> (1) the value of the benefit rendered to the plaintiff class; (2) the value of the services on an hourly basis; (3) whether the services were undertaken on a contingent fee basis; (4) society's stake in rewarding attorneys who produce such benefits in order to maintain an incentive to others; (5) the complexity of the litigation; and (6) the professional skill and standing of counsel involved on both sides.

Moulton, 581 F.3d at 352 (quoting Bowling v. Pfizer, Inc., 102 F.3d 777, 780 (6th Cir. 1996)).

In this case, there is no dispute that the litigation is complex, that counsel for all parties are highly skilled and nationally well-regarded, and that counsel for the Plaintiffs undertook a substantial risk and bore considerable costs by accepting this case on a contingent fee basis. The requested

fee is within the typical range for awards in common fund cases, and society has a clear stake in rewarding attorneys as an incentive to take on complicated, risky, contingent fee cases.

The value of Plaintiffs' legal services on an hourly basis is established by their lodestar cross-check. See Johnson v. Midwest Log. Sys., No. 2:11-CV-1061, 2013 U.S. Dist. LEXIS 74201, at *16 (S.D. Ohio May 25, 2013). "In contrast to employing the lodestar method in full, when using a lodestar cross-check, the hours documented by counsel need not be exhaustively scrutinized by the district court." Id. at *17 (internal quotations and citations omitted). Plaintiffs spent approximately 13,000 hours in preparation for this case, producing a cumulative lodestar value of $5,980,680.50. (ECF No. 287-1.) Each firm comprising Plaintiffs' counsel submitted an accounting of the hourly rate and hours spent for each attorney who worked on the case. (ECF No. 287-6; ECF No. 287-7; ECF No. 287-8.) The hours spent and the rates applied are reasonable. The resulting lodestar multiplier is approximately 3.1. "Most courts agree that the typical lodestar multiplier in a large post-PSLRA securities class action[] ranges from 1.3 to 4.5." In re Cardinal Health Inc. Sec. Litigs., 528 F. Supp. 2d 752, 767 (S.D. Ohio 2007) (collecting cases). The lodestar cross-check multiplier is within the reasonable range.

The most important factor in determining the reasonableness

of the requested attorney's fees in this case is the value of the benefit conferred on the Class. This is a complex case, and the Plaintiffs' likelihood of success on the merits is in question. Nevertheless, Plaintiffs' counsel was able to negotiate a multimillion-dollar settlement on a novel theory of recovery to be distributed pro rata to all Class Members. Plaintiffs' counsel created substantial value for the Class Members. Had the litigation proceeded on an accepted damages valuation theory, the total recovery was projected to be from one third to as little as one sixth of the proposed settlement fund. If the case had proceeded to trial, the Class Members faced a substantial risk of no recovery at all.

The Plaintiffs also seek payment of expenses from the common fund totaling $380,744.14. (ECF No. 287.) The Plaintiffs state that approximately $277,000.00 represents payments to experts, approximately $17,000.00 represents the costs of mediation, and the remainder includes photocopying, travel, and lodging. (Id.) The Plaintiffs have submitted itemized lists of all expenses. (ECF No. 287-6; ECF No. 287-7; ECF No. 287-8.) No objections have been raised to the Plaintiffs' expenses. After review of the Plaintiffs' submissions, the Court finds that the requested expenses are reasonable and should be paid from the common fund.

The Plaintiffs' requested attorney's fees and expenses are

reasonable under the unique circumstances of this case. The common fund method is the more appropriate method of addressing attorney's fees. All of the Bowling factors weigh in favor of the requested fee of 30% of the fund, $18,600,000.00. Plaintiffs' Motion for Attorney's Fees and Expenses is GRANTED.

III. Dismissal of Claims and Release

Except as to any individual claim of those persons who have been excluded from the Class, this action, together with all claims asserted in it, is dismissed with prejudice by the Plaintiffs and the other members of the Class against each and all of the Defendants. The Parties shall bear their own costs, except as otherwise provided above or in the joint Stipulation and Agreement of Settlement and the Plan of Allocation.

After review of the record, including the Complaint and the dispositive motions, the Court concludes that, during the course of this action, the parties and their respective counsel have complied at all times with the requirements of Rule 11.

The Release submitted by the parties as part of Exhibit B to the joint Stipulation and Agreement of Settlement, (ECF No. 260-5), is APPROVED and ADOPTED by the Court.

IV. Continuing Jurisdiction

The Court retains jurisdiction for purposes of effecting the Settlement, including all matters relating to the administration, consummation, enforcement, and interpretation of

the joint Stipulation and Agreement of Settlement and the Plan of Allocation.

V. Conclusion

For the foregoing reasons, Plaintiffs' proposed Class is CERTIFIED. Plaintiffs' Motion for Final Approval is GRANTED. Plaintiffs' Motion for Attorney's Fees and Expenses is GRANTED. The parties' Stipulation and Agreement of Settlement and their Plan of Allocation are APPROVED. The Class settlement fund is approved in the amount of $62,000,000.00. Attorney's fees are approved in the amount of $18,600,000.00. Expenses are approved in the amount of $380,744.14. All claims in this matter are DISMISSED except as provided above.

So ordered this 5th day of August, 2013.

s/ Samuel H. Mays, Jr.____
SAMUEL H. MAYS, JR.
UNITED STATES DISTRICT JUDGE

TAB 13

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE SALOMON ANALYST METROMEDIA LITIGATION

Case No. 02-CV-7966
Judge Gerard E. Lynch

[PROPOSED] ORDER AWARDING (1) ATTORNEYS' FEES, (2) REIMBURSEMENT OF LITIGATION EXPENSES, AND (3) REIMBURSEMENT OF LEAD PLAINTIFFS' TIME AND EXPENSES

This matter came on for hearing upon the application of the Settling Parties for approval of the Settlement set forth in the Stipulation of Settlement, dated as of November 14, 2008 (the "Stipulation"). Due and adequate notice having been given to the Settlement Class, and the Court having considered the Stipulation, all papers filed and proceedings held herein and all oral and written comments received regarding the proposed settlement and the request for attorneys' fees, reimbursement of litigation expenses and reimbursement of lead plaintiffs' time and expenses, and having reviewed the entire record in the action, and good cause appearing therefor;

IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

1. The Court has jurisdiction over the subject matter of this action, Lead Plaintiffs, all Settlement Class Members and the Defendants.

2. All capitalized terms used herein shall have the same meanings as set forth and defined in the Stipulation.

3. Co-Lead Counsel are hereby awarded attorneys' fees of 27 % of the Settlement Fund, valued at approximately $ 35,011,787 as of January 30, 2009, plus interest accruing thereon at the same rate as earned on the Settlement Fund, until paid. The award of 27% of the

2/27/09

Settlement Fund, plus interest accruing thereon at the same rate as earned on the Settlement Fund, is reasonable and appropriate.

4. Co-Lead Counsel are hereby also awarded $989,296.11 as reimbursement of their out-of-pocket expenses. This award of reimbursement of expenses is reasonable and appropriate.

5. Lead Plaintiffs Techgains Corporation, Peter Carolan, and Frank Russo, Jr. are awarded $5,000 each in reimbursement of their own costs and expenses relating to their representation of the Settlement Class. This award of reimbursement of lead plaintiffs' time and expenses is reasonable and appropriate.

Dated: New York, New York
Feb. 27, 2009

United States District Judge
Gerard E. Lynch

TAB 14

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE SINOHUB
SECURITIES LITIGATION

This Document Relates to: All Actions

No. 1:12-cv-08478-WHP

~~[PROPOSED]~~ ORDER AWARDING ATTORNEYS' FEES, EXPENSE REIMBURSEMENT, AND SERVICE AWARD

This matter came before the Court on the motion of Lead Plaintiff for: (1) an award of attorneys' fees and expense reimbursement; and (2) the reimbursement of the reasonable costs and expenses incurred by Lead Plaintiff Ellsworth Investments Limited ("Lead Plaintiff" or "Ellsworth Investments") in its representation of the Class in this Litigation. Having held a Final Approval Hearing on November 13, 2015, and having considered all papers and argument submitted in support of and in opposition to the motion and all proceedings in the Action,

THE COURT HEREBY FINDS AND ORDERS AS FOLLOWS:

1. The provisions of the Stipulation, including definitions of the terms used therein, are hereby incorporated by reference as though fully set forth herein.

2. This Court has jurisdiction over the subject matter of the Litigation and over all parties to the Litigation, including all members of the Class.

3. Lead Counsel are hereby awarded 25 % of the Settlement Fund (after deduction of reimbursable expenses) in fees, which sum the Court finds to be fair and reasonable, and $ 50,000 in reimbursement of expenses, which fees and expenses shall be paid immediately upon entry of this Order to Lead Counsel from the Settlement Fund.

4. The Court finds that an award of attorneys' fees under the percentage-of-recovery method is proper in this case, and further finds that the requested fee is fair, reasonable, and

consistent with awards made in similar cases. Furthermore, the Court has reviewed the factors set forth in *Goldberger v. Integrated Res., Inc.*, 209 F.3d 43 (2d Cir. 2000), and finds that they support the award. The Court has also performed a rough lodestar cross-check and finds that the hours and rates are reasonable for the amount and specialized type of work performed. Moreover, the multiplier is well within the range of reasonableness.

5. The Court finds, that an award pursuant to 15 U.S.C. §78u-4(a)(4) to Lead Plaintiff for its reasonable costs and expenses (including lost wages) spent directly in its representation of the Class and prosecution of this action is fair and reasonable, and thus, awards Lead Plaintiff Ellsworth Investments $ 5,000 from the Settlement Fund. The facts supporting reimbursement and the amount awarded are set forth in the declaration Lead Plaintiff submitted to the Court in support of its request.

IT IS SO ORDERED.

Dated: 11/13/15

THE HONORABLE WILLIAM H. PAULEY, III
UNITED STATES DISTRICT JUDGE

TAB 15

THE HONORABLE JOHN C. COUGHENOUR

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

SOUTH FERRY LP #2, individually and on behalf of all others similarly situated, Plaintiff, v. KERRY K. KILLINGER, et al., Defendants.	CASE NO. C04-1599-JCC FINAL ORDER APPROVING CLASS ACTION SETTLEMENT AND AWARDING ATTORNEYS' FEES AND EXPENSES

This matter comes before the Court on Lead Plaintiffs' motion for final approval of class action settlement and plan of allocation of settlement proceeds (Dkt. No. 269) and Lead Counsel's motion for award of attorneys' fees and reimbursement of expenses (Dkt. No. 270).

On June 5, 2012, this Court conducted a hearing to determine: (1) whether the terms and conditions of the Class Action Settlement Agreement dated October 5, 2011 (the "Settlement Agreement") are fair, reasonable, and adequate for the settlement of the Action now pending in this Court under the above caption, including the release of all Released Claims against Defendants and the other Released Parties, and should be approved; (2) whether judgment should be entered dismissing the Complaint on the merits and with prejudice in favor of Defendants and as against all persons or entities who are members of the Class herein who have not requested exclusion therefrom; (3) whether to approve the Plan of Allocation as a fair and reasonable method to allocate the settlement proceeds among the members of the Class; and (4) whether and

in what amount to award Plaintiffs' Counsel fees and reimbursement of expenses. The Court, having considered all matters submitted to it at the hearing and otherwise; and it appearing that a notice of the hearing substantially in the form approved by the Court was mailed to all persons or entities reasonably identifiable, who purchased the common stock of Washington Mutual, Inc. ("WMI") between April 15, 2003 and June 28, 2004, inclusive (the "Class Period"), as shown by the records of WMI's transfer agent, at the respective addresses set forth in such records, and that a summary notice of the hearing substantially in the form approved by the Court was published in the global edition of *The Wall Street Journal* and transmitted over the Global Media Circuit of *Business Wire* pursuant to the specifications of the Court; and the Court having considered and determined the fairness and reasonableness of the award of attorneys' fees and expenses requested; and all capitalized terms used but not otherwise defined herein having the meanings as set forth and defined in the Settlement Agreement.

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

1. The Court has jurisdiction over the subject matter of the Action, the Lead Plaintiffs, all Class Members, and the Defendants.

2. The Court finds that the prerequisites for a class action under Federal Rules of Civil Procedure 23 (a) and (b)(3) have been satisfied in that: (a) the number of Class Members is so numerous that joinder of all members thereof is impracticable; (b) there are questions of law and fact common to the Class; (c) the claims of the Class Representative are typical of the claims of the Class it seeks to represent; (d) the Class Representative and Plaintiffs' Co-Lead Counsel have and will fairly and adequately represent the interests of the Class; (e) the questions of law and fact common to the members of the Class predominate over any questions affecting only individual members of the Class; and (f) a class action is superior to other available methods for the fair and efficient adjudication of the controversy.

3. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, this Court hereby finally certifies this action as a class action on behalf of all persons who purchased the common stock of Washington Mutual, Inc. between April 15, 2003 and June 28, 2004, inclusive, and who were damaged thereby. Excluded from the Class are Washington Mutual, Inc. and the Individual Defendants; former defendants William W. Longbrake, Craig J. Chapman, James G. Vanasek and Michelle McCarthy; any other officers and directors of WMI during the Class Period; members of their immediate families and their legal representatives, heirs, successors or assigns; and any entity in which any of the Defendants or former defendants have or had a controlling interest. Also excluded from the Class are the persons and/or entities who requested exclusion from the Class as listed on Exhibit 1 annexed hereto.

4. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, this Court hereby finally certifies Walden Management Co. Pension Plan as Class Representative.

5. Notice of the pendency of this Action as a class action and of the proposed Settlement was given to all Class Members who could be identified with reasonable effort. The form and method of notifying the Class of the pendency of the Action as a class action and of the terms and conditions of the proposed Settlement met the requirements of Rule 23 of the Federal Rules of Civil Procedure, Section 21D(a)(7) of the Securities Exchange Act of 1934, 15 U.S.C. § 78u-4(a)(7) as amended by the Private Securities Litigation Reform Act of 1995, due process, and any other applicable law, constituted the best notice practicable under the circumstances, and constituted due and sufficient notice to all persons and entities entitled thereto. Plaintiffs' Co-Lead Counsel has filed with the Court proof of mailing of the Notice and Proof of Claim and proof of publication of the Publication Notice.

6. The Settlement is approved as fair, reasonable, and adequate, and the Class Members and the parties are directed to consummate the Settlement in accordance with the terms and provisions of the Settlement Agreement.

7. The Complaint, which the Court finds was filed on a good faith basis in accordance with the Private Securities Litigation Reform Act and Rule 11 of the Federal Rules of Civil Procedure based upon all publicly available information, is hereby dismissed with prejudice and without costs, as against the Defendants.

8. Lead Plaintiffs and members of the Class, on behalf of themselves, their heirs, executors, administrators, predecessors, successors and assigns, are hereby permanently barred and enjoined from instituting, commencing or prosecuting any and all claims, debts, demands, rights or causes of action or liabilities whatsoever (including, but not limited to, any claims for damages, interest, attorneys' fees, expert or consulting fees, and any other costs, expenses or liabilities whatsoever), whether known claims or Unknown Claims, whether based on federal, state, local, statutory or common law or any other law, rule or regulation, whether fixed or contingent, accrued or un-accrued, liquidated or un-liquidated, whether at law or in equity, matured or un-matured, whether class or individual in nature (i) that have been asserted in this Action or in the Chapter 11 Cases against any of the Released Parties relating to the purchase or sale of WMI common stock during the Class Period, including, without limitation, the Bankruptcy Claims, or (ii) that could have been asserted in the Action or the Chapter 11 Cases or in any forum against any of the Released Parties arising out of or based upon the allegations, transactions, facts, matters or occurrences, representations or omissions involved, set forth, or referred to in the Complaint and which relate to the purchase or sale of WMI common stock during the Class Period (the "Released Claims") against WMI, the Individual Defendants, Chapman, Longbrake, Vanasek, McCarthy and any and all of their past or present subsidiaries, parents, successors and predecessors, officers, directors, agents, employees, attorneys, advisors,

investment advisors, auditors, accountants, insurers, and any person, firm, trust, corporation, officer, director or other individual or entity in which WMI, the Individual Defendants or Longbrake, Chapman, McCarthy and Vanasek has or has had a controlling interest or which was or is related to or affiliated with WMI or any of the Individual Defendants, and the legal representatives, marital communities, heirs, successors in interest or assigns of any of the foregoing (the "Released Parties"). The Released Claims are hereby compromised, settled, released, discharged and dismissed as against the Released Parties on the merits and with prejudice by virtue of the proceedings herein and this Final Judgment and Order of Dismissal with Prejudice. For the avoidance of doubt, nothing contained herein shall be deemed to release, bar, waive, impair or otherwise impact: (1) any claims to enforce the Settlement and the transactions required pursuant to the Settlement; (2) any claims belonging to the Debtors, their current affiliates or their successors in interest or otherwise asserted by the Debtors, their current affiliates or their successors in interest against any other Released Party, or any Released Party's defenses, counterclaims or claims for indemnification, if any—other than claims for indemnification with respect to payments made to defend or settle the Action—with respect thereto; (3) claims by any Released Party against the Debtors in the Chapter 11 Cases, including indemnification claims—other than claims for indemnification with respect to payments made to defend or settle the Action—or the Debtors' defenses and counterclaims with respect thereto; provided, however, that, to the extent that any Contributing Carriers claim subrogation rights against the Debtors on the basis of the Released Parties' indemnification claims, all such claims and the Debtors' defenses with respect thereto are expressly preserved; (4) except to the extent released pursuant to the settlement agreement in the class action styled *In re Washington Mutual, Inc. ERISA Litigation*, Lead Case No. 07-cv-1874 (W.D. Wash.), claims, if any, by any Class Member against the Released Parties arising under the Employee Retirement Income Security Act of 1974, 29 U.S.C. § 1001, *et seq.* ("ERISA") that are separate and do not arise from or relate to the claims asserted in the Action; (5) claims by any Class Member individually in the

Chapter 11 Cases based solely upon such Class Member's status as a holder or beneficial owner (as opposed to a purchaser) of any WMI debt or equity security with respect to their right to participate in the distribution of funds in the Chapter 11 Cases upon confirmation of a chapter 11 plan or otherwise solely to the extent that such distribution is being made on account of such security and not in any way arising from or related to being a Class Member; or (6) any Class Member's right to participate in the distribution of any funds recovered from any of Defendants by any governmental or regulatory agency. For the avoidance of doubt, notwithstanding the designation of a party as a "Released Party," the Settlement Agreement only operates to release the Released Party from a claim, counterclaim or defense that is a Released Claim.

9. Defendants and their heirs, executors, administrators, predecessors, successors and assigns of any of them and the other Released Parties, are hereby permanently barred and enjoined from instituting, commencing or prosecuting any and all claims, rights or causes of action or liabilities whatsoever, whether based on federal, state, local, statutory or common law or any other law, rule or regulation, including both known claims and Unknown Claims, that have been or could have been asserted in the Action or any forum by the Defendants or any of them or the successors and assigns of any of them against any of the Lead Plaintiffs, other Class Members or their attorneys, which arise out of or relate in any way to the institution, prosecution, or settlement of the Action (except for claims to enforce the Settlement or the transactions required pursuant to the Settlement) (the "Released Defendants' Claims"). The Released Defendants' Claims of all the Released Parties are hereby compromised, settled, released, discharged and dismissed on the merits and with prejudice by virtue of the proceedings herein and this Final Judgment and Order of Dismissal with Prejudice.

10. With respect to any and all Released Claims and Released Defendants' Claims, the parties stipulate and agree that upon the Effective Date, the Lead Plaintiffs and the Defendants shall expressly waive, and each Class Member shall be deemed to have waived, and

by operation of the Judgment shall have expressly waived, any and all provisions, rights and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to Cal. Civ. Code § 1542, which provides:

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

Lead Plaintiffs and Defendants acknowledge, and all other Class Members by operation of law shall be deemed to have acknowledged, that the inclusion of "Unknown Claims" in the definition of Released Claims and Released Defendants' Claims was separately bargained for and was a key element of the Settlement.

11. Notwithstanding the provisions of ¶¶ 8, 9 and 10 hereof, (i) in the event that any of the Released Parties asserts against the Lead Plaintiffs, any other Class Member or Plaintiffs' Counsel, any claim that is a Released Defendants' Claim, then Lead Plaintiffs, such Class Member or Plaintiffs' Counsel shall be entitled to use and assert such factual matters included within the Released Claims against such Released Party only in defense of such claim but not for the purposes of affirmatively asserting any claim against any Released Party; and (ii) in the event that any of the Lead Plaintiffs, any other Class Member or Plaintiffs' Counsel asserts against any Released Parties any Released Claims, such Released Parties or their respective counsel shall be entitled to use and assert such factual matters included within the Released Defendants' Claims against such claimant only in defense of such claim but not for the purposes of affirmatively asserting any claim against any such claimant.

12. Neither this Final Judgment and Order of Dismissal with Prejudice, the Settlement Agreement, nor any of its terms and provisions, nor any of the negotiations or proceedings connected with it, shall be:

(a) offered or received against any Defendant as evidence of or construed as or deemed to be evidence of any presumption, concession, or admission by any Defendant with respect to the truth of any fact alleged by any of the plaintiffs or the validity of any claim that has been or could have been asserted in the Action or in any litigation, or the deficiency of any defense that has been or could have been asserted in the Action or in any litigation, or of any liability, negligence, fault, or wrongdoing of any Defendant;

(b) offered or received against any Defendant as evidence of a presumption, concession or admission of any fault, misrepresentation or omission with respect to any statement or written document approved or made by any Defendant;

(c) offered or received against any Defendant as evidence of a presumption, concession or admission with respect to any liability, negligence, fault or wrongdoing, or in any way referred to for any other reason as against any Defendant, in any other civil, criminal or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of the Settlement Agreement; provided, however, that Defendants may refer to it to effectuate the liability protection granted them hereunder;

(d) construed against Lead Plaintiffs or any of the other Class Members or against any Defendant as an admission or concession that the consideration to be given hereunder represents the amount which could be or would have been recovered after trial; or

(e) construed as or received in evidence as an admission, concession or presumption against Lead Plaintiffs or any of the other Class Members that any of their claims are without merit, or that any defenses asserted by any Defendant have any merit, or that damages recoverable under the Complaint would not have exceeded the Gross Settlement Fund.

13. The Plan of Allocation is approved as fair and reasonable, and Plaintiffs' Counsel and the Claims Administrator are directed to administer the Settlement Agreement in accordance with its terms and provisions.

14. The Court finds that all parties and their counsel have complied with each requirement of Rule 11 of the Federal Rules of Civil Procedure as to all proceedings herein.

15. Plaintiffs' Counsel are hereby awarded 29% of the Gross Settlement Fund in fees, which sum the Court finds to be fair and reasonable, and $879,674.77 in reimbursement of expenses, which amounts shall be paid to Plaintiffs' Co-Lead Counsel from the Settlement Fund with interest from the date such Settlement Fund was funded to the date of payment at the same net rate that the Settlement Fund earns. The award of attorneys' fees shall be allocated among Plaintiffs' Counsel in a fashion which, in the opinion of Plaintiffs' Co-Lead Counsel, fairly compensates Plaintiffs' Counsel for their respective contributions in the prosecution of the Action.

16. In making this award of attorneys' fees and reimbursement of expenses to be paid from the Gross Settlement Fund, the Court has considered and found that:

(a) the Settlement has created a fund of $41.5 million in cash that is already on deposit, plus interest thereon, and that numerous Class Members who submit acceptable Proofs of Claim will benefit from the Settlement;

(b) Over 490,000 copies of the Notice were disseminated to putative Class Members indicating that Plaintiffs' Counsel were moving for attorneys' fees in an amount not to exceed one-third (33⅓%) of the Gross Settlement Fund and for reimbursement of their expenses in the approximate amount of $1,000,000 and only three (3) objections were filed against the

terms of the proposed Settlement or the ceiling on the fees and expenses requested by Plaintiffs' Counsel contained in the Notice;

(c) Plaintiffs' Counsel have conducted the litigation and achieved the Settlement with skill, perseverance and diligent advocacy;

(d) The Action involves complex factual and legal issues and was actively prosecuted over nearly seven years and, in the absence of a settlement, would involve further lengthy proceedings with uncertain resolution of the complex factual and legal issues;

(e) Had Plaintiffs' Counsel not achieved the Settlement there would remain a significant risk that the Class may have recovered less or nothing from Defendants;

(f) Plaintiffs' Counsel have devoted over 18,000 hours, with a lodestar value of $8,900,000 to achieve the Settlement; and

(g) The amount of attorneys' fees awarded and expenses reimbursed from the Settlement Fund are fair and reasonable and consistent with awards in similar cases.

17. Exclusive jurisdiction is hereby retained over the parties and the Class Members for all matters relating to this Action, including the administration, interpretation, effectuation or enforcement of the Settlement Agreement and this Final Judgment and Order of Dismissal with Prejudice, and including any application for fees and expenses incurred in connection with administering and distributing the settlement proceeds to the members of the Class; provided, however, that the Bankruptcy Court shall retain exclusive jurisdiction over the interpretation and enforcement of the Bankruptcy Court Approval Order.

18. Without further order of the Court, the parties may agree to reasonable extensions of time to carry out any of the provisions of the Settlement Agreement.

FOR THE FOREGOING REASONS, the Court GRANTS Lead Plaintiffs' motion for final approval of class action settlement and plan of allocation of settlement proceeds (Dkt. No. 269) and GRANTS Lead Counsel's motion for award of attorneys' fees and reimbursement of expenses (Dkt. No. 270). This action is DISMISSED WITH PREJUDICE.

DATED this 5th day of June 2012.

John C. Coughenour
UNITED STATES DISTRICT JUDGE

EXHIBIT 1

List of Persons and Entities Requesting Exclusion from the Class in *South Ferry LP #2 v. Kerry K. Killinger, et al.*, Case No. C04-1599 JCC

The following persons and entities have properly requested exclusion from the Class in *South Ferry LP #2 v. Kerry K. Killinger, et al.*, Case No. C04-1599 JCC, and are not members of the Class bound by this Final Judgment and Order of Dismissal with Prejudice:

No.	Name	Address
1	Katherine Walker Childs	12510 NE 94th Street Kirkland, WA 98033-5875
2	Ruth E. Bridges	1827 Thornhill Rd. #107 Wesley Chapel, FL 33544
3	Charlie Rivera	12143 Maple Ridge Dr. Parrish, FL 34219
4	Denny Sue Johnson	Box 1714 Gold Beach, OR 97444
5	Lillian N. Mosley R.E. Mosley	275 County Road 4247 DeKalb, TX 75559
6	Ernest A. Dahl	2226 Vista Hogar Newport Beach, CA 92660
7	Donald W. Dearment	500 E. Pitt St. Bedford, PA 15522
8	Arthur Nelson	P.O. Box 129 Seekonk, MA 02771
9	Mary Nake Bond	7923 Colonel Glenn Rd. Little Rock, AR 72204
10	Charles W. Hadley Ethel S. Hadley	3907 NE 110th St. Seattle, WA 98125
11	Earl F. O'Connor	7343 S. Sherman Dr. Indianapolis, IN 46237
12	Abe Price	158 Lollypop Lane #3 Naples, FL 34112-5109
13	Jane K. Whitney	6609 Markstown Drive Apt. B Tampa, FL 33617-9365
14	Mark Paper	700 Twelve Oaks Center Dr. Ste. 711 Wayzata, MN 55391

15	Edward T. Flotz	127 Franconian Dr. S. Frankenmuth, MI 48734
16	Bradley Keding	15545 Meyer Ave. Allen Park, MI 48101
17	Debra A. Langford	1480 North Meadow Rd. Merrick, NY 11566
18	Josephine R Burns	P.O. Box 546 El Granada, CA 94108-0546
19	Moira L. L. Nichols	33 Linda Ave. Apt. 2003 Oakland, CA 94611
20	Richard J. Imbra	3312 Grandada Ave. San Diego, CA 92104
21	Bruce MacLeod	556 Mill Street Ext. Lancaster, MA 01523
22	John Mitchell Campbell Jr.	16 East Fox Chase Rd. Chester, NJ 07930
23	Janet Schultz	846 Newport Bay Dr. Edwardsville, IL 62025
24	Susan Iorns	16 Ocean Parade Pukerua Bay Porirua 5026 New Zealand
25	Cordelia F Biddle H. Stephen Zettler	514 Pine Street Philadelphia, PA 19106
26	Lawrence Papola Marie Papola	191 Atlantic Pl. Hauppauge, NY 11788
27	Carl Hunter	4030 30th Ave. West Seattle, WA 98199-1709
28	Steven W. Loring	91-1040-Puamaeole St. #S Ewa Beach, HI 96706
29	Margaret P. Jones	737 Pinebrook Dr. Virginia Beach, VA 23462
30	Bruce Alexander	10464 SW 118 St. Miami, FL 33176
31	Paul Putnam Mona Putnam	1140 Portola Ave. Escondido, CA 92026-1732
32	Douglas Duncan	679 Flamenco Pl. Davis, CA 95616
33	Robert Born Ophelia Born	8800 Glacier Ave. Apt. 302 Texas City, TX 77591-3052

34	John G. Clapp	12 Sunset Drive Apt. 2 Alexandria, VA 22301-2640
35	Jacquelyn Clarke	10465 Dunlop Rd. Delta, BC V4C 2L1, Canada
36	Bonnie J. Orr Rufus D. Orr	7536 32nd Ave. NW Seattle, WA 98117-4646
37	Charles GaGaig	P.O. Box 7666 Northridge, CA 91327
38	Don Thorsteinson	5775 Hampton Place #1006 Vancouver, B.C. V6T 2G6
39	David P. Yaffe	10416 Wyton Dr. Los Angeles, CA 90024
40	Michelle Jurczak	325 Kennedy Ave. Toronto, Ontario M6P 3C4
41	John G. Hudson	P.O. Box 283 Fort Smith, AR 72902
42	Carl P. Irwin	10 White Oak Dr. Apt# 218 Exeter, NH 03833-5314
43	Margaret K. Oliver Kay Collins	1002-5614 Balsam St. Vancouver BC V6M 4B7
44	John G. Hudson Living Trust	P.O. Box 283 Fort Smith, AR 72902
45	Rosemary Pacheco	338 Orchard St. Raynham, MA 02767-9385
46	Kathleen Guilfoyle	214 Northline Rd. Ballston Spa, NY 12020

Exhibit 5

IN RE VIRTUS INVESTMENT PARTNERS, INC. SECURITIES LITIGATION
Case No. 15-cv-1249 (S.D.N.Y.)

SUMMARY TABLE OF LODESTARS AND EXPENSES

FIRM	HOURS	LODESTAR	EXPENSES
Bernstein Litowitz Berger & Grossmann LLP	10,659.00	$5,002,947.50	$353,989.54
Labaton Sucharow LLP	12,792.20	$6,308,789.00	$544,508.42
TOTALS	**23,451.20**	**$11,311,736.50**	**$898,497.96**

Exhibit 5A

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE VIRTUS INVESTMENT PARTNERS, INC. SECURITIES LITIGATION	Case No. 15-cv-1249 (WHP)

DECLARATION OF JOHN C. BROWNE 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

I, John C. Browne, hereby declare under penalty of perjury as follows:

1. I am a partner of the law firm of Bernstein Litowitz Berger & Grossmann LLP ("BLB&G"), one of the Court-appointed Class Counsel firms in the above-captioned action (the "Action").[1] 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 one of the Class Counsel firms, was involved in all aspects of the litigation of the Action and its settlement as set forth in the Joint Declaration of Michael H. Rogers and John C. Browne in Support of (I) Class Representative's 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,

[1] Unless otherwise defined herein, all capitalized terms have the meanings set forth in the Stipulation and Agreement of Settlement dated May 18, 2018 previously filed with the Court. *See* ECF No. 143-1.

from inception of the Action through and including February 13, 2018, devoted ten or more hours to the prosecution and settlement of the Action, and the lodestar calculation for those individuals based on my firm's current hourly rates. For personnel who are no longer employed by my firm, the lodestar calculation is based upon the hourly 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. No time expended on the application for fees and expenses has been included.

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

5. The total number of hours reflected in Exhibit A is 10,659.00. The total lodestar reflected in Exhibit A is $5,002,947.50, consisting of $4,586,831.25 for attorneys' time and $416,116.25 for professional support staff time.

6. My firm's lodestar figures are based upon the firm's standard hourly rates and do not include expense items. Expense items are being submitted separately and are not duplicated in the firm's hourly rates.

7. As detailed in Exhibit B, my firm is seeking payment for a total of $353,989.54 in expenses incurred from inception of the Action through and including September 19, 2018.

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

(a) Out-of-Town Travel – airfare is capped at coach rates, hotel charges per night are capped at $350 for "high cost" cities and $250 for "low cost" cities (the relevant cities and how they are categorized are reflected on Exhibit B); meals are capped at $20 per person for breakfast, $25 per person for lunch, and $50 per person for dinner.

(b) Out-of-Office Meals – capped at $25 per person for lunch and $50 per person for dinner.

(c) In-Office Working Meals – capped at $20 per person for lunch and $30 per person for dinner.

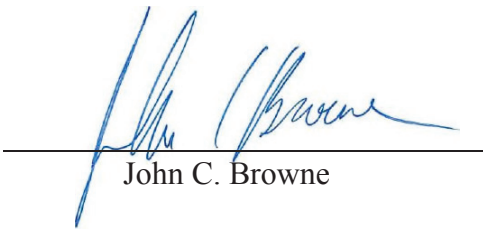
(d) Internal Copying/Printing – charged at $0.10 per page.

(e) 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 charged to each case based on actual time usage at a set charge by the vendor. There are no administrative charges included in these figures.

9. The expenses incurred by BLB&G in the 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 the Action.

I declare, under penalty of perjury, that the foregoing facts are true and correct. Executed on September 19, 2018.



John C. Browne

Exhibit A

EXHIBIT A

In re Virtus Investment Partners, Inc. Securities Litigation
Case No. 15-cv-1249 (WHP)

BERNSTEIN LITOWITZ BERGER & GROSSMANN LLP

TIME REPORT

Inception through and including February 13, 2018

NAME	HOURS	HOURLY RATE	LODESTAR
Partners			
Max Berger	59.75	$1,250.00	$ 74,687.50
John Browne	1,045.50	895.00	935,722.50
Associates			
Jesse Jensen	1,002.50	550.00	551,375.00
John Mills	51.00	650.00	33,150.00
Brenna Nelinson	436.50	475.00	207,337.50
David Schwartz	665.50	575.00	382,662.50
Staff Attorneys			
Erik Aldeborgh	2,390.50	395.00	944,247.50
Alexa Butler	2,105.25	395.00	831,573.75
Saundra Yaklin	1,585.00	395.00	626,075.00
Investigators			
Amy Bitkower	53.75	520.00	27,950.00
Victoria Kapastin	296.75	290.00	86,057.50
Litigation Support			
Babatunde Pedro	67.50	295.00	19,912.50
Managing Clerk			
Errol Hall	33.25	310.00	10,307.50
Paralegals			
Erik Andrieux	69.50	245.00	17,027.50
Ricia Augusty	614.75	335.00	205,941.25
Jose Echegaray	61.50	335.00	20,602.50
Matthew Gluck	120.50	235.00	28,317.50
TOTALS	**10,659.00**		**$5,002,947.50**

Exhibit B

EXHIBIT B

In re Virtus Investment Partners, Inc. Securities Litigation
Case No. 15-cv-1249 (WHP)

BERNSTEIN LITOWITZ BERGER & GROSSMANN LLP

EXPENSE REPORT

Inception through and including September 19, 2018

CATEGORY	AMOUNT
On-Line Legal/Factual Research	$36,766.06
Telephones	$246.20
Postage/Express Mail/Hand Delivery Charges	$1,233.38
Local Transportation	$3,868.66
Copying/Printing Costs	$22,291.79
Out of Town Travel*	$1,655.74
Working Meals	$3,950.90
Court Reporting & Transcripts	$38,678.76
Expert (Global Economics)	$234,732.49
Mediation Fees	$10,565.56
TOTAL EXPENSES:	**$353,989.54**

*Travel includes lodging for a BLB&G attorney in the following "high cost" city capped at $350 per night: Chicago, Illinois.

Exhibit C

EXHIBIT C

In re Virtus Investment Partners, Inc. Securities Litigation
Case No. 15-cv-1249 (WHP)

BERNSTEIN LITOWITZ BERGER & GROSSMANN LLP

FIRM RESUME

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

BLB&G Bernstein Litowitz Berger & Grossmann LLP

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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 $32 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 $32 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 6 of the top 12):

- *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*

*Source: ISS Securities Class Action Services

For over a decade, ISS Securities Class Action Services 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 ISS SCAS's "Top 100 Settlements" report, having recovered nearly 40% of all the settlement dollars represented in the report (nearly $25 billion), and having prosecuted nearly a third of all the cases on the list (33 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.

BLB&G Bernstein Litowitz Berger & Grossmann LLP

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 11 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).

Most recently, before the #metoo movement came alive, on behalf of an institutional investor client, he handled the prosecution of the unprecedented shareholder derivative litigation against Fox News parent 21st Century Fox, Inc. arising from the systemic sexual and workplace harassment at the embattled network. After nearly 18 months of litigation, discovery and negotiation related to the shocking misconduct and the Board's extensive alleged governance failures, the parties unveiled a landmark settlement with two key components: 1) the first ever Board-level watchdog of its kind – the "Fox News Workplace Professionalism and Inclusion Council" of experts (WPIC) – majority independent of the Murdochs, the Company and Board; and 2) one of the largest financial recoveries – $90 million – ever obtained in a pure corporate board oversight dispute. The WPIC is expected to serve as a model for public companies in all industries.

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 Americ*a/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*).

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.

Considered the "Dean" of the U.S. plaintiff securities bar, Mr. Berger has lectured extensively for many professional organizations, and is the author and co-author of numerous articles on developments in the securities laws and their implications for public policy. He was chosen, along with several of his BLB&G partners, to author the first chapter – "Plaintiffs' Perspective" – of Lexis/Nexis's seminal industry guide *Litigating Securities Class Actions*. An esteemed voice on all sides of the legal and financial markets, in 2008 the SEC and Treasury called on Mr. Berger to provide guidance on regulatory changes being considered as the accounting profession was experiencing tectonic shifts shortly before the financial crisis.

Mr. Berger also serves the academic community in numerous capacities. A long-time member of the Board of Trustees of Baruch College, he is now the President of the Baruch College Fund. A member of the Dean's Council to Columbia Law School, he has taught Profession of Law, an ethics course at Columbia Law School, and 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 C. BROWNE's practice focuses on the prosecution of securities fraud class actions. He represents the firm's institutional investor clients in jurisdictions throughout the country and has been a member of the trial teams of some of the most high-profile securities fraud class actions in history.

Mr. Browne was Lead Counsel in the *In re Citigroup, Inc. Bond Action Litigation,* which resulted in a $730 million cash recovery – the second largest recovery ever achieved for a class of purchasers of debt securities. It is also the second largest civil settlement arising out of the subprime meltdown and financial crisis. Mr. Browne was also a member of the team representing the New York State Common Retirement Fund in *In re WorldCom, Inc. Securities Litigation*, which culminated in a five-week trial against Arthur Andersen LLP and a recovery for investors of over $6.19 billion – one of the largest securities fraud recoveries in history.

Other notable litigations in which Mr. Browne served as Lead Counsel on behalf of shareholders include *In re Refco Securities Litigation,* which resulted in a $407 million settlement, *In re the Reserve Fund Securities and Derivative Litigation,* which settled for more than $54 million, *In re King Pharmaceuticals Litigation*, which settled for $38.25 million, *In re RAIT Financial Trust Securities Litigation*, which settled for $32 million, and *In re SFBC Securities Litigation,* which settled for $28.5 million.

Most recently, Mr. Browne served as lead counsel in the *In re BNY Mellon Foreign Exchange Securities Litigation,* which settled for $180 million, *In re State Street Corporation Securities Litigation*, which settled for $60 million, and the *Anadarko Petroleum Corporation Securities Litigation*, which settled for $12.5 million. Mr. Browne also represents the firm's institutional investor clients in the appellate courts, and has argued appeals in the Second Circuit, Third Circuit and, most recently, the Fifth Circuit, where he successfully argued the appeal in the *In re Amedisys Securities Litigation*.

In recognition of his achievements and legal excellence, *Law360* named Mr. Browne a "Class Action MVP" (one of only four litigators selected nationally), and he was selected by legal publication *Lawdragon* to its exclusive list as one of the "500 Leading Lawyers in America." He is ranked a *New York Super Lawyer* by Thomson Reuters, and is recommended by *Legal 500* for his work in securities litigation.

Prior to joining BLB&G, Mr. Browne was an attorney at Latham & Watkins, where he had a wide range of experience in commercial litigation, including defending corporate officers and directors in securities class actions and derivative suits, and representing major corporate clients in state and federal court litigations and arbitrations.

Mr. Browne has been a panelist at various continuing legal education programs offered by the American Law Institute ("ALI") and has authored and co-authored numerous articles relating to securities litigation.

EDUCATION: James Madison University, B.A., Economics, *magna cum laude*, 1994. Cornell Law School, J.D., *cum laude,* 1998; Editor of the *Cornell Law Review.*

BAR ADMISSIONS: New York; U.S. District Court for the Southern District of New York; U.S. Courts of Appeals for the Second, Third and Fifth Circuits.

ASSOCIATES

JESSE JENSEN prosecutes securities fraud, corporate governance and shareholder rights litigation on behalf of the firm's institutional clients.

Prior to joining the firm, Mr. Jensen was a litigation associate at Hughes Hubbard & Reed, where he represented accounting firms, banks, investment firms and high-net-worth individuals in complex commercial, securities, commodities and professional liability civil litigation and alternative dispute resolution. He also gained considerable experience in responding to investigations and inquiries by government regulators such as the SEC and CFTC. In addition, Mr. Jensen actively litigated several *pro bono* civil rights cases, including a federal suit in which he secured a favorable settlement for an inmate alleging physical abuse by corrections officers.

Since joining the firm, he helped investors achieve a $32 million cash settlement in an action against real estate service provider Altisource Portfolio Solutions, S.A. He currently assists the firm in its prosecutions of *Fresno County Employees' Retirement Association v. comScore, Inc.*; *In re Virtus Investment Partners, Inc., Securities Litigation*; *In re Wilmington Trust Securities Litigation*; and *Roofer's Pension Fund v. Papa et al.*

In recognition of his professional achievements and reputation, Mr. Jensen has been named a "Rising Star" for the past five years by Thomson Reuters *Super Lawyers* (no more than 2.5% of the lawyers in New York are selected to receive this honor each year).

EDUCATION: New York University School of Law, J.D., 2009; Staff Editor, *NYU Journal of Law and Business*.

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.

JOHN J. MILLS' practice concentrates on Class Action Settlements and Settlement Administration. Mr. Mills also has experience representing large financial institutions in corporate finance transactions.

EDUCATION: Duke University, B.A., 1997. Brooklyn Law School, J.D., *cum laude,* 2000; Member of *The Brooklyn Journal of International Law;* Carswell Merit Scholar recipient.

BAR ADMISSIONS: New York; U.S. District Courts for the Eastern and Southern Districts of New York.

BRENNA NELINSON's practice focuses on securities fraud, corporate governance and shareholder rights litigation.

She is currently a member of the firm's teams prosecuting securities class actions against Virtus Investment Partners and Signet Jewelers.

Prior to joining the firm, Ms. Nelinson was a Litigation Associate at Hogan Lovells US LLP. She represented a variety of defendants in all aspects of corporate litigation.

EDUCATION: New York University, B.A., 2011, Individualized Study – Psychology and Philosophy. American University Washington College of Law, J.D., *cum laude,* 2014; Note & Comment Editor, *American University International Law Review;* Moot Court Honor Society.

BAR ADMISSION: Maryland.

DAVID SCHWARTZ (former associate) prosecuted securities fraud, corporate governance and shareholder rights litigation on behalf of the firm's institutional investor clients.

Prior to joining the firm, Mr. Schwartz was an associate at a major international law firm, where he represented clients in business and complex commercial litigation, contract disputes, securities class actions, shareholder derivative suits, and SEC and other governmental inquiries and investigations.

Mr. Schwartz received his J.D. from Fordham University School of Law, where he was an Editor of the *Urban Law Journal*, and received his B.A. in economics from the University of Chicago.

EDUCATION: University of Chicago, B.A., Economics, 2003; *Dean's List*. Fordham University School of Law, J.D., 2008; Editor of *Urban Law Journal*.

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

STAFF ATTORNEYS

ERIK ALDEBORGH has worked on numerous matters at BLB&G, including *Levy v. Gutierrez, et al. (GTAT Securities Litigation), Fresno County Employees' Retirement Association v. comScore, Inc., Medina, et al v. Clovis Oncology, Inc., et al, In re Virtus Investment Partners, Inc. Securities Litigation, In re Wilmington Trust Securities Litigation* and *Bear Stearns Mortgage Pass-Through Litigation.*

Prior to joining the firm in 2014, Mr. Aldeborgh was an associate at Goodwin Proctor, LLP, and litigation counsel at Liberty Mutual Insurance Company.

EDUCATION: Union College, B.A., *with Honors*, 1981. Northeastern University School of Law, J.D., 1987.

BAR ADMISSIONS: Massachusetts.

ALEXA BUTLER has worked on numerous matters at BLB&G, including *Hefler et al. v. Wells Fargo & Company et al., Medina, et al v. Clovis Oncology, Inc., et al, In re Virtus Investment Partners, Inc. Securities Litigation, In re Bank of New York Mellon Corp. Forex Transactions Litigation, In re JPMorgan Chase & Co. Securities Litigation, In re Merck & Co., Inc. Securities Litigation (VIOXX-related), In re MBIA Inc. Securities Litigation*, *In re Washington Mutual, Inc. Securities Litigation, In re Merrill Lynch & Co., Inc. Securities, Derivative and ERISA Litigation (Bond Action), In re Refco, Inc. Securities Litigation* and *Affiliated Computer Services, Inc. Shareholder Derivative Litigation*.

Prior to joining the firm in 2007, Ms. Butler was a contract attorney at Whatley Drake & Kallas, LLC, where she worked on complex class action litigation.

EDUCATION: Georgia Institute of Technology, B.S., 1993. St. John's University School of Law, J.D., 1997.

BAR ADMISSIONS: New York.

SAUNDRA YAKLIN has worked on numerous matters at BLB&G, including *In re SunEdison, Inc., Securities Litigation, Hefler et al. v. Wells Fargo & Company et al., Medina, et al v. Clovis Oncology, Inc., et al, In re Virtus Investment Partners, Inc. Securities Litigation, In re Washington Mutual, Inc. Securities Litigation* and *In re Bristol-Myers Squibb Co. Securities Litigation*.

Prior to joining the firm, Ms. Yaklin was an associate at Reed Smith, LLP, and Assistant General Counsel at Exelon Corporation (PECO Energy Co.).

EDUCATION: Western Michigan University, M.F.A, *cum* laude, 1991. University of Pennsylvania Law School, J.D., 1996.

BAR ADMISSIONS: New York.

Exhibit 5B

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE VIRTUS INVESTMENT PARTNERS, INC. SECURITIES LITIGATION	Case No. 15-cv-1249 (WHP)

DECLARATION OF MICHAEL H. ROGERS 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

I, Michael H. Rogers, hereby declare under penalty of perjury as follows:

1. I am a partner of the law firm of Labaton Sucharow LLP ("Labaton"), one of the Court-appointed Class Counsel firms in the above-captioned action (the "Action").[1] 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 one of the Class Counsel firms, was involved in all aspects of the litigation of the Action and its settlement as set forth in the Joint Declaration of Michael H. Rogers and John C. Browne in Support of (I) Class Representative's 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, submitted herewith.

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,

[1] Unless otherwise defined herein, all capitalized terms have the meanings set forth in the Stipulation and Agreement of Settlement dated May 18, 2018, previously filed with the Court. *See* ECF No. 143-1.

from inception of the Action through and including February 13, 2018, worked ten or more hours on the prosecution and/or settlement of the Action, and the lodestar calculation for those individuals based on my firm's current hourly rates. Some timekeepers and time have been removed in the exercise of billing judgment. For personnel who are no longer employed by my firm, the lodestar calculation is based upon the hourly 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. No time expended on the application for fees and expenses has been included.

4. The hourly rates for the attorneys and professional support staff in my firm included in Exhibit A are their standard rates, which have been accepted by courts in other securities class actions.

5. The total number of hours reflected in Exhibit A is 12,792.20. The total lodestar reflected in Exhibit A is $6,308,789.00, consisting of $6,077,890.50 for attorneys' time and $230,898.50 for professional support staff time.

6. My firm's lodestar figures are based upon the firm's standard hourly rates and do not include expense items. Expense items are being submitted separately and are not duplicated in the firm's hourly rates.

7. As detailed in Exhibit B, my firm is seeking a total of $544,508.42 in expenses incurred from inception of the Action through and including September 18, 2018.

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

(a) Out-of-Town Travel – airfare is capped at coach rates, hotel charges per night are capped at $350 for "high cost" cities and $250 for "low cost" cities (the relevant cities and how they are categorized are reflected on Exhibit B); meals are capped at $20 per person for breakfast, $25 per person for lunch, and $50 per person for dinner.

(b) Out-of-Office Meals – capped at $25 per person for lunch and $50 per person for dinner.

(c) In-Office Working Meals – capped at $20 per person for lunch and $30 per person for dinner.

(d) Internal Copying/Printing – charged at $0.10 per page.

(e) 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 charged to each case based on actual time usage at a set charge by the vendor. There are no administrative firm charges included in these figures.

9. The expenses incurred by Labaton in the 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.

I declare, under penalty of perjury, that the foregoing facts are true and correct. Executed on September 19, 2018.

Michael H. Rogers /with permission. MHR

Michael H. Rogers

Exhibit A

EXHIBIT A

In re Virtus Investment Partners, Inc. Securities Litigation
Case No. 15-cv-1249 (WHP)

LABATON SUCHAROW LLP

TIME REPORT

Inception through and including February 13, 2018

NAME	HOURLY RATE	HOURS	LODESTAR
Partners			
Belfi, E.	$900	48.80	$43,920.00
Rogers, M.	$850	1,210.30	$1,028,755.00
Of Counsel			
Avan, R.	$700	18.40	$12,880.00
Associates			
Mackiel, N.	$625	13.10	$8,187.50
Esmay, J.	$600	2,211.90	$1,327,140.00
Cividini, D.	$585	153.20	$89,622.00
Kamhi, R.	$500	112.60	$56,300.00
Hane, C.	$465	1,587.10	$738,001.50
Tsang, W.	$400	92.70	$37,080.00
Leggio, P.	$375	120.90	$45,337.50
Staff Attorneys			
George, L.	$435	1,010.50	$439,567.50
Alper, D.	$425	754.10	$320,492.50
Orji, C.	$410	1,761.20	$722,092.00
Watson, J.	$410	1,272.50	$521,725.00
Kussin, T.	$390	1,761.00	$686,790.00
Investigators			
Pontrelli, J.	$495	11.50	$5,692.50
Howard, B.	$430	111.20	$47,816.00
Wroblewski, R.	$425	15.00	$6,375.00
Paralegals			
Mundo, S.	$325	424.90	$138,092.50
Chan-Lee, E.	$325	69.40	$22,555.00

NAME	HOURLY RATE	HOURS	LODESTAR
Rogers, D.	$325	16.00	$5,200.00
Mehringer, L.	$325	15.90	$5,167.50
TOTALS		**12,792.20**	**$6,308,789.00**

Partner (P)
Of Counsel (OC)
Associate (A)
Staff Attorney (SA)
Investigator (I)
Paralegal (PL)

Exhibit B

EXHIBIT B

In re Virtus Investment Partners, Inc. Securities Litigation
Case No. 15-cv-1249 (WHP)

LABATON SUCHAROW LLP

EXPENSE REPORT

Inception through and including September 18, 2018

CATEGORY	AMOUNT
Court and Process Fees	$3,890.00
On-Line Legal/Factual Research	$16,575.33
Long Distance Telephone/Conference Calling	$467.97
Postage & Express Mail	$457.25
Local Transportation	$2,395.53
Copying/Printing Costs	$24,410.06
Out of Town Travel*	$9,261.42
Working Meals	$2,692.47
Court Reporting & Transcripts	$40,516.37
Litigation Support (Precision Discovery)	$336,871.97
Experts (Global Economics)	$106,768.06
Research Materials	$201.99
TOTAL EXPENSES:	**$544,508.42**

*Travel includes lodging for attorneys in the following "high cost" cities capped at $350 per night: New York City, Boston and Washington D.C.

Exhibit C

EXHIBIT C

In re Virtus Investment Partners, Inc. Securities Litigation
Case No. 15-cv-1249 (WHP)

LABATON SUCHAROW LLP

FIRM RESUME

Labaton Sucharow

MORE THAN 50 YEARS OF ADVOCACY

Firm Resume

Securities Class Action Litigation

Labaton Sucharow

Table of Contents

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 300 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 November 2, 2016, the court granted final approval of the $300 million settlement with State Street. The plaintiffs claimed that State Street, as custodian bank to a number of public pension funds, including ATRS, was responsible for foreign exchange (FX) trading in connection with its clients global trading. Over a period of many years, State Street systematically overcharged those pension fund clients, including Arkansas, for those FX trades.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Lead Counsel Appointments in Ongoing Litigation

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

- ***In re SCANA Corporation Securities Litigation*, No. 17-cv-2616 (D.S.C.)**

  Labaton Sucharow represents the West Virginia Investment Management Board against SCANA Corporation and certain of the company's senior executives in this securities class action alleging false and misleading statements about the construction of two new nuclear power plants.

- ***Murphy v. Precision Castparts Corp.*, No. 16-cv-00521 (D. Or.)**

  Labaton Sucharow represents Oklahoma Firefighters Pension and Retirement System in this securities class action against Precision Castparts Corp., an aviation parts manufacturing conglomerate that produces complex metal parts primarily marketed to industrial and aerospace customers.

- ***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 Tempur Sealy International, Inc. Securities Litigation*, No. 17-cv-2169 (S.D.N.Y.)**

  Labaton Sucharow represents Oklahoma Police Pension and Retirement System in this securities class action against Tempur Sealy, a mattress and bedding-products company.

- ***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 resulted in a $300 million recovery.

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 Inc. v. Connecticut Retirement Plans and Trust Funds*, 458 U.S. 455 (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
- 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 (2009-2018)

> "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 (2010-2018) and M&A Litigation (2013, 2015-2018)

> "'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

Recommended in Securities Litigation Nationwide and in New York State (2012-2018); and Noted for Corporate Governance and Shareholder Rights Litigation in the Delaware Court of Chancery (2016-2018), Top 10 Plaintiffs Firm in the United States (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 2014-2017)

> "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 has devoted 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 partnered with Brooklyn Law School to establish a securities arbitration clinic. The program, which ran for five years, assisted defrauded individual investors who could not otherwise afford to pay for legal counsel and provided students with real-world experience in securities arbitration and litigation. Partners Mark S. Arisohn and Joel H. Bernstein led 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. Villegas, 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 (Co-Chairman)
Christopher J. Keller (Co-Chairman)
Mark S. Arisohn
Eric J. Belfi
Michael P. Canty
Marisa N. DeMato
Thomas A. Dubbs
Christine M. Fox
Jonathan Gardner
David J. Goldsmith
Louis Gottlieb
Serena P. Hallowell
Thomas G. Hoffman, Jr.
James W. Johnson
Edward Labaton
Christopher J. McDonald
Michael H. Rogers
Ira A. Schochet
Irina Vasilchenko
Carol C. Villegas
Ned Weinberger
Mark S. Willis
Nicole M. Zeiss

Of Counsel

Rachel A. Avan
Mark Bogen
Joseph H. Einstein
Mark Goldman
Lara Goldstone
Francis P. McConville
James McGovern
Domenico Minerva
Corban S. Rhodes
David J. Schwartz
Mark R. Winston

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

Lawrence A. Sucharow, Co-Chairman
lsucharow@labaton.com

With more than four decades of experience, Co-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 Co-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.

In 2018, Larry was appointed to serve on Brooklyn Law School's Board of Trustees. He 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.

Christopher J. Keller, Co-Chairman
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.

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

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

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

Eric's international experience also includes securing settlements on behalf of non-U.S. clients including the UK-based Mineworkers' Pension Scheme in *In re Satyam Computer Securities Services Ltd. Securities Litigation*, an action related to one of the largest securities fraud in India which resulted in $150.5 million in collective settlements. Representing two of Europe's leading pension funds, Deka Investment GmbH and Deka International S.A., Luxembourg, in *In re General Motors Corp. Securities Litigation*, Eric was integral in securing a $303 million settlement in a case regarding multiple accounting manipulations and overstatements by General Motors.

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

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

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

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

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

Michael P. Canty, Partner
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Michael P. Canty prosecutes complex fraud cases on behalf of institutional investors and consumers. Upon joining Labaton, Michael successfully prosecuted a number of high profile securities matters involving technology companies including cases against AMD, a multi-national semiconductor company and Ubiquiti Networks, Inc., a global software company. In both cases Michael played a pivotal role in securing favorable settlements for investors. Recommended by The Legal 500 in the field of securities litigation, Michael also is 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 and prosecuted 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 and served in the Office's Homicide Unit.

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.

Additionally, Michael has extensive experience in investigating and prosecuting data breach cases

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.

Marisa N. DeMato, Partner
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With more than 13 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 institutional investors 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.

Recently, Marisa represented Seattle City Employees' Retirement System and helped reach a $90 million derivative settlement and historic corporate governance changes with Twenty-First Century Fox, Inc., regarding allegations surrounding workplace harassment incidents at Fox News. Marisa represented the Oklahoma Firefighters Pension and Retirement System in securing a $9.5 million settlement with Castlight Health, Inc. for securities violations in connection with the company's initial public offering. She also served as legal adviser to the West Palm Beach Police Pension Fund in *In re Walgreen Co. Derivative Litigation*, which secured significant corporate governance reforms and required Walgreens to extend its Drug Enforcement Agency commitments as part of the settlement related to the company's violation of the U.S. Controlled Substances Act.

Prior to joining Labaton Sucharow, Marisa worked for a nationally recognized securities litigation firm and devoted a substantial portion of her time to litigating securities fraud, derivative, mergers and acquisitions, consumer fraud, and qui tam actions. Over the course of those eight years she represented numerous pension funds, municipalities, and individual investors throughout the United States and was an integral member of the legal teams that helped secure multimillion dollar settlements, including *In re Managed Care Litigation* ($135 million recovery); *Cornwell v. Credit Suisse Group* ($70 million recovery); *Michael v. SFBC International, Inc.* ($28.5 million recovery); *Ross v. Career Education Corporation* ($27.5 million recovery); and *Village of Dolton v. Taser International Inc.* ($20 million recovery).

Marisa has spoken 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.

Thomas A. Dubbs, Partner
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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.

Christine M. Fox, Partner
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With more than 20 years of securities litigation experience, Christine M. Fox prosecutes complex securities fraud cases on behalf of institutional investors. Christine is actively involved in litigating matters against CommVault Systems, Intuitive Surgical, and Horizon Pharma, PLC.

Christine has played a pivotal role in securing favorable settle for investors in class actions against Barrick Gold Corporation, one of the largest gold mining companies in the world ($140 million recovery); CVS Caremark, the nation's largest pharmacy retail chain ($48 million recovery); Nu Skin Enterprises, a multilevel marketing company ($47 million recovery); and Genworth Financial, Inc. ($20 million recovery).

Prior to joining the Firm, Christine worked at a national litigation firm focusing on securities, antitrust, and consumer litigation in state and federal courts. She played a significant role in securing class action recoveries in a number of high-profile securities cases, including I*n re Merrill Lynch & Co., Inc. Research Reports Securities Litigation* ($475 million recovery); *In re Informix Corp. Securities Litigation* ($136.5 million recovery); *In re Alcatel Alsthom Securities Litigation* ($75 million recovery); and *In re Ambac Financial Group, Inc. Securities Litigation* ($33 million recovery).

Christine received her J.D. from the University of Michigan Law School and her B.A. from Cornell University. She is a member of the American Bar Association, the New York State Bar Association, and the Puerto Rican Bar Association.

Christine is conversant in Spanish.

Christine is admitted to the practice in the State of New York as well as before the United States District Courts for the Southern and Eastern Districts of New York.

Jonathan Gardner, Partner
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With more than 25 years of experience, Jonathan Gardner leads one of the litigation teams at the Firm and prosecutes complex securities fraud cases on behalf of institutional investors. He has played an integral role in securing some of the largest class action recoveries against corporate offenders since the global financial crisis. Jonathan also serves as General Counsel to the Firm.

A *Benchmark Litigation* "Star" acknowledged by peers as "engaged and strategic," Jonathan also was named an MVP by *Law360* for securing hard-earned successes in high-stakes litigation and complex global matters. Recently, he led the Firm's team in the investigation and prosecution of *In re Barrick Gold Securities Litigation*, which resulted in a $140 million recovery. Jonathan has also served as the lead attorney in several cases

resulting in significant recoveries for injured class members, including: *In re Hewlett-Packard Company Securities Litigation*, resulting in a $57 million recovery; *Medoff v. CVS Caremark Corporation*, resulting in a $48 million recovery; *In re Nu Skin Enterprises, Inc., Securities Litigation*, resulting in a $47 million recovery; *In re Carter's Inc. Securities Litigation*, resulting in a $23.3 million recovery against Carter's and certain of its officers as well as PricewaterhouseCoopers, its auditing firm; *In re Aeropostale Inc. Securities Litigation*, resulting in a $15 million recovery; *In re Lender Processing Services Inc.*, involving claims of fraudulent mortgage processing which resulted in a $13.1 million recovery; and *In re K-12, Inc. Securities Litigation*, resulting in a $6.75 million recovery.

Recommended and described by *The Legal 500* as having the "ability to master the nuances of securities class actions," Jonathan has led the Firm's representation of investors in many recent high-profile cases including *Rubin v. MF Global Ltd.*, which involved allegations of material misstatements and omissions in a Registration Statement and Prospectus issued in connection with MF Global's IPO in 2007. In November 2011, the case resulted in a recovery of $90 million for investors. Jonathan also represented lead plaintiff City of Edinburgh Council as Administering Authority of the Lothian Pension Fund in *In re Lehman Brothers Equity/Debt Securities Litigation*, which resulted in settlements totaling exceeding $600 million against Lehman Brothers' former officers and directors, Lehman's former public accounting firm as well as the banks that underwrote Lehman Brothers' offerings. In representing lead plaintiff Massachusetts Bricklayers and Masons Trust Funds in an action against Deutsche Bank, Jonathan secured a $32.5 million dollar recovery for a class of investors injured by the Bank's conduct in connection with certain residential mortgage-backed securities.

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

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

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

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

David J. Goldsmith, Partner
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David J. Goldsmith has nearly 20 years of experience representing public and private institutional investors in a variety of securities and class action litigations. He 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.

A principal litigator at the Firm, David is responsible for the Firm's appellate practice, and has briefed and argued multiple appeals in federal Courts of Appeals. He is presently litigating appeals in the Second, Third, and Ninth Circuits in significant securities class actions brought against Celladon Corp., Cigna Corp., Eros International, Nimble Storage, and StoneMor Partners. David is also co-counsel for a group of *amici curiae* law professors in the United States Supreme Court in *Cyan, Inc. v. Beaver County Employees Retirement System*,

and, in the same Court, represents one of the nation's largest not-for-profit organizations as *amicus* in *China Agritech, Inc. v. Resh.*

As a trial lawyer, 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. This case was featured in Law360's selection of the Firm as a Class Action Group of the Year for 2017.

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

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

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

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

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

Lou was integral in prosecuting *In re American International Group, Inc. Securities Litigation* (settlements totaling more than $1 billion) and *In re 2008 Fannie Mae Securities Litigation* ($170 million settlement pending final approval). He also helped lead major class action cases against the company and related defendants in *In re Satyam Computer Services, Ltd. Securities Litigation* ($150.5 million settlement). He has led successful

litigation teams in securities fraud class action litigations against Metromedia Fiber Networks and Pricesmart, as well as consumer class actions against various life insurance companies.

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

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

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

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

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

Serena P. Hallowell, Partner
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Serena P. Hallowell leads the Direct Action Litigation Practice and focuses on complex litigation, prosecuting securities fraud cases on behalf of some of the world's largest institutional investors, including pension funds, hedge funds, mutual funds, asset managers, and other large institutional investors. Currently she is prosecuting several direct actions against Valeant Pharmaceuticals International, Inc., Perrigo Company, PLC, and AbbVie Inc. alleging a wide variety of state and federal claims. In addition, Serena regularly counsels clients on the merits of pursuing an opt out or direct action strategy as a means of recovery. Serena also serves as Co-Chair of the Firm's Women's Networking and Mentoring Initiative and is actively involved in the Firm's summer associate and lateral hiring program.

For the last two years Serena has been recommended by *The Legal 500* in securities litigation. In 2016, she was named a *Benchmark Litigation* Rising Star and a Rising Star by *Law360*.

Serena was part of a highly skilled team that reached a $140 million settlement against one of the world's largest gold mining companies in *In re Barrick Gold Securities Litigation*. Playing a principal role in prosecuting *In re Computer Sciences Corporation Securities Litigation* in a "rocket docket" jurisdiction, she helped secure a settlement of $97.5 million on behalf of lead plaintiff Ontario Teachers' Pension Plan Board, the third largest all cash settlement in the Fourth Circuit at the time. She was also instrumental in securing a $48 million recovery in *Medoff v. CVS Caremark Corporation*, as well as a $41.5 million settlement in *In re NII Holdings, Inc. Securities Litigation*. Serena also has broad appellate and trial experience.

Prior to joining Labaton Sucharow, Serena was an attorney at Ohrenstein & Brown LLP, where she participated in various federal and state commercial litigation matters. During her time there, she also defended financial companies in regulatory proceedings and assisted in high-profile litigation matters in connection with mutual funds trading investigations.

Serena received a J.D. from Boston University School of Law, where she served as the Note Editor for the Journal of Science & Technology Law. She earned a B.A. in Political Science from Occidental College.

Serena is a member of the Association of the Bar of the City of New York, the Federal Bar Council, the South Asian Bar Association, and the National Association of Women Lawyers (NAWL). She has also devoted time to pro bono work with the Securities Arbitration Clinic at Brooklyn Law School.

She is conversational in Urdu/Hindi.

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

Thomas G. Hoffman, Jr., Partner
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Thomas G. Hoffman, Jr. focuses on representing institutional investors in complex securities actions.

Thomas was instrumental in securing a $1 billion recovery in the eight-year litigation against AIG and related defendants. He also was a key member of the Labaton Sucharow team that recovered $170 million for investors in *In re 2008 Fannie Mae Securities Litigation*. Currently, Thomas is prosecuting cases against BP, Allstate, American Express, and Maximus.

Thomas received a J.D. from UCLA School of Law, where he was Editor-in-Chief of the UCLA *Entertainment Law Review*, and he served as a Moot Court Executive Board Member. In addition, he was a judicial extern to the Honorable William J. Rea, United States District Court for the Central District of California. Thomas earned a B.F.A., with honors, from New York University.

Thomas is admitted to practice in the State of New York as well as before the United States District Courts for the Southern and Eastern Districts of New York.

James W. Johnson, Partner
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James W. Johnson focuses on complex securities fraud cases. In representing investors who have been victimized by securities fraud and breaches of fiduciary responsibility, Jim's advocacy has resulted in record recoveries for wronged investors. Currently, he is prosecuting high-profile cases against financial industry leader Goldman Sachs in *In re Goldman Sachs Group, Inc., Securities Litigation,* and the world's most popular social network, in *In re Facebook, Inc., IPO Securities and Derivative Litigation*. In addition to his active caseload, Jim holds a variety of leadership positions within the Firm, including serving on the Firm's Executive Committee and acting as the Firm's Hiring Partner. He also serves as the Firm's Executive Partner overseeing firmwide issues.

A recognized leader in his field, Jim has successfully litigated a number of complex securities and RICO class actions including: *In re Bear Stearns Companies, Inc. Securities Litigation* ($275 million settlement with Bear Stearns Companies, plus a $19.9 million settlement with Deloitte & Touche LLP, Bear Stearns' outside auditor); *In re HealthSouth Corp. Securities Litigation* ($671 million settlement); *Eastwood Enterprises LLC v. Farha et al.* (WellCare Securities Litigation) ($200 million settlement); *In re Bristol Myers Squibb Co. Securities Litigation* ($185 million settlement), in which the court also approved significant corporate governance reforms

and recognized plaintiff's counsel as "extremely skilled and efficient"; *In re Amgen Inc. Securities Litigation* ($95 million settlement); *In re National Health Laboratories, Inc. Securities Litigation*, which resulted in a recovery of $80 million in the federal action and a related state court derivative action; and *In re Vesta Insurance Group, Inc. Securities Litigation* ($79 million settlement).

In *County of Suffolk v. Long Island Lighting Co.*, Jim represented the plaintiff in a RICO class action, securing a jury verdict after a two-month trial that resulted in a $400 million settlement. The Second Circuit quoted the trial judge, Honorable Jack B. Weinstein, as stating "counsel [has] done a superb job [and] tried this case as well as I have ever seen any case tried." On behalf of the Chugach Native Americans, he also assisted in prosecuting environmental damage claims resulting from the Exxon Valdez oil spill.

Jim is a member of the American Bar Association and the Association of the Bar of the City of New York, where he served on the Federal Courts Committee, and he is a Fellow in the Litigation Council of America.

Jim has received a rating of AV Preeminent from the publishers of the Martindale-Hubbell directory.

He is admitted to practice in the States of New York and Illinois as well as before the Supreme Court of the United States, the United States Courts of Appeals for the Second, Third, Fourth, Fifth, Seventh, and Eleventh Circuits, and the United States District Courts for the Southern, Eastern, and Northern Districts of New York, and the Northern District of Illinois.

Edward Labaton, Partner
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An accomplished trial lawyer and partner with the Firm, Edward Labaton has devoted 50 years of practice to representing a full range of clients in class action and complex litigation matters in state and federal court. He is the recipient of the Alliance for Justice's 2015 Champion of Justice Award, given to outstanding individuals whose life and work exemplifies the principle of equal justice.

Ed has played a leading role as plaintiffs' class counsel in a number of successfully prosecuted, high-profile cases, involving companies such as PepsiCo, Dun & Bradstreet, Financial Corporation of America, ZZZZ Best, Revlon, GAF Co., American Brands, Petro Lewis and Jim Walter, as well as several Big Eight (now Four) accounting firms. He has also argued appeals in state and federal courts, achieving results with important precedential value.

Ed has been President of the Institute for Law and Economic Policy (ILEP) since its founding in 1996. Each year, ILEP co-sponsors at least one symposium with a major law school dealing with issues relating to the civil justice system. In 2010, he was appointed to the newly formed Advisory Board of George Washington University's Center for Law, Economics, & Finance (C-LEAF), a think tank within the Law School, for the study and debate of major issues in economic and financial law confronting the United States and the globe. Ed is an Honorary Lifetime Member of the Lawyers' Committee for Civil Rights under Law, a member of the American Law Institute, and a life member of the ABA Foundation. In addition, he has served on the Executive Committee and has been an officer of the Ovarian Cancer Research Fund since its inception in 1996.

Ed is the past Chairman of the Federal Courts Committee of the New York County Lawyers Association, and was a member of the Board of Directors of that organization. He is an active member of the Association of the Bar of the City of New York, where he was Chair of the Senior Lawyers' Committee and served on its Task Force on the Role of Lawyers in Corporate Governance. He has also served on its Federal Courts, Federal Legislation, Securities Regulation, International Human Rights, and Corporation Law Committees. He also served as Chair of the Legal Referral Service Committee, a joint committee of the New York County Lawyers' Association and the Association of the Bar of the City of New York. He has been an active member of the American Bar Association, the Federal Bar Council, and the New York State Bar Association, where he has served as a member of the House of Delegates.

For more than 30 years, he has lectured on many topics including federal civil litigation, securities litigation, and corporate governance.

He is admitted to practice in the State of New York as well as before the Supreme Court of the United States, the United States Courts of Appeals for the Second, Fifth, Sixth, Seventh, Ninth, Tenth, and Eleventh Circuits, and the United States District Courts for the Southern and Eastern Districts of New York, and the Central District of Illinois.

Christopher J. McDonald, Partner
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Christopher J. McDonald works with both the Firm's Antitrust & Competition Litigation Practice and its Securities Litigation Practice.

In the antitrust field, Chris is currently litigating *In re Generic Pharmaceuticals Pricing Antitrust Litigation*, in which the Firm has been appointed to the End-Payor Plaintiffs Steering Committee, *In re Treasury Securities Auction Antitrust Litigation*, in which the Firm serves as interim co-lead counsel, and *In re Platinum and Palladium Antitrust Litigation*, in which the Firm serves as co-lead counsel. Chris was also co-lead counsel in *In re TriCor Indirect Purchaser Antitrust Litigation*, obtaining a $65.7 million settlement on behalf of the plaintiff class. He has been recommended in Antitrust Litigation Class Action by The Legal 500.

Chris' securities practice has developed a focus on life sciences industries; his cases often involve claims against pharmaceutical, biotechnology, or medical device companies. Most recently, Chris 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 also 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 settlements ever against a pharmaceutical company and among the largest recoveries ever in a securities class action that did not involve a financial restatement. 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 Squibb shareholders.

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 regulatory agencies on a variety of complex legal, economic, and public policy issues.

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, its Antitrust Law Section, and the Section's Cartel and Criminal Practice Committee. He is also a member of the New York City Bar Association.

Chris is admitted to practice in the State of New York and the United States Supreme Court. He is also admitted before the United States Courts of Appeals for the Second, Fourth, Third, Ninth, and Federal Circuit, as well as the United States District Courts for the Southern and Eastern Districts of New York, and the Western District of Michigan.

Michael H. Rogers, Partner
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Michael H. Rogers focuses on prosecuting complex securities fraud cases on behalf of institutional investors. Currently, Mike is actively involved in prosecuting *In re Goldman Sachs, Inc. Securities Litigation*; *3226701 Canada, Inc. v. Qualcomm, Inc.*; *Public Employees' Retirement System of Mississippi v. Sprouts Farmers Markets, Inc.*; *Vancouver Asset Alumni Holdings, Inc. v. Daimler AG; Jyotindra Patel v. Cigna Corp.*; and *In re Virtus Investment Partners, Inc. Securities Litigation*.

Since joining Labaton Sucharow, Mike has been a member of the lead counsel teams in federal class actions against Countrywide Financial Corp. ($624 million settlement), HealthSouth Corp. ($671 million settlement), State Street ($300 million settlement), Mercury Interactive Corp. ($117.5 million settlement), and Computer Sciences Corp. ($97.5 million settlement).

Prior to joining Labaton Sucharow, Mike was an attorney at Kasowitz, Benson, Torres & Friedman LLP, where he practiced securities and antitrust litigation, representing international banking institutions bringing federal securities and other claims against major banks, auditing firms, ratings agencies and individuals in complex multidistrict litigation. He also represented an international chemical shipping firm in arbitration of antitrust and other claims against conspirator ship owners.

Mike began his career as an attorney at Sullivan & Cromwell, where he was part of Microsoft's defense team in the remedies phase of the Department of Justice antitrust action against the company.

Mike received a J.D., *magna cum laude*, from the Benjamin N. Cardozo School of Law, Yeshiva University, where he was a member of the *Cardozo Law Review*. He earned a B.A., *magna cum laude*, in Literature-Writing from Columbia University.

Mike is proficient in Spanish.

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

Ira A. Schochet, Partner
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A seasoned litigator with three decades of experience, Ira A. Schochet focuses on class actions involving securities fraud. Ira has played a lead role in securing multimillion dollar recoveries and major corporate governance reforms in high-profile cases such as those against Countrywide Financial, Boeing, Massey Energy, Caterpillar, Spectrum Information Technologies, InterMune, and Amkor Technology.

A longtime leader in the securities class action bar, Ira represented one of the first institutional investors acting as a lead plaintiff in a post-Private Securities Litigation Reform Act case and ultimately obtained one of the first rulings interpreting the statute's intent provision in a manner favorable to investors. His efforts are regularly recognized by the courts, including in *Kamarasy v. Coopers & Lybrand*, where the court remarked on "the superior quality of the representation provided to the class." Further, in approving the settlement he achieved in the *InterMune* litigation, the court complimented Ira's ability to secure a significant recovery for the class in a very efficient manner, shielding the class from prolonged litigation and substantial risk.

Ira has also played a key role in groundbreaking cases in the field of merger and derivative litigation. In *In re Freeport-McMoRAn Copper &Gold Inc. Derivative Litigation*, he achieved the second largest derivative settlement in the Delaware Court of Chancery history, a $153.75 million settlement with an unprecedented provision of direct payments to stockholders by means of a special dividend. In another first-of-its-kind case, Ira was featured in *The AmLaw Litigation Daily* as Litigator of the Week for his work in *In re El Paso Corporation Shareholder Litigation*. The action alleged breach of fiduciary duties in connection with a merger transaction, including specific reference to wrongdoing by a conflicted financial advisory consultant, and resulted in a $110 million recovery for a class of shareholders and a waiver by the consultant of its fee.

From 2009-2011, Ira served as President of the National Association of Shareholder and Consumer Attorneys (NASCAT), a membership organization of approximately 100 law firms that practice class action and complex civil litigation. During this time, he represented the plaintiffs' securities bar in meetings with members of Congress, the Administration, and the SEC.

From 1996 through 2012, Ira served as Chairman of the Class Action Committee of the Commercial and Federal Litigation Section of the New York State Bar Association. During his tenure, he has served on the Executive Committee of the Section and authored important papers on issues relating to class action procedure including revisions proposed by both houses of Congress and the Advisory Committee on Civil Procedure of the United States Judicial Conference. Examples include: "Proposed Changes in Federal Class Action Procedure," "Opting Out On Opting In," and "The Interstate Class Action Jurisdiction Act of 1999."

He also has lectured extensively on securities litigation at continuing legal education seminars. He has also been awarded an AV Preeminent rating, the highest distinction, from the publishers of the Martindale-Hubbell directory.

He is admitted to practice in the State of New York as well as before the United States Court of Appeals for the Second, Fifth, Ninth, and Tenth Circuits, and the United States District Courts for the Southern and Eastern Districts of New York, the Central District of Illinois, the Northern District of Texas, and the Western District of Michigan.

Irina Vasilchenko, Partner
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Irina Vasilchenko focuses on prosecuting complex securities fraud cases on behalf of institutional investors.

Currently, Irina is actively involved in prosecuting *In re Goldman Sachs Group, Inc. Securities Litigation*, *In re Extreme Networks, Inc. Securities Litigation*, and *In re Eaton Corporation Securities Litigation*. Since joining Labaton Sucharow, she has been part of the Firm's teams in *In re Massey Energy Co. Securities Litigation*, where the Firm obtained a $265 million all-cash settlement with Alpha Natural Resources, Massey's parent company; *In re Fannie Mae 2008 Securities Litigation* ($170 million settlement); *In re Amgen Inc. Securities Litigation* ($95 million settlement); and *In re Hewlett-Packard Company Securities Litigation* ($57 million settlement).

Prior to joining Labaton Sucharow, Irina was an associate in the general litigation practice group at Ropes & Gray LLP, where she focused on securities litigation.

Irina maintains a commitment to pro bono legal service including, most recently, representing an indigent defendant in a criminal appeal case before the New York First Appellate Division, in association with the Office of the Appellate Defender. As part of this representation, she argued the appeal before the First Department panel.

Irina received a J.D., *magna cum laude*, from Boston University School of Law, where she was an editor of the *Boston University Law Review* and was the G. Joseph Tauro Distinguished Scholar (2005), the Paul L. Liacos Distinguished Scholar (2006), and the Edward F. Hennessey Scholar (2007). Irina earned a B.A. in Comparative Literature with Distinction, *summa cum laude* and Phi Beta Kappa, from Yale University.

She is fluent in Russian and proficient in Spanish.

Irina is admitted to practice in the State of New York and the State of Massachusetts as well as before the United States District Courts for the Southern and Eastern Districts of New York.

Carol C. Villegas, Partner
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Carol C. Villegas focuses on prosecuting complex securities fraud cases on behalf of institutional investors. Leading one of the Firm's litigation teams, she currently oversees litigation against DeVry Education Group, Skechers, U.S.A., Inc., Nimble Storage, Liquidity Services, Inc., Extreme Networks, Inc., and SanDisk. In addition to her litigation responsibilities, Carol holds a variety of leadership positions within the Firm, including

serving on the Firm's Executive Committee and serving 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 AMD, a multi-national semiconductor company, 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.

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 the National Association of Public Pension Attorneys (NAPPA), the National Association of Women Lawyers (NAWL), the Hispanic National Bar Association, 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 is fluent in Spanish.

Ned Weinberger, Partner
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Ned Weinberger is Chair of the Firm's Corporate Governance and Shareholder Rights Litigation Practice. An experienced advocate of shareholder rights, Ned focuses on representing investors in corporate governance and transactional matters, including class action and derivative litigation. Ned was recognized by *Chambers & Partners USA* in the Delaware Court of Chancery and was named "Up and Coming," noting his impressive range of practice areas. He was also recently named a "Leading Lawyer" by *The Legal 500* and a Rising Star by *Benchmark Litigation*.

Ned is currently prosecuting, among other matters, *In re Straight Path Communications Inc. Consolidated Stockholder Litigation*, which alleges breaches of fiduciary duty by the controlling stockholder of Straight Path Communications, Howard Jonas, in connection with the company's proposed sale to Verizon Communications Inc. He also leads a class and derivative action on behalf of stockholders of Providence Service Corporation—*Haverhill Retirement System v. Kerley*—that challenges an acquisition financing arrangement involving Providence's board chairman and his hedge fund. The case recently settled for $10 million, and is currently pending court approval.

Ned was part of a team that achieved a $12 million recovery on behalf of stockholders of ArthroCare Corporation in a case alleging breaches of fiduciary duty by the ArthroCare board of directors and other defendants in connection with Smith & Nephew, Inc.'s acquisition of ArthroCare. Other recent successes on behalf of stockholders include *In re Vaalco Energy Inc. Consolidated Stockholder Litigation*, which resulted in the invalidation of charter and bylaw provisions that interfered with stockholders' fundamental right to remove directors without cause.

Prior to joining Labaton Sucharow, Ned was a litigation associate at Grant & Eisenhofer P.A. where he gained substantial experience in all aspects of investor protection, including representing shareholders in matters relating to securities fraud, mergers and acquisitions, and alternative entities. Representative of Ned's experience in the Delaware Court of Chancery is *In re Barnes & Noble Stockholders Derivative Litigation*, in which Ned assisted in obtaining approximately $29 million in settlements on behalf of Barnes & Noble investors. Ned was also part of the litigation team in *In re Clear Channel Outdoor Holdings, Inc. Shareholder Litigation*, the settlement of which provided numerous benefits for Clear Channel Outdoor Holdings and its shareholders, including, among other things, a $200 million cash dividend to the company's shareholders.

Ned received his J.D. from the Louis D. Brandeis School of Law at the University of Louisville where he served on the *Journal of Law and Education*. He earned his B.A. in English Literature, *cum laude*, at Miami University.

Ned is admitted to practice in the States of Delaware, Pennsylvania, and New York as well as before the United States District Court for the District of Delaware.

Mark S. Willis, Partner
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With nearly three decades of experience, Mark S. Willis' practice focuses on domestic and international securities litigation. Mark advises leading pension funds, investment managers, and other institutional investors from around the world on their legal remedies when impacted by securities fraud and corporate governance breaches. Mark represents clients in U.S. litigation and maintains a significant practice advising clients of their legal rights abroad to pursue securities-related claims.

Mark represents institutions from the United Kingdom, Spain, the Netherlands, Denmark, Germany, Belgium, Canada, Japan, and the United States in a novel lawsuit in Texas against BP plc to salvage claims that were dismissed from the U.S. class action because the claimants' BP shares were purchased abroad (thus running afoul of the Supreme Court's *Morrison* rule that precludes a U.S. legal remedy for such shares). These previously dismissed claims have now been sustained and are being pursued under English law in a Texas federal court.

Mark also represents Caisse de dépôt et placement du Québec, one of Canada's largest institutional investors, in an ongoing U.S. shareholder class action against Liquidity Services, the Utah Retirement Systems in a shareholder action against the DeVry Education Group, and he represented the Arkansas Public Employees Retirement System in a shareholder action against The Bancorp (which settled for $17.5 million).

In the *Converium* class action, Mark represented a Greek institution in a nearly four-year battle that eventually became the first U.S. class action settled on two continents. This trans-Atlantic result saw part of the $145 million recovery approved by a federal court in New York, and the rest by the Amsterdam Court of Appeal. The Dutch portion was resolved using the Netherlands then newly enacted Act on Collective Settlement of Mass Claims. In doing so, the Dutch Court issued a landmark decision that substantially broadened its jurisdictional reach, extending jurisdiction for the first time to a scenario in which the claims were not brought under Dutch law, the alleged wrongdoing took place outside the Netherlands, and none of the potentially liable parties were domiciled in the Netherlands.

In the corporate governance arena, Mark has represented both U.S. and overseas investors. In a shareholder derivative action against Abbott Laboratories' directors, he charged the defendants with mismanagement and fiduciary breaches for causing or allowing the company to engage in a 10-year off-label marketing scheme, which had resulted in a $1.6 billion payment pursuant to a Justice Department investigation—at the time the second largest in history for a pharmaceutical company. In the derivative action, the company agreed to implement sweeping corporate governance reforms, including an extensive compensation clawback provision going beyond the requirements under the Dodd-Frank Act, as well as the restructuring of a board committee and enhancing the role of the Lead Director. In the *Parmalat* case, known as the "Enron of Europe" due to the size and scope of the fraud, Mark represented a group of European institutions and eventually recovered

nearly $100 million and negotiated governance reforms with two large European banks who, as part of the settlement, agreed to endorse their future adherence to key corporate governance principles designed to advance investor protection and to minimize the likelihood of future deceptive transactions. Securing governance reforms from a defendant that was not an issuer was a first at that time in a shareholder fraud class action.

Mark has also represented clients in opt-out actions. In one, brought on behalf of the Utah Retirement Systems, Mark negotiated a settlement that was nearly four times more than what its client would have received had it participated in the class action.

On non-U.S. actions Mark has advised clients, and represented their interests as liaison counsel, in more than 30 cases against companies such as Volkswagen, Olympus, the Royal Bank of Scotland, the Lloyds Banking Group, and Petrobras, and in jurisdictions ranging from the UK to Japan to Australia to Brazil to Germany.

Mark has written on corporate, securities, and investor protection issues—often with an international focus—in industry publications such as *International Law News*, *Professional Investor*, *European Lawyer*, and *Investment & Pensions Europe*. He has also authored several chapters in international law treatises on European corporate law and on the listing and subsequent disclosure obligations for issuers listing on European stock exchanges. He also speaks at conferences and at client forums on investor protection through the U.S. federal securities laws, corporate governance measures, and the impact on shareholders of non-U.S. investor remedies.

He is admitted to practice in the State of Massachusetts and the District of Columbia, as well as the U.S. District Court for the District of Columbia.

Nicole M. Zeiss, Partner
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A litigator with nearly two decades of experience, Nicole M. Zeiss leads the Settlement Group at Labaton Sucharow, analyzing the fairness and adequacy of the procedures used in class action settlements. Her practice includes negotiating and documenting complex class action settlements and obtaining the required court approval of the settlements, notice procedures, and payments of attorneys' fees.

Over the past year, Nicole was actively involved in finalizing settlements with Massey Energy Company ($265 million), Fannie Mae ($170 million), and Hewlett-Packard Company ($57 million), among others.

Nicole was part of the Labaton Sucharow team that successfully litigated the $185 million settlement in *In re Bristol-Myers Squibb Securities Litigation*, and she played a significant role in *In re Monster Worldwide, Inc. Securities Litigation* ($47.5 million settlement). Nicole also litigated on behalf of investors who have been damaged by fraud in the telecommunications, hedge fund, and banking industries.

Prior to joining Labaton Sucharow, Nicole practiced in the area of poverty law at MFY Legal Services. She also worked at Gaynor & Bass practicing general complex civil litigation, particularly representing the rights of freelance writers seeking copyright enforcement.

Nicole maintains a commitment to pro bono legal services by continuing to assist mentally ill clients in a variety of matters—from eviction proceedings to trust administration.

She received a J.D. from the Benjamin N. Cardozo School of Law, Yeshiva University, and earned a B.A. in Philosophy from Barnard College.

Nicole is a member of the Association of the Bar of the City of New York.

She is admitted to practice in the State of New York as well as before the United States Court of Appeals for the Second and Ninth Circuits, and the United States District Courts for the Southern and Eastern Districts of New York, and the District of Colorado.

Rachel A. Avan, Of Counsel
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Rachel A. Avan prosecutes complex securities fraud cases on behalf of institutional investors. She focuses on advising institutional investor clients regarding fraud-related losses on securities, and on the investigation and development of U.S. and non-U.S. securities fraud class, group, and individual actions. Rachel manages the Firm's Non-U.S. Securities Litigation Practice, which is dedicated to analyzing the merits, risks, and benefits of potential claims outside the United States. She has played a key role in ensuring that the Firm's clients receive substantial recoveries through non-U.S. securities litigation.

In evaluating new and potential matters, Rachel draws on her extensive experience as a securities litigator. She was an active member of the team prosecuting the securities fraud class action against Satyam Computer Services, Inc., in *In re Satyam Computer Services Ltd. Securities Litigation*, dubbed "India's Enron." That case achieved a $150.5 million settlement for investors from the company and its auditors. She also had an instrumental part in the pleadings in a number of class actions including, *In re Barrick Gold Securities Litigation* ($140 million settlement); *Freedman v. Nu Skin Enterprises, Inc.* ($47 million recovery); and *Iron Workers District Council of New England Pension Fund v. NII Holdings, Inc.* ($41.5 million recovery).

Rachel has spearheaded the filing of more than 75 motions for lead plaintiff appointment in U.S. securities class actions including, *In re Facebook, Inc. IPO Securities & Derivative Litigation*; *In re Computer Sciences Corporation Securities Litigation*; *In re Petrobras Securities Litigation*; *In re Spectrum Pharmaceuticals, Inc. Securities Litigation*; *Weston v. RCS Capital Corporation*; and *Cummins v. Virtus Investment Partners Inc.*

In addition to her securities class action litigation experience, Rachel also played a role in prosecuting several of the Firm's derivative matters, including *In re Barnes & Noble Stockholder Derivative Litigation*; *In re Coca-Cola Enterprises Inc. Shareholders Litigation*; and *In re The Student Loan Corporation Litigation*.

Rachel brings to the Firm valuable insight into corporate matters, having served as an associate at a corporate law firm, 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.

Before attending Benjamin N. Cardozo School of Law, Rachel enjoyed a career in editing for a Boston-based publishing company. She also earned a Master of Arts in English and American Literature from Boston University.

Since 2015, Rachel has been recognized as a New York Metro "Rising Star" in securities litigation by *Super Lawyers*, a Thomson Reuters publication.

She is proficient in Hebrew.

Rachel is admitted to practice in the States of New York and Connecticut as well as before the United States District Court for the Southern District of New York.

Mark Bogen, Of Counsel
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Mark Bogen advises leading pension funds and other institutional investors on issues related to corporate fraud in domestic and international securities markets. His work focuses on securities, antitrust, and consumer class action litigation, representing Taft-Hartley and public pension funds across the country.

Among his many efforts to protect his clients' interests and maximize shareholder value, Mark recently helped bring claims against and secure a settlement with Abbott Laboratories' directors, whereby the company agreed to implement sweeping corporate governance reforms, including an extensive compensation clawback provision going beyond the requirements under the Dodd-Frank Act.

Mark has written weekly legal columns for the *Sun-Sentinel*, one of the largest daily newspapers circulated in Florida. He has been legal counsel to the American Association of Professional Athletes, an association of over 4,000 retired professional athletes. He has also served as an Assistant State Attorney and as a Special Assistant to the State Attorney's Office in the State of Florida.

Mark obtained his J.D. from Loyola University School of Law. He received his B.A. in Political Science from the University of Illinois.

He is admitted to practice in the States of Illinois and Florida.

Joseph H. Einstein, Of Counsel
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A seasoned litigator, Joseph H. Einstein represents clients in complex corporate disputes, employment matters, and general commercial litigation. He has litigated major cases in the state and federal courts and has argued many appeals, including appearing before the United States Supreme Court.

His experience encompasses extensive work in the computer software field including licensing and consulting agreements. Joe also counsels and advises business entities in a broad variety of transactions.

Joe serves as an official mediator for the United States District Court for the Southern District of New York. He is an arbitrator for the American Arbitration Association and FINRA. Joe is a former member of the New York State Bar Association Committee on Civil Practice Law and Rules and the Council on Judicial Administration of the Association of the Bar of the City of New York. He currently is a member of the Arbitration Committee of the Association of the Bar of the City of New York.

During Joe's time at New York University School of Law, he was a Pomeroy and Hirschman Foundation Scholar, and served as an Associate Editor of the *Law Review*.

Joe has been awarded an AV Preeminent rating, the highest distinction, from the publishers of the Martindale-Hubbell directory.

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

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
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Lara Goldstone advises pension funds and other institutional investors on issues related to corporate fraud in the U.S. securities markets. Before joining Labaton Sucharow, Lara worked as a legal intern in the Larimer County District Attorney's Office and the Jefferson County District Attorney's Office.

Prior to her legal career, Lara worked at Industrial Labs where she worked closely with Federal Drug Administration standards and regulations. In addition, she was a teacher in Irvine, California.

Lara received a J.D. from University of Denver Sturm College of Law, where she was a judge of The Providence Foundation of Law & Leadership Mock Trial and a competitor of the Daniel S. Hoffman Trial Advocacy Competition. She earned a B.A. from The George Washington University where she was a recipient of a Presidential Scholarship for academic excellence. She earned a B.A. from The George Washington University where she was a recipient of a Presidential Scholarship for academic excellence.

Lara is admitted to practice in the State of Colorado.

Francis P. McConville, Of Counsel
fmcconville@labaton.com

Francis P. McConville focuses on prosecuting complex securities fraud cases on behalf of institutional investor clients. As a lead member of the Firm's Case Development Group, he focuses on the identification, investigation, and development of potential actions to recover investment losses resulting from violations of the federal securities laws and various actions to vindicate shareholder rights in response to corporate and fiduciary misconduct.

Most recently, Francis has played a key role in filing several matters on behalf of the Firm including, *Norfolk County Retirement System v. Solazyme, Inc.*; *Oklahoma Firefighters Pension and Retirement System v. Xerox Corporation*; *In re Target Corporation Securities Litigation*; *City of Warwick Municipal Employees Pension Fund v. Rackspace Hosting, Inc.*; and *Frankfurt-Trust Investment Luxemburg AG v. United Technologies Corporation*.

Prior to joining Labaton Sucharow, Francis was a litigation associate at a national law firm primarily focused on securities and consumer class action litigation. Francis has represented institutional and individual clients in federal and state court across the country in class action securities litigation and shareholder disputes, along with a variety of commercial litigation matters. He assisted in the prosecution of several matters, including *Kiken v. Lumber Liquidators Holdings, Inc.* ($42 million recovery); *Hayes v. MagnaChip Semiconductor Corp.* ($23.5 million recovery); and *In re Galena Biopharma, Inc. Securities Litigation* ($20 million recovery).

Francis received his J.D. from New York Law School, *magna cum laude*, where he served as Associate Managing Editor of the *New York Law School Law Review*, worked in the Urban Law Clinic, named a John Marshall Harlan Scholar, and received a Public Service Certificate. He earned his B.A. from the University of Notre Dame.

He is admitted to practice in the State of New York as well as in the United States District Courts for the Southern and Eastern Districts of New York, the District of Colorado, and the Eastern District of Michigan.

James McGovern, Of Counsel
jmcgovern@labaton.com

James McGovern advises leading pension funds and other institutional investors on issues related to corporate fraud in domestic and international securities markets. His work focuses primarily on securities litigation and corporate governance, representing Taft-Hartley, public pension funds, and other institutional investors across the country in domestic securities actions. He also advises clients as to their potential claims tied to securities-related actions in foreign jurisdictions.

James has worked on a number of large securities class action matters, including *In re Worldcom, Inc. Securities Litigation*, the second-largest securities class action settlement since the passage of the PSLRA ($6.1 billion recovery); *In re Parmalat Securities Litigation* ($90 million recovery); *In re American Home Mortgage Securities Litigation* (amount of the opt-out client's recovery is confidential); *In re The Bancorp Inc. Securities Litigation* ($17.5 million recovery); *In re Pozen Securities Litigation* ($11.2 million recovery); *In re Cabletron Systems, Inc. Securities Litigation* ($10.5 million settlement); and *In re UICI Securities Litigation* ($6.5 million recovery).

In the corporate governance arena, James helped bring claims against Abbott Laboratories' directors, on account of their mismanagement and breach of fiduciary duties for allowing the company to engage in a 10-year off-label marketing scheme. Upon settlement of this action, the company agreed to implement sweeping corporate governance reforms, including an extensive compensation clawback provision going beyond the requirements under the Dodd-Frank Act.

Following the unprecedented takeover of Fannie Mae and Freddie Mac by the federal government in 2008, James was retained by a group of individual and institutional investors to seek recovery of the massive losses they had incurred when the value of their shares in these companies was essentially destroyed. He brought and continues to litigate a complex takings class action against the federal government for depriving Fannie Mae and Freddie Mac shareholders of their property interests in violation of the Fifth Amendment of the U.S. Constitution, and causing damages in the tens of billions of dollars.

James also has addressed members of several public pension associations, including the Texas Association of Public Employee Retirement Systems and the Michigan Association of Public Employee Retirement Systems, where he discussed how institutional investors could guard their assets against the risks of corporate fraud and poor corporate governance.

Prior to focusing his practice on plaintiffs' securities litigation, James was an attorney at Latham & Watkins where he worked on complex litigation and FIFRA arbitrations, as well as matters relating to corporate bankruptcy and project finance. At that time, he co-authored two articles on issues related to bankruptcy filings: *Special Issues In Partnership and Limited Liability Company Bankruptcies* and *When Things Go Bad: The Ramifications of a Bankruptcy Filing*.

James earned his J.D., *magna cum laude*, from Georgetown University Law Center. He received his B.A. and M.B.A. from American University, where he was awarded a Presidential Scholarship and graduated with high honors.

He is admitted to practice in the State of Vermont and the District of Columbia.

Domenico Minerva, Of Counsel
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.

Recognized as a "Rising Star" in Consumer Protection Law by *Law360*, 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 and served as the lead associate on behalf of large financial institutions in several investigations by regulatory and enforcement agencies related to the financial crisis.

In 2008, Corban received a Thurgood Marshall Award for his pro bono representation on a habeas petition of a capital punishment sentence. He also later 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.

Corban serves on the Securities Litigation Committee of the New York City Bar Association. Additionally, *Super Lawyers*, a Thomson Reuters publication, recognized Corban as a New York Metro "Rising Star," noting his experience and contribution to the securities litigation field.

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 also done substantial work in mergers and acquisitions appraisal litigation.

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.

Mark R. Winston, Of Counsel

mwinston@labaton.com

Mark R. Winston prosecutes securities and consumer fraud actions on behalf of institutional investors and other victims of wrongful conduct. He also has extensive experience with white collar criminal matters, the product of years of government and private practice experience. He has litigated cases involving various types of fraud, as well as tax evasion, the Racketeer Influenced and Corrupt Organizations Act (RICO), and environmental crimes.

Earlier in his career, Mark held senior positions at several national consulting firms, where, among other responsibilities, he handled corporate internal investigations and compliance projects. During his 14-year tenure as an Assistant U.S. Attorney in the United States Attorney's Office for the District of New Jersey, Mark served as the Financial Institution Fraud Coordinator and, later, as the Environmental Crimes Coordinator. Mark tried a number of cases to successful verdicts and received numerous commendations from the Justice Department and other federal agencies for his service, including the Director's Award from the Executive Office for United States Attorneys.

Mark has been spoken at various events and seminars over the years and conducts a seminar for Master of Law students on international criminal law, including the U.S. Foreign Corrupt Practices Act, at the Instituto Superior de Derecho y Economía (ISDE) in Barcelona, Spain.

Mark has authored articles published in the *New York Law Journal* and *GC New York*. He has been interviewed by publications such as *Law360*, *Bloomberg* television and radio, and has also been quoted in various publications, including *The New York Times*.

Immediately after law school, Mark clerked for Judge John V. Corrigan, Ohio Court of Appeals, Eighth Appellate District and then for Judge Neal P. McCurn, U.S. District Court, Northern District of New York.

Mark is admitted to practice in the States of New York and Ohio.

Exhibit 6

EXHIBIT 6

In re Virtus Investment Partners, Inc. Securities Litigation
Case No. 15-cv-1249 (WHP)

SUMMARY TABLE OF CLASS COUNSEL'S LITIGATION EXPENSES

CATEGORY	AMOUNT
Court and Process Fees	$3,890.00
On-Line Legal/Factual Research	$53,341.39
Telephones/Conference Calling	$714.17
Postage/Express Mail/Hand Delivery Charges	$1,690.63
Local Transportation	$6,264.19
Copying/Printing Costs	$46,701.85
Out of Town Travel*	$10,917.16
Working Meals	$6,643.37
Court Reporting & Transcripts	$79,195.13
Litigation Support (Precision Discovery)	$336,871.97
Expert (Global Economics)	$341,500.55
Research Materials	$201.99
Mediation Fees	$10,565.56
TOTAL EXPENSES:	**$898,497.96**

Exhibit 7

CORNERSTONE RESEARCH

Economic and Financial Consulting and Expert Testimony

Securities Class Action Settlements

2017 Review and Analysis

Table of Contents

The views expressed in this report are solely those of the authors, who are responsible for the content, and do not necessarily represent the views of Cornerstone Research.

Table of Figures and Appendices

Analyses in this report are based on 1,697 securities class actions filed after passage of the Private Securities Litigation Reform Act of 1995 (Reform Act) and settled from 1996 through year-end 2017. See page 17 for a detailed description of the research sample. For purposes of this report and related research, a settlement refers to a negotiated agreement between the parties to a securities class action that is publicly announced to potential class members by means of a settlement notice.

Highlights

While the number of settlements in 2017 remained at relatively high levels, total settlement dollars dipped dramatically to $1.5 billion from $6.1 bilion in 2016. This decline can be attributed to a large percentage of settlements under $5 million combined with the absence of any settlements over $250 million.

- There were 81 securities class action settlements approved in 2017, a slight decrease from the number of cases settled in 2016 but the second-highest level since 2010. (page 3)
- The total value of settlements approved by courts in 2017 was $1.5 billion, the second-lowest level in the past 10 years. (page 3)
- There were four mega settlements—settlements of $100 million or more—in 2017 (compared to 10 in 2016), accounting for 43 percent of total settlement dollars (compared to 81 percent in 2016). (page 4)
- The median settlement amount in 2017 was $5.0 million, over 40 percent lower than both the 2016 median ($8.7 million) and the median for all prior post–Reform Act settlements ($8.5 million). (page 5)
- The average settlement amount in 2017 also declined, to $18.2 million. This was 75 percent lower than in 2016 and nearly 70 percent lower than the average for all prior post–Reform Act settlements. (page 5)
- For the first time in more than five years, there were no settlements exceeding $250 million. (page 5)
- Settlements in 2017 involved smaller cases compared to previous years. In particular, median and average "simplified tiered damages" in 2017 were the lowest over the last 10 years. (page 7)
- For 2017 cases with Rule 10b-5 claims, the average settlement amount as a percentage of "simplified tiered damages" was the highest in the last five years, driven by a sharply higher percentage for smaller cases. (page 8)
- Cases with companion derivative actions typically settle for higher amounts. In 2017, however, the median settlement for cases with companion derivative actions was lower than for cases without accompanying derivative actions. (page 13)
- Higher percentages of cases settling within two years of the filing date continued in 2017, reaching over 23 percent of all settlements. (page 15)

Figure 1: Settlement Statistics

(Dollars in Millions)

	1996–2016	2016	2017
Number of Settlements	1,616	85	81
Total Amount	$93,193.2	$6,118.0	$1,473.6
Minimum	$0.1	$0.9	$0.5
Median	$8.5	$8.7	$5.0
Average	$57.7	$72.0	$18.2
Maximum	$8,794.7	$1,608.6	$210.0

Note: Settlement dollars are adjusted for inflation; 2017 dollar equivalent figures are used.

Author Commentary

As projected in our 2016 report, the relatively high volume of settlements continued in 2017 but the number of very large settlements declined, contributing to the substantial drop in the size of settlements overall.

2017 Findings

The decline in settlement sizes can largely be attributed to the smaller size of these cases, reflected in the lower estimates of our proxy for plaintiff-style damages. A combination of low stock market volatility in the years in which the cases were filed, as well as substantially shorter class periods, contributed to the reduction in the damages proxy for cases settled in 2017. In addition, 2017 settlements were associated with considerably smaller issuer defendants.

The decline in case size leads to other trends. For example, consistent with what we would expect for smaller cases, the time from case filing to settlement was shorter in 2017.

However, not all developments in 2017 were driven by case size. For example, institutional investors appeared less frequently as lead plaintiffs, even in large cases. Recent literature has discussed the lack of economic incentives for institutions to serve as lead plaintiffs, other than the potential benefit to public pension plans from political contributions by plaintiff attorneys, and has called for reform to improve the lead plaintiff selection process.[1]

In addition, the proportion of settled securities class actions accompanied by corresponding derivative actions was among the highest we have observed in more than 15 years. Nearly half of all cases—and more than half of all settlements for $5 million or less—involved an accompanying derivative action.

These results are unexpected since, historically, accompanying derivative actions have been associated with larger class actions and larger settlement amounts. Moreover, they are interesting in light of arguments considering whether derivative litigation is an effective mechanism to monitor corporate governance and whether eliminating derivative litigation altogether may be a viable option.[2]

"Simplified Tiered Damages"

In this report we focus on a "simplified tiered damages" proxy for estimating plaintiff-style damages in cases with Rule 10b-5 claims (see page 6). This replaces the measure traditionally used in settlement research. We view this proxy as an enhancement to settlement research, as this estimate of per-share inflation is conceptually more closely aligned with the typical plaintiff approach. This measure is more fully described in *Estimating Damages in Settlement Outcome Modeling*.

What stands out in 2017 is the drop in mid-range to large settlements, due largely to a reduction in the proxy for damages, as well as the size of the issuer defendant firms involved.

Dr. Laura E. Simmons
Senior Advisor
Cornerstone Research

Looking Ahead

Recent data on case filings can provide insights into potential settlement trends. See Cornerstone Research's *Securities Class Action Filings—2017 Year in Review*.

The record numbers of cases filed in the previous two years might suggest that the high volume of settlements will continue. However, these data also show higher rates of dismissals, which could offset the increase in filings in terms of settlement activity.

The latest data also suggest that smaller firms have become more common targets of securities class actions, but there is no evidence that indicates the unusually low levels of "simplified tiered damages" observed in 2017 will necessarily continue in upcoming years.

On the other hand, recent filings data support the potential continuation of a reduced level of institutional investors serving as lead plaintiffs, whose presence is typically associated with higher settlement amounts. In addition, we expect the rate of settlements for issuers in healthcare and related industry sectors, such as biotech and pharmaceuticals, to persist given the prevalence of these industries among newly filed cases.

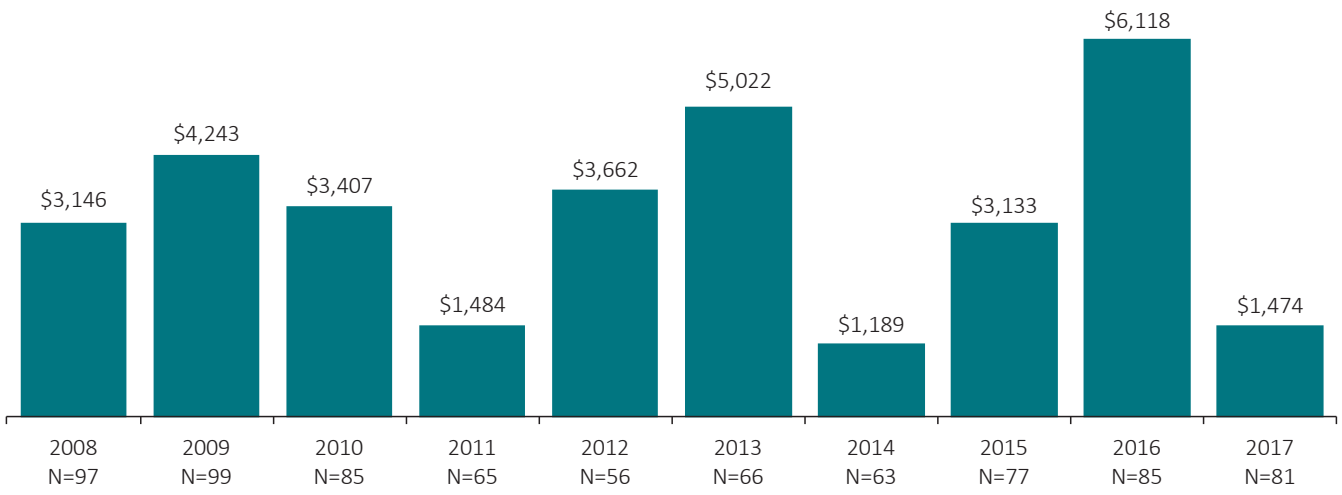
—*Laarni T. Bulan, Ellen M. Ryan, and Laura E. Simmons*

Total Settlement Dollars

- The total value of settlements approved by courts in 2017 declined substantially to $1.5 billion, less than a quarter of the total amount approved in 2016.
- The median settlement in 2017 was $5.0 million, over 40 percent lower than in 2016.
- While there were only four fewer cases settled in 2017 compared to 2016, the absence of very large settlements (exceeding $250 million) and the decline in the median settlement amount contributed to the decline in 2017 total settlement dollars.
- The decline in the median settlement amount was primarily driven by a reduction in "simplified tiered damages" for cases settled in 2017. (See page 6 for a discussion of this measure.)

The total value of settlements was the second lowest in the last 10 years.

Figure 2: Total Settlement Dollars
2008–2017
(Dollars in Millions)



Note: Settlement dollars are adjusted for inflation; 2017 dollar equivalent figures are used.

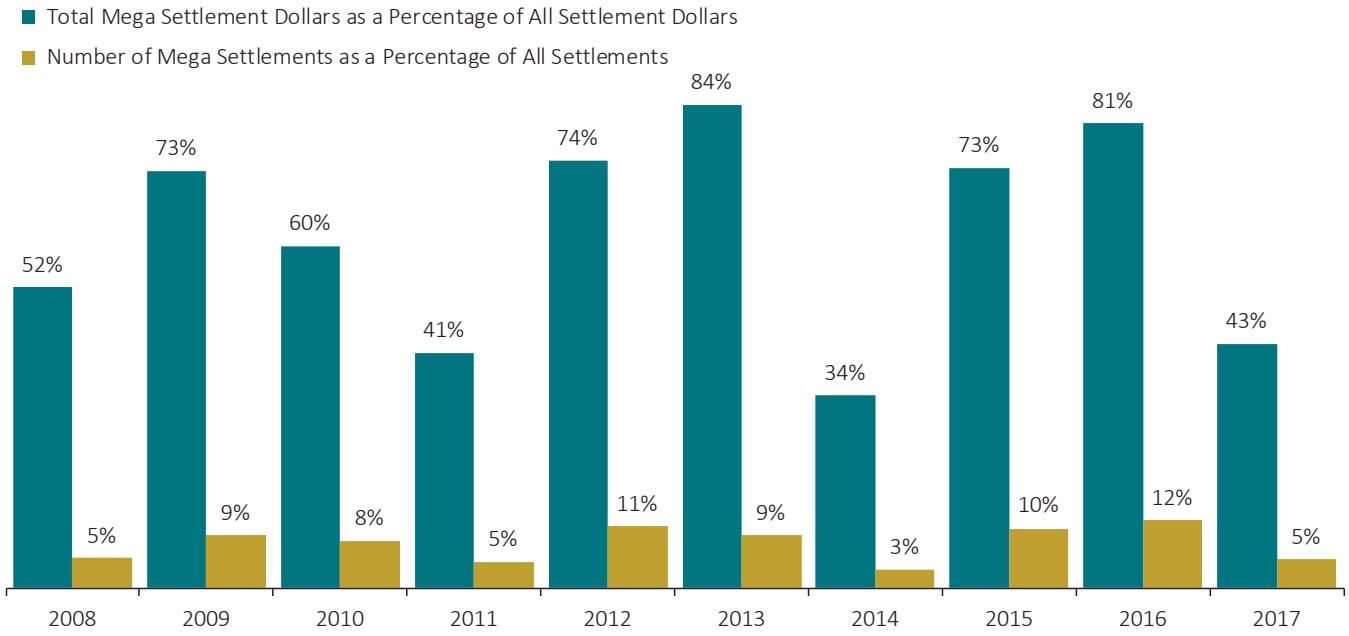
Mega Settlements

- There were four mega settlements (settlements equal to or greater than $100 million) in 2017, with the largest settlement amounting to $210 million.
- Total mega settlement dollars in 2017 were $630 million compared to $5 billion (adjusted for inflation) in 2016.
- Mega settlements have accounted for 70 percent of all settlement dollars from 2008 through 2016, but this percentage varies substantially from year to year.

The total value of mega settlements in 2017 was nearly 90 percent lower than in 2016.

- While mega settlements typically comprise the majority of the total value of settled cases, only 43 percent of 2017 settlement dollars came from mega settlements.

Figure 3: Mega Settlements
2008–2017



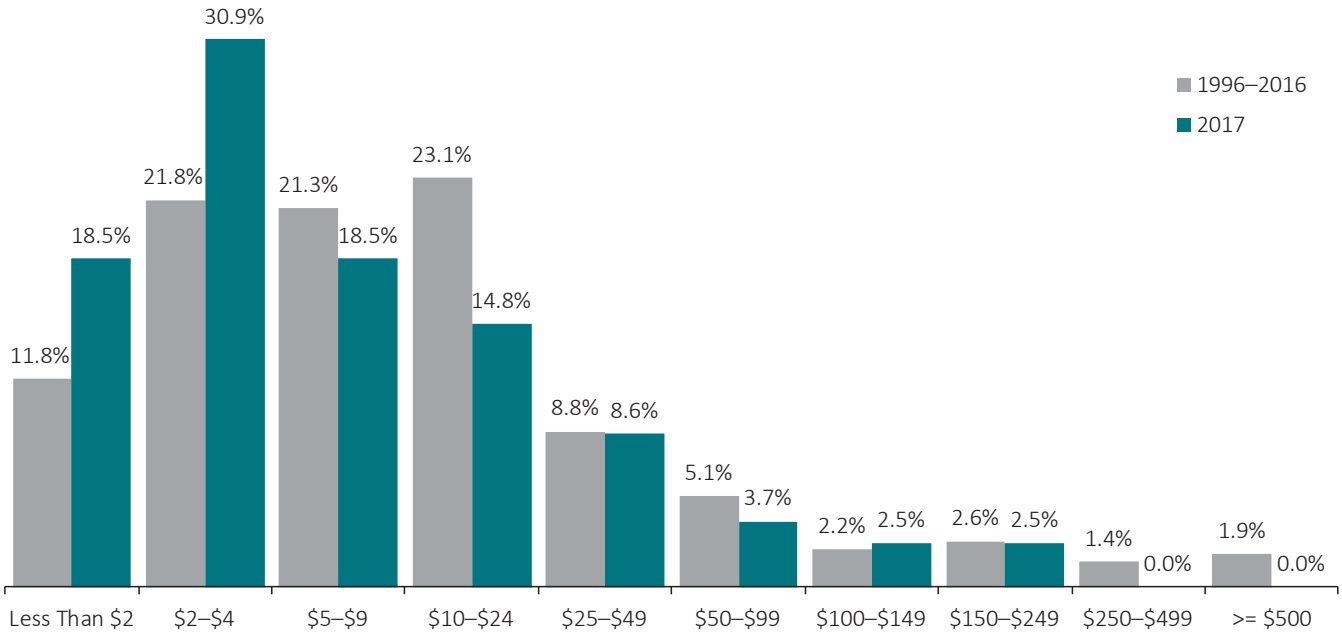
Note: Settlement dollars are adjusted for inflation; 2017 dollar equivalent figures are used.

Settlement Size

- In 2017, both the number and proportion of settlements less than or equal to $5 million were the highest in the last 10 years.
- Fifteen cases settled for $2 million or less (historically referred to as "nuisance suits") in 2017.
- As reported in Cornerstone Research's *Securities Class Action Filings—2017 Year in Review,* three plaintiff law firms (The Rosen Law Firm, Pomerantz LLP, and Glancy Prongay & Murray) have increasingly been appointed as counsel in smaller-than-average cases.[3] In 60 percent of cases settling for $2 million or less, the lead or co-lead plaintiff counsel included at least one of these plaintiff law firms.
- The respective median and average settlement amounts in 2017 were approximately 40 percent and 70 percent lower than the median and average for all prior post–Reform Act settlements.
- Of the cases settled in 2017, 33 percent were between $5 million and $25 million, compared to 42 percent among all prior post–Reform Act settlements, indicating a decline in mid-range settlements.

In 2017, 51 percent of settlements were for $5 million or less.

Figure 4: Distribution of Post–Reform Act Settlements
1996–2017
(Dollars in Millions)



Note: Settlement dollars are adjusted for inflation; 2017 dollar equivalent figures are used.

Damages Estimates

Rule 10b-5 Claims: "Simplified Tiered Damages"

A key factor in a meaningful analysis of settlement outcomes is a proxy for damages claimed by plaintiffs. *Estimating Damages in Settlement Outcome Modeling* introduced a new method for estimating that proxy that is conceptually more closely aligned with the approach typically followed by plaintiffs in current securities class action litigation matters.[4] This report concentrates on analysis of "simplified tiered damages" instead of the simplified "estimated damages" proxy used in previous reports.

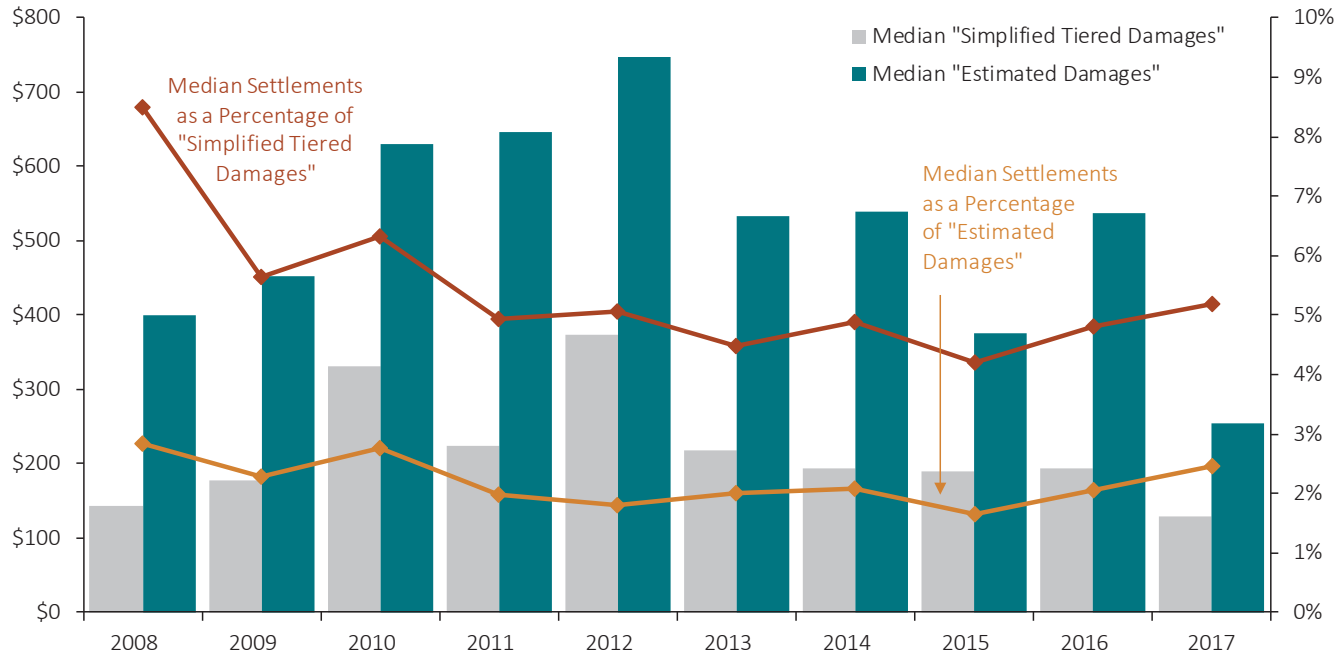
Like "estimated damages," "simplified tiered damages" is highly correlated with settlement amounts and has comparable explanatory power in regression analyses of settlement amount determinants.

"Simplified tiered damages" bases per-share inflation estimates on the dollar value of a defendant's stock price movements on the specific dates detailed in the plan of allocation in the settlement notice. When there is a single alleged corrective disclosure date, the measure is calculated using a constant dollar value line that reflects the price change at the end of the class period. When there are multiple dates identified in the settlement notice, the measure is calculated using a tiered dollar value line that reflects the cumulative price changes associated with those dates.[5,6]

Generally, "simplified tiered damages" is smaller than the corresponding "estimated damages" upon which our historical reports have concentrated, due to differences in the methods used to estimate per-share inflation.[7] As a result, settlements as a percentage of "simplified tiered damages" is larger than settlements as a percentage of "estimated damages."

Figure 5: "Simplified Tiered Damages" and "Estimated Damages"
2008–2017

(Dollars in Millions)



Note: Damages figures are adjusted for inflation based on class period end dates. Damages are estimated for cases alleging a claim under Rule 10b-5 (whether alone or in addition to other claims).

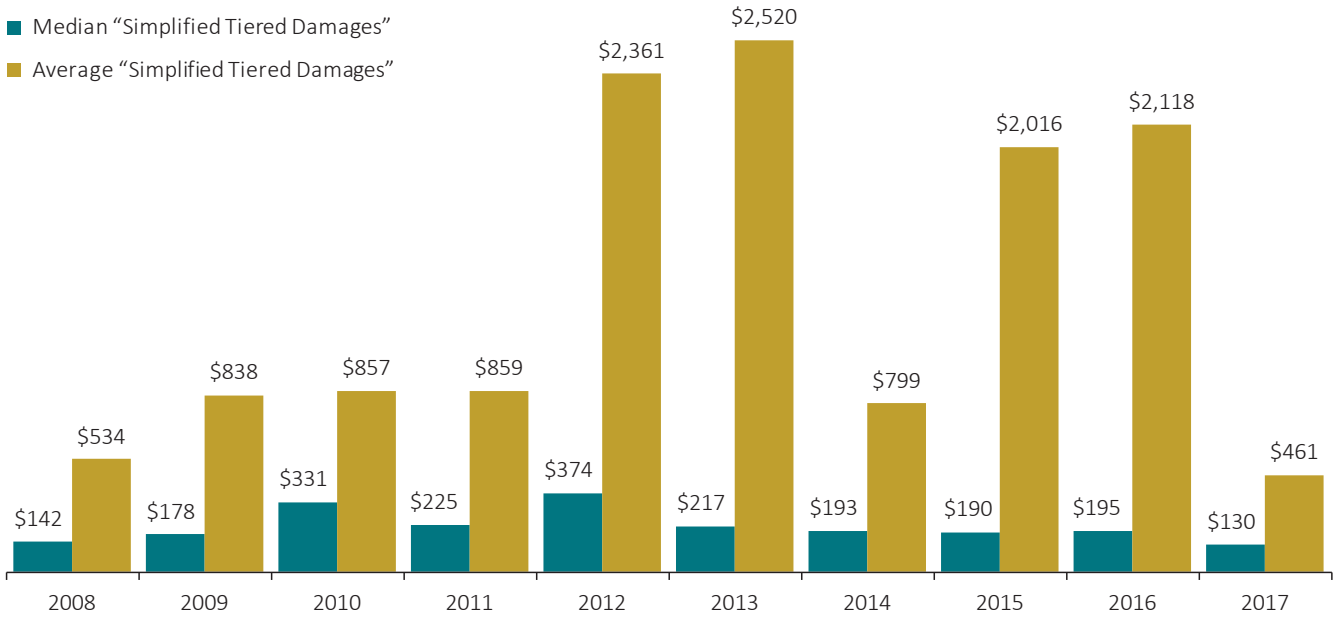
"Simplified tiered damages" uses simplifying assumptions to estimate per-share damages and trading behavior. It provides a measure of potential shareholder losses that allows for consistency across a large volume of cases, thus enabling the identification and analysis of potential trends. Our prediction models find this measure to be the most important factor in predicting settlement amounts. However, it is not intended to represent actual economic losses borne by shareholders. Determining any such losses for a given case requires more in-depth economic analysis.

Median and average "simplified tiered damages" were at a 10-year low.

- "Simplified tiered damages" is correlated with stock market volatility at the time of a case filing. The decline in median and average "simplified tiered damages" in 2017 is consistent with low stock market volatility in 2014 and 2015, when the majority of cases settled in 2017 were filed.
- Simplified tiered damages" is also correlated with the length of the class period. In 2017, the median class period for settled cases was 32 percent lower than the median in 2016.
- Higher "simplified tiered damages" are generally associated with larger issuer defendants (measured by total assets or market capitalization of the issuer). In 2017, the median issuer defendant total assets of $547 million was 37 percent smaller than for cases settled over the prior nine years.

Figure 6: Median and Average "Simplified Tiered Damages" 2008–2017

(Dollars in Millions)



Note: "Simplified tiered damages" are adjusted for inflation based on class period end dates. Damages are estimated for cases alleging a claim under Rule 10b-5 (whether alone or in addition to other claims).

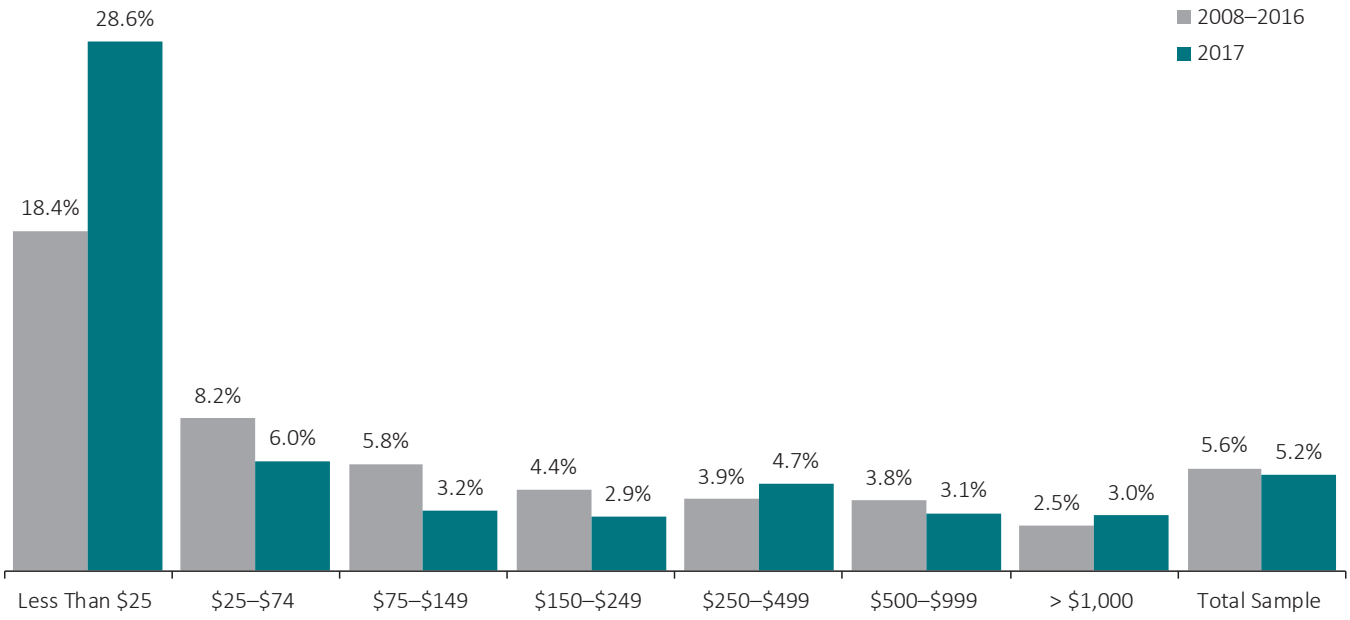
- Larger cases typically settle for a smaller percentage of "simplified tiered damages."
- The median settlement as a percentage of "simplified tiered damages" increased for the second consecutive year, reaching 5.2 percent in 2017—a level in line with the 10-year median.
- For the smallest cases, the median settlement as a percentage of "simplified tiered damages" in 2017 increased by more than 120 percent compared to the prior year.

The average settlement as a percentage of "simplified tiered damages" was the highest in the last five years due, in part, to a spike in small cases.

- As observed over the last decade, smaller cases settle more quickly. Cases with less than $25 million in "simplified tiered damages" settled within 2.4 years on average, compared to more than 3.8 years for cases with "simplified tiered damages" of greater than $25 million.

Figure 7: Median Settlements as a Percentage of "Simplified Tiered Damages" by Damages Ranges
2008–2017

(Dollars in Millions)



Note: "Simplified tiered damages" are adjusted for inflation based on class period end dates. Damages are estimated for cases alleging a claim under Rule 10b-5 (whether alone or in addition to other claims).

'33 Act Claims: "Simplified Statutory Damages"

- For cases involving Section 11 and/or Section 12(a)(2) claims ('33 Act claims) only, shareholder losses are estimated using a model where alleged inflation per share is the difference between the statutory purchase price and the statutory sales price, referred to here as "simplified statutory damages."[8] Only the offered shares are assumed to be eligible for damages.
- "Simplified statutory damages" is typically smaller than "simplified tiered damages," reflecting differences in the methodology used to estimate alleged inflation per share, as well as differences in the shares eligible to be damaged (i.e., only offered shares are included).
- In the last decade, cases involving combined claims (Rule 10b-5 and Section 11 and/or Section 12(a)(2) claims) had, on average, nearly 50 percent more docket entries than cases involving only Rule 10b-5 claims—indicating the more complex nature of these matters.
- Among cases settled in 2017, 75 percent of those involving only Section 11 and/or Section 12(a)(2) claims settled within three years from the filing date, while only 53 percent of cases involving Rule 10b-5 claims settled as quickly.

Median settlement amounts are substantially higher for cases involving '33 Act claims and Rule 10b-5 allegations than for those with only Rule 10b-5 claims.

Figure 8: Settlements by Nature of Claims
2008–2017

(Dollars in Millions)

	Number of Settlements	Median Settlement	Median "Simplified Statutory Damages"	Median Settlement as a Percentage of "Simplified Statutory Damages"
Section 11 and/or Section 12(a)(2) Only	70	$4.5	$83.3	7.5%

	Number of Settlements	Median Settlement	Median "Simplified Tiered Damages"	Median Settlement as a Percentage of "Simplified Tiered Damages"
Both Rule 10b-5 and Section 11 and/or Section 12(a)(2)	135	$12.8	$315.5	5.8%
Rule 10b-5 Only	552	$7.8	$188.3	5.0%

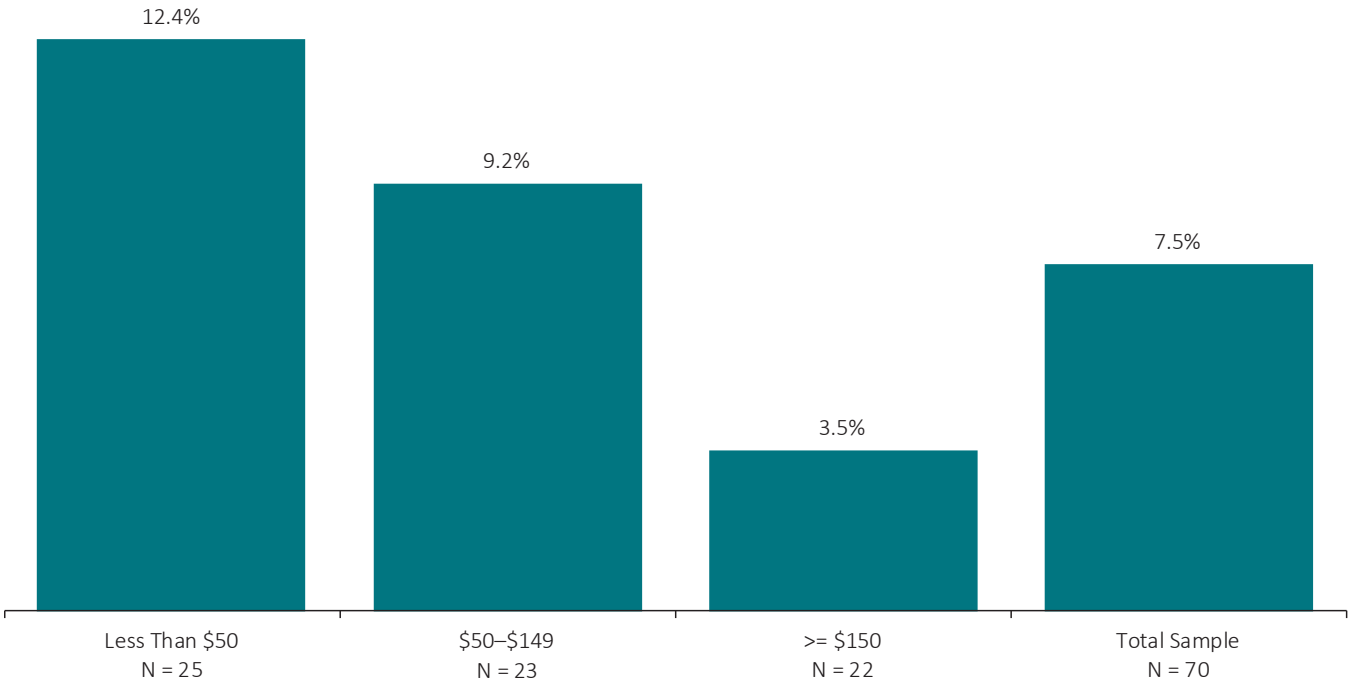
Note: Settlement dollars and damages are adjusted for inflation; 2017 dollar equivalent figures are used. Damages are adjusted for inflation based on class period end dates.

- Similar to cases with Rule 10b-5 claims, settlements as a percentage of "simplified statutory damages" for cases with only '33 Act claims are smaller for cases that have larger damages.
- Over the period 2008–2017, the average settlement as a percentage of "simplified statutory damages" with a named underwriter defendant was 12.8 percent, compared to 7.4 percent without a named underwriter defendant.

Since 2008, 84 percent of settled cases with only '33 Act claims had a named underwriter defendant.

Figure 9: Median Settlements as a Percentage of "Simplified Statutory Damages" by Damages Ranges
2008-2017

(Dollars in Millions)



Note: "Simplified statutory damages" are adjusted for inflation based on class period end dates; 2017 dollar equivalent figures are used.

Analysis of Settlement Characteristics

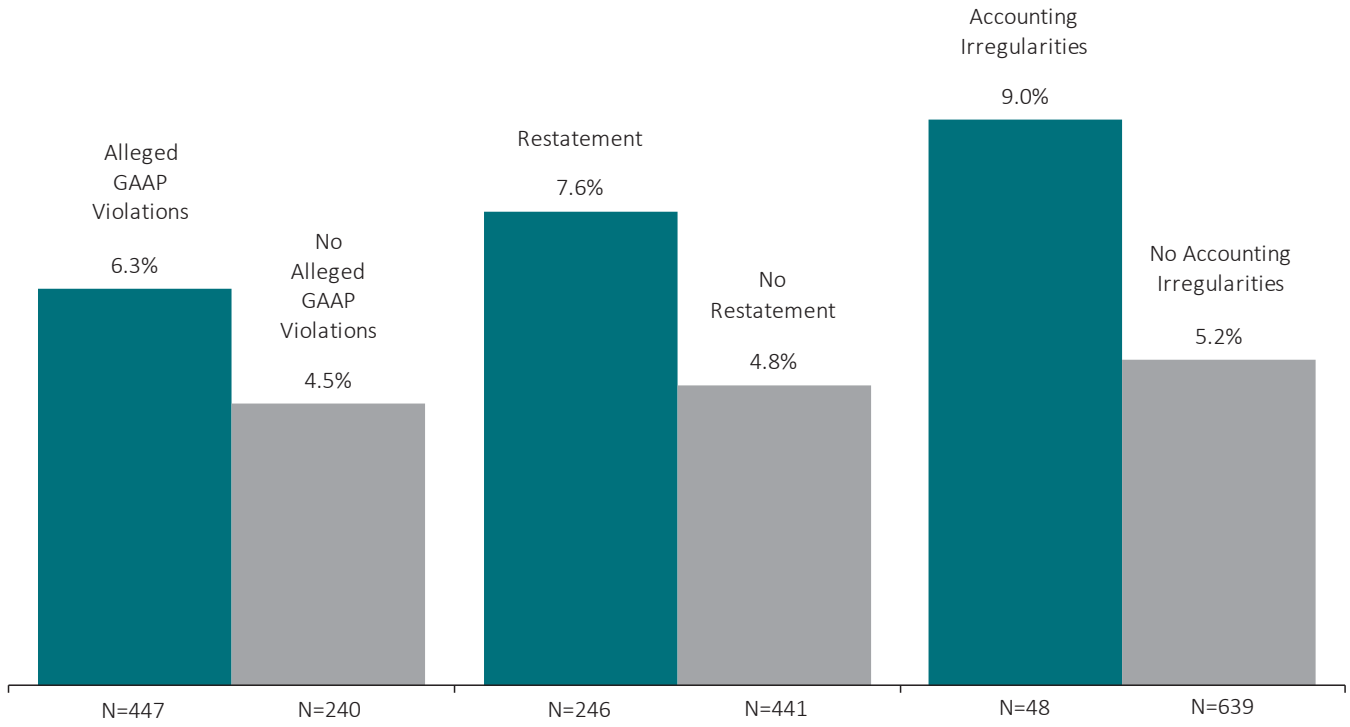
Accounting Allegations

This analysis examines three types of accounting issues among settled cases involving Rule 10b-5 claims: (1) alleged GAAP violations, (2) restatements, and (3) reported accounting irregularities.[9] For further details regarding settlements of accounting cases, see Cornerstone Research's annual report on *Accounting Class Action Filings and Settlements*.

- The proportion of settled cases alleging GAAP violations in 2017 was 53 percent, continuing a three-year decline from a high of 67 percent in 2014.
- Settled cases with restatements are generally associated with higher settlements as a percentage of "simplified tiered damages" compared to cases without restatements.
- Of cases settled in the prior nine years with accounting-related allegations, 23 percent involved a named auditor codefendant. In 2017, this dropped to 13 percent.

The infrequency of reported accounting irregularities among settled cases continued for the third straight year.

Figure 10: Median Settlements as a Percentage of "Simplified Tiered Damages" and Accounting Allegations
2008–2017



Institutional Investors

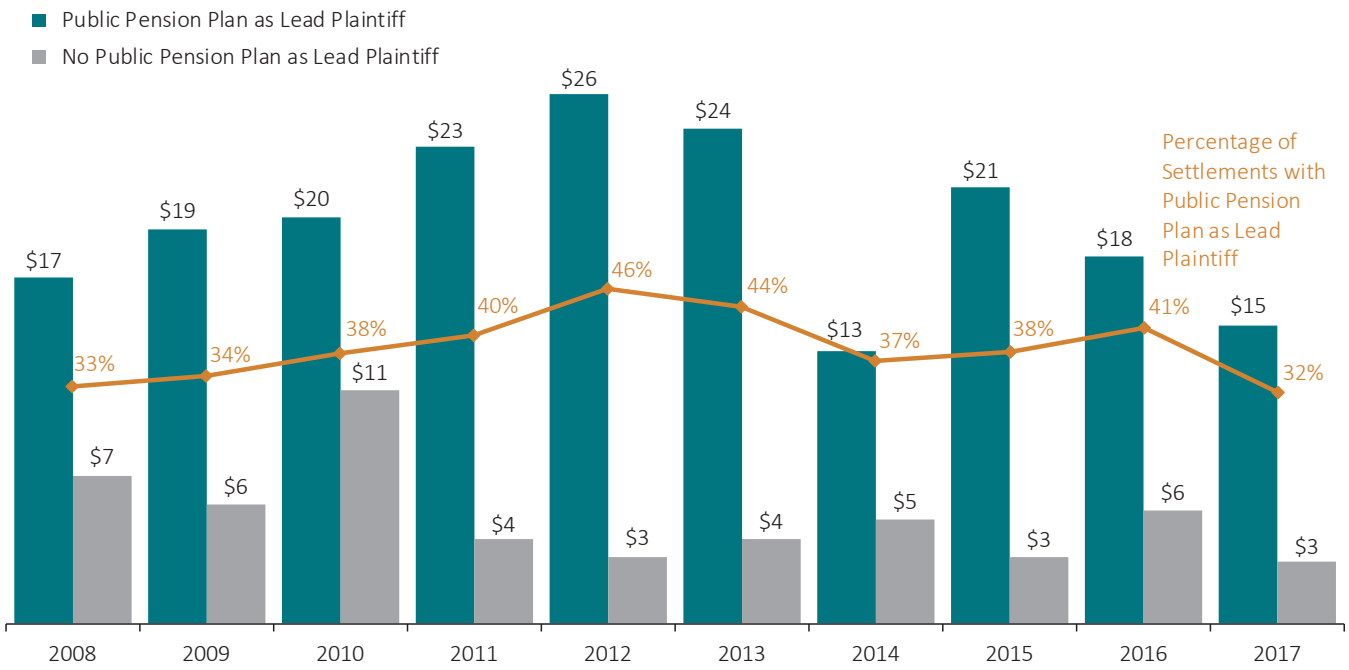
- Institutions, including public pension plans (a subset of institutional investors) tend to be involved in cases with higher "simplified tiered damages."
- The decline in public pension plan involvement in 2017 settlements in part reflects the smaller cases involved. However, even within larger cases (e.g., cases with "simplified tiered damages" greater than $50 million), public pension plans were less frequently involved in 2017 than in prior years.
- In 2017, 39 percent of settlements with "simplified tiered damages" greater than $50 million involved a public pension plan as lead plaintiff, compared to 48.6 percent for 2008–2016.

The proportion of settlements with a public pension plan as lead plaintiff declined to the lowest level over the past 10 years.

- Cases in which public pension plans serve as lead or co-lead plaintiff are typically associated with larger issuer defendants, longer class periods, securities in addition to common stock, accounting allegations, and other indicators of more serious cases, such as criminal charges. These cases are also associated with longer intervals from filing to settlement. (See page 15 for additional details regarding length of time from filing to settlement.)

Figure 11: Median Settlement Amounts and Public Pension Plans 2008–2017

(Dollars in Millions)



Note: Settlement dollars are adjusted for inflation; 2017 dollar equivalent figures are used.

Derivative Actions

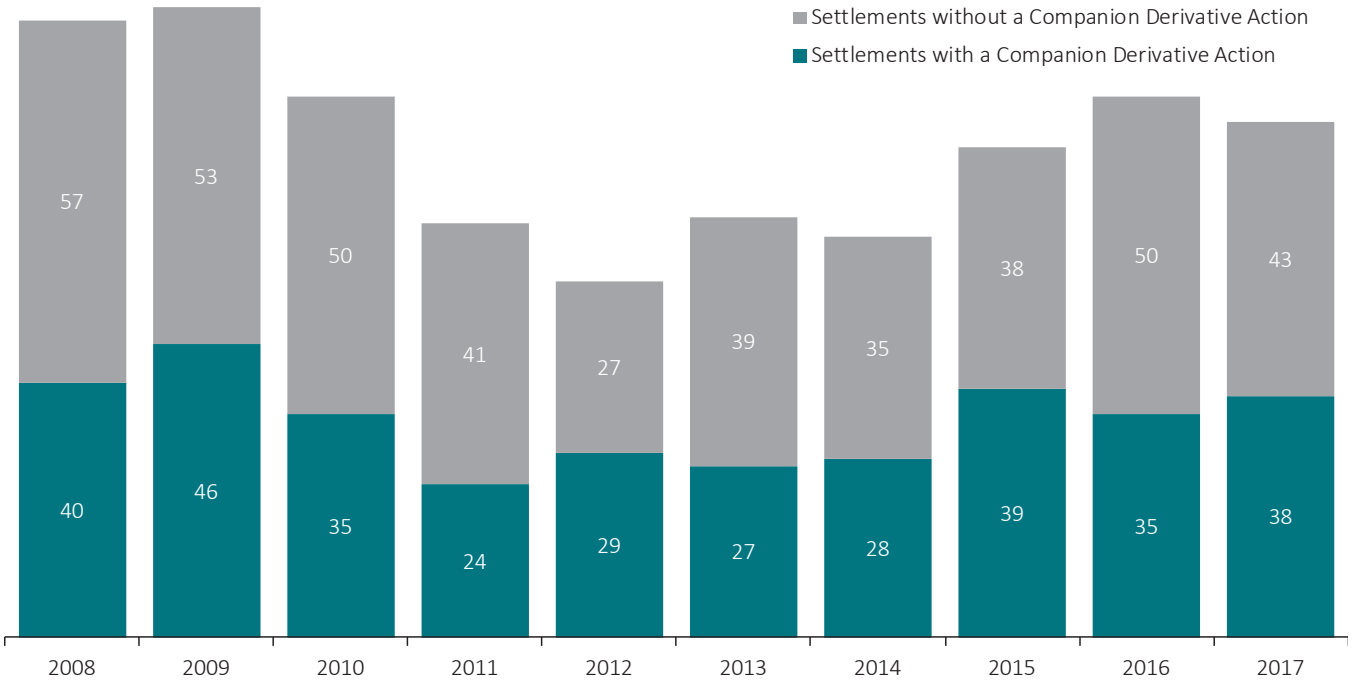
Derivative cases accompanying securities class actions, as described in previous annual reports, are more frequently filed when corresponding securities class actions involve a financial statement restatement or public pension plan lead plaintiff.

As discussed in *Piling On? An Empirical Study of Parallel Derivative Suits*,[10] there is substantial overlap between plaintiff attorneys that tend to file accompanying derivative actions and attorneys that are frequent players in securities class actions. Since most derivative actions are filed as "piggyback suits" to class actions, the latter finding is consistent with plaintiff counsel who are not selected for lead counsel representation in certain securities class actions choosing to follow up with derivative actions.

The percentage of settled cases involving an accompanying derivative action was one of the highest in the last 10 years.

- The increase in the proportion of settled cases involving an accompanying derivative action was driven by a surge in derivative cases corresponding to relatively small settlements. Of cases settling for $5 million or less in 2017, 51 percent were accompanied by derivative actions, compared to 37 percent for the prior nine years.
- Historically, cases involving accompanying derivative actions have tended to settle for higher amounts. In 2017, however, the median settlement for cases with companion derivative actions was $4.3 million, compared to $6.2 million for cases without accompanying derivative actions.

Figure 12: Frequency of Derivative Actions
2008–2017



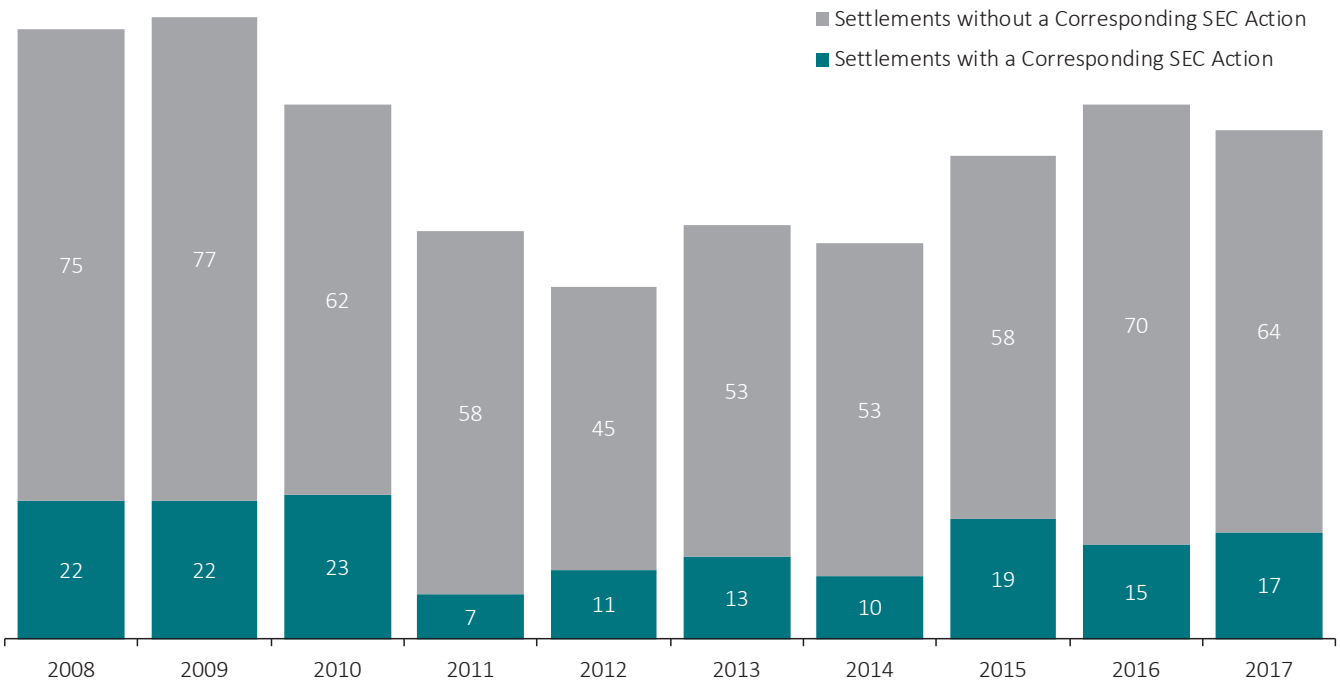
Corresponding SEC Actions

Cases with a corresponding SEC action related to the allegations are typically associated with significantly higher settlement amounts and higher settlements as a percentage of "simplified tiered damages."[11]

- Compared to 2011–2014, the relatively high level of class actions settled over the last three years with corresponding SEC actions is consistent with the SEC's stated focus on financial reporting and disclosure matters during this period.[12]
- Cases with corresponding SEC actions tend to involve larger issuer defendants. For cases settled during 2008–2017, average assets for issuer defendant firms were $135 billion for cases with corresponding SEC actions, compared to only $31 billion for cases without a corresponding SEC action.
- Corresponding SEC actions are also frequently associated with delisted firms. Out of the total 159 settlements during 2008–2017 involving cases with corresponding SEC actions, 63 cases (40 percent) involved issuer defendants that had been delisted.

Over 20 percent of settled cases involved a corresponding SEC action.

Figure 13: Frequency of SEC Actions
2008–2017



Time to Settlement and Case Complexity

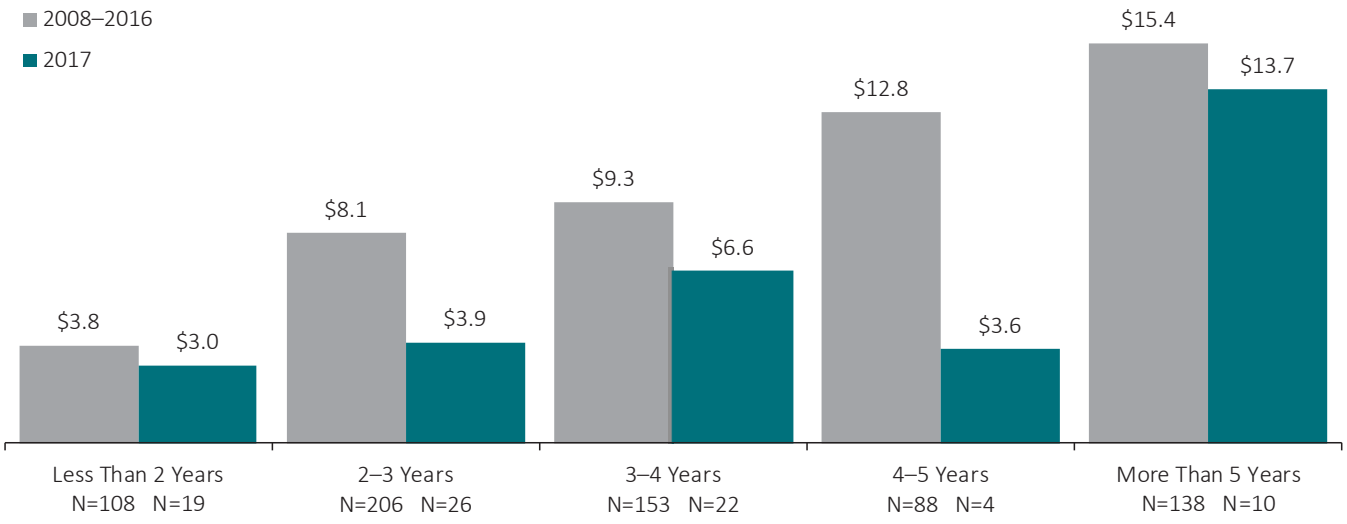
- In 2017, more than 23 percent of cases settled within two years of the filing date, compared to less than 16 percent during 2008–2016.
- Rule 10b-5 cases settling in less than two years in 2017 had median "simplified tiered damages" of only $85 million, compared to a median of $130 million for all settlements in 2017.
- Historically, cases that have taken longer to settle have been associated with higher settlements.
- The median settlement amount for cases taking more than two years to settle was two times the median settlement amount for cases that settled within two years.
- Consistent with the decline in settlement size in 2017, a smaller proportion (17 percent) of cases settled at least four years after filing, compared to 33 percent during 2008–2016.

The average time from filing to settlement was the lowest in the past decade.

- The number of docket entries associated with a case at the time of settlement (see Appendix 7) is highly correlated with the time to settlement, as well as factors that add to case complexity, such as third-party defendants. Accordingly, this variable has been used in prior research as a proxy for the effort incurred by plaintiff counsel in litigating the securities class actions.[13] The number of docket entries at the time of settlement is a statistically significant explanatory variable in regression analyses of settlement outcome determinants (see page 16).

Figure 14: Median Settlement by Duration from Filing Date to Settlement Hearing Date
2008–2017

(Dollars in Millions)



Note: Settlement dollars are adjusted for inflation; 2017 dollar equivalent figures are used.

Cornerstone Research's Settlement Prediction Analysis

This research applies regression analysis to examine the relationships between settlement outcomes and certain security case characteristics. Regression analysis is employed to better understand and predict the total settlement amount, given the characteristics of a particular securities case. Regression analysis can also be applied to estimate the probabilities associated with reaching alternative settlement levels. It is also helpful in exploring hypothetical scenarios, including how the presence or absence of particular factors affect predicted settlement amounts.

Determinants of Settlement Outcomes

Based on the research sample of post–Reform Act cases that settled through December 2017, the factors that were important determinants of settlement amounts included the following:

- "Simplified tiered damages"
- Maximum Dollar Loss (MDL)
- Most recently reported total assets of the issuer defendant firm
- Number of entries on the lead case docket
- The year in which the settlement occurred
- Whether a restatement of financials related to the alleged class period was announced
- Whether there was a corresponding SEC action against the issuer, other defendants, or related parties
- Whether Section 11 and/or Section 12(a) claims were alleged in addition to Rule 10b-5 claims
- Whether the issuer defendant was distressed
- Whether a public pension was a lead plaintiff
- Whether the plaintiffs alleged that securities other than common stock were damaged

Regression analyses shows that settlements were higher when "simplified tiered damages," MDL, issuer defendant asset size, or the number of docket entries were larger, or when Section 11 and/or Section 12(a) claims were alleged in addition to Rule 10b-5 claims.

Settlements were also higher in cases involving financial restatements, a corresponding SEC action, a public pension involved as lead plaintiff, or securities other than common stock alleged to be damaged.

Settlements were lower if the settlement occurred in 2010 or later, or if the issuer was distressed.

Almost 75 percent of the variation in settlement amounts can be explained by the factors discussed above.

Research Sample

- The database used in this report focuses on cases alleging fraudulent inflation in the price of a corporation's common stock (i.e., excluding cases with alleged classes of only bondholders, preferred stockholders, etc., and excluding cases alleging fraudulent depression in price and M&A cases).
- The sample is limited to cases alleging Rule 10b-5, Section 11, and/or Section 12(a)(2) claims brought by purchasers of a corporation's common stock. These criteria are imposed to ensure data availability and to provide a relatively homogeneous set of cases in terms of the nature of the allegations.
- The current sample includes 1,697 securities class actions filed after passage of the Reform Act (1995) and settled from 1996 through 2017. These settlements are identified based on a review of case activity collected by Securities Class Action Services LLC (SCAS).[14]
- The designated settlement year, for purposes of this report, corresponds to the year in which the hearing to approve the settlement was held.[15] Cases involving multiple settlements are reflected in the year of the most recent partial settlement, provided certain conditions are met.[16]

Data Sources

In addition to SCAS, data sources include Dow Jones Factiva, Bloomberg, the Center for Research in Security Prices (CRSP) at University of Chicago Booth School of Business, Standard & Poor's Compustat, court filings and dockets, SEC registrant filings, SEC litigation releases and administrative proceedings, LexisNexis, and public press.

Endnotes

1 See Adam C. Pritchard and Stephen J. Choi, "Lead Plaintiffs and Their Lawyers: Mission Accomplished, or More to Be Done?," Harvard Law School Forum on Corporate Governance and Financial Regulation, May 25, 2017. See also Charles Silver and Sam Dinkin, "Incentivizing Institutional Investors to Serve as Lead Plaintiffs in Securities Fraud Class Actions," *DePaul Law Review* 57, no. 2 (2008).

2 See Kevin LaCroix, "Should Shareholder Derivative Litigation Be Eliminated?," *The D&O Diary,* October 4, 2017; and Stephen Bainbridge, "Is There a Case for Abolishing Derivative Litigation?," ProfessorBainbridge.com, October 3, 2017.

3 See *Securities Class Action Filings—2017 Year in Review,* Cornerstone Research (2018), page 35. Among 2017 settlements, The Rosen Law Firm and Pomerantz LLP have identifiable lead or co-lead roles.

4 See *Estimating Damages in Settlement Outcome Modeling*, Cornerstone Research (2017). Note that "simplified tiered damages" referenced in the current report is identical to the measure referred to as "tiered damages" in *Estimating Damages in Settlement Outcome Modeling*.

5 "Simplified tiered damages" is calculated for cases that settled after 2005. Importantly, the "simplified tiered damages" approach used for purposes of settlement research does not examine the mix of information associated with the specific dates listed in the plan of allocation, but simply applies the stock price movements on those dates to an estimate of the "true value" of the stock during the alleged class period (or "value line"). The dates used to identify the applicable value line may be supplemented with information from the operative complaint at the time of settlement.

6 Damages calculations have two components, an estimate of the inflation per share and an estimate of the number of shares damaged. Both "simplified tiered damages" and "estimated damages," as well as the proxy discussed in this report for plaintiff-style damages in '33 Act cases, use a similar methodology to estimate the number of shares damaged. In particular, these damages proxies utilize an estimate of the number of shares damaged based on reported trading volume and the number of shares outstanding. Specifically, reported trading volume is adjusted using volume reduction assumptions based on the exchange on which the issuer defendant's common stock is listed. No adjustments are made to the underlying float for institutions, insiders, or short-selling activity. Because of these and other simplifying assumptions, the damages measures used in settlement outcome modeling are overstated relative to damages estimates developed in conjunction with case-specific economic analysis.

7 As described in prior reports, per-share inflation for "estimated damages" for cases involving Rule 10b-5 claims is calculated using a market-adjusted, backward-pegged value line.

8 The statutory purchase price is the lesser of the security offering price or the security purchase price. Prior to the first complaint filing date, the statutory sales price is the price at which the security was sold. After the first complaint filing date, the statutory sales price is the greater of the security sales price or the security price on the first complaint filing date. Similar to "simplified tiered damages," the estimation of "simplified statutory damages" makes no adjustments to the underlying float for institutions, insiders, or short-selling activity.

9 The three categories of accounting issues analyzed in this report are: (1) GAAP violations—cases with allegations involving Generally Accepted Accounting Principles (GAAP); (2) restatements—cases involving a restatement (or announcement of a restatement) of financial statements; and (3) accounting irregularities—cases in which the defendant has reported the occurrence of accounting irregularities (intentional misstatements or omissions) in its financial statements.

10 Stephen J. Choi, Jessica Erickson, and Adam C. Pritchard, "Piling On? An Empirical Study of Parallel Derivative Suits," *Journal of Empirical Legal Studies* 14, no. 4 (2007): 653–682.

11 It could be that the merits in such cases are stronger, or simply that the presence of an accompanying SEC action provides plaintiffs with increased leverage when negotiating a settlement. For purposes of this research, an SEC action is evidenced by the presence of a litigation release or an administrative proceeding posted on www.sec.gov.

12 For example, see Andrew Ceresney, Director, Division of Enforcement, U.S. Securities and Exchange Commission, "Directors Forum 2016 Keynote Address" (San Diego, CA, January 25, 2016).

13 See Laura Simmons, "The Importance of Merit-Based Factors in the Resolution of 10b-5 Litigation," University of North Carolina at Chapel Hill Doctoral Dissertation (1996); and Michael A. Perino, "Institutional Activism through Litigation: An Empirical Analysis of Public Pension Fund Participation in Securities Class Actions," St. John's Legal Studies Research Paper No. 06-0055 (2006).

14 Available on a subscription basis.

15 Movements of partial settlements between years can cause differences in amounts reported for prior years from those presented in earlier reports.

16 This categorization is based on the timing of the settlement approval. If a new partial settlement equals or exceeds 50 percent of the then-current settlement fund amount, the entirety of the settlement amount is re-categorized to reflect the settlement hearing date of the most recent partial settlement. If a subsequent partial settlement is less than 50 percent of the then-current total, the partial settlement is added to the total settlement amount and the settlement hearing date is left unchanged.

Appendices

Appendix 1: Settlement Percentiles

(Dollars in Millions)

	Average	10th	25th	Median	75th	90th
2017	$18.2	$1.5	$2.5	$5.0	$15.0	$34.5
2016	$72.0	$1.9	$4.3	$8.7	$33.7	$149.1
2015	$40.7	$1.4	$2.2	$6.7	$16.8	$97.2
2014	$18.9	$1.7	$3.0	$6.2	$13.6	$51.8
2013	$76.1	$2.0	$3.2	$6.8	$23.3	$86.8
2012	$65.4	$1.3	$2.9	$10.1	$37.9	$122.8
2011	$22.8	$2.0	$2.7	$6.3	$19.6	$45.5
2010	$40.1	$2.2	$4.8	$12.6	$28.1	$89.5
2009	$42.9	$2.7	$4.4	$9.1	$22.9	$75.9
2008	$32.4	$2.3	$4.3	$9.1	$21.6	$57.4
1996–2017	$43.5	$1.7	$3.5	$8.3	$21.3	$74.1

Note: Settlement dollars are adjusted for inflation; 2017 dollar equivalent figures are used.

Appendix 2: Select Industry Sectors 2008–2017

(Dollars in Millions)

Industry	Number of Settlements	Median Settlement	Median "Simplified Tiered Damages"	Median Settlement as a Percentage of "Simplified Tiered Damages"
Technology	109	$9.8	$199.8	2.2%
Financial	113	$21.2	$459.1	2.0%
Telecommunications	49	$8.0	$160.1	2.1%
Retail	44	$6.6	$140.8	2.3%
Pharmaceuticals	88	$8.6	$339.6	2.5%
Healthcare	19	$8.0	$127.3	3.0%

Note: Settlement dollars and "simplified tiered damages" are adjusted for inflation; 2017 dollar equivalent figures are used. "Simplified tiered damages" are calculated only for cases involving Rule 10b-5 claims.

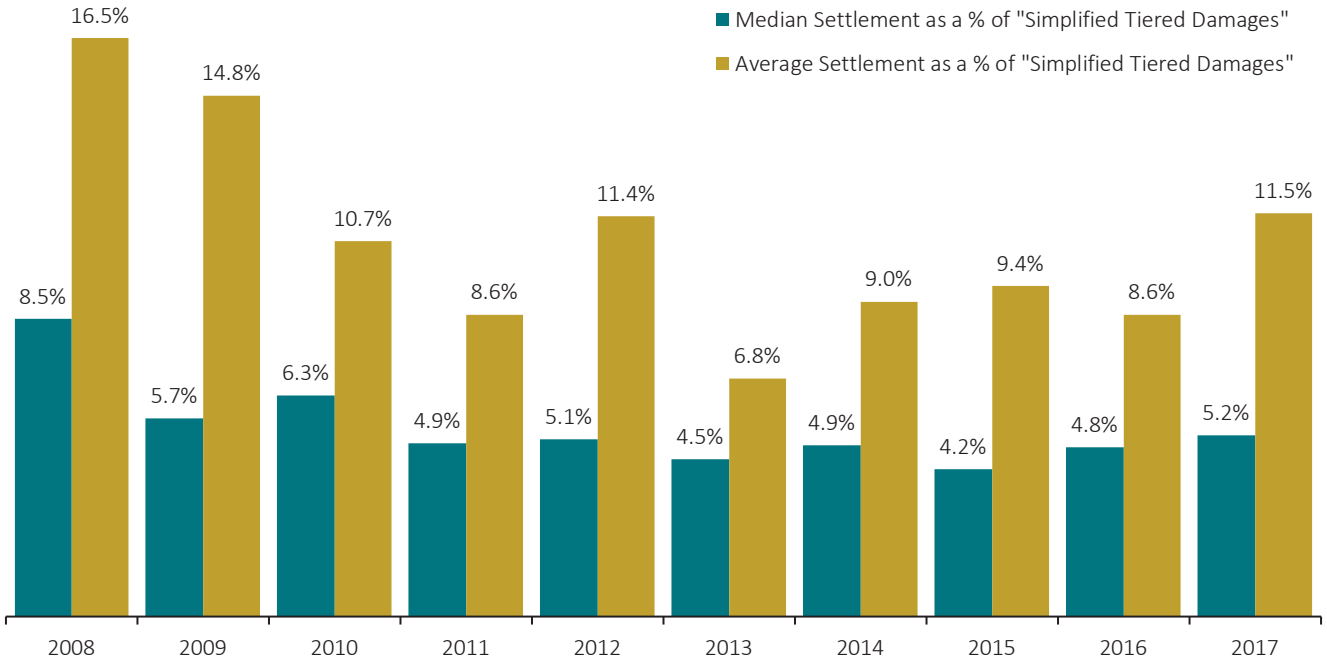
Appendix 3: Settlements by Federal Circuit Court
2008–2017

(Dollars in Millions)

Circuit	Number of Settlements	Median Settlement	Median Settlement as a Percentage of "Simplified Tiered Damages"
First	24	$7.3	2.0%
Second	185	$12.0	2.0%
Third	63	$8.7	2.4%
Fourth	27	$8.4	1.8%
Fifth	40	$7.6	2.4%
Sixth	33	$12.9	3.3%
Seventh	38	$9.7	1.7%
Eighth	19	$8.5	3.2%
Ninth	191	$8.0	2.3%
Tenth	19	$8.6	2.3%
Eleventh	47	$6.0	2.3%
DC	4	$38.7	3.7%

Note: Settlement dollars are adjusted for inflation; 2017 dollar equivalent figures are used. Settlements as a percentage of "simplified tiered damages" calculated only for cases alleging Rule 10b-5 claims.

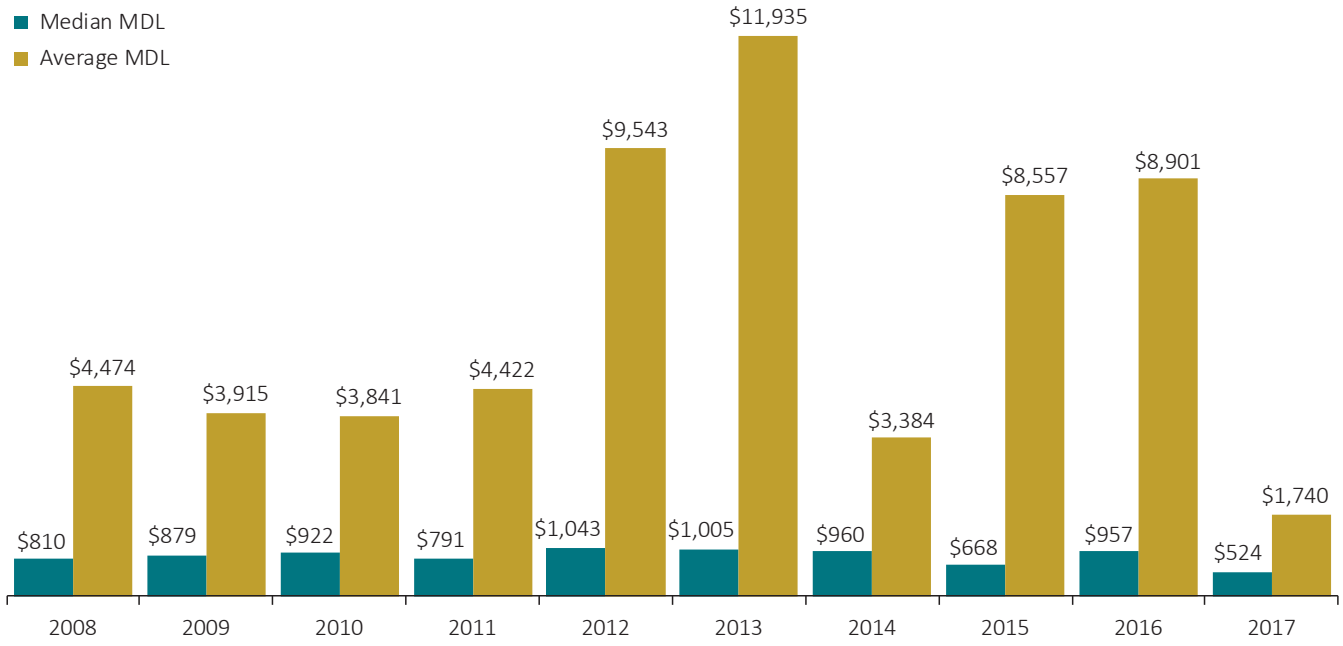
Appendix 4: Median and Average Settlements as a Percentage of "Simplified Tiered Damages"
2008–2017



Note: "Simplified tiered damages" are calculated only for cases alleging Rule 10b-5 claims.

Appendix 5: Median and Average Maximum Dollar Loss (MDL) 2008–2017

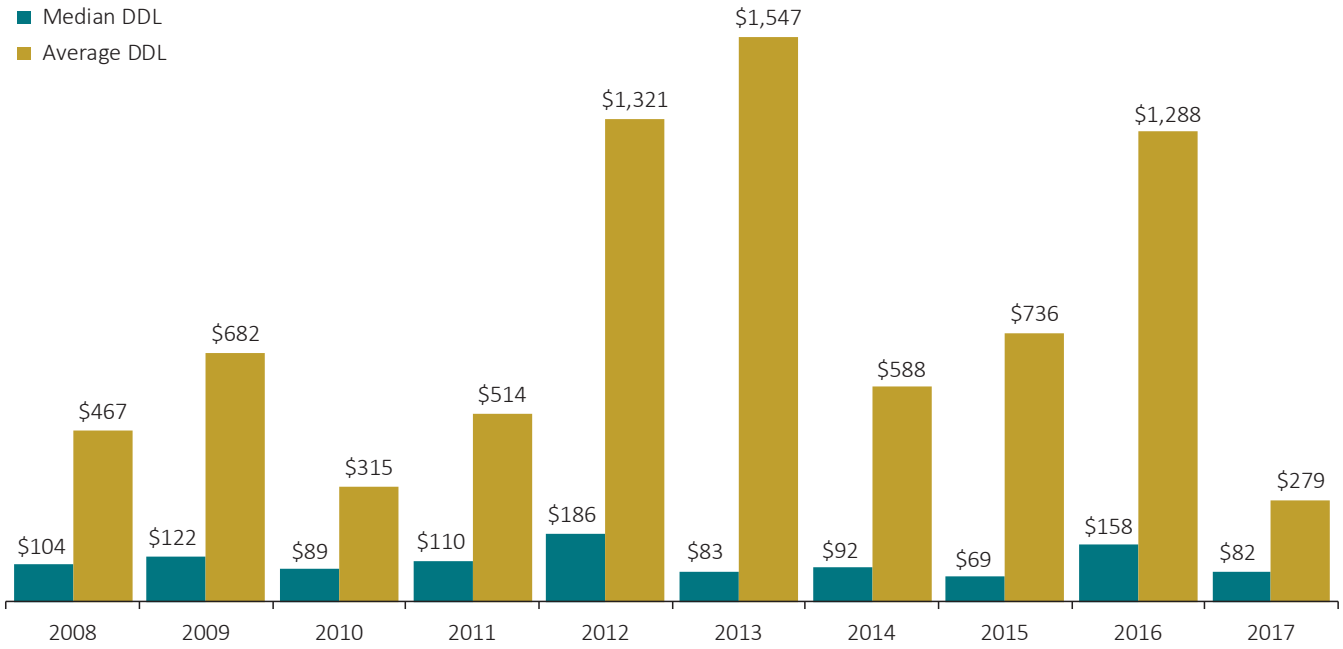
(Dollars in Millions)



Note: MDL is adjusted for inflation based on class period end dates. MDL is the dollar value change in the defendant firm's market capitalization from the trading day with the highest market capitalization during the class period to the trading day immediately following the end of the class period.

Appendix 6: Median and Average Disclosure Dollar Loss (DDL) 2008–2017

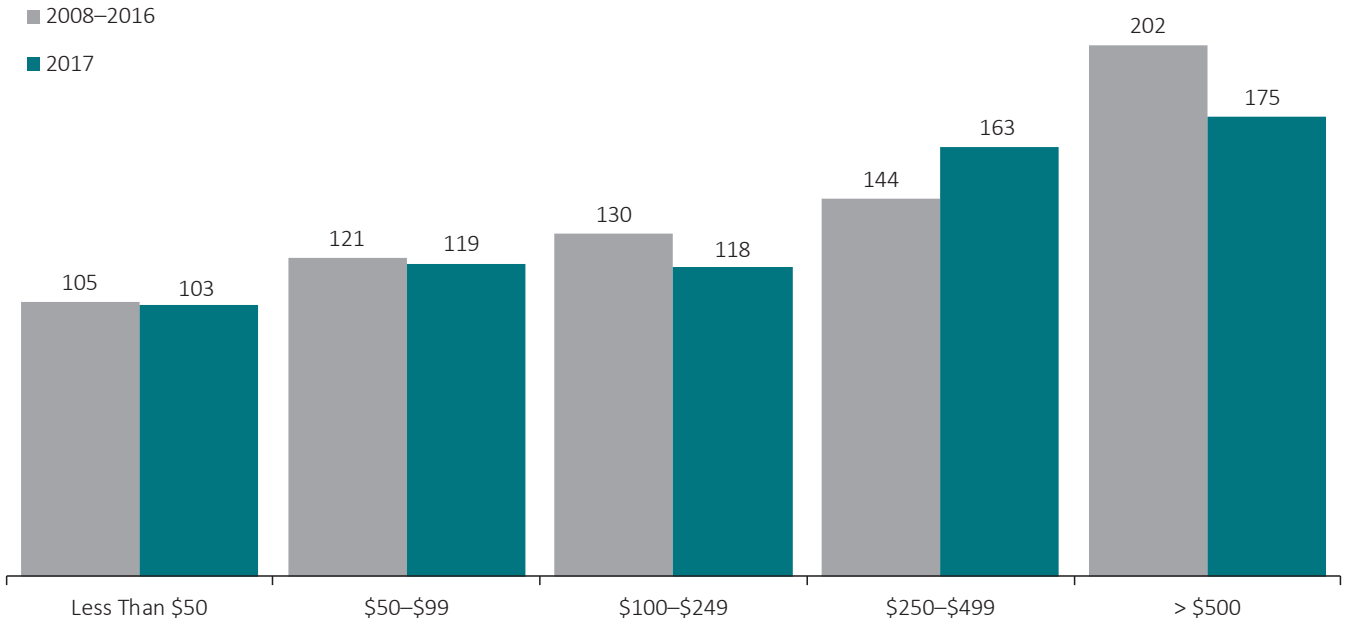
(Dollars in Millions)



Note: DDL is adjusted for inflation based on class period end dates. DDL is the dollar value change in the defendant firm's market capitalization between the trading day immediately preceding the end of the class period and the trading day immediately following the end of the class period.

Appendix 7: Median Docket Entries by "Simplified Tiered Damages" Range
2008–2017

(Dollars in Millions)



Note: "Simplified tiered damages" are adjusted for inflation; 2017 dollar equivalent figures are used. "Simplified tiered damages" are calculated only for cases alleging Rule 10b-5 claims.

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Laarni Bulan is a principal in Cornerstone Research's Boston office, where she specializes in finance. Her work has focused on securities damages and class certification issues, insider trading, merger valuation, risk management, market manipulation and trading behavior, and real estate markets. She has also consulted on cases related to financial institutions and the credit crisis, municipal bond mutual funds, asset-backed commercial paper conduits, credit default swaps, foreign exchange, and securities clearing and settlement. Dr. Bulan has published several academic articles in peer-reviewed journals. Her research covers topics in dividend policy, capital structure, executive compensation, corporate governance, and real options. Prior to joining Cornerstone Research, Dr. Bulan had a joint appointment at Brandeis University as an assistant professor of finance in its International Business School and in the economics department.

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Laura Simmons is a senior advisor with Cornerstone Research. She is a certified public accountant and has more than 25 years of experience in accounting practice and economic and financial consulting. Dr. Simmons has focused on damages and liability issues in securities litigation, as well as on accounting issues arising in a variety of complex commercial litigation matters. She has served as a testifying expert in cases involving accounting analyses, securities case damages, research on securities lawsuits, and other issues involving empirical analyses.

Dr. Simmons's research on pre– and post–Reform Act securities litigation settlements has been published in a number of reports and is frequently cited in the public press and legal journals. She has spoken at various conferences and appeared as a guest on CNBC addressing the topic of securities case settlements. She has also published in academic journals, with recent research focusing on the intersection of accounting and litigation. Dr. Simmons was previously an accounting faculty member at the Mason School of Business at the College of William & Mary. From 1986 to 1991, she was an accountant with Price Waterhouse.

The authors acknowledge the research efforts and significant contributions of their colleagues at Cornerstone Research. Please direct any questions and requests for additional information to the settlement database administrator at settlement.database@cornerstone.com.

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