UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

DENNIS WILSON, Individually and on Behalf of All Others Similarly Situated, Plaintiff, v. LSB INDUSTRIES, INC., JACK E. GOLSEN, BARRY H. GOLSEN, MARK T. BEHRMAN, TONY M. SHELBY, and HAROLD L. RIEKER, JR. Defendants.	Case No. 1:15-cv-07614-RA-GWG

DECLARATION OF CASEY E. SADLER IN SUPPORT OF (I) PLAINTIFFS' MOTION FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT AND PLAN OF ALLOCATION, AND (II) LEAD COUNSEL'S MOTION FOR AN AWARD OF ATTORNEYS' FEES AND REIMBURSEMENT OF LITIGATION EXPENSES

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I, CASEY E. SADLER, declare as follows:

I. INTRODUCTION

1. I am an attorney duly licensed to practice law before all of the courts of the State of California and I am admitted *pro hac vice* in the above-titled action ("Action"). I am a partner with the law firm of Glancy Prongay & Murray LLP ("GPM"), the Court-appointed Lead Counsel[1] and counsel of record for Lead Plaintiff Dennis Wilson ("Lead Plaintiff") and additional named plaintiff Camelot Event Driven Fund ("Camelot," and together with Lead Plaintiff, "Plaintiffs") in the Action. I have personal knowledge of the contents of this Declaration based on my active supervision of and participation in the prosecution and settlement of the claims asserted in the Action.

2. I respectfully submit this Declaration in support of Plaintiffs' motion, pursuant to Rule 23(e) of the Federal Rules of Civil Procedure, for final approval of the proposed settlement (the "Settlement") that the Court preliminarily approved by its Order dated February 25, 2019 (the "Preliminary Approval Order," ECF No. 180), and for approval of the proposed plan for allocating the proceeds of the Net Settlement Fund to eligible Settlement Class Members (the "Plan of Allocation"). I also respectfully submit this Declaration in support of Lead Counsel's motion for an award of attorneys' fees in the amount of 33 1/3% of the Settlement Fund, reimbursement of Lead Counsel's expenses in the amount of $1,169,501.84, and awards in accordance with the Private Securities Litigation Reform Act of 1995 ("PSLRA") in the amounts of $18,850 and $21,250 for costs and expenses incurred by Lead Plaintiff Dennis Wilson and

[1] Unless otherwise defined in this Declaration, all capitalized terms have the meanings defined in the Stipulation and Agreement of Settlement, dated January 17, 2019 (the "Stipulation"), and previously filed with the Court. *See* ECF No. 179-1.

Camelot, respectively, directly related to their representation of the Settlement Class (the "Fee and Expense Application").[2]

3. The proposed Settlement now before the Court provides for the resolution of all claims in the Action in exchange for a cash payment of $18,450,000. As detailed below, Plaintiffs and Lead Counsel respectfully submit that the Settlement represents a very favorable result for the Settlement Class in light of the maximum recoverable damages alleged and the significant risks remaining in the Action. The Settlement Class's estimated common stock[3] maximum recoverable damages at trial were approximately $136.8 million. Thus, the recovery of $18.45 million represents approximately 13.5% of the Settlement Class's potential recoverable damages. As explained further below, the Settlement provides a considerable benefit to the Settlement Class by conferring a substantial, certain, and immediate recovery while avoiding the significant risks and expense of continued litigation, including the risk that the Settlement Class could recover nothing or substantially less than the Settlement Amount after years of additional litigation and delay.

4. The proposed Settlement is the result of extensive efforts by Lead Counsel, which included, among other things detailed below, (i) conducting a thorough investigation of LSB Industries, Inc. ("LSB" or the "Company") and the allegedly fraudulent misrepresentations and omissions made during the period from November 7, 2014 through November 5, 2015, inclusive (the "Settlement Class Period" or "Class Period"), concerning the status and cost of LSB's

[2] In conjunction with this Declaration, Plaintiffs and Lead Counsel, respectively, are also submitting the Memorandum of Law in Support of Plaintiffs' Motion for Final Approval of Class Action Settlement and Plan of Allocation (the "Final Approval Memorandum") and the Memorandum of Law in Support of Lead Counsel's Motion for an Award of Attorneys' Fees and Reimbursement of Litigation Expenses (the "Fee Memorandum").

[3] Almost all of the damages at issue stem from common stock transactions.

largest construction project, which was the disassembly of a shuttered ammonia plant in Donaldsonville, Louisiana and then transportation and attempted re-construction of the plant in El Dorado, Arkansas (the "El Dorado Project"); (ii) drafting the 59-page Corrected Amended Class Action Complaint for Violations of the Federal Securities Laws, filed on February 17, 2016 (the "CAC," ECF No. 27); (iii) researching, drafting, and filing an opposition to Defendants' motion to dismiss, filed with the Court on May 27, 2016 (ECF No. 55), as well as a notice of a subsequent relevant opinion issued by the Second Circuit (ECF No. 50); (iv) filing a motion for leave to file a second amended complaint and responding to Defendants' opposition (ECF Nos. 45-46, 52); (v) successfully defeating Defendants' motion to dismiss and obtaining leave to amend following oral argument on the motions on March 2, 2017 (*see* ECF No. 56); (vi) drafting the 125-page Corrected Second Amended Class Action Complaint for Violation of the Federal Securities Laws, filed on April 5, 2017 (the "SAC," ECF No. 69); (vii) retaining a market efficiency expert who drafted expert reports; (viii) conducting class certification discovery, including the depositions of both proposed class representatives, Dennis Wilson and Camelot,[4] and the experts retained by Plaintiffs and Defendants and filing the class certification motion and reply (ECF No. 99-101, 112); (ix) filing a supplemental reply brief in support of class certification on May 16, 2018; (x) retaining experts in ammonia plant construction, damages and loss causation, and accounting; (xi) strategically reviewing approximately 2.7 million pages of documents produced by Defendants and an additional 3.3 million pages of documents produced pursuant to the more than twenty third-party subpoenas issued by Lead

[4] During the course of the litigation, Quaker Event Arbitrage Fund ("QEAF")—which became an additional named plaintiff in this Action on June 12, 2017 (ECF No. 89)—transferred all of its property and assets to the Camelot Event Driven Fund and Camelot assumed all liabilities for the Quaker Event Arbitrage Fund. On July 27, 2018, the Court substituted Camelot for Quaker Event Arbitrage Fund for all purposes. ECF No. 144. As such, as used herein, "Camelot" refers both to Camelot Event Driven Fund and QEAF.

Counsel; (xii) deposed more than twenty fact witnesses; (xiii) participated in two full-day mediations with Robert A. Meyer, Esq. of JAMS, a respected mediator who is highly experienced in mediating large-scale securities class actions such as this, including the drafting and exchange of substantial mediation statements and exhibits; and (xiv) negotiating with Defendants on an arm's-length basis to resolve the Action.

5. Plaintiffs and Lead Counsel believe that the Settlement is in the best interests of the Settlement Class. Due to their efforts described in the foregoing paragraph, Plaintiffs and Lead Counsel were well informed of the strengths and weaknesses of the claims and defenses in the Action prior to negotiating the Settlement, and they believe that the Settlement represents a very favorable outcome for the Settlement Class.

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

7. With respect to the Fee and Expense Application, as discussed in the Fee Memorandum, the requested fee of 33 1/3% of the Settlement Fund for Lead Counsel was approved by Plaintiffs and is well within the range of percentage awards granted by courts in this Circuit and across the country in securities class actions. Additionally, the requested fee results in a fractional multiplier of 0.41 on Lead Counsel's lodestar, which is well *below* the range of multipliers routinely awarded by courts in this Circuit and across the country.

8. For all of the reasons discussed in this Declaration and in the accompanying memoranda, including the quality of the result obtained and the numerous significant litigation risks discussed fully below, Plaintiffs and Lead Counsel respectfully submit that the Settlement

and the Plan of Allocation are fair, reasonable, and adequate and should be approved. In addition, Lead Counsel respectfully submit that its request for attorneys' fees and reimbursement of Litigation Expenses is also fair and reasonable and should be approved.

II. PROSECUTION OF THE ACTION

A. The Alleged LSB Fraud

9. This case involves alleged misrepresentations and omissions concerning the status and cost of the El Dorado Project – *i.e.*, LSB's construction of an ammonia plant in El Dorado, Arkansas.

10. As alleged in SAC, LSB is a manufacturing, marketing, and engineering company that primarily manufactures and sells chemical products. In February 2013, LSB announced that it was planning to construct an ammonia plant at its facility in El Dorado, Arkansas. Rather than construct a new plant, LSB purchased an ammonia plant built in 1969 from a site in Donaldsonville, Louisiana that had ceased operations in April 2004. The Company transported the plant to El Dorado, more than 200 miles away, by disassembling and then later attempting to reassemble the plant.

11. As alleged in the SAC, throughout the Class Period, Defendants repeatedly failed to disclose that LSB had not conducted the detailed engineering work necessary to properly calculate the costs of the project and that the project was both over budget and behind schedule. Over a five-month period culminating at the end of the Class Period, Defendants revised their construction estimates three times, expanding the total planned capital expenditures by more than $335 million, a 64% to 71% increase from LSB's originally stated range of estimated costs for the construction of the plant. As the market learned the true costs of the project, LSB's stock price plummeted, wiping out approximately 78% of LSB's market capitalization. Amidst this

turmoil, Barry Golsen, the Company's then-CEO, and numerous other members of senior management were removed from their positions by LSB's Board of Directors.

12. On November 6, 2015, the Company announced that the El Dorado Project would cost $831-$855 million, over $300 million more than the projected cost at the beginning of the Class Period. In addition, LSB disclosed that the ammonia plant's construction was only 80% complete, the plant would not be completed until 2016, and substantial additional financing was needed to complete construction. On this news, LSB's stock price declined to $9.08 per share, a decline of $7.04 per share (more than 44%). That same day, LSB's new CEO, Daniel Greenwell, stated that the prior estimates were "not engineered estimates with a high degree of precision" and "[t]he detailed engineering work was not there" to ensure the accuracy of Defendants' prior cost estimates.

B. The Preparation and Filing of the CAC

13. This litigation was commenced by Dennis Wilson on September 25, 2015 with the filing of a securities class-action complaint in this District. ECF No. 1.

14. On November 24, 2015, Dennis Wilson moved the Court for appointment as lead plaintiff and approval of its selection of lead counsel, GPM. ECF No. 6. Dennis Wilson's selection of lead plaintiff was unopposed.

15. In accordance with the PSLRA, on December 15, 2015 the Court appointed Dennis Wilson to serve as Lead Plaintiff in the Action and approved his selection of GPM to serve as Lead Counsel. ECF No. 16.

16. In preparation for filing the CAC, Lead Counsel conducted an extensive factual and legal investigation that included, among other things, review and analysis of: (i) documents filed publicly by Defendant LSB with the Securities and Exchange Commission ("SEC"); (ii) LSB press releases and other public statements; (iii) transcripts of LSB investor conference

calls; (iv) research reports concerning LSB by financial analysts; and (v) publicly available information related to the ammonia and fertilizer markets and LSB. Additionally, Lead Counsel's investigators located and interviewed numerous former employees of LSB and its subsidiaries and also employees of contractors that worked on the El Dorado Project. Lead Counsel also conducted an exhaustive analysis of applicable Second Circuit case law and consulted with accounting and loss causation and damages experts.

17. On February 17, 2016, Lead Plaintiff filed and served the detailed 59-page CAC against all Defendants under Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder, and against the Individual Defendants under Section 20(a) of the Exchange Act. ECF No. 27.

18. With respect to Lead Plaintiff's claims under the Exchange Act, the CAC alleges that Defendants repeatedly misrepresented the true costs and progress of the El Dorado Project, Company's largest and most ambitious construction project. Specifically, as explained in the CAC, because purchasing ammonia on the open market is significantly more expensive than producing ammonia from natural gas on site, the Company decided to construct an ammonia plant at its facility in El Dorado, Arkansas. Instead of constructing a new plant, LSB purchased an ammonia plant that had been built in Donaldsonville, Louisiana in 1969 and shuttered in April 2004. LSB's plan was to disassemble this plant, named Triad #1, then transport and reassemble it more than 200 miles away in El Dorado.

19. The CAC further alleged that from the outset, the project was beset with difficulties. For example, there was substantial issues related to the fact that when reassembling the plant, LSB and its contractor, Leidos, was required to rely exclusively on scanned PDF images of the original plans that had been used to construct Triad #1 roughly 45 years ago. In

addition, as the Company later admitted, the dismantling and relocation of the large bore piping "was completed in a manner that was not helpful for reassembly in El Dorado." These problems slowed construction and invalidated a number of the critical assumptions used by LSB to forecast the cost of the project, namely, that the pipes, vessels, and original engineering documents could be reused.

20. The CAC also alleged that high ranking LSB executives, including Defendants Jack Golsen, Barry Golsen, and Tony Shelby, closely monitored the progress and costs of the expansion project and they were involved in the creation and dissemination of the purportedly misleading cost and scheduling estimates for the project, which was the largest and most important project in the history of the Company.

C. Defendants' Motions to Dismiss and Lead Plaintiff's Opposition

21. On April 14, 2016, Defendants filed their motion to dismiss the CAC. ECF Nos. 33-34. Defendants argued that the CAC should be dismissed on numerous grounds, including, among others, the following:

(a) the costs and schedule estimates were protected by the PSLRA safe harbor provision and the bespeaks caution doctrine;

(b) Lead Plaintiff had not adequately alleged that the forward-looking statements were made with actual knowledge of falsity;

(c) the cost and schedule projections were non-actionable opinions;

(d) there was no loss causation since stock decline was due to a realization of a disclosed risk;

(e) Lead Plaintiff had not established the strong inference of scienter required to establish liability for securities fraud because (i) the confidential witnesses cited in the CAC did not have first-hand knowledge of the Individual Defendants' actions as one was not employed during the Class Period and the others worked for a subcontractor that was fired, (ii) the timing of executives' departures was not suspicious or indicative of scienter, and (iii) there were no insider stock sales or motive; and

(f) because Lead Plaintiff had not sufficiently alleged primary violations of Section 10(b) and Rule 10b-5 or Sections 11 and 12(a)(2), he failed to adequately plead Section 20(a) or Section 15 control-person liability against the Individual Defendants.

22. On May 27, 2015, Lead Plaintiff filed his memorandum in opposition to Defendants' motions to dismiss. ECF No. 39. Among other things, in his opposition Lead Plaintiff contended that Defendants' alleged misstatements were not protected by the PSLRA safe harbor or bespeaks caution doctrine because many of the core misrepresentations at issue were statements of present condition, the safe harbor does not protect material omissions, and even if the safe harbor applied, it did not protect Defendants since their statements were not accompanied by meaningful cautionary language and were knowingly false when made. Lead Plaintiff also argued that Defendants' estimated cost and schedule projects were not non-actionable opinions under applicable Supreme Court and Second Circuit precedent.

23. Lead Plaintiff further argued that the CAC alleged a strong inference of scienter. The CAC argued that the fact that Defendants had knowledge of facts and access to information contradicting their public statements support a strong inference of scienter. Additionally, Lead Plaintiff argued that the inference of scienter was further supported by: the abrupt removal of the Company's CEO and departure of other LSB executives right before the disclosure of the purported fraud; the fact that the El Dorado Project was the largest and most important undertaking at LSB during the Class Period; the magnitude by which Defendants understated the estimated costs of the project strengthens; and that the Individual Defendants' claimed that they were highly focused on monitoring the costs and progress of the project.

24. Lead Plaintiff also argued that the CAC adequately alleged loss causation and control-person liability against the Individual Defendants.

25. Defendants filed their reply brief on June 29, 2016, 2014. ECF No. 43. Defendants maintained their position that the CAC should be dismissed on numerous grounds, principally elaborating on the arguments made in their opening briefs in response to Lead Plaintiff's points set forth in his opposition brief.[5]

D. Lead Plaintiff's Motion for Leave to File the SAC

26. On September 20, 2016, Lead Plaintiff filed a motion for leave to file a second amended complaint and asked the Court to hold off ruling on the motion to dismiss until after consideration of the motion for leave to amend. ECF No. 45-46. Lead Plaintiff's request to amend was based upon information contained in a complaint filed in Arkansas state court by Global Industrial, Inc. ("Global") against LSB and certain other parties that was filed after briefing in Defendants' motion to dismiss was completed ("Global Action"). The Global complaint detailed a scheme by LSB and its general contractor to mislead certain lenders concerning the status of LSB's El Dorado Project. Specifically, LSB and the general contractor ordered Global to install pipes and vessels that had not been cleared by engineers and inspectors in order to make the project appear closer to completion than it actually was. Lead Plaintiff also sought to add facts and additional fraudulent statements made by Defendants during the Class Period in connection with this private financing scheme. In addition, Lead Plaintiff sought leave

[5] On October 10, 2015, Lead Plaintiff filed a notice of supplemental authority in opposition to Defendants' motions to dismiss. ECF No. 50. Specifically, Lead Plaintiff submitted *In re Vivendi, S.A. Securities Litigation*, 838 F.3d 223 (2d Cir. 2016), arguing that its holding that a where a statement incorporates both forward-looking elements and representations of present or historical fact, the safe harbor does not protect the present/historical representations, even if those representations were made in connection with a projection of future performance supported Lead Plaintiff's argument that Defendants' statements of present fact are not protected by the PSLRA's safe harbor, notwithstanding the fact that they were "embedded within" statements that Defendants assert were forward-looking. On October 51, 2016, Defendants filed a response to Lead Plaintiff's notice of supplemental authority, arguing that *Vivendi* did not support Lead Plaintiff's position. ECF No. 52.

to amend to include recently discovered facts regarding the escalating costs of the project derived from a former employee of LSB that left the Company in May 2016 and facts related to Defendants' motive—activist investors were trying to force the Golsens and their cronies to give up control of the Company.

27. On October 4, 2016, Defendants filed an opposition to the motion for leave in which they argued that Lead Plaintiff's motion should be denied since he had failed to demonstrate that he acted diligently in amending the complaint, Defendants would be prejudiced by having to re-brief the motion to dismiss and that the motion for leave should be denied since amendment was futile. Additionally, Defendants requested the Court rule on the motion to dismiss before deciding the stay motion. ECF No. 48.

28. On October 14, 2016, Lead Plaintiff filed a reply memorandum in support of his motion for leave to amend. ECF No. 52. Therein, Lead Plaintiff argued that that he was diligent in seeking leave to amend since the facts in the Global complaint were not available until July 2016 and that the amendment was not futile since the new facts further demonstrated Defendants' falsity and scienter.

E. The Court Denies Defendants' Motion to Dismiss and Grants Lead Plaintiff's Motion for Leave to Amend

29. The Court held oral argument on both the motion to dismiss and the motion for leave to file the second amended complaint on March 2, 2017. From the bench, the Court denied Defendants' motion to dismiss in its entirety and granted Lead Plaintiff's motion for leave to file a second amended complaint. ECF No. 56.

F. Discovery Commences and the Initial Briefing on Class Certification

30. After the Court's denial of Defendants' motion to dismiss, the Court referred the Action to Magistrate Judge Andrew J. Peck for all pretrial purposes. ECF No. 57.

31. On March 13, 2017, Judge Peck held an Initial Pretrial Conference and set a schedule for Defendants' answer, mandatory initial disclosures, a Joint Electronic Discovery Submission, and set a further conference for April 13, 2017. ECF No. 62

32. The Parties held Rule 26(f) conferences on March 29, 2017 and April 5, 2017. On April 5, 2017, Lead Plaintiff filed and served his SAC. ECF No. 69. On April 10, 2017, Defendants answered the SAC. Dkt. No. 70. That same day, the Parties exchanged initial disclosures and filed a Joint Rule 26(f) Report and a Joint Electronic Discovery Submission. ECF Nos. 71-72.

33. On April 13, 2017, Judge Peck held another in-person Initial Pretrial Conference. On that same day, Judge Peck issued a scheduling order setting a fact discovery completion deadline of December 29, 2017 and an expert discovery completion deadline of March 30, 2018. ECF No. 73. Thus, fact discovery commenced on a tight schedule. The parties negotiated a Rule 502(d) Order (ECF No. 79), a Stipulation and Protective Order Governing the Production and Exchange of Confidential Material (ECF No. 81), a Joint Protocol for ESI and Document Production (ECF No. 86), served document requests and responses and objections to each other's requests, held numerous meet and confers, and exchanged significant correspondence about the scope of the documents to be searched and produced. Defendants then began to produce documents on a rolling basis. Lead Counsel's review and analysis of these documents began immediately following production.

34. Additionally, Lead Counsel began subpoenaing third parties to produce documents and compel testimony. This third-party subpoena process required significant and ongoing efforts to meet and confer with the respective third parties regarding Lead Plaintiff's requests, including substantial written correspondence. As more thoroughly discussed below,

Lead Counsel issued more than twenty subpoenas and collected more 3.3 million pages of documents from third parties during the course of the Action.

35. On May 11, 2017, Judge Peck approved a schedule for the motion for class certification and the submission of related expert reports. ECF No. 80. Under the schedule, Lead Plaintiff's expert report was due June 15, 2018, Defendants' response report was due July 30, 2017, both Lead Plaintiff's reply report and class certification motion were due September 8, 2017, Defendants' opposition was due September 29, 2017 and Lead Plaintiff's reply memorandum was due October 20, 2017.[6]

36. On May 25, 2017, Judge Peck held an additional in-person conference on the status of discovery. On June 12, 2017, Lead Plaintiff informed the Court that Lead Counsel had been retained by Camelot and that Lead Plaintiff would seek to have Camelot appointed as an additional class representative and the Court added Camelot to the case so that discovery could be propounded upon it. ECF Nos. 88, 89.

37. Prior to the filing of Plaintiffs' motion for class certification, the Parties exchanged class certification expert, opposition, and rebuttal reports, and the Parties deposed each other's experts. Additionally, Plaintiffs produced substantial discovery from both proposed class representatives and both Wilson and Camelot responded to numerous interrogatories propounded by Defendants.

38. On September 15, 2017, Plaintiffs filed their motion for class certification along with a Report on Market Efficiency written by Prof. Steven P. Feinstein, Ph.D., CFA. ECF Nos. 99-101. Prof. Feinstein opined that the market for LSB securities, which were traded on the

[6] The deadlines for the class certification motion, opposition and reply were subsequently all extended by one week by agreement of the parties with the approval of the Court. ECF No. 97.

NYSE, was efficient. ECF No. 101-1 at 11-40. He opined that per share damages could be measured for each class member using a common methodology. *Id.* at 40-43. Additionally, Plaintiffs argued that the proposed class representatives were typical and adequate to represent the proposed class, the class was ascertainable and sufficiently numerous, and that common questions of law and fact predominated over any individualized issues. Specifically, Plaintiffs argued that the Class is entitled to a presumption of reliance pursuant to the Supreme Court's ruling in *Affiliated Ute Citizens of Utah v. United States*, 406 U.S. 128 (1972) based on Defendants having concealed material information from investors, namely, that Defendants failed to disclose that the El Dorado Project was not "on time" and "on budget," and that the Company had not conducted the engineering necessary to properly calculate projections regarding the project. Additionally, Plaintiffs argued that the Class was entitled to a presumption of reliance based on the "fraud-on-the-market" doctrine articulated in *Basic Inc. v. Levinson*, 485 U.S. 224 (1988) because LSB's stock traded in an efficient market due to the fact the LSB was listed on the NYSE, LSB's stock had high weekly trading volume, the Company was followed by numerous financial analysts, there were numerous market makers for LSB's stock, LSB was eligible to file Form S-3s, the price of LSB's stock reacted to new, Company-specific information during the Class Period, the Company had a large market capitalization and float during the Class Period, and LSB securities had a narrow bid-ask spread.

39. On September 21, 2017, the Parties submitted a letter to Judge Peck updating the Court regarding the status of discovery to jointly request an extension of discovery deadlines. ECF No. 103. The letter explained that Defendants had produced almost 678,000 pages of documents in eight productions and Plaintiffs had produced almost 23,000 pages of documents in ten productions. Defendants also represented that they anticipated substantial completion of

their document production by the end of year. As such, the Parties requested a five-month extension of the fact and expert discovery deadlines.

40. On September 27, 2017, Judge Peck held an in-person status conference to discuss the letter submitted on September 21, 2017. At the status conference, Judge Peck ordered Defendants to complete their ESI and paper document production by November 30, 2017, extended the fact discovery deadline by three months until March 30, 2018 and the expert discovery deadline by two months until May 30, 2018, and set a November 1, 2018 status conference.

41. Following the depositions of both proposed class representatives, Dennis Wilson and Thomas Kirchner, the Portfolio Manager of Camelot, Defendants filed their opposition to the class certification motion on October 6, 2017. ECF No. 108. Therein, Defendants argued that the proposed class representatives were both atypical. As to Camelot, Defendants argued that it did not rely on the integrity of the market due to the fact that it decided to invest in LSB securities after other activist shareholders had done so and that Camelot was inadequate since its long-time counsel facilitated its introduction to Lead Counsel. Defendants argued that Dennis Wilson was atypical since he engaged in transactions of LSB securities after the end of the Class Period and was an in-and-out trader. Defendants also argued with the support of their expert, Dr. Rene Stulz, that Prof. Feinstein's event study failed to prove market efficiency and that the Court should focus its analysis on the fifth *Cammer* factor[7] – the empirical test demonstrating stock price reaction to news. Dr. Stulz, who submitted an expert report in opposition to class certification, did not opine on the efficiency of the market for LSB securities. Additionally, Defendants argued that Plaintiffs could not invoke the *Affiliated Ute* presumption of reliance.

[7] *See Cammer v. Bloom*, 711 F. Supp. 1264 (D.N.J. 1989).

Finally, Defendants argued that Plaintiffs failed to establish a common method to calculate damages as is required under *Comcast Corp. v. Behrend*, 569 U.S. 27, 27 (2013), necessitating denial of class certification.

42. On October 27, 2017, Plaintiffs submitted their reply memorandum in support of class certification. ECF No. 112. In the reply memorandum, Plaintiffs argued that neither proposed class representative was subject to unique defenses. With respect to Dennis Wilson, Plaintiffs argued that he was not actually an in-and-out trader as he held significant stock during the corrective disclosures and that his post-Class Period transactions were irrelevant to his reliance during the Class Period. With respect to Camelot, Plaintiffs argued that its investment strategy—which relied in part on investment decisions made by others—did not preclude Camelot's reliance on the integrity of the market price. Additionally, Plaintiffs explained that Camelot's relationship with its long-time lawyer did not impact its adequacy since that lawyer had no-fee sharing arrangement with Lead Counsel. Moreover, Plaintiffs argued that Prof. Feinstein's event study was appropriate and confirmed the efficiency of the market and that the Court should not just focus on this one factor as Defendants' argued. Plaintiffs also argued Defendants' *Comcast* argument was meritless as the Second Circuit does not require a damages model at class certification and regardless, Prof. Feinstein had provided a reliable measure of classwide damages.

43. On November 1, 2017, the Action was redesignated to Magistrate Judge Gabriel W. Gorenstein.

44. On November 7, 2017, Plaintiffs submitted a notice of supplemental authority in support of Plaintiffs' motion for class certification informing the Court of the Second Circuit's decision in *Waggoner v. Barclays PLC*, 875 F.3d 79 (2d Cir. 2017). *See* ECF No. 117. In

Barclays, the Second Circuit clarified that direct evidence of price impact under the fifth *Cammer* factor is not necessary to demonstrate market efficiency and that when the indirect *Cammer* and *Krogman*[8] factors strongly weigh towards a finding of market efficiency, a plaintiff may establish efficiency based solely on those indirect factors and without any empirical demonstration that the company's stock price reacted to new, unexpected corporate events or financial releases. Moreover, the Second Circuit reaffirmed its prior holding that *Comcast* only precludes class certification when plaintiffs' theory of liability is one that plaintiffs' damages model indisputably fails to measure.

45. On November 20, 2017, Defendants' submitted a response to Plaintiffs' notice of supplemental authority. ECF No. 120. Defendants argued that *Barclays* confirmed that Plaintiffs cannot rely on the *Affiliated Ute* presumption, that Plaintiffs misconstrued *Barclays*' holdings, and that the facts in *Barclays* made it inapplicable to the instant action.

G. The First Mediation

46. Following the submission of the class certification briefing and substantial completion of document productions, the Parties began discussions regarding the propriety of entering mediation in the hope of reaching a resolution of the Action. On January 8, 2018, the Parties filed a joint letter informing the Court that they had decided to mediate this matter and requesting a ninety-day extension of the deadlines for the completion of fact and expert discovery to accommodate this mediation. ECF No. 125. The letter further explained that Parties had substantially completed their document productions with Defendants producing approximately 2.7 million pages of documents and that third parties had produced an additional 2.8 million pages of documents as of the date of the letter. The Parties also disclosed that in

[8] *See Krogman v. Sterritt*, 202 F.R.D. 467 (N.D. Tex. 2001).

order to allow the Parties to focus on the mediation process, including the drafting of mediation briefs with the help of consulting experts, and to conserve resources that could be used to resolve this matter, the Parties had agreed to hold fact depositions in abeyance until after the mediation so long as the Court granted the requested extension. That same day, Judge Gorenstein endorsed the letter and set the deadline for fact discovery to June 28, 2018 and the deadline for expert discovery to August 29, 2018. ECF No. 126.

47. The next day, Magistrate Judge Gorenstein issued a minute order deeming the motion for class certification withdrawn without prejudice and stating that Plaintiffs may reinstate the motion any time by filing a letter so stating.

48. The Parties decided to conduct the mediation under the auspices of experienced third-party mediator, Robert A. Meyer, Esq. on March 1, 2018. In advance of that session, the Parties exchanged, and provided to Mr. Meyer, detailed mediation statements and exhibits, which addressed the issues of class certification and damages, as well as the documentary evidence as it pertained to liability issues. In connection with the mediation process, Lead Counsel worked with an expert to assess the aggregate damages suffered by the Class on the claims sustained by the Court.

49. On March 1, 2018, the Parties participated in a full-day mediation session with Robert A. Meyer, Esq., in Los Angeles, California at the JAMS offices. The mediation, which Thomas Kirchner, the Portfolio Manager and representative of Camelot, attended in person,[9] ended without any agreement being reached.

[9] Dennis Wilson was in communication with Lead Counsel throughout the mediation.

H. Discovery Proceeds Expeditiously and Defendants' Further Oppose Class Certification

50. Following the unsuccessful mediation session, Plaintiffs reinstated their class certification motion, which the Court allowed on March 12, 2018. ECF No. 129.

51. On March 19, 2018, Defendants filed a request for leave to file a supplemental response in opposition to Plaintiffs' motion for class certification, along with a copy of an affidavit by Elizabeth Boren, the individual who had been identified as Confidential Witness #1 ("CW1") in Plaintiffs' first and second amended complaints. *See* ECF. 130, 130-1. After Plaintiffs had submitted an opposition to Defendants' request for leave (ECF No. 128), the Court granted Defendants' request to allow supplemental briefing. ECF No. 132. On May 2, 2018, Defendants submitted under seal their supplemental brief in opposition to Plaintiffs' motion for class certification, which requested, in part, that the Court shorten the Class Period since the earliest Defendants may have known that the project was not on time and not on budget was in July or August 2015, not November 2014. After Ms. Boren had been deposed and Defendants had responded to certain interrogatories, Plaintiffs submitted under seal their extensive supplemental response on May 16, 2018.

52. Following the first mediation, discovery proceeded expeditiously. Defendants and third parties supplemented their document productions with tens of thousands of additional pages. Prior to the end of May, twelve fact witnesses were deposed, including current and former employees of LSB and one of its subsidiaries. These depositions occurred throughout the country (as detailed below).

53. In advance of the deposition of a witness who resided in Canada (which ultimately occurred in the city of Sept-Iles in Quebec), the Parties entered into a Joint Stipulation

and Order Governing the Admissibility of Testimony Given in a Foreign Jurisdiction. ECF No. 139.

54. On May 22, 2018, the Parties filed a letter motion requesting a thirty-day extension of the fact discovery and expert discovery deadlines. ECF No. 140. The letter motion explained that the Parties had deposed twelve witnesses, that six more depositions were currently on calendar, and that the Parties were coordinating to schedule dates for an additional four depositions. Additionally, the letter explained that the Parties estimated that there would be sixteen more depositions to occur. Judge Gorenstein granted the requested extension that day, setting the fact discovery deadline for August 26, 2018 and the expert discovery deadline for October 25, 2018.

I. The Second Mediation

55. As the Parties continued to aggressively litigate the Action, the Parties decided to again attempt to enter mediation in the hope of reaching a resolution of the Action. The Parties agreed to have Robert A. Meyer, Esq. conduct the mediation on July 25, 2018. By the time of the mediation, Plaintiffs had deposed eighteen fact witnesses.

56. In advance of the mediation, the Parties again exchanged comprehensive mediation statements that discussed the relevance of certain of the evidence uncovered during discovery. These mediation statements primarily focused on how discovery had impacted liability and damages issues.

57. The Parties participated in a full-day mediation at JAMS in Los Angeles, California on July 25, 2018. Thomas Kirchner, the Portfolio Manager and representative of Camelot, again flew to Los Angeles from New York to attend the mediation in person and Dennis Wilson was in consistent contact with Lead Counsel throughout the day.

58. While substantially more productive than the first mediation, the Parties were unable to resolve the matter at the second mediation.

J. Plaintiffs Press Forward with Discovery in July and August 2018

59. Following the unsuccessful mediation, Plaintiffs deposed LSB's then-current Chief Executive Officer and then-current Chief Financial Officer.

60. With the fact discovery cut-off just weeks away, Plaintiffs filed a motion requesting a sixty-day extension of the fact and expert cut-off dates and an increase in the number of depositions previously agreed to in the Parties' Joint Rule 26(f) Report on August 9, 2018. ECF No. 145. As the motion explained, in the related Global Action between LSB and its primary piping contractor on the El Dorado Project, which was proceeding in Arkansas state court, Plaintiffs had learned that between thirty and forty witnesses were to be deposed and that trial was fast approaching, and Defendants were refusing to produce the transcripts from those actions or agree to an extension until after these depositions had occurred. Moreover, as Plaintiffs explained, certain vital third parties were refusing to produce witnesses for deposition in the instant Action until after they were deposed in the Global Action. Therefore, Plaintiffs sought the extension so that Plaintiffs could obtain and review the deposition and trial transcripts in the Global Action and conduct any appropriate follow-up discovery arising from that testimony and take depositions of individuals who worked at the EPC contractor (the contractor that oversaw the project), Benham Constructors LLC, which was also known as Leidos and formerly known as SAIC Constructors LLC. Additionally, Plaintiffs sought permission to conduct additional depositions, including a 30(b)(6) deposition that Defendants were attempting to quash and eight other specific individuals with pertinent knowledge.

61. On August 13, 2018, Defendants provided their response to Plaintiffs' motion requesting additional depositions and an extension of the discovery deadline. ECF No. 149. Defendants argued that Plaintiffs had failed to demonstrate the requisite good cause for their request for additional depositions and that these depositions were duplicative of earlier discovery.

62. On August 14, 2018, Plaintiffs filed a reply to the Court in which Plaintiffs provided an update on the continued meet and confer process and further requested a conference regarding Defendants' refusal to provide deposition transcripts from the Global Action and that Defendants be required to produce such transcripts even if the Court did not grant the requested extension. ECF No. 151. As the reply explained, Defendants' position was now that they would not produce any non-final transcript that they received before the fact discovery cut-off and that Defendants would not produce any of the approximately sixty depositions transcripts that became final after the discovery cut-off. Moreover, Defendants also refused an extension of the expert discovery deadline so that Plaintiffs' experts could refer to any transcripts from the Global Action.

63. On August 15, 2018, Defendants filed a letter motion seeking the Court enter a protective order quashing Plaintiffs' Rule 30(b)(6) deposition notice. ECF No. 152. Defendants argued that this deposition would put Plaintiffs over the twenty-five deposition limit set by the Court, the notice was unreasonably cumulative and duplicative, and Defendants would be forced to re-produce a witnesses that had already testified.

64. On August 16, 2018, Magistrate Judge Gorenstein issued a 44-page Report and Recommendation that granted Plaintiffs' class certification motion in its entirety. ECF No. 154. Additionally, Judge Gorenstein rejected Defendants' request to shorten the Class Period.

65. That same day, Judge Gorenstein also issued an order granting Plaintiffs' letter motion requesting an extension of the discovery deadline and the right to take additional depositions. ECF No. 155. Specifically, Judge Gorenstein ordered that the fact discovery deadline was to be extended to October 25, 2018, the expert discovery deadline was to be extended until December 24, 2018 and the Parties were allowed to take up to thirty-four depositions each. At the time of this extension, the fact discovery cut-off was only ten days away.

K. The Parties Agree to the Settlement

66. While counsel for the Parties were unable to reach a settlement at the July 25, 2018 mediation, they agreed to continue negotiating with the assistance of Mr. Meyer. on August 23, 2018, Mr. Meyer issued a mediators' proposal to settle this Action for $18.45 million in cash. The mediators' proposal was ultimately accepted by the Parties, and on August 27, 2018, the Parties informed the Court that they reached an agreement in principle to settle this action, subject to written memorialization.

67. In order to have time to negotiate all of the terms of the settlement, the Parties asked the Court to stay the Action. ECF No. 160. The Court granted a thirty-day stay on August 29, 2018 (ECF No. 161), and additional requests thereafter. ECF Nos. 163, 172, 175.

68. The Parties' agreement in principle to settle the Action was memorialized in a term sheet (the "Term Sheet") executed on October 11, 2018. The Term Sheet set forth, among other things, the Parties' agreement to settle and release all claims asserted against Defendants in the Action in return for a cash payment by or on behalf of Defendants of $18.45 million for the benefit of the Settlement Class, subject to certain terms and conditions and the execution of a customary stipulation and agreement of settlement and related papers.

69. Over the next months, the Parties negotiated the Settlement Agreement, which included the notices to be disseminated to Settlement Class Members. On January 18, 2019, Plaintiffs submitted the Settlement Agreement to the Court and requested preliminary approval of the Settlement so that notice could be disseminated. ECF Nos. 176-79.

70. On February 25, 2019, the Court entered the Order Preliminarily Approving Settlement and Providing for Notice ("Preliminary Approval Order"), which, among other things, (i) preliminarily approved the Settlement, (ii) certified the Settlement Class for settlement purposes, (iii) preliminarily appointed Plaintiffs as class representatives and Lead Counsel as class counsel; and (iv) directed that notice of the pendency of the Action and the proposed Settlement be provide to the Settlement Class. ECF No. 180.

L. Summary of Discovery Efforts

71. This litigation required a massive undertaking from Plaintiffs and Lead Counsel, particularly as counsel for each party zealously represented their clients resulting in an extremely hard-fought ligation. During the course of the litigation, Lead Counsel drafted approximately twenty meet and confer letters to counsel for Defendants and Lead Counsel received a similar amount from counsel for Defendants. Counsel for the Parties held more than a dozen meet and confers while litigating the Action on various discovery matters, including the confidentiality protective order, ESI protocol, the appropriate scope of document productions, the propriety of objections and responses to interrogatories and requests for the production of documents,[10] the scheduling and scope of depositions, the number of depositions and relevant discovery deadlines.

[10] During the course of the Action, Plaintiffs propounded seven sets of interrogatories and five sets of requests for production of documents upon Defendants. Likewise, Defendants propounded significant requests for production and more than forty interrogatories on the Plaintiffs.

72. Lead Counsel strategically reviewed the 2.7 million pages of documents produced by Defendants. Additionally, approximately 3.3 million pages of documents were produced pursuant to the more than twenty third-party subpoenas issued by Lead Counsel and/or Defendants, which were also strategically reviewed by Lead Counsel. During the course of the Action, Plaintiffs served subpoenas on the following entities and/or individuals:

(a) Contractors that worked on the El Dorado Project: Benham Constructors, LLC f/k/a Leidos Constructors, LLC; Global Industrial, Inc.; Hatch Associates Consultants, Inc.; Lanmark Engineering Ltd; MISTRAS Group, Inc; ParFab Industries, LLC; Performance Contractors, Inc.; PNC Equipment Finance, LLC; SGS North America Inc.;

(b) Former employees of contractors that worked on the El Dorado Project: Patrick Noonan; Marcelo Carcamo De la Vega; Michael Gwyn;

(c) Former employees of LSB or its subsidiaries: Brent Latas; Elizabeth Boren;

(d) Financial institutions that provided financing for the El Dorado Project or assisted LSB in raising funds to complete the project: BB&T Equipment Finance Corporation; Cain Hoy Enterprises LP; Credit Suisse Securities (USA) LLC; CrossFirst Bank; International Bank of Commerce; Security Benefit Corporation;

(e) Financial analysts that covered LSB: Avondale Partners, LLC; Feltl and Company, Inc.; Keith Maher;

(f) Activist shareholder: Starboard Value LP; and

(g) LSB's auditor: Ernst & Young Global Limited.

73. In total, Plaintiffs served twenty-five subpoenas on relevant third parties and

collected documents and/or compelled testimony from almost all of them. This process was extremely time consuming since it required the drafting of subpoenas, locating the entities/individuals and serving the subpoenas upon them, and then engaging in substantial meet and confer processes to compel compliance. In fact, Lead Counsel engaged in extremely protracted negotiations with the counsel for many of these entities, including negotiations over the scope, search terms, custodians and relevant time period for the collection of documents. One such negotiation with counsel for Leidos resulted in Lead Counsel having to draft a motion to compel after a month-long meet and confer process that involved numerous telephonic conferences, dozens of emails and many formal, substantial written correspondences setting forth Plaintiffs' need for their documents and testimony, and Leidos's obligations to produce said documents and testimony under applicable law. Ultimately, counsel for Leidos agreed to produce the requested documents and communications prior to Lead Counsel's filing of a motion to compel.

74. Lead Counsel also conducted twenty-one depositions throughout the country and Canada during the course of the litigation. These depositions included:

(a) Rene M. Stulz, Ph.D, Defendants' class certification expert, on September 8, 2017 in New York, New York;

(b) Mike Adams, LSB's Corporate Controller during the Class Period, on March 16, 2018 in Oklahoma City, Oklahoma;

(c) Greg Withrow, the General Manager of the El Dorado Chemical Company[11] during the Class Period on March 23, 2018 in Little Rock, Arkansas;

[11] El Dorado Chemical Company ("EDC") is the LSB subsidiary that operates facility in El Dorado, Arkansas.

(d) Derek Fuzzell, the Chief Administrative Officer of EDC until the spring of 2015, on March 29, 2018 in Oklahoma City, Oklahoma;

(e) Lance Benham, a Board Member of LSB during the Class Period, on April 4, 2018 in Oklahoma City, Oklahoma;

(f) Dallas Robinson, LSB's Vice President of Chemical Plant Operations until September 2016, on April 6, 2018 in Katy, Texas;

(g) Larry Fitzwater, LSB's Vice President of Operations during the Class Period, on April 10, 2018 in St. Louis, Missouri;

(h) Elizabeth Boren, a senior accountant at LSB before the start of the Class Period, on April 25, 2018 in Oklahoma City, Oklahoma;

(i) Robert Porter, LSB's Vice President of Internal Audit, on April 25, 2018 in Oklahoma City, Oklahoma;

(j) Jack Davis, a Project Manager for Global that worked on the El Dorado Project, on May 9, 2018 in Tulsa, Oklahoma;

(k) Clayton Rash, the President and CEO of Global, on May 10, 2018 in Tulsa, Oklahoma;

(l) Antonio "Tony" M. Shelby, LSB's CFO until the end of 2014 and Executive Vice President during 2015, on May 17, 2018 in Oklahoma City, Oklahoma;

(m) Terry Erhart, a Senior Construction Manager at Hatch that worked on the El Dorado Project from May 2015 through January 2016, on May 18, 2018 in Chicago, Illinois;

(n) Richard Sanders, a LSB Board Member during the Class Period, on May 24, 2018 in Oklahoma City, Oklahoma;

(o) Brent Latas, an Ammonia Project Manager for LSB during the Class Period, on May 30, 2018 in El Dorado, Arkansas;

(p) Harold Rieker, LSB's Vice President of Financial Reporting during the Class Period, on June 7, 2018 in Oklahoma City, Oklahoma;

(q) Marcelo Carcamo De la Vega, a Project Manager for Hatch that worked on the El Dorado Project, on June 16, 2018 in Sept-Iles, Quebec, Canada;

(r) Brian Lewis, LSB's Vice President of Finance and General Manager during the Class Period, on June 25, 2018 in Oklahoma City, Oklahoma;

(s) Andy Fuller, the Corporate Project Manager for LSB from April 2015 through May 2016, on July 12, 2018 in Des Moines, Iowa;

(t) Daniel Greenwell, a Board Member of LSB and the Company's CEO starting in September 2015, on August 16, 2018 in Oklahoma City, Oklahoma; and

(u) Mark T. Behrman, LSB's Senior Vice President of Corporate Development until January 1, 2015 and thereafter LSB's Executive Vice President and Chief Financial Officer for the rest of the Class Period, on August 17, 2018 in Oklahoma City, Oklahoma.

75. Additionally, Lead Counsel prepared three of its witnesses for deposition and defended the depositions of: Prof. Feinstein (June 29, 2017 in New York, New York); Plaintiff Thomas Kirchner, on behalf of Camelot (September 19, 2017 in New York, New York); and Lead Plaintiff Dennis Wilson (September 22, 2017 in Oklahoma City, Oklahoma). In total, there were twenty-four depositions conducted during the course of the litigation and Plaintiffs had scheduled and were prepared to imminently take two more depositions when the Settlement was reached.

III. RISKS OF CONTINUED LITIGATION

76. The Settlement provides an immediate and certain benefit to the Settlement Class in the form of a $18.45 million cash payment and represents (if approved) a significant portion of the recoverable damages in the Action, as determined by Plaintiffs' damages expert, particularly after considering arguments that could be made by Defendants concerning loss causation and the shortening of the Class Period. As explained below, Defendants had substantial defenses with respect to liability, loss causation, and damages in this case. These arguments created a significant risk that, after years of protracted litigation, Plaintiffs and the Settlement Class could achieve no recovery at all, or a lesser recovery than the Settlement Amount.

A. Risks of Proving Falsity and Scienter

77. Plaintiffs and the Settlement Class faced significant hurdles to establishing liability. In particular, Defendants would have argued forcefully that Plaintiffs could not establish that their statements were materially false or that they acted with scienter.

78. Defendants would have vigorously contested that any of their statements were materially false or misleading. As detailed above, the core allegations in this case were that Defendants repeatedly failed to disclose that LSB had not conducted the detailed engineering work necessary to properly calculate the costs of the El Dorado Project and that the project was both over budget and behind schedule. Although Plaintiffs and Lead Counsel strongly believe that the claims asserted against Defendants have merit, they recognize that there would be substantial risks to establishing each of these allegations and prevailing on Plaintiffs' claims on Defendants' motions for summary judgment, at trial, and on appeal. Indeed, Defendants raised numerous compelling arguments in their motion to dismiss and at mediation and would have repeated these arguments at summary judgment and trial, and Plaintiffs would have faced significant risks proving its claims.

79. As to Defendants' alleged misrepresentations, Defendants cogently argued, and would have strenuously continued to argue, that the Company reasonably relied on its primary contractor for the project, Leidos, to oversee the project and provide accurate estimates, and that the Company actively monitored Leidos's status and process with adequate processes and procedures. Additionally, as Defendants alleged in their supplemental class certification opposition, one of the confidential witnesses that Plaintiffs cited in the CAC has provided testimony that contradicted her previous statements to Plaintiffs' investigator. As such, Defendants contended that Plaintiffs did not have a basis for the starting date of the Class Period and for the misstatements during the first half of the Class Period. Moreover, Defendants were likely to argue that Plaintiffs' allegation that relied on the complaint filed in the Global Action were not supported by the testimony in this Action and that the Company and its subsidiaries had in fact conducted adequate engineering at the start of the El Dorado Project, as supported by the testimony of their witnesses.

80. Even if Plaintiffs were able to establish a material misrepresentation, they faced significant hurdles in adequately pleading and proving scienter for their 10b-5 claims. Defendants argued that Plaintiffs did not adequately allege scienter on the part of the Individual Defendants. Specifically, Defendants contended that (i) Plaintiffs did not allege any insider trading and the Individual Defendants did not have a motive to make misstatements; (ii) Defendants honestly believed their statements about status and costs of the project since they were based on information provided by their contractors, who LSB relied on for information; and

(iii) the statements were not unreasonable under *Omnicare*.[12] Given these arguments, there was a risk that a jury would find that scienter did not exist for the Individual Defendants or for LSB.

B. Risks of Establishing Loss Causation and Damages

81. Even assuming that Plaintiffs overcame each of the above risks and successfully established liability, they faced very serious risks in proving damages and loss causation. Indeed, these issues were a critical driver of the settlement value of this case.

82. As an initial matter, a major consideration driving the calculation of a reasonable settlement amount was that the Defendants had plausible arguments that the declines in LSB stock price were not solely caused by revelations of the true facts concerning the El Dorado Project and that the Class Period could be shortened at summary judgment. Had any of these arguments been accepted in whole or in part, they could have eliminated or, at a minimum, drastically limited any potential recovery.

83. This case involved three alleged corrective partial disclosures events in 2015 on July 15, August 7 and November 6. As the Court is aware, Lead Plaintiff bears the burden of establishing loss causation for its Exchange Act claims. *See In re Flag Telecom Holdings Ltd. Sec. Litig.*, 574 F.3d 29, 34–36 (2d Cir. 2009). Defendants vigorously contested the Class's damages under the Exchange Act. First, had the case proceeded, Defendants would have argued that the July 15, 2015 decline in LSB stock prices was not statistically significant, as Plaintiffs' expert, Prof. Feinstein, had testified at class certification. Moreover, Defendants also would have argued that declines on the other alleged corrective disclosure dates were not solely caused by the information related to the El Dorado Project and were in fact caused, in whole or in part, by confounding information unrelated to the fraud. Specifically, Defendants would have argued

[12] *See Omnicare, Inc. v. Laborers Dist. Council Const. Indus. Pension Fund*, 135 S. Ct. 1318 (2015).

that LSB's disclosures on August 7, 2015 and November 6, 2015 included other material information unrelated to the El Dorado Project, such as poor earnings results, requiring Plaintiffs to disentangle the impact of confounding information on LSB's stock price. While Plaintiffs would have argued at trial, based on an analysis of analyst reports and the stock price movements, that the actual price impact was due to the disclosures regarding the El Dorado Project and that Plaintiffs had an appropriate measure of damages, there could be no assurance that a jury would have accepted that argument.

84. If Plaintiffs had overcome all of the loss-causation and damages risks discussed above, the Settlement Class's estimated common stock[13] maximum recoverable damages at trial were approximately $136.8 million. Thus, the recovery of $18.45 million represents approximately 13.5% of the Settlement Class's potential recoverable damages. However, if Defendants prevailed in shortening the Class Period, the Settlement represents approximately 27.5% to 45.5% of what would have been the Settlement Class's maximum provable common stock damages. Under either scenario, the percentage of recovery is significantly higher than the median recoveries reported by NERA Economic Consulting. Specifically, according to NERA Economic Consulting, the median recovery in all securities class actions from 1996 through 2018 in securities class actions during those years with estimated damages of between $20 million and $49 million was 8.4%, 4.7% in securities class actions with estimated damages between $50 million and $99 million, and 3.1% in securities class actions with estimated damages between $100 million and $199 million.[14]

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[13] Almost all of the damages at issue stem from common stock transactions.

[14] Stefan Boettrich and Svetlana Starykh, "Recent Trends in Securities Class Action Litigation: 2018 Full-Year Review," at 35 (attached hereto as Exhibit 1).

C. Additional Significant Risks

85. In addition to the risks discussed above, Plaintiffs faced other significant risks, including that (i) the Court might not accept the magistrate judge's report and recommendation to certify the Class, a decision which would effectively dispose of the Class's claims; (ii) the Court could disagree with Magistrate Judge Gorenstein's decision not to shorten the Class Period as part of class certification; (iii) the ongoing record in fact and expert discovery might not have supported Plaintiffs' allegations; (iv) some or all of Plaintiffs' experts, including experts on damages, accounting, budgeting and cost-monitoring practices, and ammonia plant construction and engineering, would have opinions that would be excluded by the Court or not accepted by the jury; and (v) the substantial risks of costs and delays if settlement were not achieved now. Finally, even if Plaintiffs had succeeded in proving all elements of its case at trial and obtained a jury verdict, Defendants would almost certainly have appealed. An appeal not only would have renewed all the risks faced by Plaintiffs, as Defendants would have reasserted all of their arguments summarized above, but also would have engendered significant additional cost and delay.

D. The Settlement Is Reasonable in Light of the Size of the Potential Recovery in the Action

86. As discussed above, Plaintiffs estimate that the maximum recoverable damages that could be established in the Action, assuming that Plaintiffs successfully established the elements of falsity and scienter, would be approximately $136.8 million. Proving the maximum recoverable damages reflected in these estimates assumes that Plaintiffs would have prevailed on all of its merits arguments about falsity, loss causation and the appropriate Class Period and that all or most aspects of the case would be proven at trial.

87. Even so, these estimates would be subject to substantial risk at trial, as they would be subject to a "battle of the experts." At trial, the damages figure could have been substantially reduced based on arguments about the appropriate start date for the Class Period and the extent to which the regression analysis Plaintiffs' expert would present accurately captured the amount of dissipation in LSB's share price on each alleged date that it declined in connection with the truth being revealed and not other non-fraudulent disclosures. However, assuming the estimated maximum recoverable damages were proven at trial, based on these estimates, the $18.45 million Settlement represents approximately 13.5% of the maximum recoverable damages. In light of the substantial risks of establishing liability presented here, Plaintiffs and Lead Counsel believe that this recovery represents an excellent outcome for members of the Settlement Class.

88. For all these reasons, Plaintiffs and Lead Counsel respectfully submit that the Settlement is fair, reasonable, and adequate, and that it is in the best interests of the Settlement Class to accept the immediate and substantial benefit conferred by the Settlement, instead of incurring the significant risk that the Settlement Class might recover a lesser amount, or nothing at all, after protracted and arduous litigation.

IV. PLAINTIFFS' COMPLIANCE WITH THE COURT'S PRELIMINARY APPROVAL ORDER REQUIRING ISSUANCE OF NOTICE

89. The Court's Preliminary Approval Order (ECF No. 180) directed that the Postcard Notice be disseminated to the Settlement Class. The Preliminary Approval Order also set a June 7, 2019 deadline for Settlement Class Members to submit objections to the Settlement, Plan of Allocation and/or the Fee and Expense Application or to request exclusion from the Settlement Class, and set a final fairness hearing date of June 28, 2019.

90. Pursuant to the Preliminary Approval Order, Lead Counsel instructed JND Legal Administration ("JND"), the Court-approved Claims Administrator, to begin disseminating

copies of the Postcard Notice and to publish the Summary Notice. Contemporaneously with the mailing of the Postcard Notice, Lead Counsel instructed JND to post downloadable copies of the Notice and Claim Form online at www.LSBSecuritiesLitigation.com. Upon request, JND mailed copies of the Notice and/or Claim Form to Settlement Class Members and will continue to do so until the deadline to submit a Claim Form has passed. The Notice contains, among other things, a description of the Action; the definition of the Settlement Class; a summary of the terms of the Settlement and the proposed Plan of Allocation; and a description of Settlement Class Members' rights to participate in the Settlement, object to the Settlement, the Plan of Allocation and/or the Fee and Expense Application or exclude themselves from the Settlement Class. The Notice also informs Settlement Class Members of Lead Counsel's intent to apply for an award of attorneys' fees in an amount not to exceed 33 1/3% of the Settlement Fund, and for reimbursement of Litigation Expenses in an amount not to exceed $1,450,000. To disseminate the Postcard Notice, JND obtained from Defendants' Counsel the names and addresses of LSB record holders of LSB securities that are potential Settlement Class Members. *See* Declaration of Luiggy Segura Regarding: (A) Mailing of Postcard Notice; (B) Publication of Summary Notice of (I) Pendency of Class Action, Certification of Settlement Class, and Proposed Settlement (II) Settlement Fairness Hearing; and (III) Motion for an Award of Attorneys' Fees and Reimbursement of Litigation Expenses; (C) Report on Requests for Exclusion; and (D) the Claims Administration Process ("Segura Declaration"), attached hereto as Exhibit 2, ¶ 3.

91. In addition, JND also researched filings with the U.S. Securities and Exchange Commission (SEC) on Form 13-F to identify additional institutions or entities who may have purchased or acquired LSB common stock, or Call Options, or sold Put Options during the Settlement Class Period. Moreover, JND maintains a proprietary database with the names and

addresses of the most common banks and brokerage firms, nominees and known third party filers. At the time of the initial mailing, an additional 4,356 records were added to the mailing list. *See id.* at ¶¶ 4-5. Based on all the sources of information, JND mailed 4,816 Postcard Notices via First-Class mail to potential Class Members/Nominees on March 25, 2019 (the "Initial Mailing"). *Id*. at ¶ 6.

92. Following the initial mailing, JND has received an additional 4,510 unique names and addresses of potential Settlement Class Members from individuals or nominees requesting Postcard Notices and JND has also received requests from brokers and other nominee holders for 5,030 Postcard Notices to be forwarded to their customers. *Id.* at ¶ 9.

93. As of May 17, 2019, including the Initial Mailing, JND has mailed a total of 14,356 Postcard Notices to potential Settlement Class Members, brokers and nominee holders. *Id.* at ¶12.

94. On April 1, 2019, in accordance with the Preliminary Approval Order, JND caused the Summary Notice to be published in *Investor's Business Daily* and to be transmitted once over the *PR Newswire*. *See id.* at ¶ 13.

95. Lead Counsel also caused JND to establish a dedicated settlement website, www.LSBSecuritiesLitigation.com, to provide potential Settlement Class Members with information concerning the Settlement, submit a claim online, download copies of the full Notice and Claim Form, as well as copies of the Stipulation and Preliminary Approval Order. *Id.* at ¶ 15. The website also allows claimants to submit their Claim at the site instead of sending one in via U.S. Mail. *Id.* Moreover, JND established a toll-free telephone number for Settlement Class Members. *Id.* at ¶ 14.

96. The deadline for Settlement Class Members to file objections to the Settlement, Plan of Allocation and/or the Fee and Expense Application, or to request exclusion from the Settlement Class is June 7, 2019. To date, no requests for exclusion have been received. *Id.* at ¶ 16. JND will submit a supplemental affidavit after the deadline addressing any requests for exclusion received. To date, no objections to the Settlement, the Plan of Allocation or the maximum amounts listed in the Notice that Lead Counsel would seek for an award for attorneys' fee and reimbursement of Litigation Expenses have been entered on this Court's docket, or have otherwise been received by Lead Counsel or JND. *See Id.* at ¶17. Lead Counsel will file reply papers on June 21, 2019 that will address any requests for exclusion and any objections that may be received.

V. ALLOCATION OF THE PROCEEDS OF THE SETTLEMENT

97. In accordance with the Preliminary Approval Order, and as described in the Notice, all Settlement Class Members who want to participate in the distribution of the Net Settlement Fund (*i.e.*, the Settlement Fund less (i) any Taxes, (ii) any Notice and Administration Costs, (iii) any Litigation Expenses awarded by the Court, and (iv) any attorneys' fees awarded by the Court) must submit valid Claim Forms with all required information postmarked no later than July 23, 2019. As described in the Notice, the Net Settlement Fund will be distributed among Settlement Class Members according to the plan of allocation approved by the Court.

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

99. The Plan of Allocation is set forth at ¶¶ 55-83 of the Notice. *See* Notice (Exhibit B to Segura Declaration.) at ¶¶ 55-83. As described in the Notice, calculations under the Plan of

Allocation are not intended to be estimates of, or indicative of, the amounts that Settlement Class Members might have been able to recover at trial or estimates of the amounts that will be paid to Authorized Claimants under the Settlement. Instead, the calculations under the plan are only a method to weigh the claims of Settlement Class Members against one another for the purpose of making an equitable allocation of the Net Settlement Fund.

100. Plaintiffs' damages expert developed the Plan of Allocation based on an event study. In the event study, the damages expert calculated how much artificial inflation was in the price of LSB Securities on each day during the Settlement Class Period as a result of Defendants' alleged materially false and misleading statements and omissions, and how much the securities declined as a result of the disclosures that corrected the alleged misstatements and omissions. In determining the estimated artificial inflation allegedly caused by Defendants' alleged misrepresentations and omissions, the damages expert considered price changes in LSB Securities in reaction to the alleged corrective disclosures, adjusting for price changes attributable to market or industry forces, as advised by Lead Counsel. Notice at ¶ 57.

101. Under the Plan of Allocation, a "Recognized Loss Amount" will be calculated for all relevant transactions of LSB Securities during the Settlement Class Period. In general, the Recognized Loss Amount will be the difference between the estimated artificial inflation on the purchase date and the estimated artificial inflation on the sale date, or the difference between the actual purchase price and the sales price, whichever is less. Accordingly, any securities purchased during the Settlement Class Period that were not held over a corrective disclosure will have no Recognized Loss Amount because the level of alleged artificial inflation is the same on the date of purchase and on the date of sale. Notice at ¶ 57.

102. Under the Plan of Allocation, the sum of a Claimant's Recognized Loss Amounts is the Claimant's "Recognized Claim." The Net Settlement Fund will be allocated to Authorized Claimants on a *pro rata* basis based on the relative size of their Recognized Claims. Notice ¶¶ 77-78.

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

104. As noted above, as of May 17, 2019, 14,356 copies of the Postcard Notice, which refers Settlement Class Members to the Settlement Website and Notice, containing the Plan of Allocation and advises Settlement Class Members of their right to object to the proposed Plan of Allocation, have been sent to potential Settlement Class Members and their nominees. *See* Segura Decl. at ¶ 12. To date, no objection to the proposed Plan of Allocation has been received. *Id.* at ¶17.

VI. THE FEE AND LITIGATION EXPENSE APPLICATION

105. In addition to seeking final approval of the Settlement and Plan of Allocation, Lead Counsel is applying to the Court for an award of attorneys' fees of 33 1/3% of the Settlement Fund, or $6,150,000 plus interest earned at the same rate as the Settlement Fund. Lead Counsel also request reimbursement of expenses incurred in connection with the prosecution of the Action from the Settlement Fund in the amount of $1,169,501.84. Lead Counsel further request reimbursement to Dennis Wilson and Camelot of $18,850 and $21,250, respectively, in costs and expenses that they incurred directly related to their representation of the Settlement 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 Lead Counsel's Fee Memorandum. The primary factual bases for the requested fee and expenses are summarized below.

A. The Fee Application

106. For its efforts on behalf of the Settlement Class, Lead Counsel are applying for a fee award to be paid from the Settlement Fund on a percentage basis. As discussed in the accompanying Fee Memorandum, the percentage method is the appropriate method of fee recovery because it aligns the lawyers' interest in being paid a fair fee with the Settlement Class's interest in achieving the maximum recovery in the shortest amount of time required under the circumstances and has been recognized as appropriate by the Supreme Court and Second Circuit for cases of this nature.

107. 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, Lead Counsel respectfully submit that the requested fee award is reasonable and should be approved. As discussed in the Fee Memorandum, a 33 1/3% fee award is fair and reasonable for attorneys' fees in common-fund cases like this and is well within the range of percentages awarded in securities class actions in this Circuit and elsewhere for comparable settlements.

1. Plaintiffs Support the Fee Application

108. Lead Plaintiff Dennis Wilson is a sophisticated investor that closely supervised and monitored the prosecution and the settlement of the Action since its inception. Lead Plaintiff has evaluated the Fee Application and believes it to be reasonable. As discussed in the declaration submitted by Lead Plaintiff, Lead Plaintiff believes that the requested fee is fair and reasonable in light of the work counsel performed and the risks of the litigation. *See* Declaration

of Dennis Wilson in Support of: (I) Plaintiffs' Motion for Final Approval of Class Action Settlement and Plan of Allocation; and (II) Lead Counsel's Motion for an Award of Attorneys' Fees and Reimbursement of Litigation Expenses, attached hereto as Exhibit 3 (the "Wilson Decl."), at ¶7.

109. Likewise, Camelot is a sophisticated institutional investor that closely supervised and monitored the prosecution and the settlement of the Action. Camelot has also evaluated the Fee Application and believes it to be reasonable. As discussed in the declaration submitted by Camelot, Camelot believes that the requested fee is fair and reasonable in light of the work counsel performed and the risks of the litigation. *See* Declaration of Thomas Kirchner, on Behalf of the Camelot Event Driven Fund, in Support of: (I) Plaintiffs' Motion for Final Approval of Class Action Settlement and Plan of Allocation; and (II) Lead Counsel's Motion for an Award of Attorneys' Fees and Reimbursement of Litigation Expenses, attached hereto as Exhibit 4 (the "Kirchner Decl."), at ¶7.

110. Plaintiffs' endorsement of the requested fee demonstrates its reasonableness and should be given weight in the Court's consideration of the fee award.

2. The Work and Experience of Counsel

111. As set forth in Exhibit 6 attached hereto, Lead Counsel's total lodestar is $14,977,561.00,[15] consisting of $14,582,910.50 for 30,017.05 hours of attorney time and $394,650.50 for 1,304.45 hours of professional support staff time.

112. Lead Counsel's total lodestar amount includes the amount of time Lead Counsel attorneys and professional support staff billed from inception of the Action through and

[15] The lodestar figure contains only the time of Lead Counsel attorneys and professional staff that billed more than 100 hours to the Action.

including February 25, 2019, and the lodestar calculation for those individuals based on Lead Counsel's current billing rates.

113. The hourly rates for the attorneys and professional support staff in my firm are similar to the rates that have been accepted in other securities or shareholder litigation. Additionally, when determining the market rate by looking at fees awarded in similar cases, the rates billed by Lead Counsel (ranging from $395-$550 per hour for non-partners and $650-$935 per hour for partners and of counsel attorneys) are comparable to peer plaintiff and defense firms litigating matters of similar magnitude. *See* Ex. 7 attached hereto (table of peer firm billing rates).

114. The above lodestar chart was prepared from contemporaneous daily time records regularly prepared and maintained by GPM. Time expended on GPM's application for fees and reimbursement of expenses has not been included in this request. Nor does it include any of the time spent after February 25, 2019 (the date the Preliminary Approval Order was granted) on the preparation of the final approval papers, attendance at the final approval hearing, and any further work in overseeing the claims and distribution process.

115. Lead Counsel have collectively expended a total of 31,321.50 hours in the investigation and prosecution of the Action through and including February 25, 2019. The resulting total lodestar is $14,977,561.00. The requested fee of 33 1/3% of the Settlement Fund represents $6,150,000 (plus interest), and therefore represents a fractional multiplier of 0.41 to Lead Counsel's lodestar. Lead Counsel believe that the requested fee award is fair and reasonable based on the work performed, *the fact that the case was taken on a purely contingent basis*, the risks of the litigation, the quality of the representation, and the result obtained.

116. As detailed above, throughout this case, Lead Counsel devoted substantial time to the prosecution of the Action. I maintained control of, and monitored the work performed by, lawyers and other personnel on this case. While I personally devoted substantial time to this case, and reviewed and edited certain pleadings and court filings, other experienced attorneys at my firm were involved in the drafting of pleadings, Court filings, communications, settlement negotiations and other matters. More junior attorneys and paralegals also worked on matters appropriate to their skill and experience level. Throughout the litigation, Lead Counsel maintained an appropriate level of staffing that avoided unnecessary duplication of effort and ensured the efficient prosecution of this litigation.

117. As demonstrated by the firm resume included as Exhibit 8 hereto, Lead Counsel are an experienced and skilled law firm in the securities litigation field, with a long and successful track record representing investors in such cases. I believe that Lead Counsel's experience added valuable leverage in the settlement negotiations.

3. Standing and Caliber of Defendants' Counsel

118. The quality of the work performed by Lead Counsel in attaining the Settlement should also be evaluated in light of the quality of the opposition. Here, Defendants were represented by Dechert LLP, one of the country's most prestigious and experienced defense firms, which vigorously represented its clients. In the face of this experienced, formidable, and well-financed opposition, Lead Counsel were nonetheless able to defeat Defendants' motion to dismiss, obtain a favorable report and recommendation by Judge Gorenstein on class certification, and persuade Defendants to settle the case on terms favorable to the Settlement Class.

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

119. This prosecution was undertaken by Lead Counsel entirely on a contingent-fee basis. The risks assumed by Lead Counsel in bringing these claims to a successful conclusion are described above. Those risks are also relevant to an award of attorneys' fees.

120. From the outset, Lead Counsel understood that it was embarking on a complex, expensive and lengthy litigation with no guarantee of ever being compensated for the substantial investment of time and money the case would require. In undertaking that responsibility, Lead Counsel ensured that sufficient resources were dedicated to the prosecution of the Action, and that funds were available to compensate staff and to cover the considerable litigation costs that a case like this requires. With an average lag time of several years for these cases to conclude, the financial burden on contingent-fee counsel is far greater than on a firm that is paid on an ongoing basis. Indeed, Lead Counsel received no compensation during the over 3.5 years the Action has been pending and have incurred over $1.16 million in litigation expenses in prosecuting the Action for the benefit of the Settlement Class.

121. Lead Counsel also bore the risk that no recovery would be achieved. As discussed above, from the outset, this case presented multiple risks and uncertainties that could have prevented any recovery whatsoever. Despite the most vigorous and competent of efforts, success in contingent-fee litigation like this Action is never assured.

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

123. Moreover, courts have repeatedly recognized that it is in the public interest to have experienced and able counsel enforce the securities laws and regulations pertaining to the duties of officers and directors of public companies. As recognized by Congress through the passage of the PSLRA, vigorous private enforcement of the federal securities laws can only occur if private investors, particularly institutional investors, take an active role in protecting the interests of shareholders. If this important public policy is to be carried out, the courts should award fees that adequately compensate plaintiffs' counsel, taking into account the risks undertaken in prosecuting a securities class action.

124. Lead Counsel's extensive and persistent efforts in the face of substantial risks and uncertainties have resulted in a significant recovery for the benefit of the Settlement Class. In these circumstances, and in consideration of the hard work and the excellent result achieved, I believe the requested fee is reasonable and should be approved.

5. The Reaction of the Settlement Class to the Fee Application

125. As noted above, as of May 17, 2019, a total of 14,356 Postcard Notices have been mailed to potential Settlement Class Members and their nominees advising them that Lead Counsel would apply for an award of attorneys' fees in an amount not to exceed 33 1/3% of the Settlement Fund, and referring them to the Notice, which further explained that Lead Counsel would be requesting the Fee Award. *See* Segura Decl., at ¶12 & Ex. A. In addition, the Court-approved Summary Notice has been published in the *Investors' Business Daily* and transmitted over the *PR Newswire*. *Id.* at ¶13. To date, no objection to the attorneys' fees set forth in the Postcard Notice or Notice has been received. Should any objections be received, they will be addressed in Lead Counsel's reply papers to be filed on or before June 21, 2019, after the deadline for submitting objections has passed.

126. In sum, Lead 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, Lead Counsel respectfully submit that a fee award of 33 1/3%, resulting in a multiplier of 0.41, is fair and reasonable, and is supported by the fee awards courts have granted in other comparable cases.

B. The Litigation Expense Application

127. Lead Counsel also seek reimbursement from the Settlement Fund of $1,169,501.84 in litigation expenses that were reasonably incurred by Lead Counsel in connection with commencing, litigating, and settling the claims asserted in the Action.

128. From the beginning of the case, Lead Counsel were aware that they might not recover any of their expenses, and, even in the event of a recovery, would not recover any of their out-of-pocket expenditures until the Action might be successfully resolved. Lead Counsel also understood that, even assuming that the case was ultimately successful, reimbursement for expenses would not compensate them for the lost use of the funds advanced to prosecute the Action. Accordingly, Lead Counsel were motivated to and did take appropriate steps to avoid incurring unnecessary expenses and to minimize costs without compromising the vigorous and efficient prosecution of the case.

129. As set forth in Exhibit 5 hereto, Lead Counsel have incurred a total of $1,169,501.84 in unreimbursed litigation expenses in connection with the prosecution of the Action. The expenses are summarized in Exhibit 5 by category of expense, *e.g.*, expert fees, on-line research, photocopying, and postage expenses, and the amount incurred for each category. These expense items are billed separately by Lead Counsel and are not duplicated in Lead Counsel's billing rates.

130. Of the total amount of expenses, $706,858.45, or approximately 60%, was expended for the retention of experts and consultants. As noted above, Lead Counsel consulted with experts and consultants in its investigation and the preparation of the complaints, in connection with the mediation process, and the development of the proposed Plan of Allocation. Additionally, Plaintiffs' retained a market efficiency expert as part of the class certification process and also retained experts on accounting, budgeting and cost-monitoring issues and on the construction and engineering of chemical plants, who provided guidance during the litigation of the Action, and had reviewed documents and began formulating expert opinions for the expert and summary judgment stages of the Action. A summary of the role and payments to each retained consultant and/or expert is below.[16]

131. During the course of the Action, Lead Counsel retained damages consultant Michael A. Marek, CFA, of Financial Markets Analysis, LLC, to assist Plaintiffs in understanding the materiality of information allegedly misstated and/or omitted by Defendants, the causation of damages to members of the Settlement Class and the quantification of those damages. Mr. Marek assisted Lead Counsel in the drafting of the complaints and also formulated the Plan of Allocation. Lead Counsel paid Financial Markets Analysis $17,800 on April 3, 2019 for Mr. Marek's work performed during the litigation of the Action.

132. Lead Counsel also worked with Uri Ronnen, an accounting consultant, while drafting the CAC to understand certain relevant accounting issues and also provided discreet documents to Mr. Ronnen for his analysis during the course of the Action. Lead Counsel paid

[16] Lead Counsel is only providing the amount and date of payments to each of its consultants and experts so as to not burden the Court with an overly voluminous filing. However, Lead Counsel is willing to provide all invoices to the Court for in camera review if the Court so desires.

Mr. Ronnen $750 on April 15, 2016 and $1,283 on October 23, 2018 for his work performed during the litigation of the Action.

133. As part of the class certification process, Lead Counsel retained Crowninshield Financial Research and Prof. Feinstein to opine on market efficiency. As described above, Prof. Feinstein conducted event studies and based on these event studies, opined that the market for LSB Securities was efficient. Besides conducting these event studies, Prof. Feinstein and his team drafted two expert reports and Prof. Feinstein was deposed by Defendants. Lead Counsel's payments to Crowninshield totaled $226,217.00 for this work and were as follows: $10,000.00 on April 3, 2017; $1,620.00 on April 24, 2017; $1,240.00 on May 23, 2017; $23,491.00 on June 22, 2017; $73,136.00 on August 8, 2017; $4,735.00 on August 24, 2017; $31,870.00 on September 27, 2017; $44,235.00 on October 30, 2017; and $35,890.00 on January 3, 2018.

134. Once discovery commenced, Lead Counsel retained the professional consulting firm of Baker & O'Brien, Inc., which specializes in providing construction, financial, risk management, and legal services in the chemical, oil and gas industries. Baker & O'Brien, Inc, who were to serve as Plaintiffs' testifying experts, are experts in the fields of chemical plant construction, engineering and budgeting. Their experts reviewed thousands of pages of technical information and documents provided by Defendants regarding the El Dorado Project, provided invaluable assistance to Lead Counsel during fact discovery, including assisting counsel in the preparation for fact depositions, and was in the process of formulating expert opinions and declarations at the time the Action settled. Lead Counsel's payments to Baker & O'Brien, Inc, totaled $203,154.45 for this work and were as follows: $50,000.00 on March 15, 2018; $41,086.80 on May 7, 2018; $42,063.62 on June 19, 2018; $71,011.48 on June 28, 2018; and Lead Counsel received a refund of $1,007.45 on November 7, 2018.

135. Lead Counsel similarly retained Insight Consulting, LLC to serve as accounting experts and assist Plaintiffs in understanding the complex accounting and budgeting issues involved in the Action. Insight Consulting, LLC, which is comprised of two accounting experts with substantial construction project accounting experience, reviewed thousands of pages of relevant documents, assisted counsel in preparing for fact depositions and summary judgment, provided strategic insight during the mediations, which its experts attended, and analyzed and formulated responses to Defendants' accounting and business judgment defenses for its conduct. Lead Counsel's payments to Insight Consulting, LLC totaled $215,852.00 for this work and were as follows: $20,000.00 on October 23, 2017; $6,650.00 on January 4, 2018; $12,250.00, $4,875.00, and $1,875.00 on January 9, 2018; $28,912.00 on March 8, 2018; $12,750.00, $11,425.00, and $3,250.00 on April 24, 2018; $11,334.00 and $10,452.00 on May 7, 2018; $36,475.00 on May 10, 2018; $31,154.00 and $6,050.00 on June 6, 2018; and $11,750.00 and $6,650.00 on June 28, 2018.

136. As part of the mediation process, Lead Counsel retained the Stanford Consulting Group to provide various damages analyses, including the amount of damages for different class periods under different trading models. Additionally, Standard Consulting Group performed a disaggregation analysis for loss causation purposes that was used during the mediation process. Lead Counsel's payments to Stanford Consulting Group totaled $28,602.00 for this work and were as follows: $4,132.00 on April 3, 2018; $17,872.00 on May 7, 2018; $3,124.00 on July 6, 2018; and $3,474.00 on September 12, 2018.

137. Lead Counsel also retained Keith Stokes of Stokes Engineering Company, LLC during the course of the litigation to provide insight into the process of transporting chemical plants and the necessary re-commissioning process to get long-dormant plants back online. Mr.

Stokes was the publisher of FINDS, a quarterly publication that served the world's fertilizer industry and industries using related technologies, and was an experienced testifying expert in ammonia plant constructions disputes, unfortunately pass away during the litigation. Lead Counsel's payments to Stokes Engineering Company, LLC totaled $13,200.00 and were as follows: $10,800.00 and $2,400.00 on April 2, 2018.

138. Another large component of the litigation expenses was for document management services. Plaintiffs received approximately six million documents as part of the litigation. These documents had to be processed and uploaded into the document management system for Lead Counsel to review. This process is quite expensive. Additionally, there were substantial hosting and database storage costs. In total, document management costs were $166,290.03, which comprised approximately 14.2% of the total expenses incurred during the Action.

139. As discussed above, Lead Counsel took more than twenty depositions during the litigation. These depositions were a substantial component of the expenses incurred by Lead Counsel. Not including travel expenses, which were primarily to attend depositions and Court hearings, depositions transcript costs and the rental of an office in Oklahoma City[17] totaled $100,742.72, which comprised approximately 8.6% of the total amount of expenses.

140. In this era after the enactment of the PSLRA, the use of investigators to gather detailed, fact-specific information is often necessary in order to draft the type of highly-particularized complaints mandated by the pleading standards of the PSLRA. Lead Counsel therefore utilized On Point Investigations to help them in their investigation. These investigators

[17] Since LSB and Lead Plaintiff was based in Oklahoma City, a large amount of the depositions occurred there. To limit costs, Lead Counsel rented an office there with printing facilities and where depositions could occur.

located and interviewed numerous LSB former employees and other individuals that worked for contractors involved in the El Dorado Project, and uncovered relevant facts related to the allegations. Additionally, certain of these former employees became confidential witnesses that were referenced in the complaints. Lead Counsel's payments to On Point Investigations totaled $11,081.75 and were as follows: $4,627.00 on January 8, 2016; $2,512.50, $773.00 and $325.50 on February 3, 2016; $218.75 on August 26, 2016; and $2,625.00 on March 19, 2018.

141. The other expenses for which Lead Counsel seeks reimbursement 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, court fees, copying costs, long-distance telephone, postage and delivery expenses, mediation costs, airfare, parking and online research.

142. All of the litigation expenses incurred by Lead Counsel were reasonable and necessary to the successful litigation of the Action, and have been approved by Plaintiffs. *See* Wilson Decl., ¶8; Kirchner Decl., ¶8.

143. Additionally, Plaintiffs seek reimbursement of their reasonable costs and expenses incurred directly in connection with its representation of the Settlement Class, in the amount of of $21,250 for Camelot and $18,850 for Lead Plaintiff Dennis Wilson. *See* Wilson Decl., ¶10; Kirchner Decl., ¶10.

144. The Notice informed potential Settlement Class Members that Lead Counsel would be seeking reimbursement of expenses, including reimbursement for the Plaintiffs, in an amount not to exceed $1,450,000. The total amount requested, $1,209,601.84, which includes $1,169,501.84 in reimbursement of litigation expenses incurred by Lead Counsel and $40,100 in reimbursement of costs and expenses incurred by Plaintiffs, is significantly below the $1,450,000 that Settlement Class Members were advised could be sought. To date, no objection has been

raised as to the maximum amount of expenses disclosed in the Notice. Lead Counsel will address any objections in its reply papers.

145. The expenses incurred by Plaintiffs were reasonable and necessary to represent the Settlement Class and achieve the Settlement. Accordingly, Lead Counsel respectfully submit that the Litigation Expenses should be reimbursed in full from the Settlement Fund.

VII. CONCLUSION

146. For all the reasons discussed above, Plaintiffs and Lead Counsel respectfully submit that the Settlement and the Plan of Allocation should be approved as fair, reasonable, and adequate. Lead Counsel further submits that the requested fee in the amount of 33 1/3% of the Settlement Fund should be approved as fair and reasonable, and the request for reimbursement of total Litigation Expenses in the amount of $1,209,601.84, which includes Plaintiffs' costs and expenses, should also be approved.

I declare, under penalty of perjury under the laws of the United States, that the foregoing facts are true and correct. Executed this May 24, 2019, at Los Angeles, CA.

/s/ *Casey E. Sadler*
Casey E. Sadler

PROOF OF SERVICE

I, the undersigned say:

I am not a party to the above case and am over eighteen years old.

On May 24, 2019, I served true and correct copies of the foregoing document, by posting the document electronically to the ECF website of the United States District Court for the Southern District of New York, for receipt electronically by the parties listed on the Court's Service List.

I affirm under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on May 24, 2019.

s/ Casey E. Sadler
Casey E. Sadler

EXHIBIT 1

NERA
ECONOMIC CONSULTING

29 January 2019

Recent Trends in Securities Class Action Litigation: 2018 Full-Year Review

Record Pace of Filings, Despite Slower Merger-Objection Growth
Average Case Size Surges to Record High
Settlement Values Rebound from Near-Record Lows

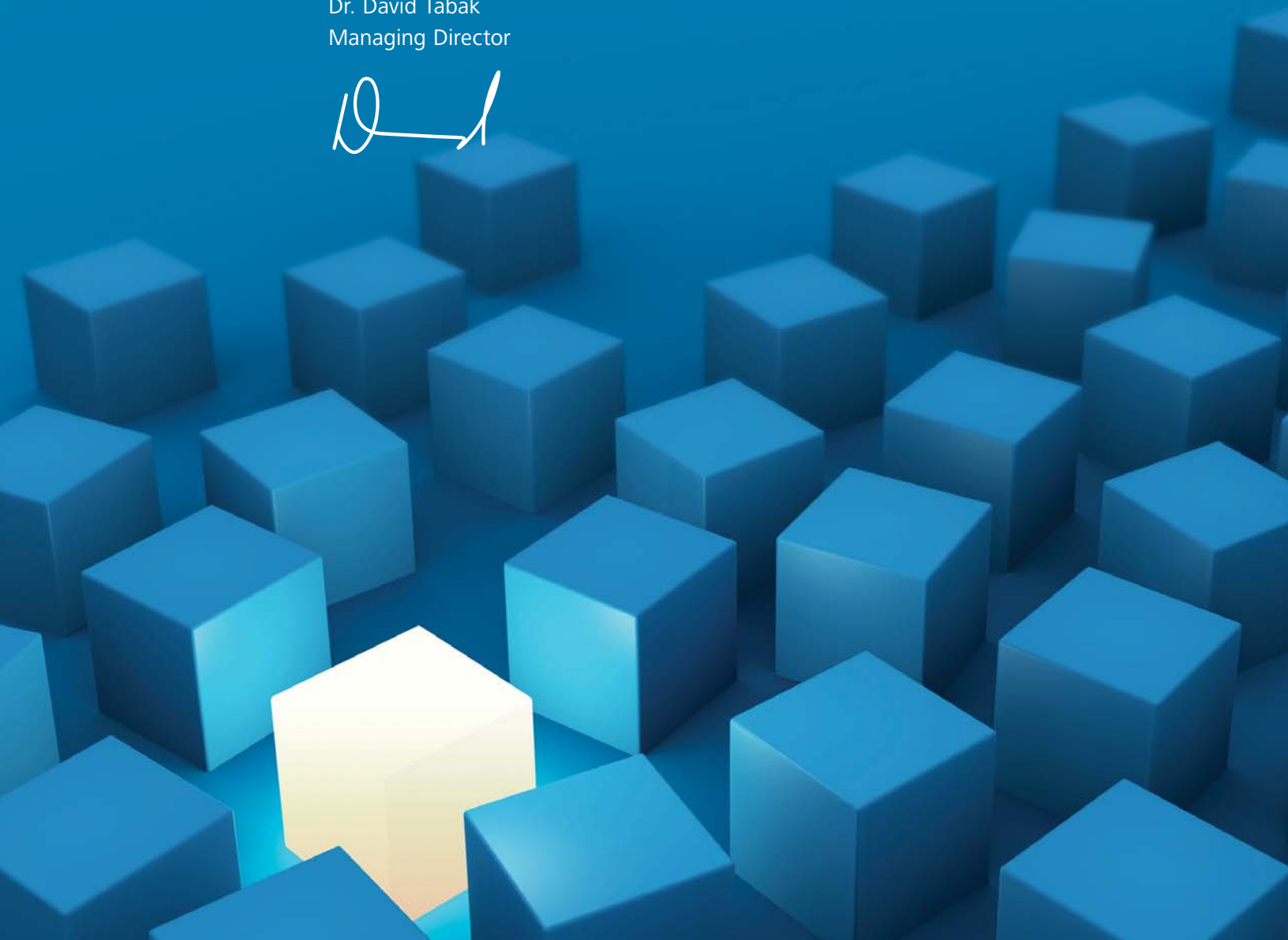
By Stefan Boettrich and Svetlana Starykh

Insight in Economics™

Foreword

I am excited to share NERA's *Recent Trends in Securities Class Action Litigation: 2018 Full-Year Review* with you. This year's edition builds on work carried out over numerous years by many members of NERA's Securities and Finance Practice. In this year's report, we continue our analyses of trends in filings and settlements and present new analyses, such as how post-class-period stock price movements relate to voluntary dismissals. While space does not permit us to present all the analyses the authors have undertaken while working on this year's edition, or to provide details on the statistical analysis of settlement amounts, we hope you will contact us if you want to learn more about our work related to securities litigation. On behalf of NERA's Securities and Finance Practice, I thank you for taking the time to review our work and hope you find it informative.

Dr. David Tabak
Managing Director



Recent Trends in Securities Class Action Litigation: 2018 Full-Year Review

Record Pace of Filings, Despite Slower Merger-Objection Growth
Average Case Size Surges to Record High
Settlement Values Rebound from Near-Record Lows

By Stefan Boettrich and Svetlana Starykh[1]

29 January 2019

Introduction and Summary[2]

In 2018, the pace of securities class action filings was the highest since the aftermath of the 2000 dot-com crash, with 441 new cases. While merger objections constituted about half the total, filing growth of such cases slowed versus 2017, indicating that the explosion in filings sparked by the *Trulia* decision may have run its course.[3] Filings alleging violations of Rule 10b-5, Section 11, and/or Section 12 of the Securities Act of 1933 ("Securities Act") were roughly unchanged compared to 2017, but accelerated over the second half of the year, with the fourth quarter being one of the busiest on record.

The steady pace of new securities class actions masked fundamental changes in filing characteristics. Aggregate NERA-defined Investor Losses, a measure of total case size, came to a record $939 billion, nearly four times the preceding five-year average. Even excluding substantial litigation against General Electric (GE), aggregate Investor Losses doubled versus 2017. Most growth in Investor Losses stemmed from cases alleging issues with accounting, earnings, or firm performance, contrasting with prior years when most growth was tied to regulatory allegations. Filings against technology firms jumped nearly 70% from 2017, primarily due to cases alleging accounting issues or missed earnings guidance.

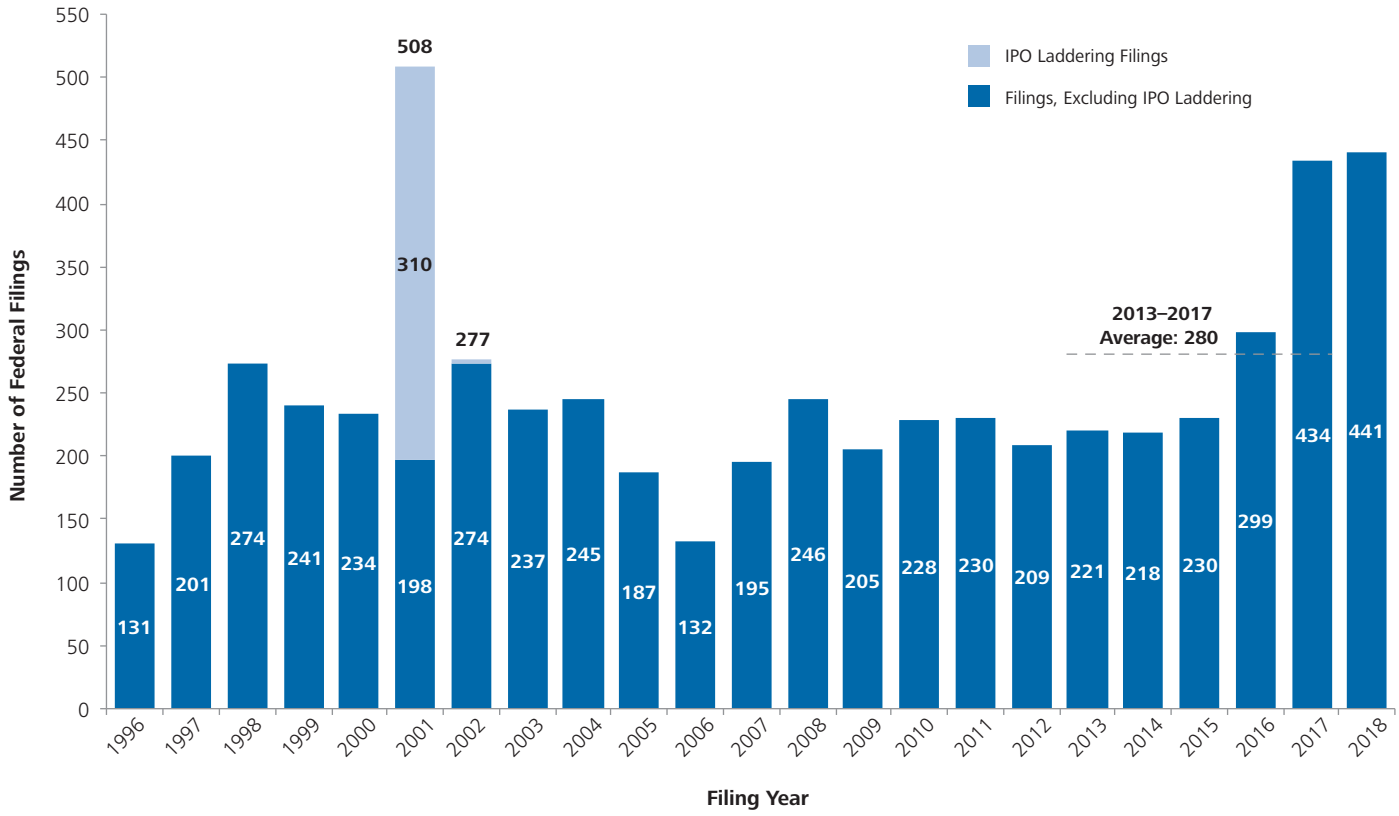
The average settlement value rebounded from the 2017 near-record low, mostly due to the $3 billion settlement against Petróleo Brasileiro S.A.—Petrobras. The median settlement nearly doubled, primarily due to higher settlements of many moderately sized cases. Despite a rebound in settlement values in 2018, the number of settlements remained low, with dismissals outnumbering settlements more than two-to-one. An adverse number of cases were voluntarily dismissed, which can partially be explained by positive returns of targeted securities during the PSLRA bounce-back periods. The robust rate of case resolutions has not kept up with the record filing rate, driving pending litigation up more than 6%.

Trends in Filings

Number of Cases Filed

There were 441 federal securities class actions filed in 2018, the fourth consecutive year of growth (see Figure 1). The filing rate was the highest since passage of the PSLRA, with the exception of 2001 when new IPO laddering cases dominated federal dockets. The dramatic year-over-year growth seen in each of the past few years resulted in a near doubling of filings since 2015, but growth moderated considerably in 2018 to 1.6%. The 2018 filing rate is well above the post-PSLRA average of approximately 253 cases per year, and solidifies a departure from the generally stable filing rate in the years following the 2008 financial crisis.

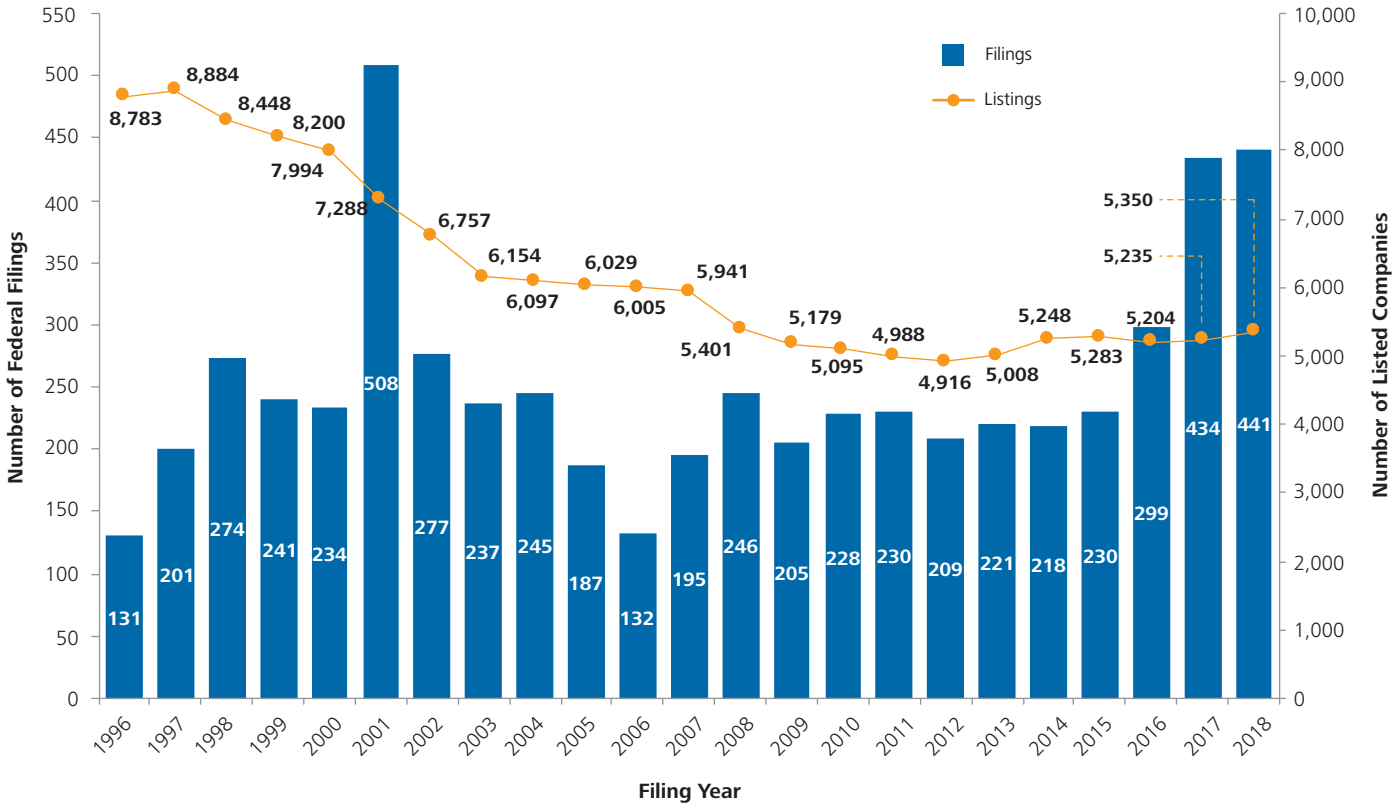
Figure 1. **Federal Filings**
January 1996–December 2018



As of November 2018, there were 5,350 companies listed on the major US securities exchanges (see Figure 2). The 441 federal securities class action suits filed in 2018 involved approximately 8.2% of publicly listed companies. The overall risk of litigation to listed firms has increased substantially since early in the decade, when only about 4.0% of public companies listed on US exchanges were subject to a securities class action.

Broadly, the chance of a publicly listed company being subject to securities litigation depends on the number of filings relative to the number of listed companies. While the number of listed companies has increased by 7% over the last five years, the longer-term trend is toward fewer listings. Since the passage of the PSLRA in 1995, the number of listings on major US exchanges has steadily declined by about 3,000, or nearly 40%. Recent research attributed this decline to fewer new listings and an increase in delistings, mostly through mergers and acquisitions.[4]

Figure 2. **Federal Filings and Number of Companies Listed in the United States**
January 1996–December 2018



Note: Listed companies include those listed on the NYSE and Nasdaq. Listings data from 2016 through 2018 were obtained from World Federation of Exchanges (WFE). The 2018 listings data is as of November 2018. Data for prior years was obtained from Meridian Securities Markets and WFE.

Despite the long-term drop in the number of listed companies, the average number of securities class action filings has *increased* from 216 per year over the first five years after the PSLRA to about 324 per year over the past five years. The long-term trend toward fewer listed companies coupled with more class actions implies that the average probability of a listed firm being subject to such litigation has increased from about 2.6% after passage of the PSLRA to 3.7% over the past five years, and 8.0% over the past two years.

Recently, the rising average risk of class action litigation was driven by dramatic growth in merger-objection cases that, prior to 2016, were mostly filed in various state courts. Since then, state court rulings have driven such litigation onto federal dockets. Hence the increase in the typical firm's litigation risk might be less than indicated above, since 1) the risk of merger-objection litigation is specific to firms planning or engaged in M&A activity and 2) many merger-objection cases would otherwise have been filed in state courts.

The average probability of a firm being targeted by what is often regarded as a "Standard" securities class action—one that alleges violations of Rule 10b-5, Section 11, and/or Section 12—was only 4.0% in 2018, albeit higher than the average probability of about 2.6% following the PSLRA and 3.5% between 2013 and 2017.

Filings by Type

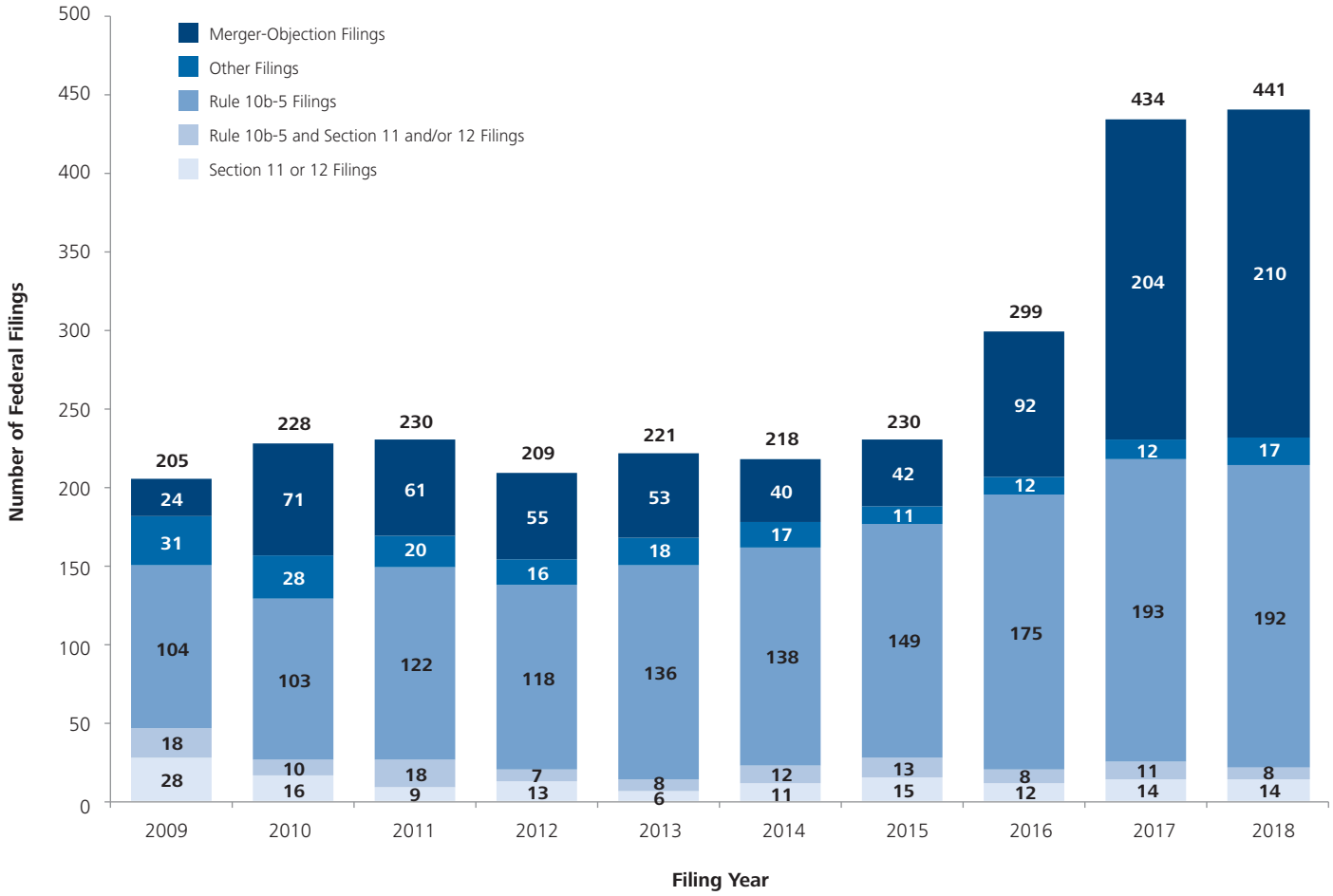
In 2018, the 441 securities class action filings were about evenly split between Standard securities class actions and merger objections, roughly matching the number seen in 2017 (see Figure 3). There were 214 Standard securities cases filed, down slightly from 2017. Prior to 2018, Standard filings grew for five consecutive years, the longest expansion on record, and by over 50% since 2013. Despite the slowdown in 2018, monthly filing growth over the second half of the year was robust, and capped by 64 filings in the fourth quarter, one of the busiest quarters on record.

Despite the 210 merger-objection filings in 2018 making up about half of all filings, yearly filing growth of such cases slowed to almost zero, as the number of filings roughly matched the level seen in 2017. The tepid filing growth implies that the rapid growth following various state-level decisions limiting "disclosure-only" settlements (including the *Trulia* decision) has likely run its course.[5] Rather, the stagnant growth in federal merger-objection filings was likely driven by relatively stagnant M&A activity.[6]

Although aggregate merger-objection filings (including those at the state level) may correspond with the rate of mergers and acquisitions, such deal activity does not appear to have historically been the primary driver of federal merger-objection filings over multiple years. The number of federal merger-objection filings generally fell between 2010 and 2015, despite increased M&A activity. The higher filing counts in 2016 and 2017 likely stemmed from trends in the choice of jurisdiction rather than trends in deal volume.[5]

Besides Standard and merger-objection cases, a variety of other filings rounded out 2018. Several filings alleged fraudulent initial coin and cryptocurrency offerings, manipulation of derivatives (e.g., VIX products and metals futures), and breaches of fiduciary duty (including client-broker disputes involving churning and improper asset allocation).

Figure 3. **Federal Filings by Type**
January 2009–December 2018



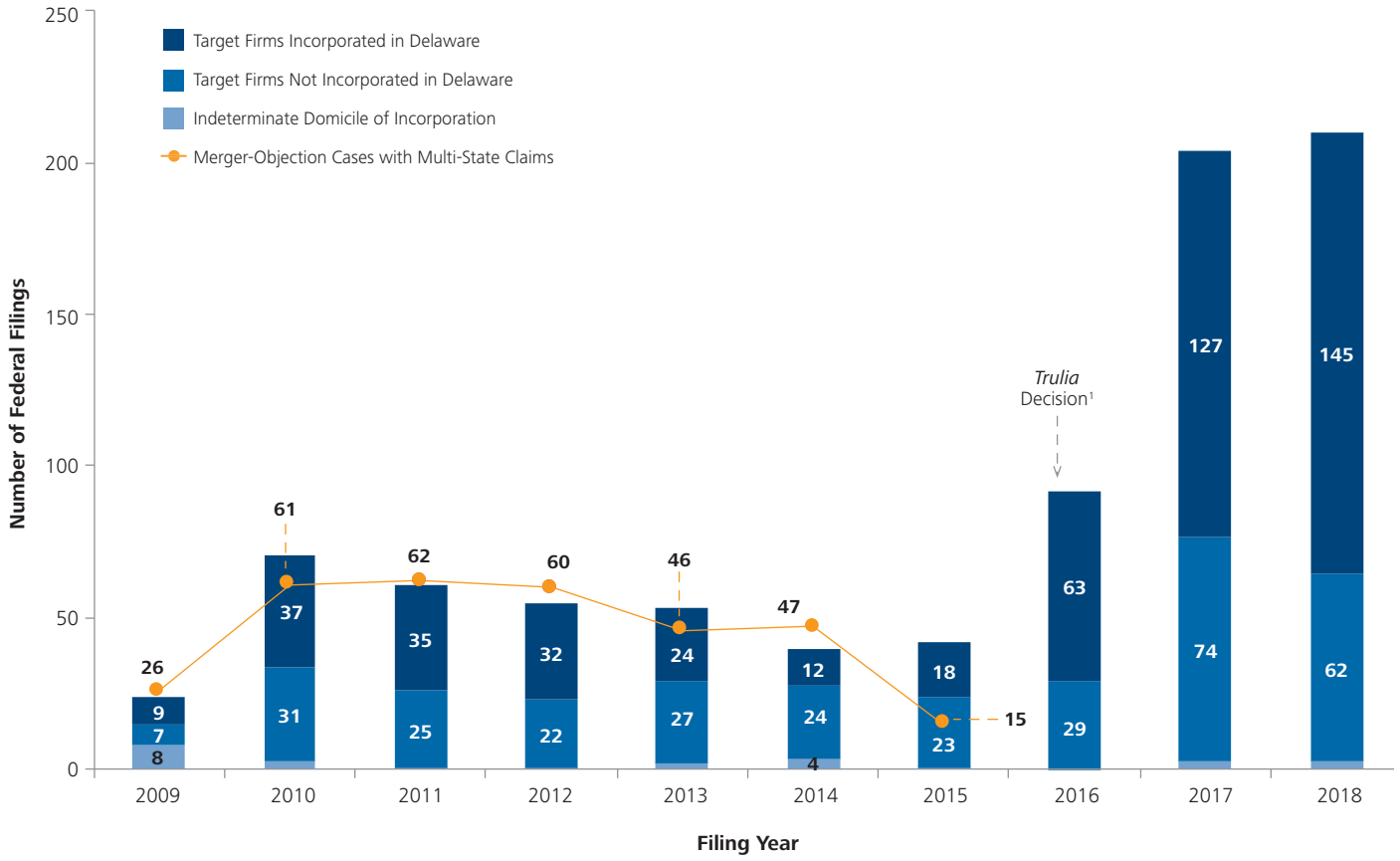
Merger-Objection Filings

In 2018, federal merger-objection filings were relatively unchanged versus 2017 (see Figure 4). Growth in federal merger-objection filings in 2016 and 2017 largely followed various state court rulings barring disclosure-only settlements, the most notable being the 22 January 2016 *Trulia* decision in the Delaware Court of Chancery.[7] Research suggested that such state court decisions would simply drive merger objections to alternative jurisdictions, such as federal courts.[8] This has largely been borne out thus far.

The dramatic slowdown in merger-objection filings growth implies that plaintiff forum selection is less of a growth factor; in 2018 and going forward, merger and acquisition activity will likely be the primary driver of federal merger-objection litigation. This assumes, however, that corporations don't increasingly adopt forum selection bylaws, and that federal courts don't increasingly follow the Delaware Court of Chancery's lead on rejecting disclosure-only settlements.[9] For instance, after the Seventh Circuit ruled strongly against a disclosure-only settlement in *In re: Walgreen Co. Stockholder Litigation*, the proportion of merger objections filed in that circuit fell by more than 60% the following year.[10]

Federal merger-objection filings typically allege a violation of Section 14(a), 14(d), and/or 14(e) of the Securities Exchange Act of 1934, and/or a breach of fiduciary duty by managers of a firm being acquired. Such filings are frequently voluntarily dismissed.

Figure 4. **Federal Merger-Objection Cases and Merger-Objection Cases with Multi-State Claims**
January 2009–December 2018



Notes: Counts of merger-objection cases with multi-state claims based on data obtained from Matthew D. Cain and Steven D. Solomon, "Takeover Litigation in 2015," Berkeley Center for Law, Business and the Economy, 14 January 2016. Data on multi-state claims unavailable for 2016–2018. State of incorporation obtained from the Securities and Exchange Commission.
[1] *In re Trulia, Inc. Stockholder Litigation*, C.A. No. 10020-CB (Del. Ch. Jan. 22, 2016).

Filings Targeting Foreign Companies

Foreign companies with securities listed on US exchanges have been disproportionately targeted in Standard securities class actions since 2010 (see Figure 5).[11] In 2018, foreign companies were targeted in about 25% fewer cases than in 2017, and in only about 20% of complaints, just above the share of listings. This contrasts with persistent growth in foreign firm exposure to securities litigation over the preceding four years.

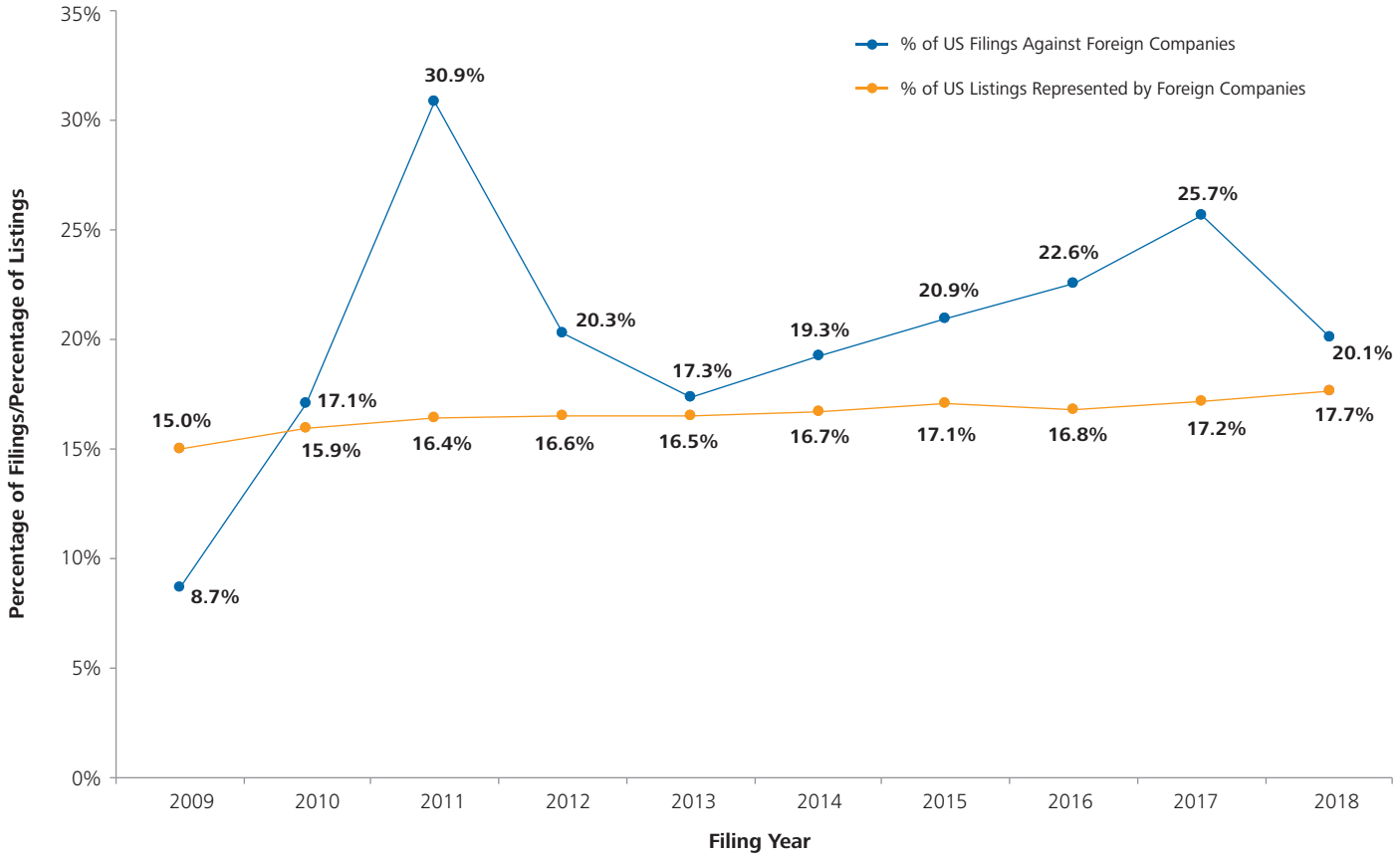
The reversion in claims against foreign firms mirrors a wider slowdown in filings with regulatory allegations. Over the last few years, growth in regulatory filings explained much of the growth in foreign filings, with 50% to 80% of new foreign cases including such allegations. That trend has reversed; in 2018, 75% of the drop in foreign filings stemmed from fewer claims related to regulation.

The slowdown in foreign regulatory filings can also be tied to fewer complaints in 2018 alleging similar regulatory violations, which adversely targeted foreign firms and particularly those domiciled in Europe. For instance, in 2017 there were multiple filings related to pharmaceutical price fixing, emissions defeat devices, and financing schemes by Kalani Investments Limited.

Filings against foreign companies spanned several economic sectors, led by a considerable jump against firms in the Electronic Technology and Technology Services sector (accounting issues were most common). Filings against foreign companies in the Health Technology and Services sector dropped by half. In past years, such filings usually claimed regulatory violations; none did in 2018.

In 2011, a record 31% of filings targeted foreign companies, mostly due to a surge in litigation against Chinese companies, which was mainly related to a proliferation in so-called "reverse mergers" years earlier. A reverse merger is a merger in which a private company merges with a publicly traded company listed in the US, thereby enabling access to US capital markets without going through the process of obtaining a new listing.

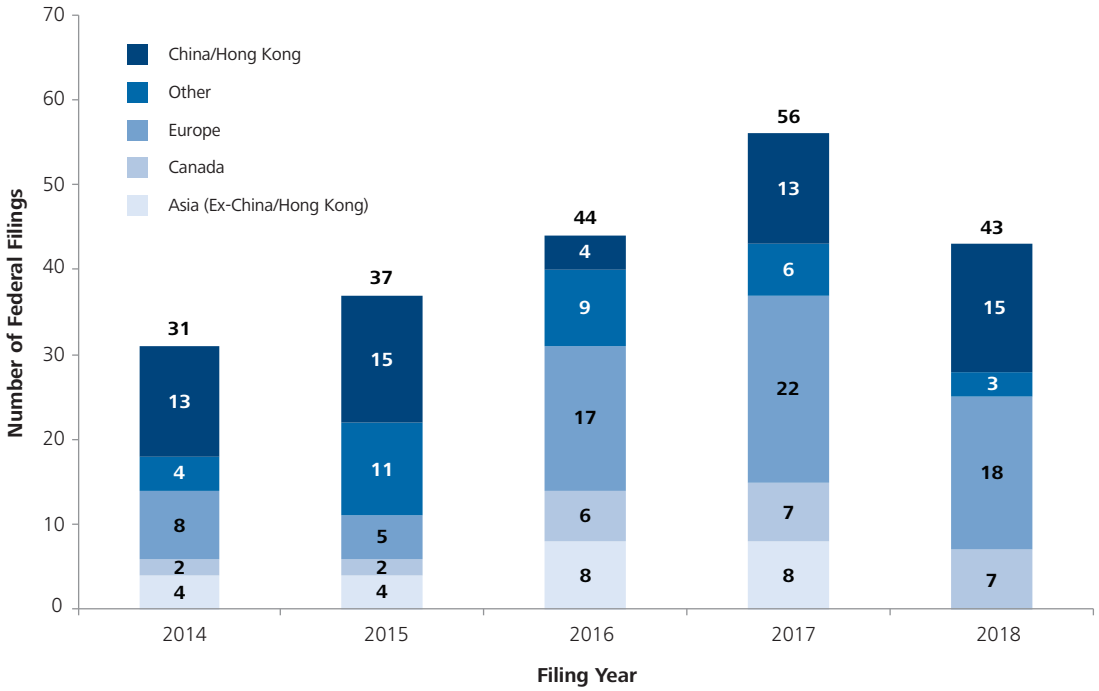
Figure 5. **Foreign Companies: Share of Filings and Share of Companies Listed on US Exchanges**
Shareholder Class Actions with Alleged Violations of Rule 10b-5, Section 11, and/or Section 12
January 2009–December 2018



Note: Foreign issuer status determined based on location of principal executive offices.

Internationally, only Chinese firms listed on US exchanges were subject to more securities class actions in 2018 than in 2017 (see Figure 6). Filings against European firms slowed, partially due to fewer regulatory filings. There were zero filings against Israeli companies, despite an increase in listings and litigation against such companies in previous years.

Figure 6. **Filings Against Foreign Companies**
Shareholder Class Actions with Alleged Violations of Rule 10b-5, Section 11, and/or Section 12 by Region
January 2014–December 2018



Note: Foreign issuer status determined based on location of principal executive offices.

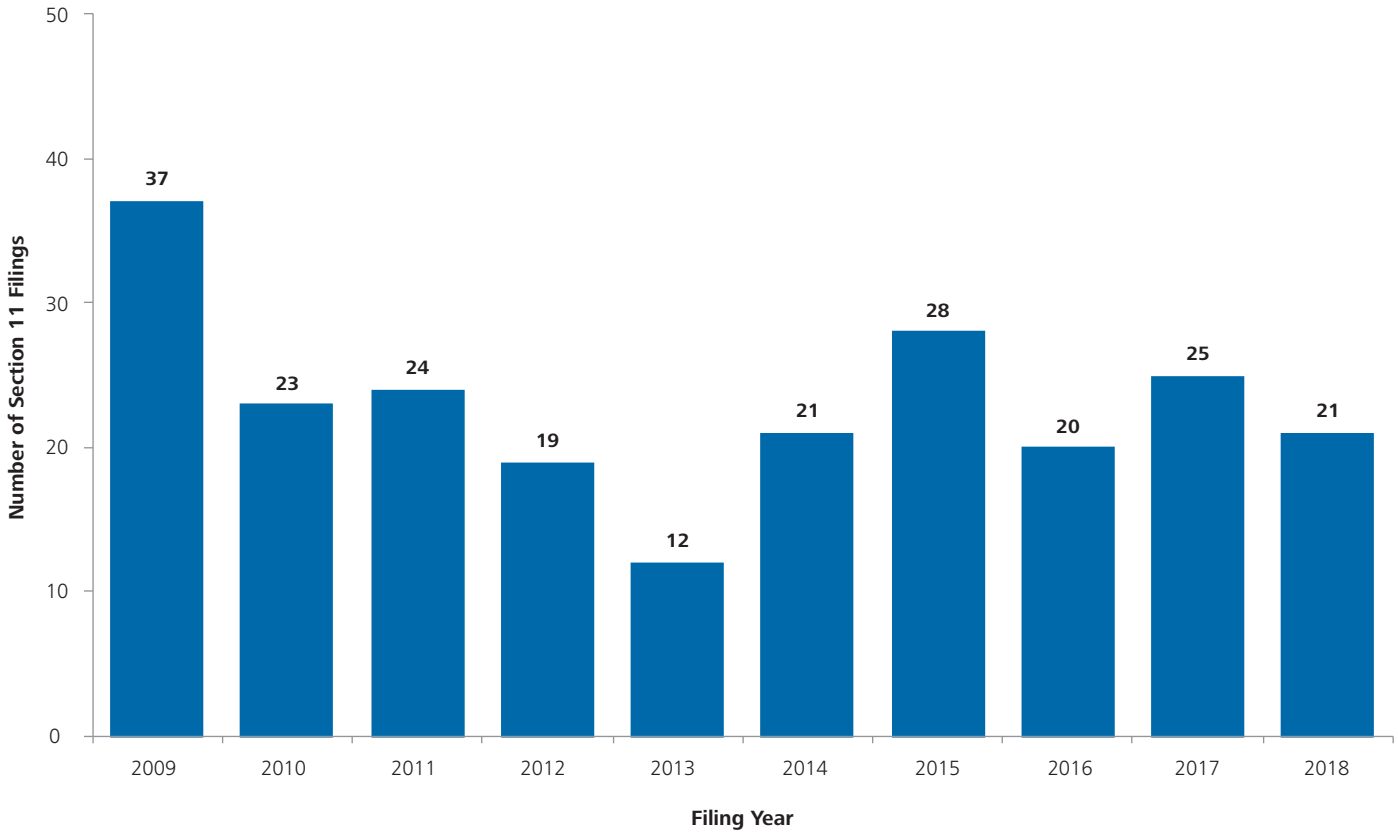
Section 11 Filings

There were 21 federal filings alleging violations of Section 11 in 2018, which approximates the five-year average (see Figure 7).

On 20 March 2018, the US Supreme Court ruled in *Cyan, Inc. v. Beaver County Employees Retirement Fund* that state courts have jurisdiction over class actions with claims brought under the Securities Act.[12] The ruling allows plaintiffs to litigate Section 11 claims in state courts, including plaintiff-friendly California state courts.

The full effect of the *Cyan* decision on federal filing trends remains to be seen, but of the 21 Section 11 filings in 2018, 14% involved firms headquartered in California, down from a quarter in 2016 (prior to the US Supreme Court granting certiorari). Of the three California firms, at least two have stated in filings with the SEC that claims under the Securities Act must only be brought in federal courts.[12]

Figure 7. **Section 11 Filings**
January 2009–December 2018



Aggregate NERA-Defined Investor Losses

In addition to the number of cases filed, we also consider the total potential size of these cases using a metric we label "NERA-defined Investor Losses."

NERA's Investor Losses variable is a proxy for the aggregate amount that investors lost from buying the defendant's stock, rather than investing in the broader market during the alleged class period. Note that the Investor Losses variable is not a measure of damages because any stock that underperforms the S&P 500 would have Investor Losses over the period of underperformance; rather, it is a rough proxy for the relative size of investors' potential claims. Historically, Investor Losses have been a powerful predictor of settlement size. Investor Losses can explain more than half of the variance in the settlement values in our database.

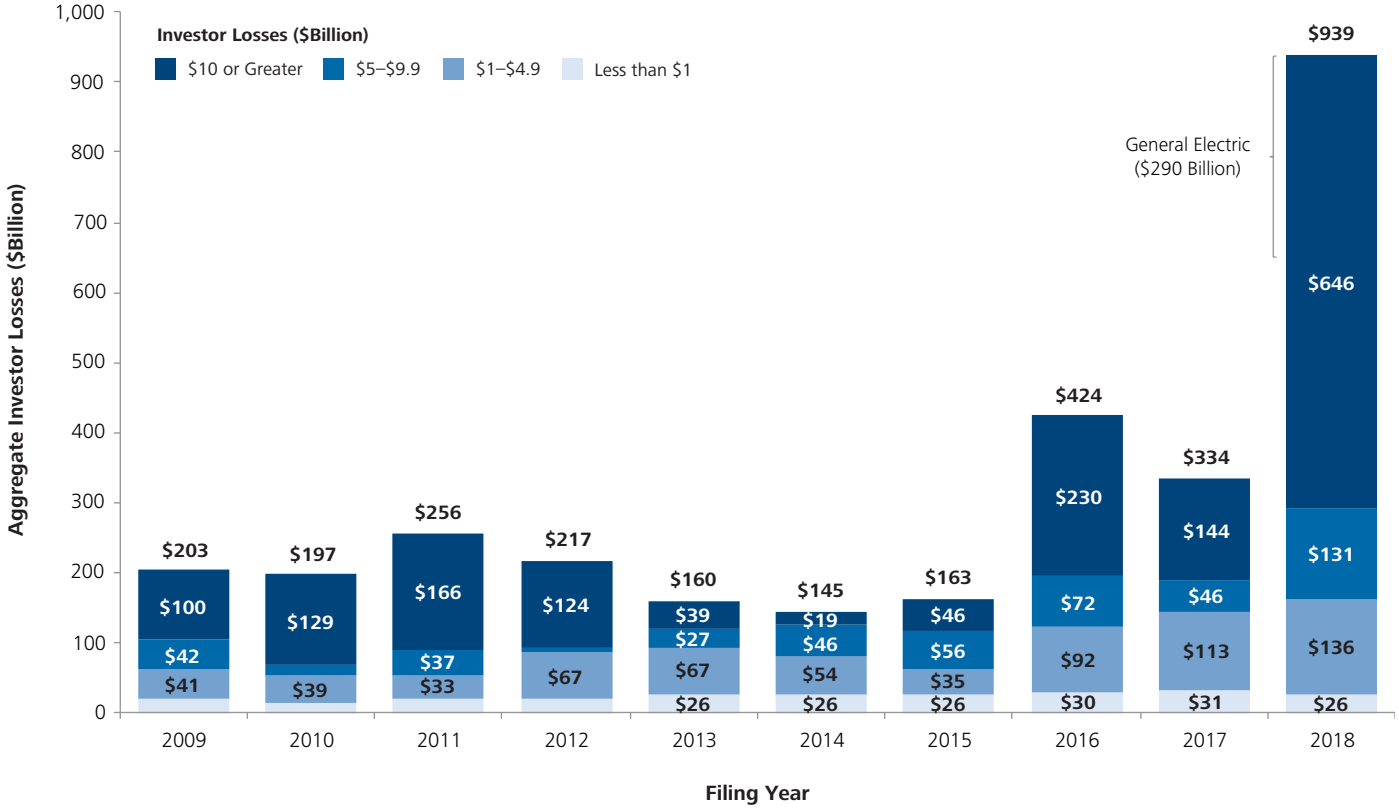
We do not compute NERA-defined Investor Losses for all cases included in this publication. For instance, class actions in which only bonds and not common stock are alleged to have been damaged are not included. The largest excluded groups are IPO laddering cases and merger-objection cases.

Despite a relatively constant rate of Standard filings in 2018, the size of those filings (as measured by NERA-defined Investor Losses) surged to nearly $1 trillion (see Figure 8). Total Investor Losses were dominated by litigation against GE, equal to about 45% of Investor Losses from all other cases combined, an especially impressive metric given the record aggregate case size.

NERA-defined Investor losses in 2018 totaled $939 billion, more than double that of any prior year and nearly four times the preceding five-year average of $245 billion. The total size of filings in all but the smallest strata grew, led by cases with more than $10 billion in Investor Losses. Coupled with the relatively stable overall filing rate, this suggests a systematic shift toward larger filings. In 2018, there were a record number of filings in each of the three largest strata, while only 88 cases had Investor Losses less than $1 billion, a record low.

Once again, there were several very large filings alleging regulatory violations, including a stock drop case against Johnson & Johnson related to claims of allegedly carcinogenic talcum powder, and a data privacy case against Facebook. Besides cases alleging regulatory violations, other very large cases included a filing against NVIDIA regarding excess inventory of GPUs (used for cryptocurrency mining) and large drug development cases against Bristol-Myers Squibb and Celgene.

Figure 8. **Aggregate NERA-Defined Investor Losses**
Shareholder Class Actions with Alleged Violations of Rule 10b-5, Section 11, and/or Section 12
January 2009–December 2018



Over the past couple of years, growth in aggregate Investor Losses was concentrated in filings alleging regulatory violations, a substantial number of which were also *event-driven* securities cases (i.e., stock drop cases stemming from a specific event or occurrence). Between 2015 and 2017, growth in the total size of regulatory cases was due to an increased filing rate (from 31 to 57 cases) and higher median Investor Losses (from $308 million to $811 million).

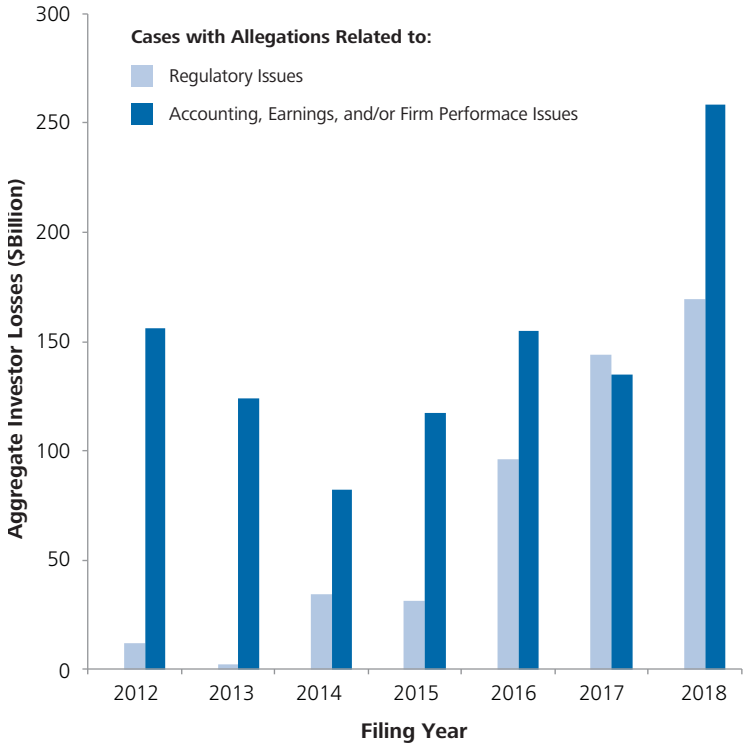
In 2018, regulatory cases were again large (half had Investor Losses greater than $4 billion), but the vast majority of total Investor Losses stemmed from what have historically been more typical securities cases, namely those that allege accounting issues, misleading earnings guidance, and/or firm performance issues.[14] This was led by litigation related to accounting issues at GE. Excluding GE, aggregate Investor Losses of such cases nearly doubled to a record $258 billion (see Figure 9).

Growth in the total size of cases alleging accounting, earnings, and/or performance issues primarily stems from growth in individual case size, as opposed to more filings. The median case with such allegations had more than $650 million in Investor Losses, about twice the average of $322 million over the preceding five years.

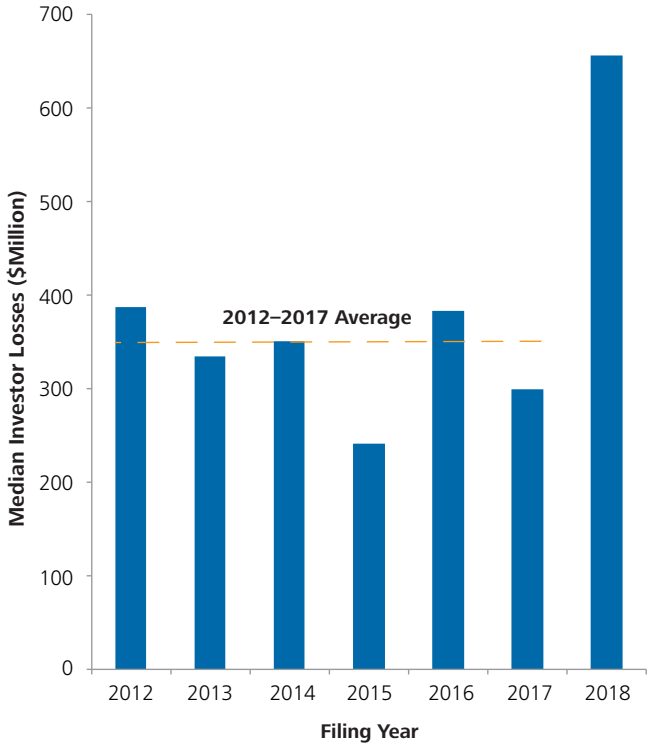
Details of the size of cases with specific types of allegations are discussed in the *Allegations* section below.

Figure 9. **NERA-Defined Investor Losses**
Filings Alleging Accounting Issues, Missed Earnings Guidance, and/or Misleading Future Performance
Excludes 2018 GE Filings

Aggregate NERA-Defined Investor Losses
January 2012–December 2018



Median NERA-Defined Investor Losses
January 2012–December 2018



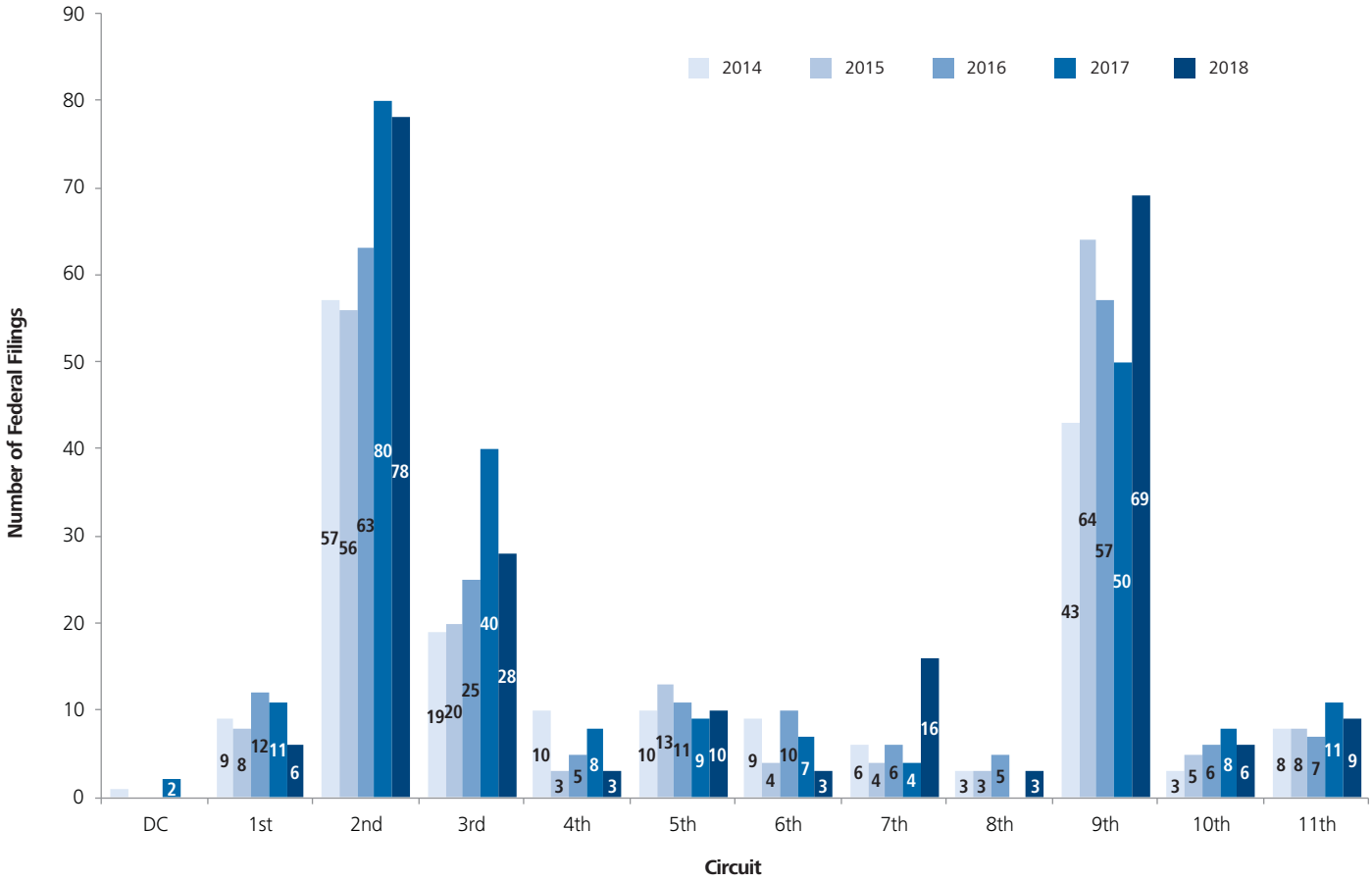
Note: Regulatory cases with parallel accounting, performance, or missed earnings claims are excluded.

Filings by Circuit

Filings in 2018 (excluding merger objections) were again concentrated in the Second and Ninth Circuits. The concentration of filings in these circuits has increased in 2018, during which they received 64% of filings, up from an average of 57% over the prior two years (see Figure 10). While the Second Circuit received the most filings, the most growth was in the Ninth Circuit, which includes Silicon Valley, mostly due to more litigation against firms in the Electronic Technology and Technology Services sector.

Merger-objection filings, not included in Figure 10, have become increasingly active in the Third Circuit, which includes Delaware. The Third Circuit received 82 merger-objection cases in 2018, double the number in 2017 and more than an eightfold increase over 2016. Nearly four-in-ten merger-objection cases were filed in the Third Circuit, twice the concentration of 2017 and coming amidst only a slight increase in the percentage of target firms incorporated in Delaware (see Figure 4). This corresponds with a decline in filings in every other circuit except the Second Circuit, where filings increased from 15 to 26.

Figure 10. **Federal Filings by Circuit and Year**
Excludes Merger Objections
January 2014–December 2018

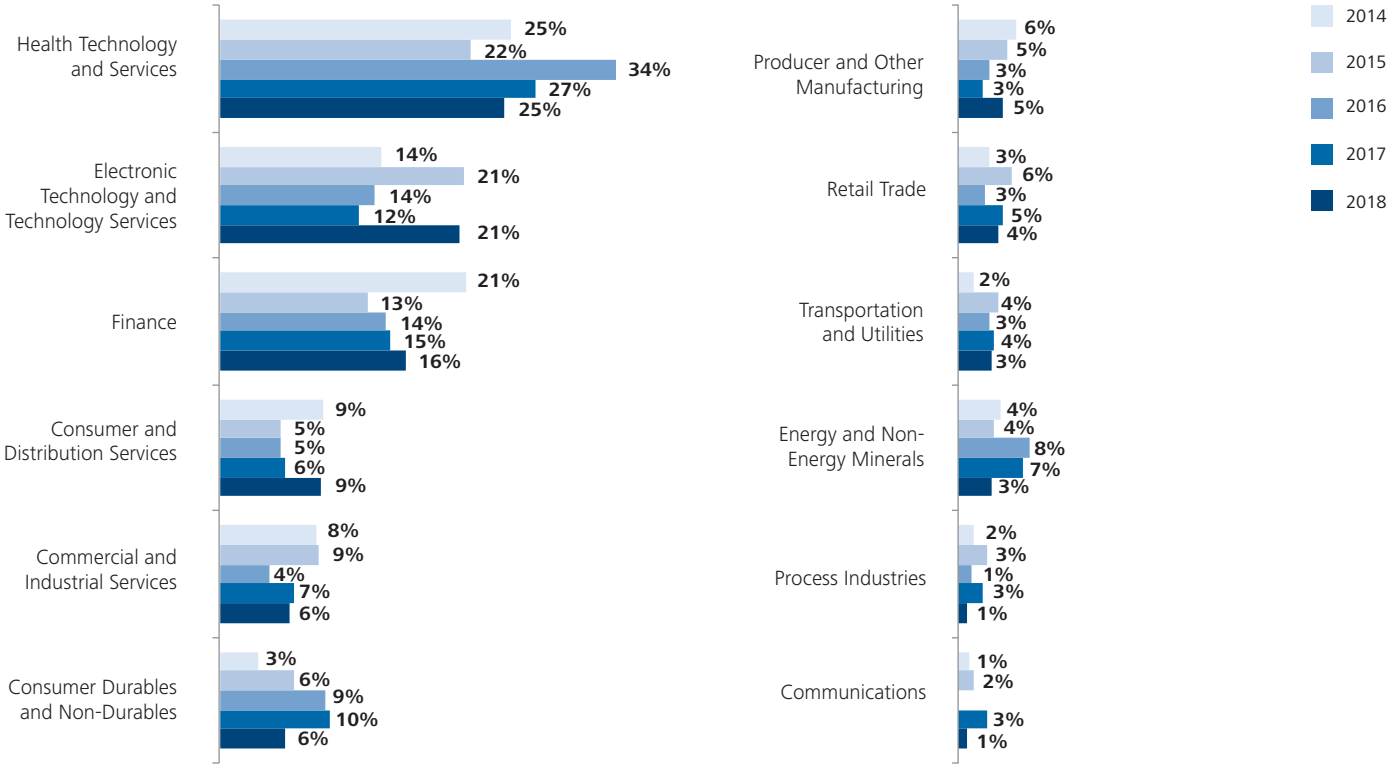


Filings by Sector

In 2018, filing counts were highest in the three historically dominant sectors, which include firms involved in health care, technology, and financial services (see Figure 11). The share of filings in these sectors increased to 62% in 2018 from about 54% in 2017, primarily due to a surge in filings against firms in the technology sector. Despite the drop in the percentage of health care companies targeted, the percentage of targeted firms in the Drugs industry (SIC 283) was nearly unchanged from 2017.

Firms in technological industries were especially at risk of securities class actions alleging accounting issues, misleading earnings guidance, or firm performance issues.[15] The industry with the highest percentage of constituent companies targeted with such allegations was the Computer and Office Equipment industry (SIC 357), with more than 9% of listed companies subject to litigation. This was followed by the Electronic Components and Accessories industry (SIC 367), with 6% of firms targeted. In the Drugs industry (SIC 283), 5% of firms were targeted with a filing with such claims (mostly related to misleading announcements regarding future performance).

Figure 11. **Percentage of Filings by Sector and Year**
Excludes Merger Objections
January 2014–December 2018



Note: This analysis is based on the FactSet Research Systems, Inc. economic sector classification. Some of the FactSet economic sectors are combined for presentation.

Allegations

In contrast with growth observed in recent years, filings with regulatory claims (i.e., those alleging a failure to disclose a regulatory issue) slowed to 41 in 2018 from 57 in 2017, a drop from 26% of Standard cases to 19% (see Figure 12). While fewer regulatory cases were filed, the median case size grew fourfold to over $4 billion (as measured by NERA-defined Investor Losses). The slowdown in regulatory filings was partially offset by more allegations of accounting issues and missed earnings guidance, which grew 8% and 13%, respectively.

While the size of filed cases (as measured by NERA-defined Investor Losses) grew in each allegation category, those alleging accounting issues and missed earnings guidance were especially large and more frequently targeted technology firms. The median size of accounting claims exceeded $600 million in 2018 (a level not seen since 2008), with filings over the second half of the year being especially large. Firms in the technology sector had the most accounting claims, making up 29% of the total (up from 21% in 2017). Moreover, more than one-in-three filings against firms in the technology sector alleged accounting issues.

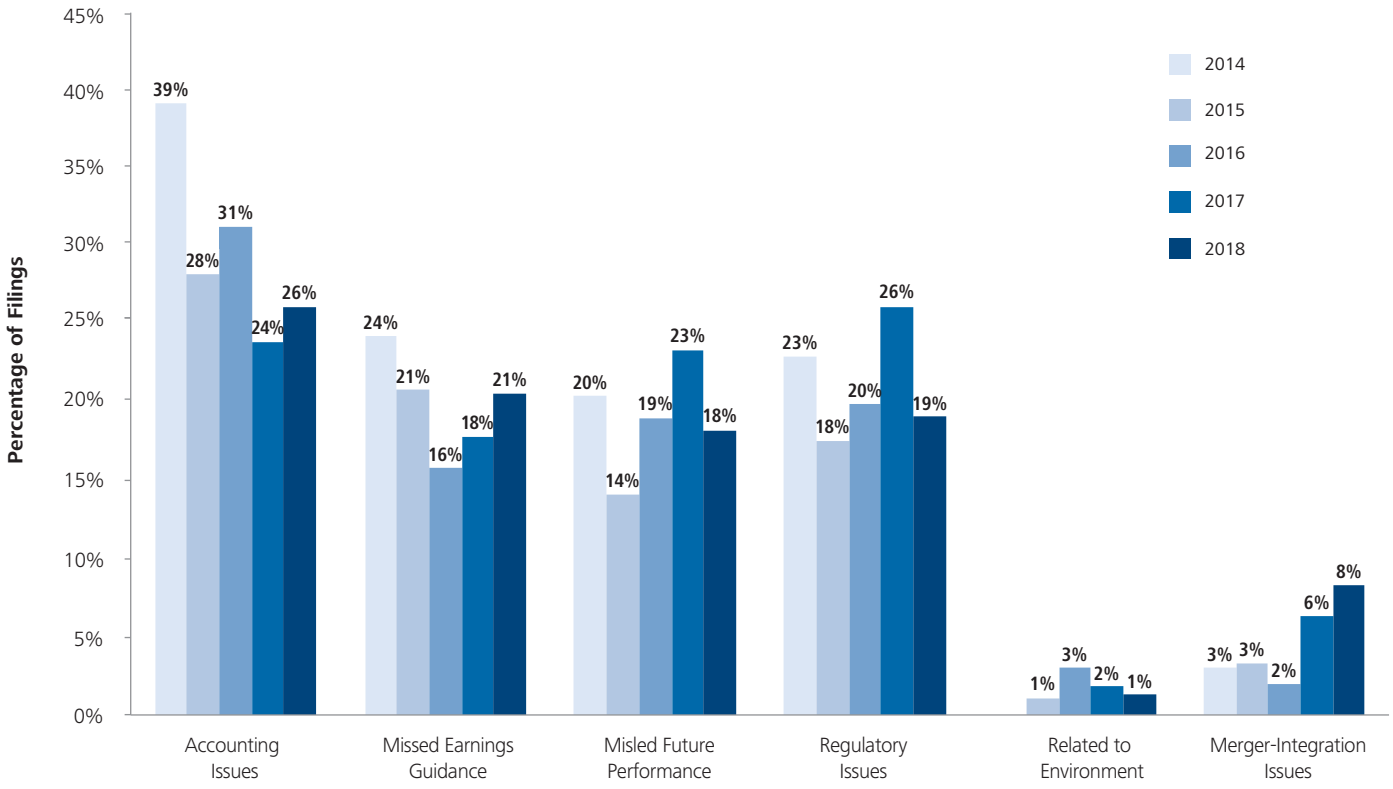
Filings claiming missed earnings guidance grew for the second straight year. Although the percentage of filings alleging missed guidance roughly matched that of 2015, the median case size (as measured by Investor Losses) was three times larger in 2018 than in 2015. Filings against firms in the technology sector with missed earnings guidance claims grew 70% since 2017 and constituted the largest share of such claims (at 27%).

In 2018, 8% of filings included merger integration allegations (i.e., claims of misrepresentations by a firm involved in a merger or acquisition). The substantial increase in litigation in 2017 corresponded with a 14% increase in announced M&A deals with US targets.[16] However, in 2018, despite a 12% slowdown in announced deal activity over the first three quarters, the number of federal merger integration filings rose.[17] The largest merger integration filing related to the failed Tribune Media/ Sinclair merger, making up 20% of total Investor Losses.

As in prior years, most allegations related to misleading firm performance in 2018 were against firms in the health care sector. Within health care, firms in the Drugs industry (SIC 283) were subject to two-in-three filings.

Most complaints include a wide variety of allegations, not all of which are depicted here. Due to multiple types of allegations in complaints, the same case may be included in multiple categories.

Figure 12. **Allegations**
Shareholder Class Actions with Alleged Violations of Rule 10b-5, Section 11, and/or Section 12
January 2014–December 2018

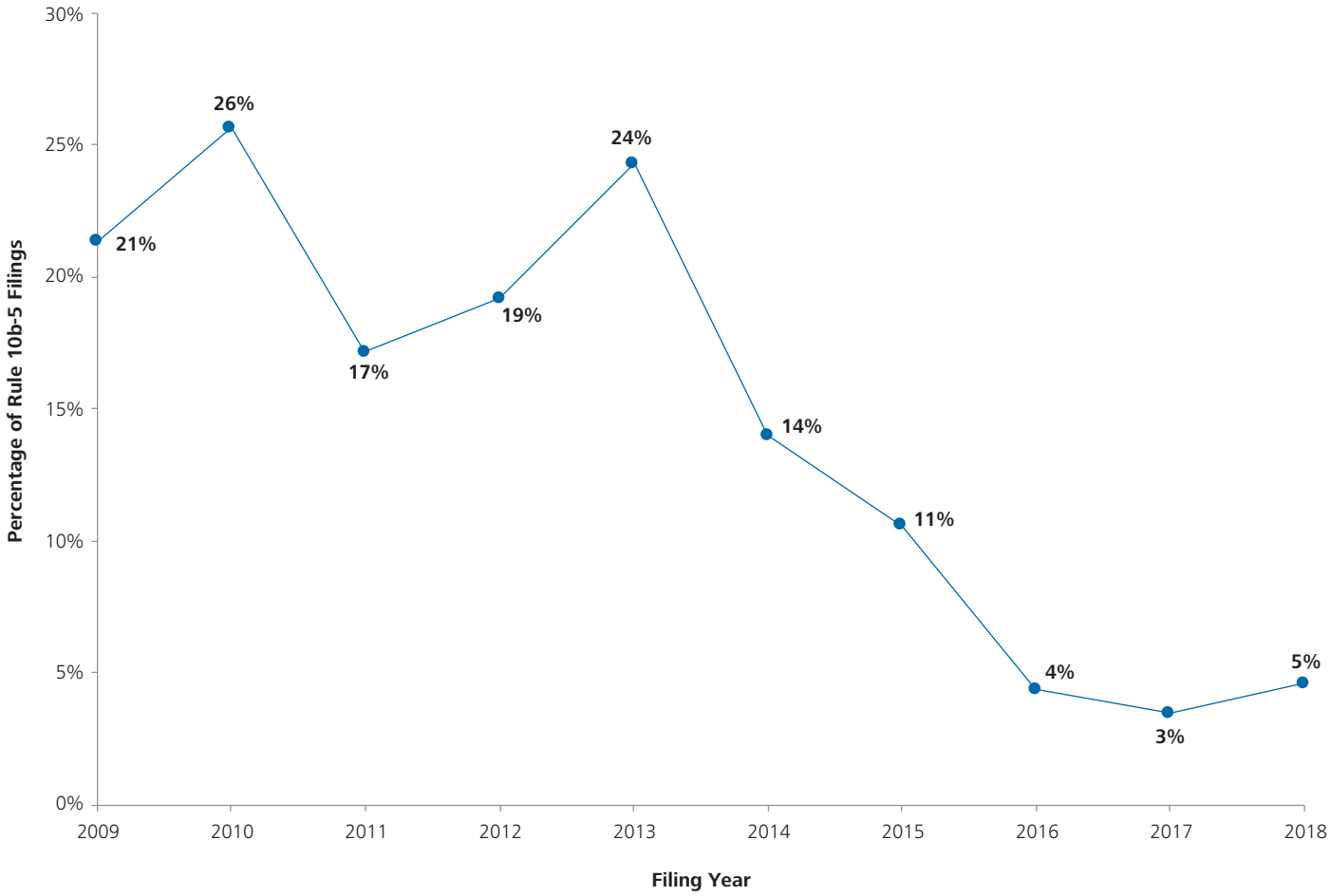


Alleged Insider Sales

Historically, Rule 10b-5 class action complaints have frequently alleged insider sales by directors and officers, usually as part of a scienter argument. Since 2013, in the wake of a multiyear crackdown on insider trading by prosecutors, the percentage of 10b-5 class actions that alleged insider sales has decreased nearly every year (see Figure 13).[18] This trend also corresponds with increased corporate adoption of 10b5-1 trading plans, allowing insiders to plan share sales while purportedly not in possession of material non-public information.[19]

Cases alleging insider sales were more common in the aftermath of the financial crisis, when a quarter of filings included insider trading claims. In 2005, half of class actions filed included such claims.

Figure 13. **Percentage of Rule 10b-5 Filings Alleging Insider Sales by Filing Year**
January 2009–December 2018



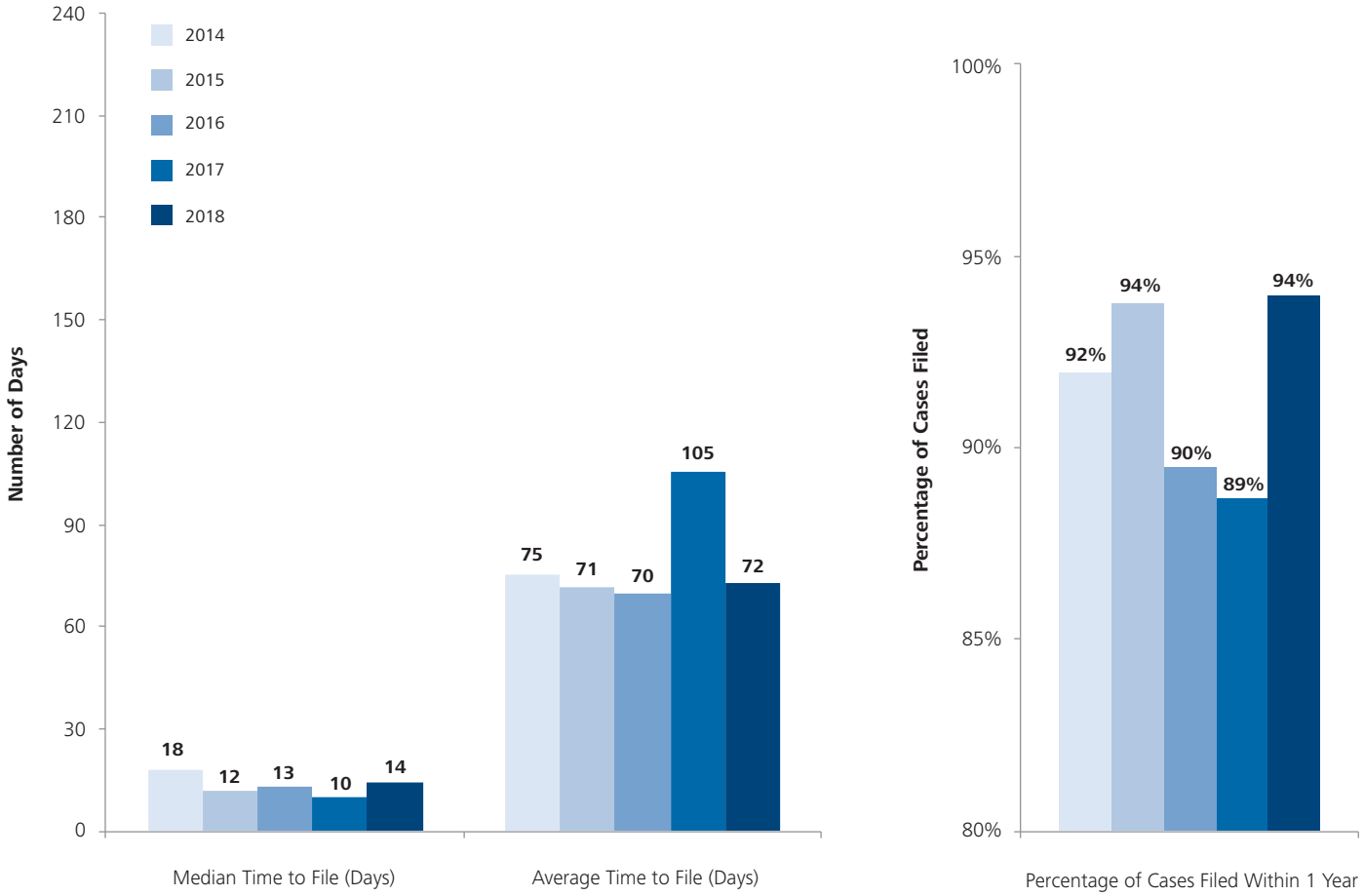
Time to File

The term "time to file" denotes the time that has elapsed between the end of the alleged class period and the filing date of the first complaint. Figure 14 illustrates how the median time and average time to file Rule 10b-5 cases (in days) have changed over the past five years.

The median time to file fell by about half over the last decade, to 14 days in 2018, indicating that it took 14 days or less to file a complaint in 50% of cases. Since the beginning of the decade, there has been a lower frequency of cases with long periods between the point when an alleged fraud was revealed and the filing of a related claim. The average time to file has followed a similar trajectory, but in 2017 was affected by 10 cases with very long filing delays. In 2017, one case against Rio Tinto, regarding the valuation of mining assets in Mozambique, took more than 4.5 years to file and boosted the average time to file by nearly 9%.[20]

Despite the small minority of cases with very long times to file, the data generally point toward a lower incidence of cases with long periods between revelations of alleged fraud and the date a related claim is filed.

Figure 14. **Time to File Rule 10b-5 Cases from End of Alleged Class Period to File Date**
January 2014–December 2018



Note: This analysis excludes cases where the alleged class period could not be unambiguously determined.

Analysis of Motions

NERA's statistical analysis has found robust relationships between settlement amounts and the stage of the litigation at which settlements occur. We track filings and decisions on three types of motions: motion to dismiss, motion for class certification, and motion for summary judgment. For this analysis, we include securities class actions in which purchasers of common stock are part of the class and in which a violation of Rule 10b-5, Section 11, and/or Section 12 is alleged (i.e., Standard cases).

As shown in the figures below, we record the status of any motion as of the resolution of the case. For example, a motion to dismiss that had been granted but was later denied on appeal is recorded as denied.

Motions for summary judgment were filed by defendants in 7.1%, and by plaintiffs in only 1.9%, of the securities class actions filed and resolved over the 2000–2018 period, among those we tracked.[21]

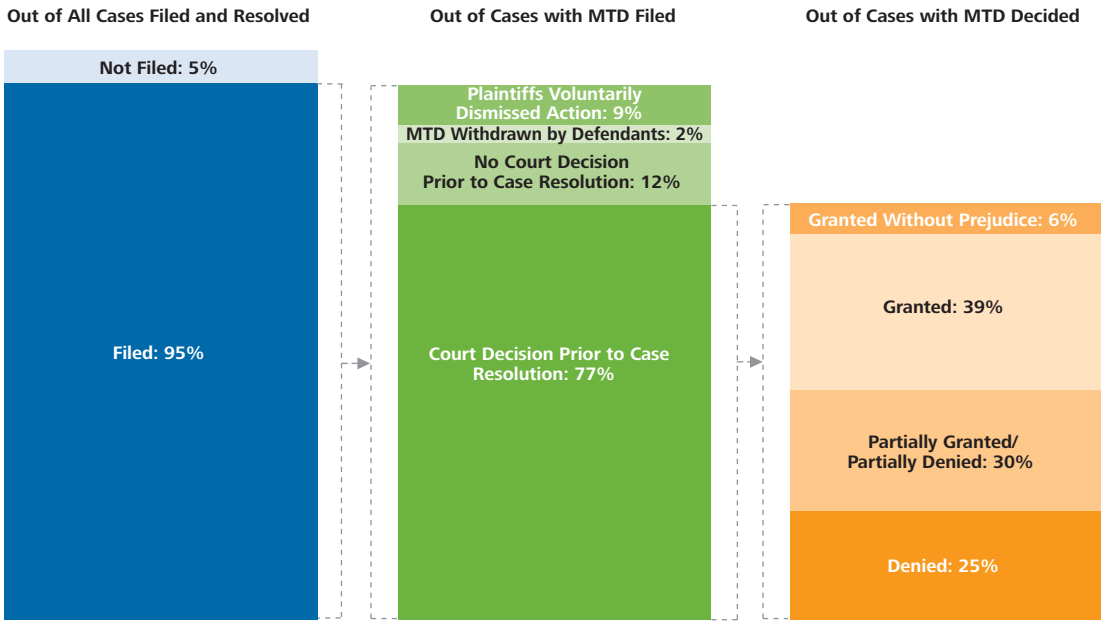
Outcomes of motions to dismiss and motions for class certification are discussed below.

Motion to Dismiss

A motion to dismiss was filed in 95% of the securities class actions tracked. However, the court reached a decision on only 77% of the motions filed. In the remaining 23% of cases, either the case resolved before a decision was reached, plaintiffs voluntarily dismissed the action, or the motion to dismiss was withdrawn by defendants (see Figure 15).

Out of the motions to dismiss for which a court decision was reached, the following three outcomes classify all of the decisions: granted with or without prejudice (45%), granted in part and denied in part (30%), and denied (25%).

Figure 15. **Filing and Resolutions of Motions to Dismiss**
Cases Filed and Resolved January 2000–December 2018



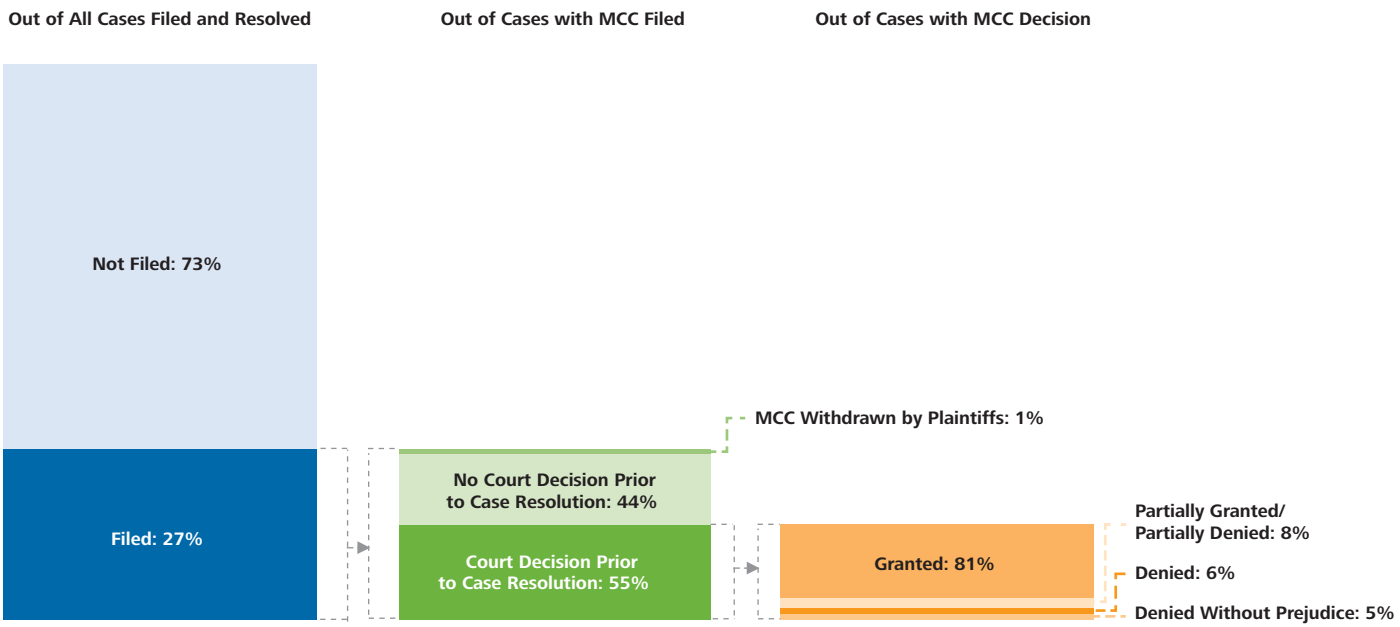
Note: Includes cases in which holders of common stock are part of the class and a Rule 10b-5, Section 11, and/or Section 12 is alleged. Excludes IPO laddering cases.

Motion for Class Certification

Most cases were settled or dismissed before a motion for class certification was filed: 73% of cases fell into this category. Of the remaining 27% (in which a motion for class certification was filed), the court reached a decision in only 55% of cases. Overall, only 15% of the securities class actions filed (or 55% of the 27%) reached a decision on the motion for class certification (see Figure 16).

According to our data, 89% of the motions for class certification that were decided were granted partially or in full.

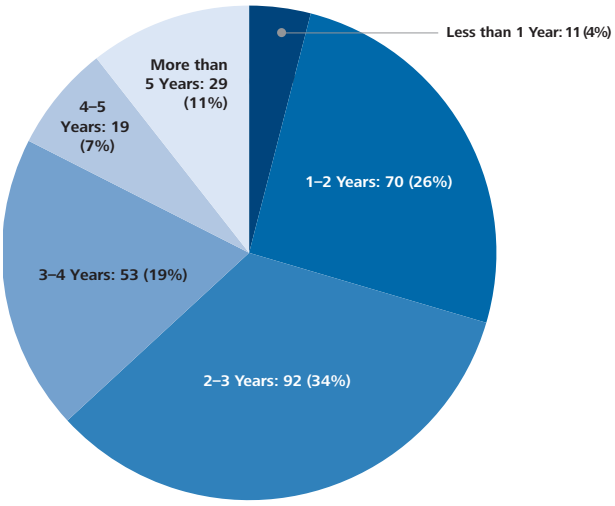
Figure 16. **Filing and Resolutions of Motions for Class Certification**
Cases Filed and Resolved January 2000–December 2018



Note: Includes cases in which holders of common stock are part of the class and a Rule 10b-5, Section 11, and/or Section 12 is alleged. Excludes IPO laddering cases.

Approximately 64% of the decisions handed down on motions for class certification were reached within three years of the complaint's original filing date (see Figure 17). The median time was about 2.5 years.

·igure 1 /. Time from First Complaint Filing to Class Certification Decision
Cases Filed and Resolved January 2000–December 2018



Iote: Includes cases in which holders of common stock are part of the class and a 10b-5 or Rule 10b-5, Section 11, and/or Section 12 is alleged. xcludes IPO laddering cases.

Trends in Case Resolutions

Number of Cases Settled or Dismissed

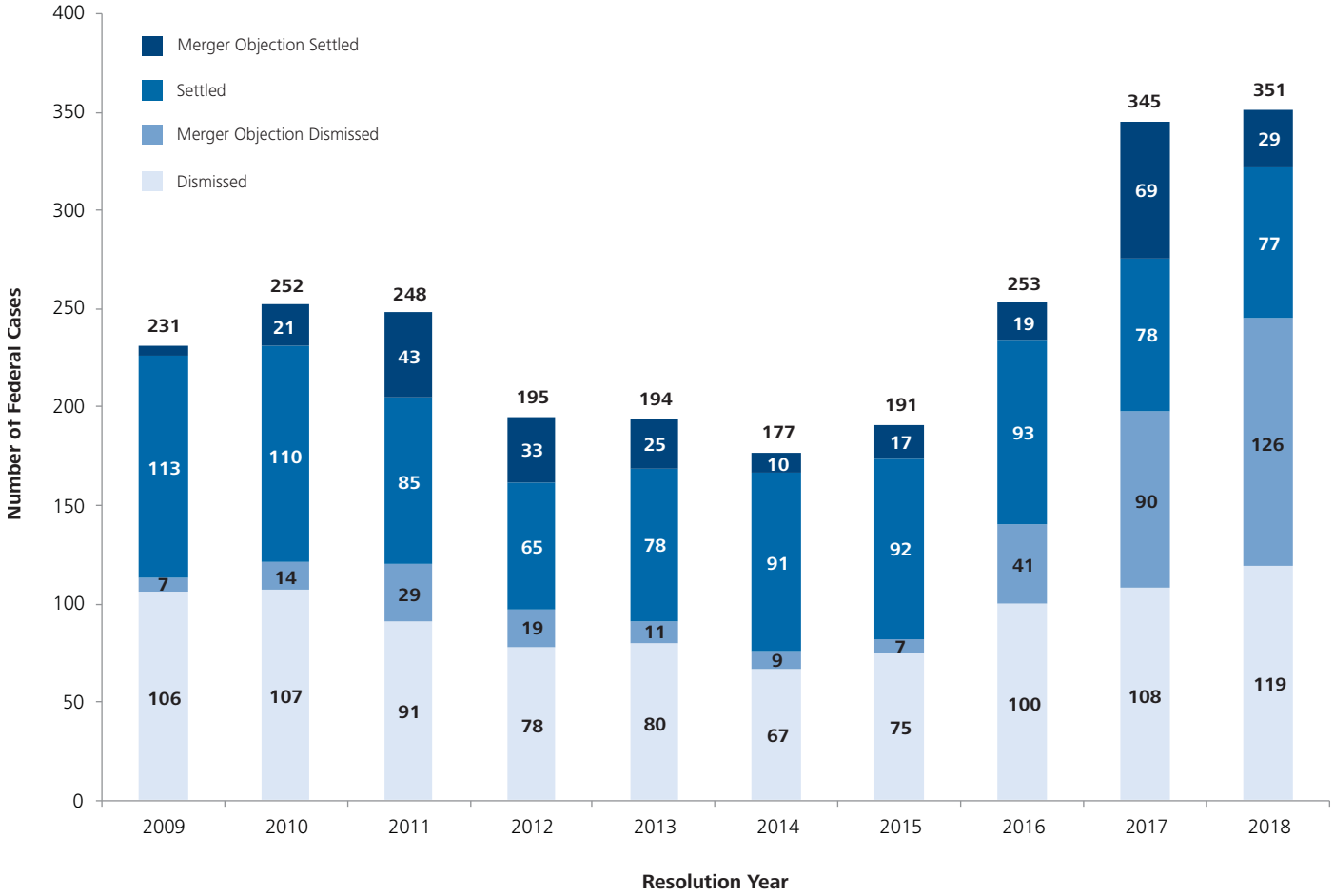
In total, 351 securities class actions were resolved in 2018, the second consecutive year in which a record number of cases concluded (see Figure 18). Resolution numbers were once again dominated by a record number of dismissals, which outnumbered settlements two-to-one for the first time.

Of the 351 resolutions, slightly less than half were resolutions of merger-objection cases (most of which were voluntarily dismissed). The uptick in resolutions over the last few years is largely due to the surge of federal merger-objection cases in the wake of the *Trulia* decision in early 2016.[22] Prior to *Trulia*, only about 13% of resolutions concerned merger-objection litigation. Merger objections had an outsized impact on resolution statistics: despite making up only about 33% of all active cases, they constituted 44% of resolutions.[23]

In 2018, 196 resolutions were of "Standard" securities class actions—those alleging violations of Rule 10b-5, Section 11, and/or Section 12. Standard settlement and dismissal counts closely matched those of 2017, and again more cases were dismissed than settled.

For the second consecutive year, an inordinate number of Standard cases were dismissed within a year of filing, most of which were voluntary dismissals. As shown in Figure 31, the decision to voluntarily dismiss litigation may change with the size of estimated damages to the class. For instance, plaintiffs may be more likely to voluntarily dismiss litigation if the price of the security at issue subsequently increases during the PSLRA bounce-back period.

Figure 18. **Number of Resolved Cases: Dismissed or Settled**
January 2009–December 2018



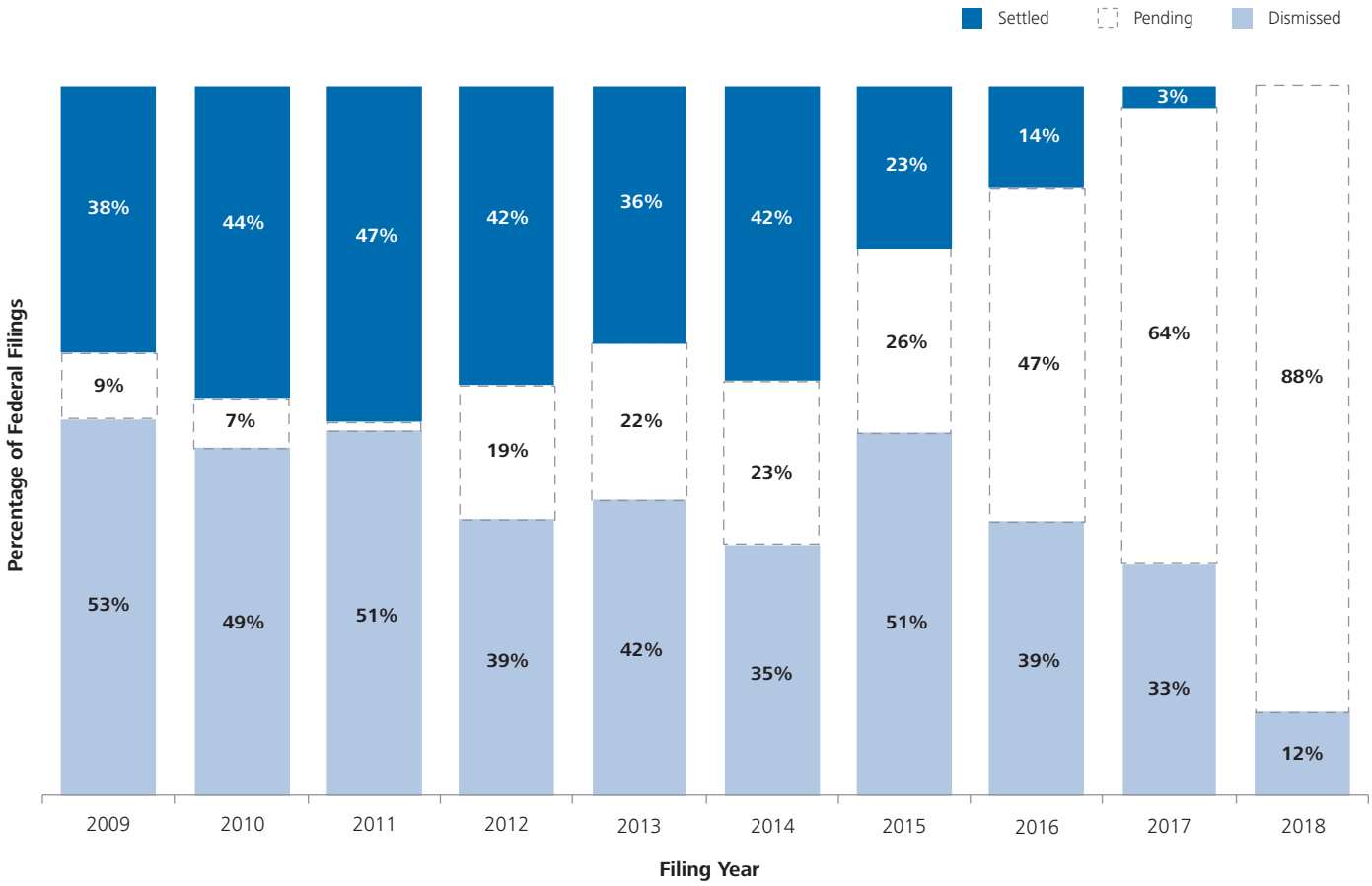
Case Status by Year

Figure 19 shows the current resolution status of cases by filing year. Each percentage represents the current resolution status of cases filed in each year as a proportion of all cases filed in that year. Merger-objection cases are excluded, as are verdicts.

Historically, more cases settled than were dismissed. However, the rate of case dismissal has steadily increased. While only about a third of cases filed between 2000 and 2002 were dismissed, in 2015, the most recent year with substantial resolution data, at least half of filed cases were dismissed.[24]

While dismissal rates have been climbing since 2000, the ultimate dismissal rate for cases filed in more recent years is less certain. On one hand, the dismissal rate may increase further, as there are more pending cases awaiting resolution. On the other hand, it may decrease because recent dismissals have more potential than older ones to be appealed or re-filed, and cases that were recently dismissed without prejudice may ultimately result in settlements.

Figure 19. **Status of Cases as Percentage of Federal Filings by Filing Year**
Excludes Merger Objections and Verdicts
January 2009–December 2018



Note: Dismissals may include dismissals without prejudice and dismissals under appeal.

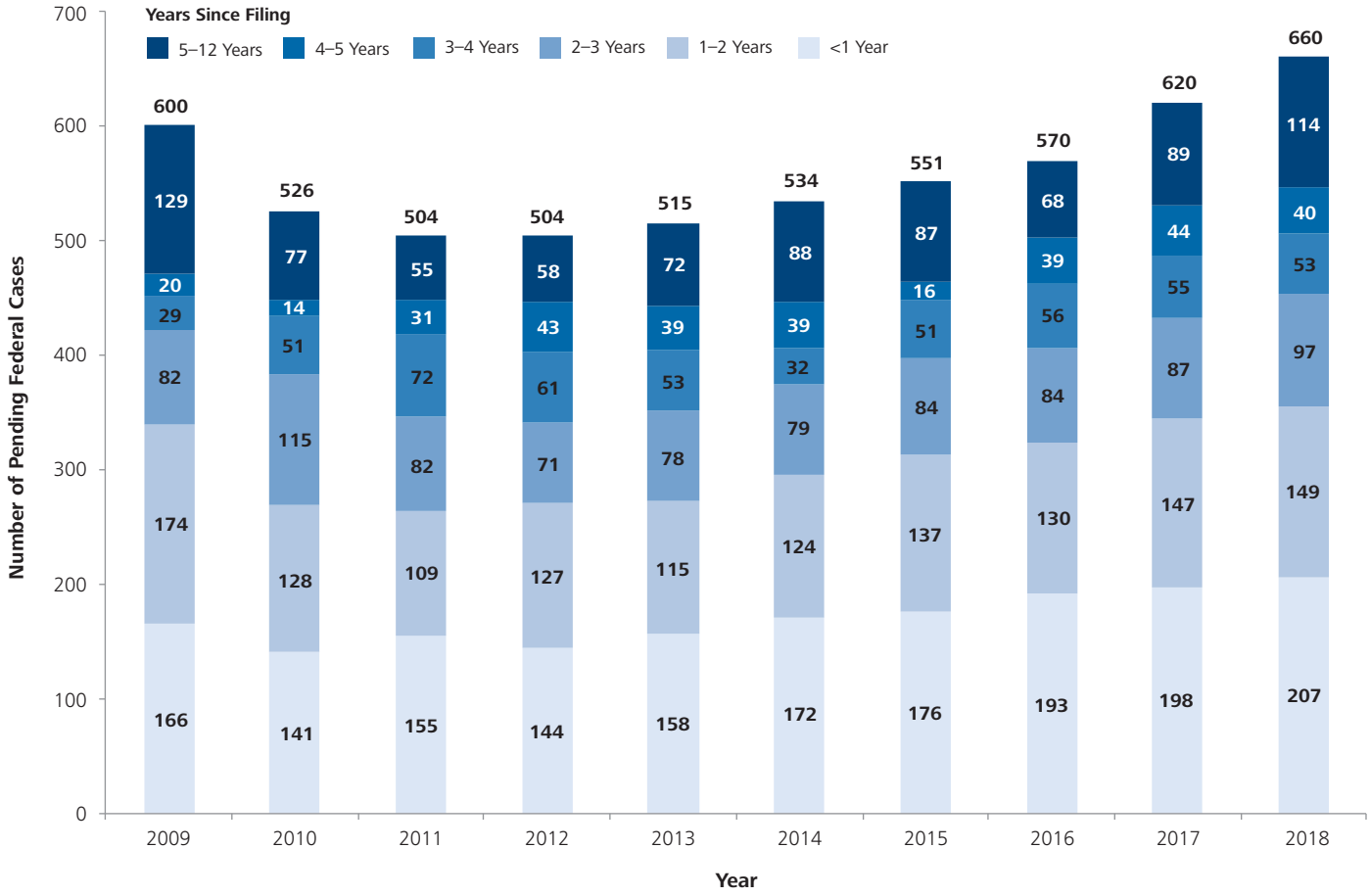
Number of Cases Pending

The number of Standard securities class actions pending in the federal system has steadily increased from a post-PSLRA low of 504 in 2012 (see Figure 20).[25] Since then, pending case counts have increased between 2% and 9% annually. In 2018, the number of pending Standard cases on federal dockets increased to 660, up 6% from 2017 and 31% from 2012.

Generally, since cases are either pending or resolved, a change in filing rate or a lengthening of the time to case resolution potentially contributes to changes in the number of cases pending. If the number of new filings is constant, the change in the number of pending cases can be indicative of whether the time to case resolution is generally shortening or lengthening.

About 50% of the long-term growth in pending litigation can be explained by recent filing growth (filed over the past two years), the vast majority of which is simply due to more cases being filed that have yet to be resolved. Delayed resolution of older filings (i.e., cases filed before 2017) explains the other 50% or so of growth in pending litigation since 2011. More old cases on federal dockets has driven the median age of pending cases up 14% since 2015 to about 1.9 years, the highest since 2010.[26]

Figure 20. **Number of Pending Federal Cases**
Excludes Merger Objections
January 2009–December 2018



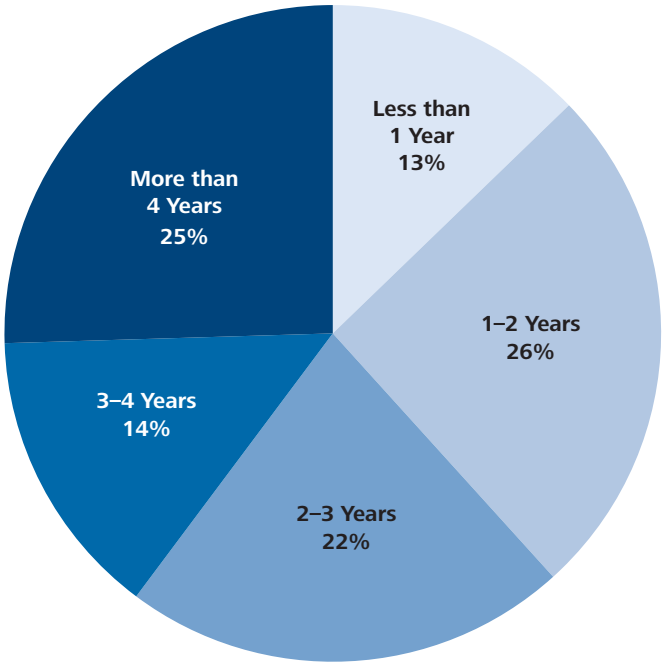
Note: The figure excludes, in each year, cases that had been filed more than 12 years earlier. Years since filing are end-of-year calculations. The figure also excludes IPO laddering cases. The 12-year limit ensure that all pending cases were filed post-PSLRA.

Time to Resolution

The term "time to resolution" denotes the time between the filing of the first complaint and resolution (whether through settlement or dismissal). Figure 21 illustrates the time to resolution for all securities class actions filed between 2001 and 2014, and shows that about 39% of cases are resolved within two years of initial filing and about 61% are resolved within three years.[27]

The median time to resolution for cases filed in 2016 (the last year with sufficient resolution data) was 2.3 years, similar to the range over the preceding five years. Over the past decade, the median time to resolution declined by more than 10%, primarily due to an increase in the dismissal rate (dismissals are generally resolved faster than settlements).

Figure 21. **Time from First Complaint Filing to Resolution**
Cases Filed January 2001–December 2014



Trends in Settlements

We present several settlement metrics to highlight attributes of cases that settled in 2018 and to compare them with cases settled in past years. We discuss two ways of measuring average settlement amounts and calculate the median settlement amount. Each calculation excludes merger-objection cases and cases that settle with no cash payment to the class, as settlements of such cases may obscure trends in what have historically been more typical cases.

In 2018, the average settlement rebounded to $69 million from a near-record low in 2017, largely due to the $3 billion settlement involving Petróleo Brasileiro S.A.—Petrobras, the fifth-highest settlement ever. Even excluding Petrobras (the only settlement of the year exceeding $1 billion), the average settlement exceeded $30 million, which is about average in the post-PSLRA era (after adjusting for inflation). The median settlement in 2018 was more than twice that of 2017, primarily due to higher settlements of many moderately sized cases and, generally, fewer very small settlements.

The upswing in 2018 settlement metrics may be a prelude to higher settlements in the future. Aggregate NERA-defined Investor Losses of pending cases, a factor that has historically been significantly correlated with settlement amounts, increased for the third consecutive year and currently exceeds $1.4 trillion (or $1.1 trillion excluding 2018 litigation against GE). Excluding GE, average Investor Losses of pending Standard cases have also increased for the third consecutive year to $2.4 billion, but have receded from a 10-year high of $3.8 billion in 2011.

To illustrate how many cases settled over various ranges in 2017 compared with prior years, we provide a distribution of settlements over the past five years. We also tabulated the 10 largest settlements of the year.

Average and Median Settlement Amounts

The average settlement exceeded $69 million in 2018, somewhat less than three times the $25 million average settlement in 2017 (see Figure 22). Infrequent large settlements, such as the 2018 Petrobras settlement, are generally responsible for the wide variability in average settlements over the past decade. Similar spikes to the one observed this year were also seen in 2010, 2013, and 2016, each primarily stemming from mega-settlements.

Figure 22. **Average Settlement Value**
Excludes Merger Objections and Settlements for $0 to the Class
January 2009–December 2018

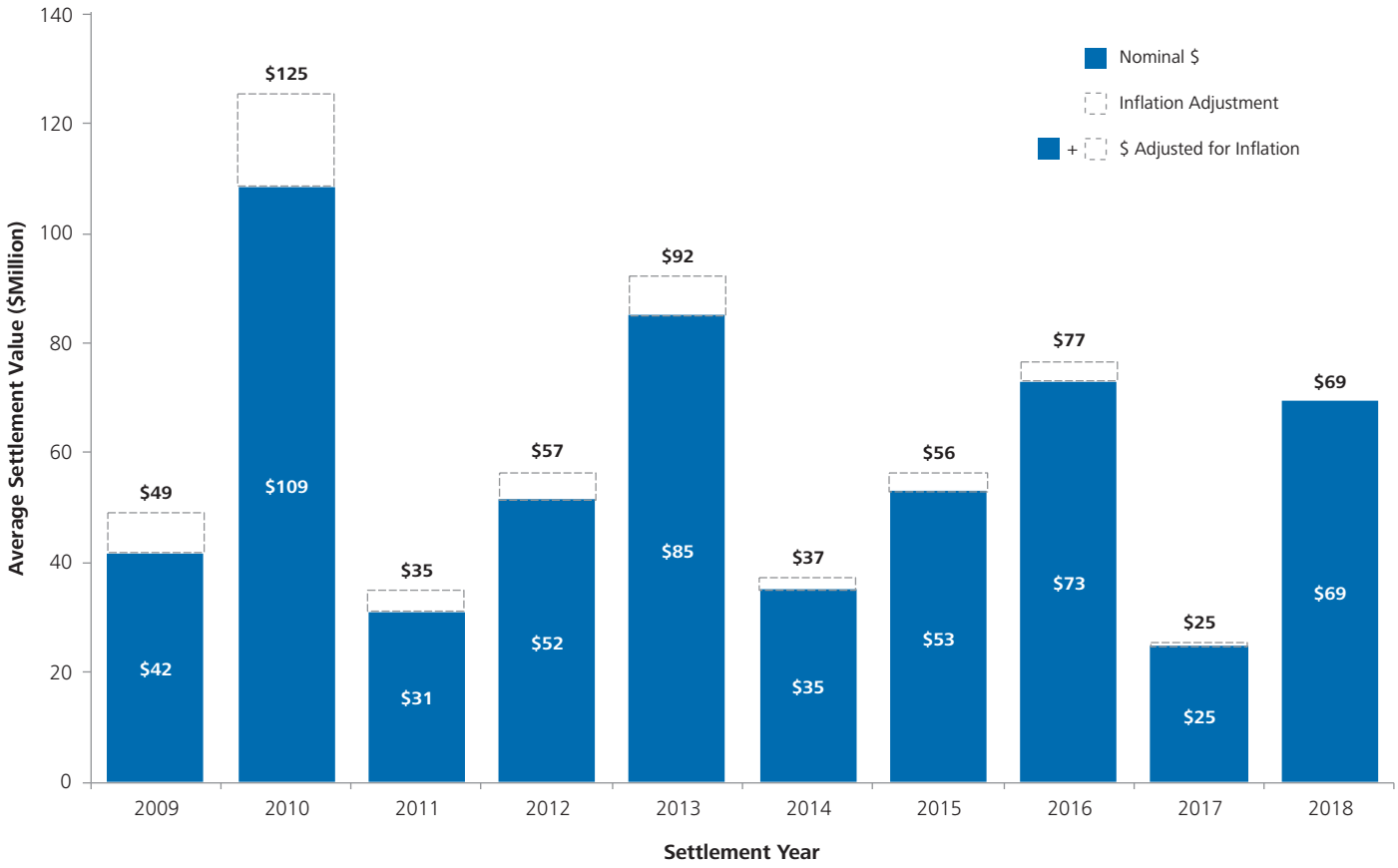
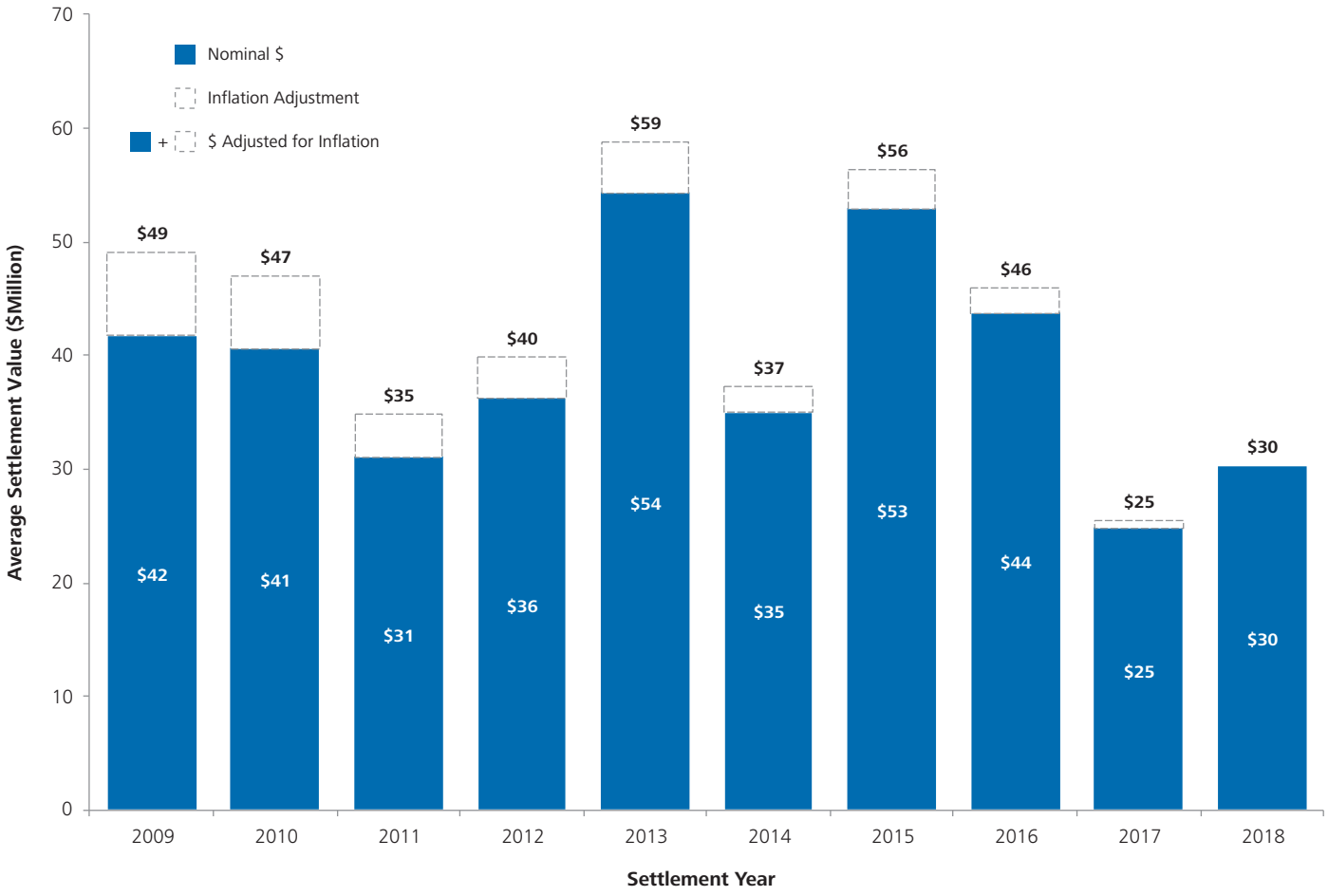


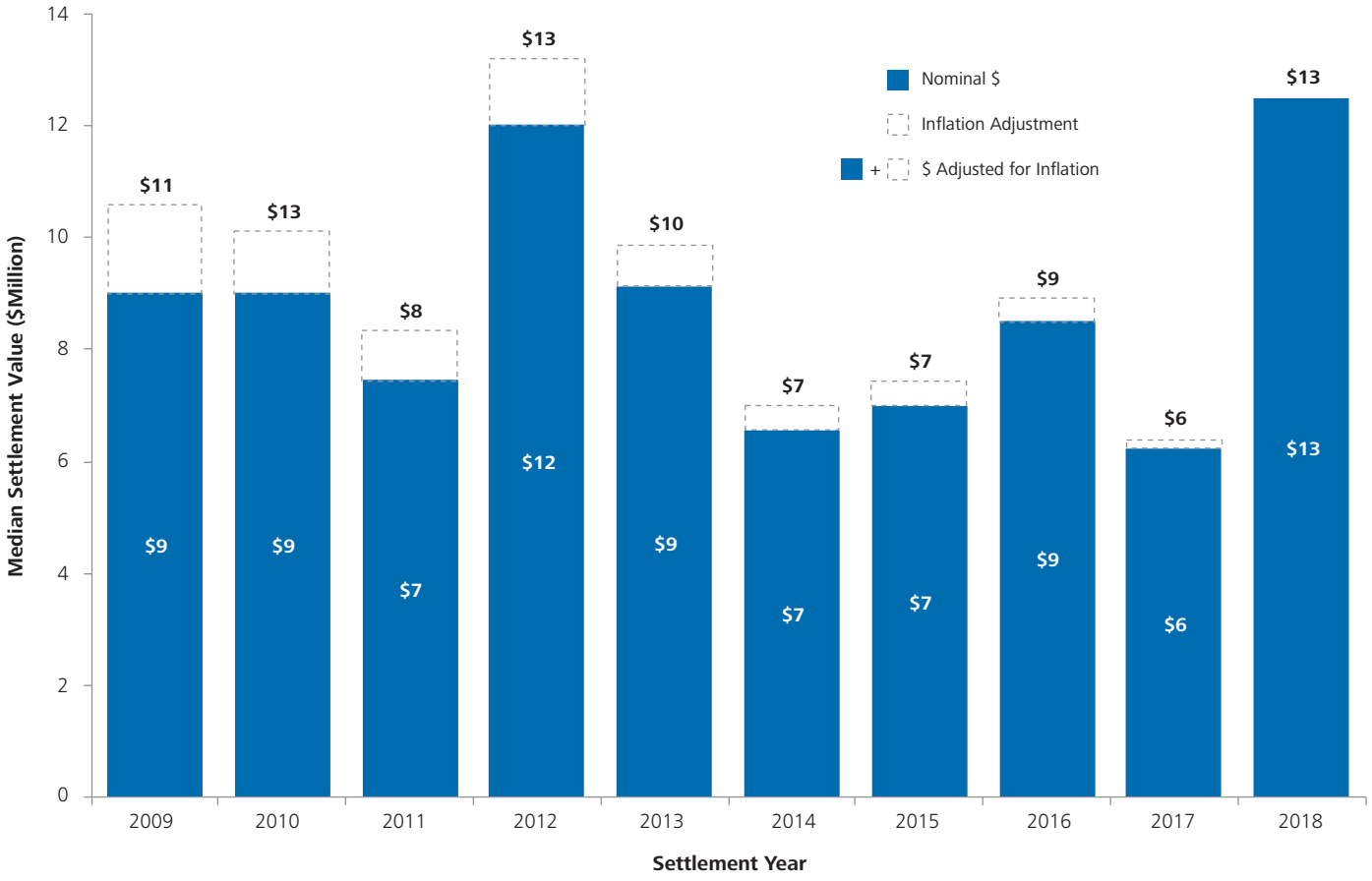
Figure 23 illustrates that, excluding settlements over $1 billion, the average settlement rebounded from the record low seen in 2017 to $30 million. Despite this rebound, and setting aside the $3 billion Petrobras settlement, the 2018 average settlement remained below average compared to the past decade. The metric would have roughly matched the near-record low seen in 2017 but for the $480 million Wells Fargo settlement that was finalized in mid-December 2018.

Figure 23. **Average Settlement Value**
Excludes Settlements over $1 Billion, Merger Objections, and Settlements for $0 to the Class
January 2009–December 2018



The 2018 median settlement was a near-record $13 million. This was driven primarily by relatively high settlements of moderately sized cases (as measured by NERA-defined Investor Losses). Cases of moderate size not only made up the bulk of settlements in 2018 but also had a median ratio of settlement to Investor Losses more than 50% higher than in past years. Moreover, unlike 2017, there were generally few very small settlements.

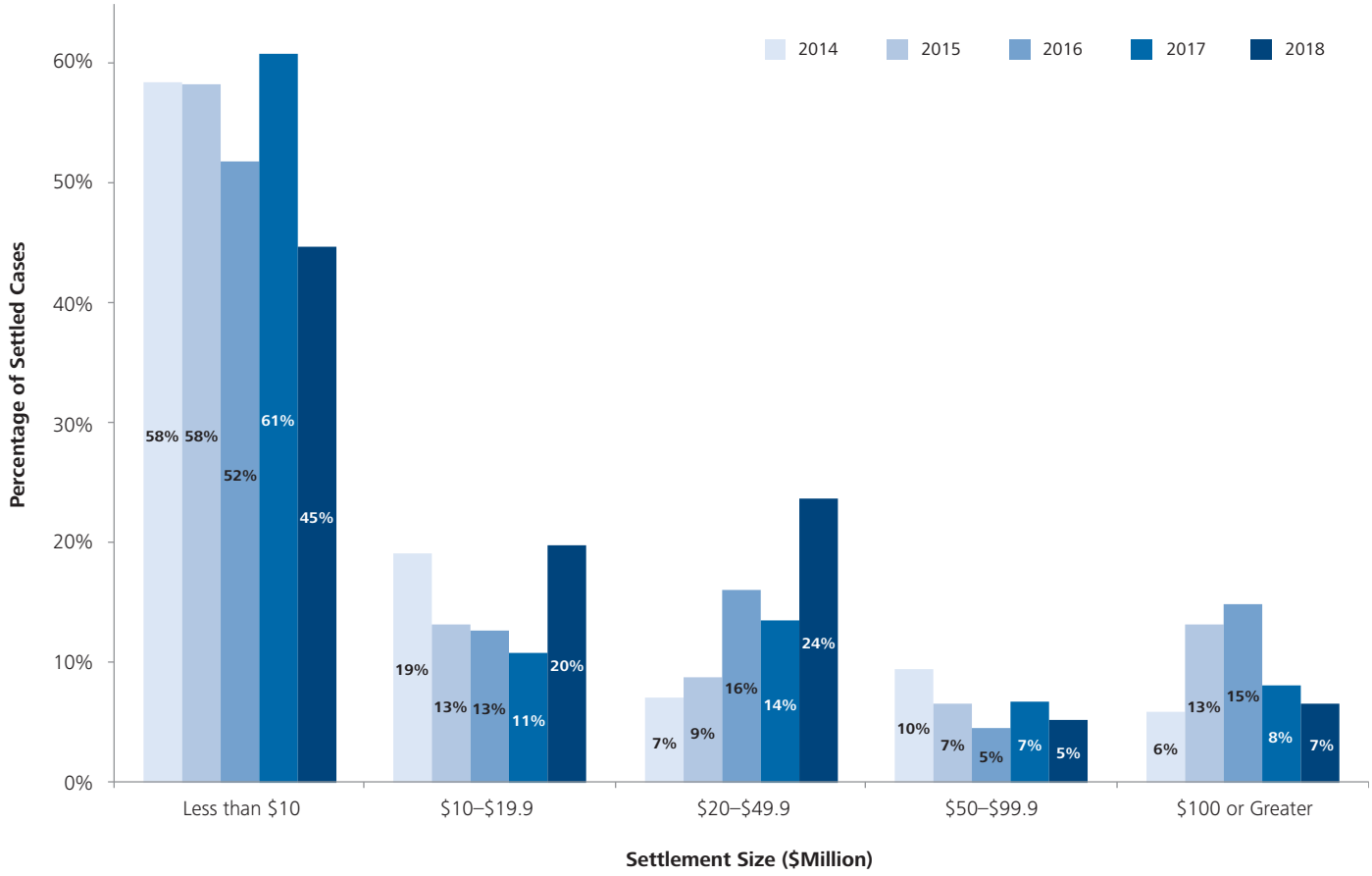
Figure 24. **Median Settlement Value**
Excludes Settlements over $1 Billion, Merger Objections, and Settlements for $0 to the Class
January 2009–December 2018



Distribution of Settlement Amounts

The relatively high settlements of moderately sized cases in 2018 are also captured in the distribution of settlement values (see Figure 25). In 2018, fewer than 45% of settlements were for less than $10 million (the lowest rate since 2010), which stands in stark contrast with 2017, when more than 60% of settlements were in the smallest strata (the highest rate since 2011).

Figure 25. **Distribution of Settlement Values**
Excludes Merger Objections and Settlements for $0 to the Class
January 2014–December 2018



The 10 Largest Settlements of Securities Class Actions of 2018

The 10 largest securities class action settlements of 2018 are shown in Table 1. The two largest settlements, against Petrobras and Wells Fargo & Company, are among many large regulatory cases filed in recent years. Three of the 10 largest settlements involved defendants in the Finance sector. Overall, these 10 cases accounted for about $4.4 billion in settlement value, a near-record 84% of the $5.3 billion in aggregate settlements.

Despite the size of the Petrobras settlement, it is not even half the size of the second-largest settlement since passage of the PSLRA, WorldCom, Inc., at $6.2 billion (see Table 2).

Table 1. **Top 10 2018 Securities Class Action Settlements**

Ranking	Case Name	Total Settlement Value ($Million)	Plaintiffs' Attorneys' Fees and Expenses Value ($Million)
1	Petróleo Brasileiro S.A.—Petrobras (2014)	$3,000.0	$205.0
2	Wells Fargo & Company (2016)	$480.0	$96.4
3	Allergan, Inc.	$290.0	$71.0
4	Wilmington Trust Corporation	$210.0	$66.3
5	LendingClub Corporation	$125.0	$16.8
6	Yahoo! Inc. (2017)	$80.0	$14.8
7	SunEdison, Inc.	$73.9	$19.0
8	Marvell Technology Group Ltd. (2015)	$72.5	$14.1
9	3D Systems Corporation	$50.0	$15.5
10	Medtronic, Inc. (2013)	$43.0	$8.6
	Total	**$4,424.4**	**$527.4**

Table 2. **Top 10 Securities Class Action Settlements**
As of 31 December 2018

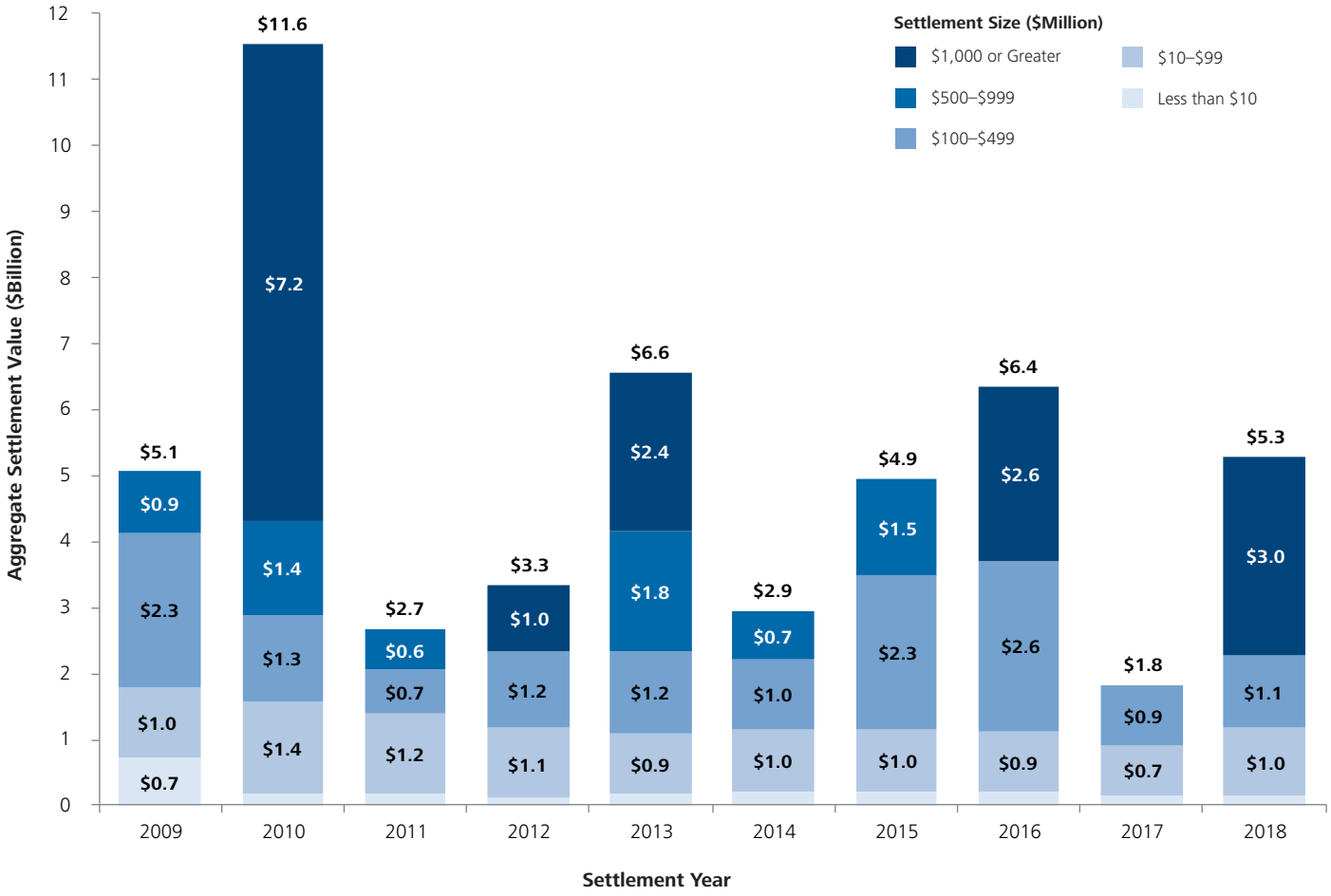
Ranking	Defendant	Settlement Year(s)	Total Settlement Value ($Million)	Codefendant Settlements		Plaintiffs' Attorneys' Fees and Expenses Value ($Million)
				Financial Institutions Value ($Million)	Accounting Firms Value ($Million)	
1	ENRON Corp.	2003–2010	$7,242	$6,903	$73	$798
2	WorldCom, Inc.	2004–2005	$6,196	$6,004	$103	$530
3	Cendant Corp.	2000	$3,692	$342	$467	$324
4	Tyco International, Ltd.	2007	$3,200	No codefendant	$225	$493
5	Petróleo Brasileiro S.A.—Petrobras	2018	$3,000	$0	$50	$205
6	AOL Time Warner Inc.	2006	$2,650	No codefendant	$100	$151
7	Bank of America Corp.	2013	$2,425	No codefendant	No codefendant	$177
8	Household International, Inc.	2006–2016	$1,577	Dimissed	Dismissed	$427
9	Nortel Networks (I)	2006	$1,143	No codefendant	$0	$94
10	Royal Ahold, NV	2006	$1,100	$0	$0	$170
	Total		**$32,224**	**$13,249**	**$1,017**	**$3,368**

Aggregate Settlements

We use the term "aggregate settlements" to denote the total amount of money to be paid to settle litigation by (non-dismissed) defendants based on the court-approved settlements during a year.

Aggregate settlements rebounded to nearly $5.3 billion in 2018, more than double the 2017 total (see Figure 26). More than 80% of the growth stems from the $3.0 billion Petrobras settlement. Excluding Petrobras and Wells Fargo, aggregate settlements are near the 2017 record low, reflecting a persistent slowdown in overall settlement activity.

Figure 26. **Aggregate Settlement Value by Settlement Size**
January 2009–December 2018



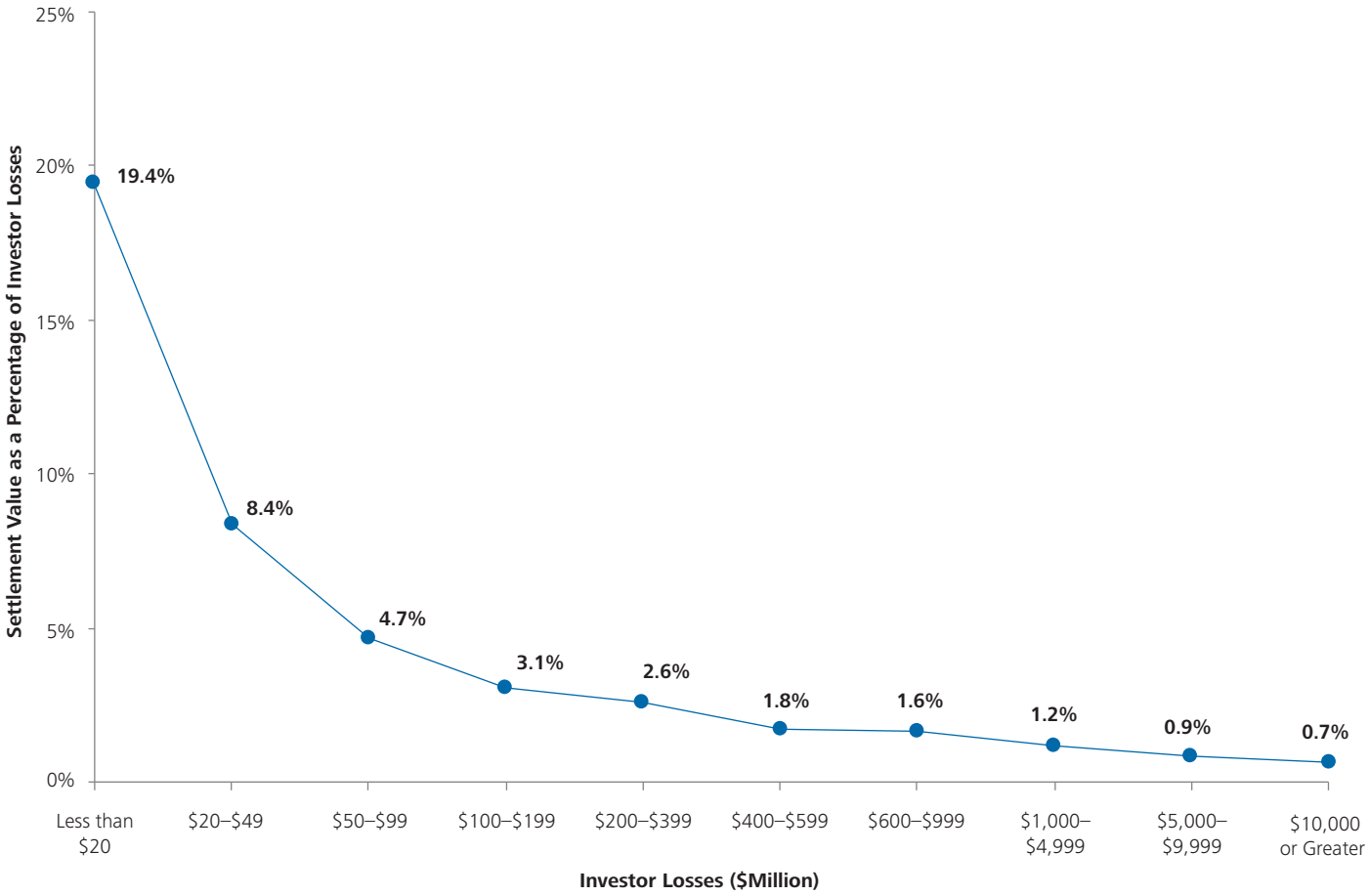
NERA-Defined Investor Losses vs. Settlements

As noted above, our proxy for case size, NERA-defined Investor Losses, is a measure of the aggregate amount investors lost from buying the defendant's stock rather than investing in the broader market during the alleged class period.

In general, settlement size grows as NERA-defined Investor Losses grow, but the relationship is not linear. Based on our analysis of data from 1996 to 2018, settlement size grows less than proportionately with Investor Losses. In particular, small cases typically settle for a higher fraction of Investor Losses (i.e., more cents on the dollar) than larger cases. For example, the ratio of settlement to Investor Loss for the median case was 19.4% for cases with Investor Losses of less than $20 million, while it was 0.7% for cases with Investor Losses over $10 billion (see Figure 27).

Our findings about the ratio of settlement amount to NERA-defined Investor Losses should not be interpreted as the share of damages recovered in settlement, but rather as the recovery compared to a rough measure of the "size" of the case. Notably, the percentages given here apply *only* to NERA-defined Investor Losses. Using a different definition of investor losses would result in a different ratio. Also, the use of the ratio alone to forecast the likely settlement amount would be inferior to a proper all-encompassing analysis of the various characteristics shown to impact settlement amounts, as discussed in the section *Explaining Settlement Values*.

Figure 27. **Median of Settlement Value as a Percentage of NERA-Defined Investor Losses by Level of Investor Losses**
Excludes Settlements for $0 to the Class
January 1996–December 2018

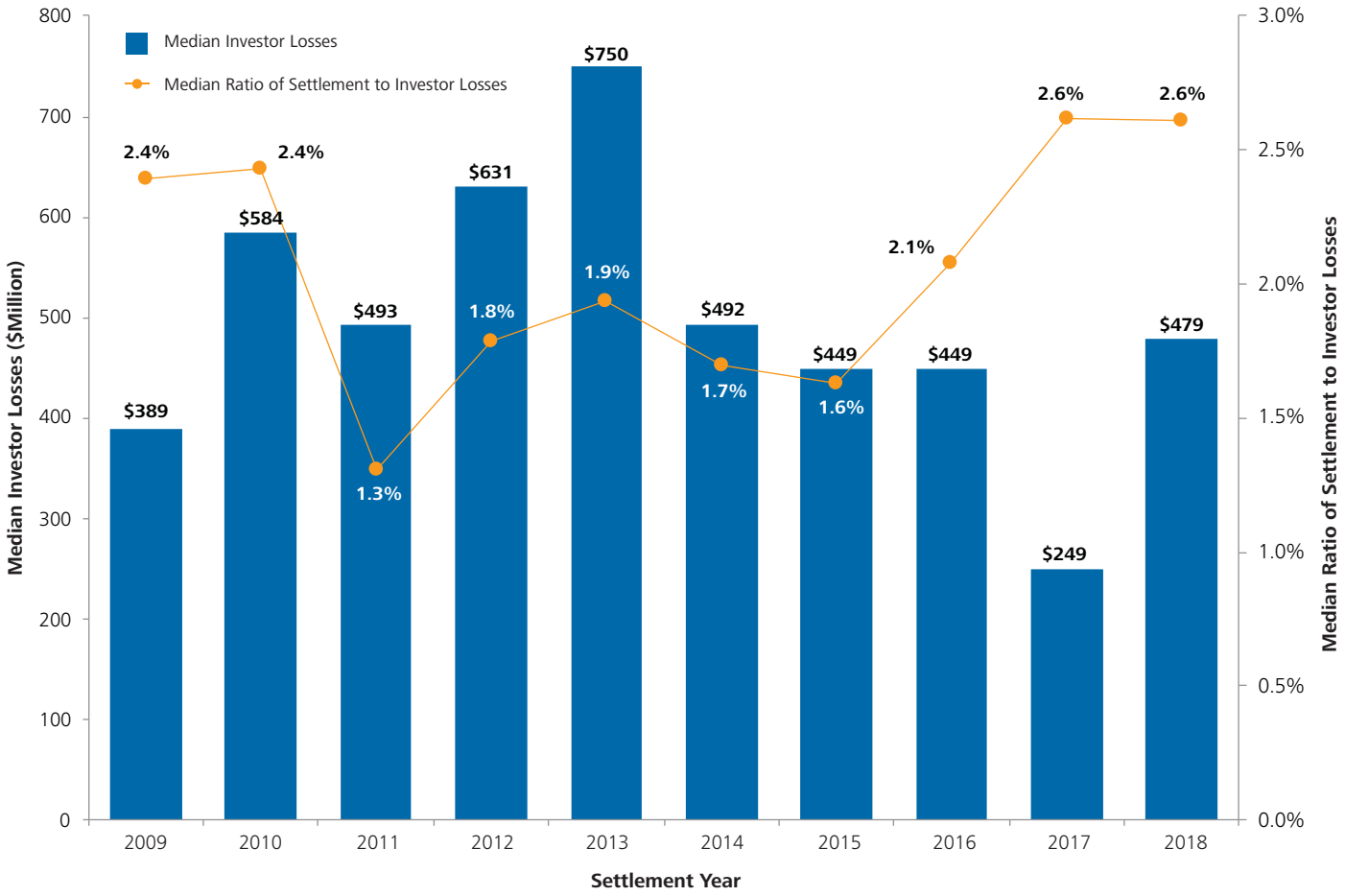


Median NERA-Defined Investor Losses over Time

Prior to 2014, median NERA-defined Investor Losses for settled cases had been on an upward trajectory since the passage of the PSLRA. As described above, the median ratio of settlement size to Investor Losses generally decreases as Investor Losses increase. Over time, the increase in median Investor Losses coincided with a decreasing trend in the median ratio of settlement to Investor Losses. Of course, there are also year-to-year fluctuations.

As shown in Figure 28, the median ratio of settlements to NERA-defined Investor Losses was 2.6% in 2018. This was the third consecutive year of at least a short-term reversal of a long-term downtrend of the ratio between passage of the PSLRA and 2015.

Figure 28. **Median NERA-Defined Investor Losses and Median Ratio of Settlement to Investor Losses by Settlement Year**
January 2009–December 2018



Explaining Settlement Amounts

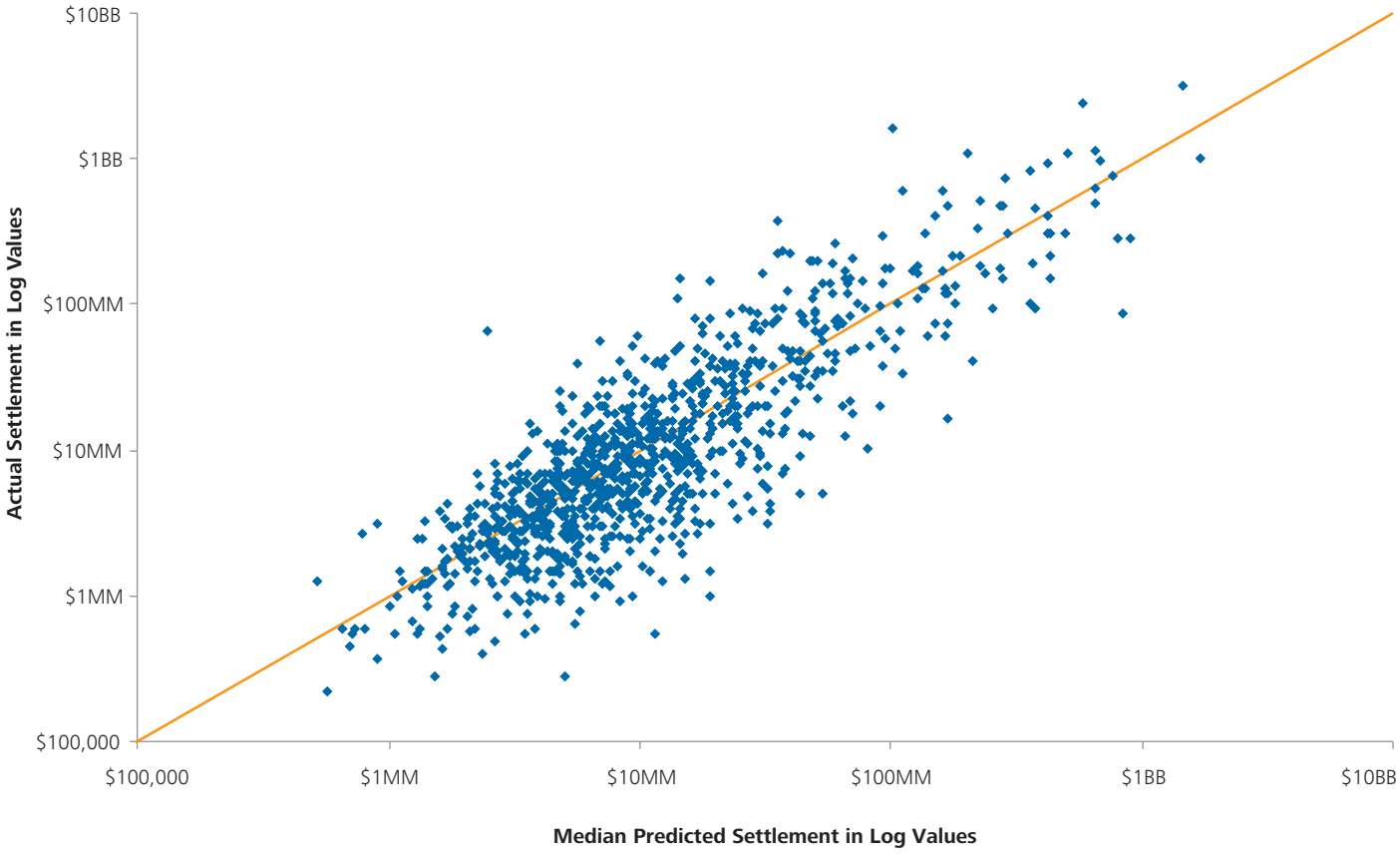
The historical relationship between case attributes and other case- and industry-specific factors can be used to measure the factors correlated with settlement amounts. NERA has examined settlements in more than 1,000 securities class actions and identified key drivers of settlement amounts, many of which have been summarized in this report.

Generally, we find that the following factors have historically been significantly correlated with settlements:

- NERA-defined Investor Losses (a proxy for the size of the case);
- The market capitalization of the issuer;
- Types of securities alleged to have been affected by the fraud;
- Variables that serve as a proxy for the "merit" of plaintiffs' allegations (such as whether the company has already been sanctioned by a governmental or regulatory agency or paid a fine in connection with the allegations);
- Admitted accounting irregularities or restated financial statements;
- The existence of a parallel derivative litigation; and
- An institution or public pension fund as lead plaintiff.

Together, these characteristics and others explain most of the variation in settlement amounts, as illustrated in Figure 29.[28]

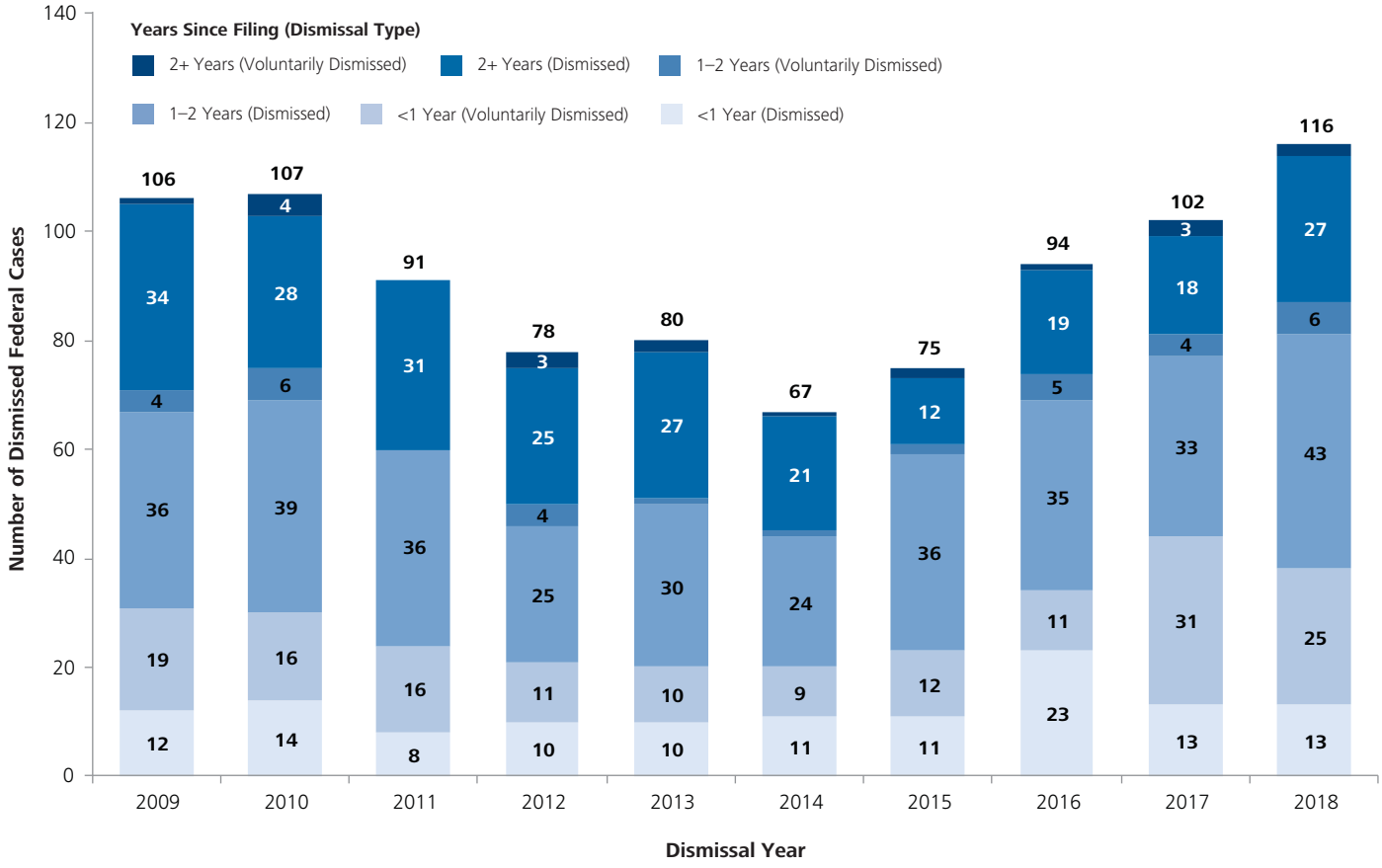
Figure 29. **Predicted vs. Actual Settlements**



Trends in Dismissals

The elevated rate of case dismissal persisted in 2018 (excluding merger objections), with more than 100 dismissals for the second consecutive year (see Figure 30). This partially stems from more cases being filed over the past couple of years, as 75% of dismissals are of cases less than two years old. Additionally, there were 25 voluntary dismissals within a year of filing, an elevated rate for the second year in a row.

Figure 30. **Number of Dismissed Cases by Case Age**
Excludes Merger Objections
January 2009–December 2018



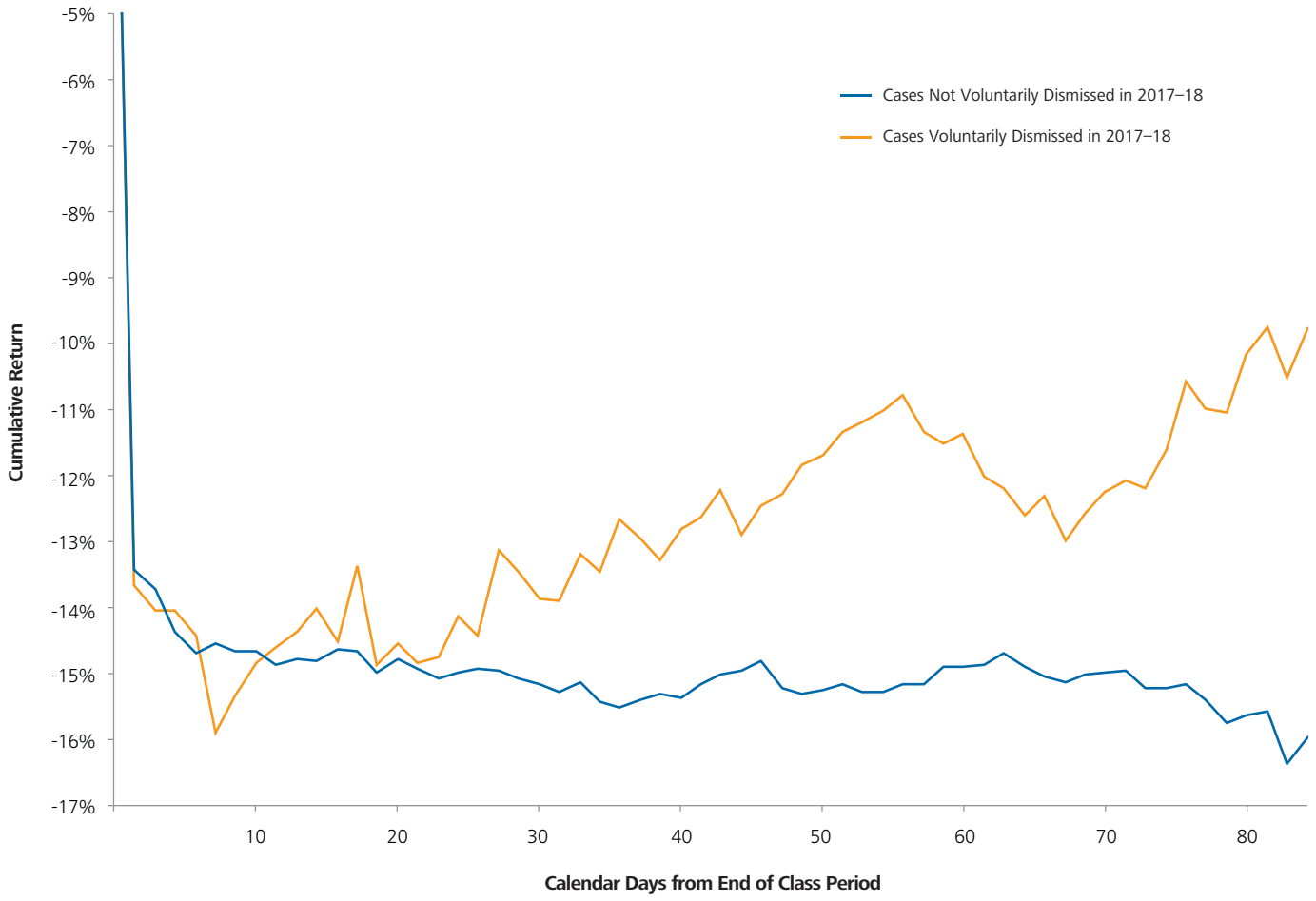
In 2018, about 12% of Standard cases were filed and resolved within the same calendar year, the second-highest rate in at least a decade (after 2017). By the end of the year, 8% of cases were voluntarily dismissed (down from 11% in 2017, but double the 2012–2016 average). Plaintiffs' voluntary dismissal of a case may be a result of perceived case weakness or changes in financial incentives. Recent research also documented forum selection by plaintiffs as a driver of voluntary dismissal without prejudice.[29]

The incentive for plaintiffs (and/or their counsel) to proceed with litigation may change with estimated damages to the class and expected recoveries since filing. For instance, the PSLRA 90-day bounce-back provision caps the award of damages to plaintiffs by the difference between the purchase price of a security and the mean trading price of the security during the 90-day period beginning on the date of the alleged corrective disclosure.

Since most securities class actions are filed well before the end of the bounce-back period (see Figure 14 for time-to-file metrics), plaintiffs may be more likely to voluntarily dismiss litigation if the price of the security at issue subsequently increases. As shown in Figure 31, in 2017 and 2018, the 90-day return of securities underlying cases voluntarily dismissed was about seven percentage points greater, on average, than securities underlying cases not voluntarily dismissed.[30]

The rate of voluntary dismissals was not particularly concentrated in terms of jurisdiction or the specific allegations we track.

Figure 31. **Average PSLRA Bounce-Back Period Returns of Voluntary Dismissals**
Shareholder Class Actions with Alleged Violations of Rule 10b-5, Section 11, or Section 12
January 2017–December 2018



Note: To control for the impact of outliers on the average of each group, for each day the most extreme 5% of cumulative returns are dropped. Observations on the three final trading days of the bounce-back period for each category are dropped due to incomplete return data.

Trends in Attorneys' Fees

Plaintiffs' Attorneys' Fees and Expenses

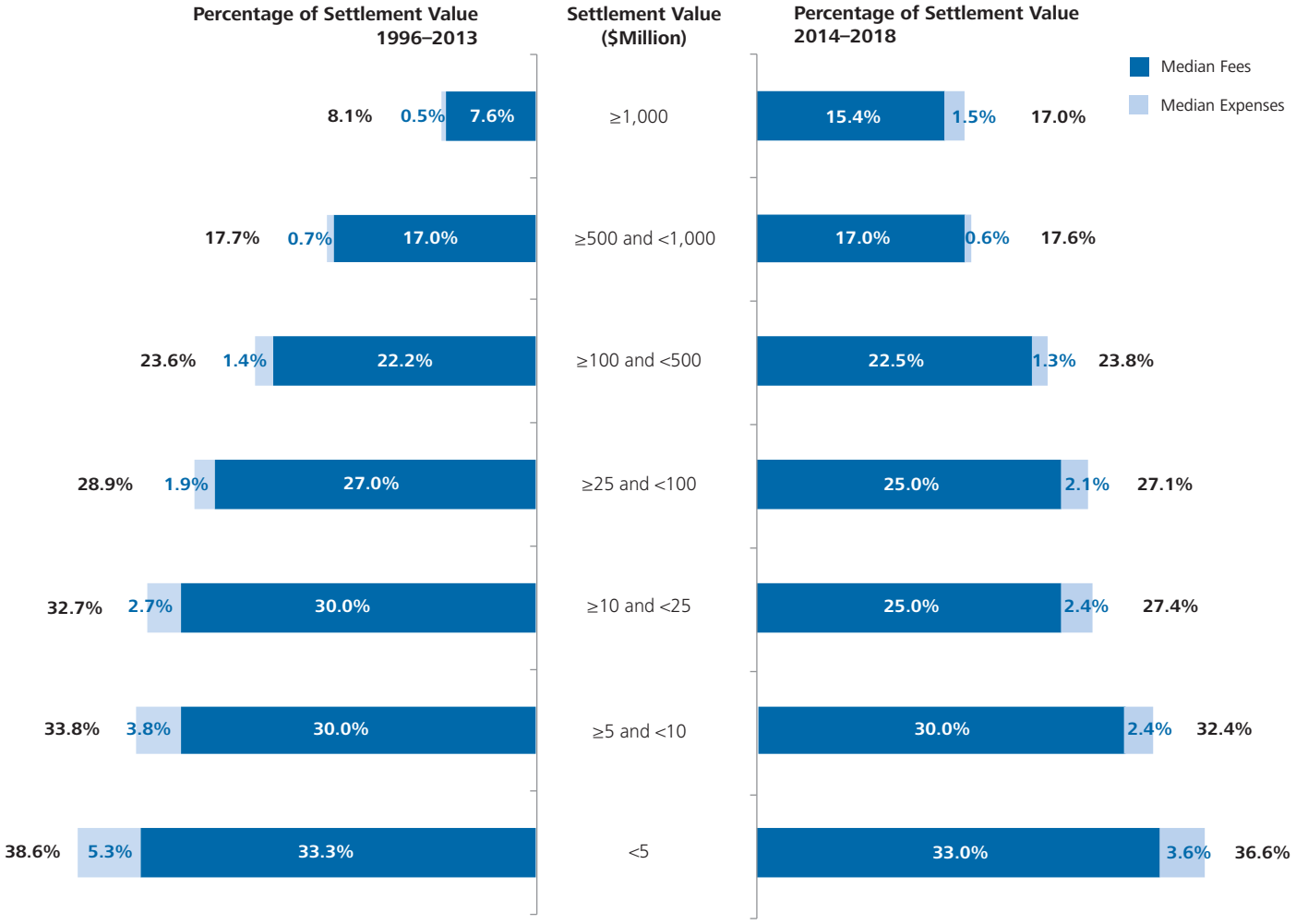
Usually, plaintiffs' attorneys' remuneration is determined as a fraction of any settlement amount in the form of fees, plus expenses. Figure 32 depicts plaintiffs' attorneys' fees and expenses as a proportion of settlement values over ranges of settlement amounts. The data shown in this figure excludes settlements for merger-objection cases and cases with no cash payment to the class.

A strong pattern is evident in Figure 32; typically, fees grow with settlement size, but less than proportionally (i.e., the fee percentage shrinks as the settlement size grows).

To illustrate that the fee percentage typically shrinks as settlement size grows, we grouped settlements by settlement value and reported the median fee percentage for each group. While fees are stable at around 30% of settlement values for settlements below $10 million, this percentage declines as settlement size increases.

We also observe that fee percentages have been decreasing over time, except for fees awarded on very large settlements. For settlements above $1 billion, fee rates have increased.

Figure 32. **Median of Plaintiffs' Attorneys' Fees and Expenses by Size of Settlement**
Excludes Merger Objections and Settlements for $0 to the Class



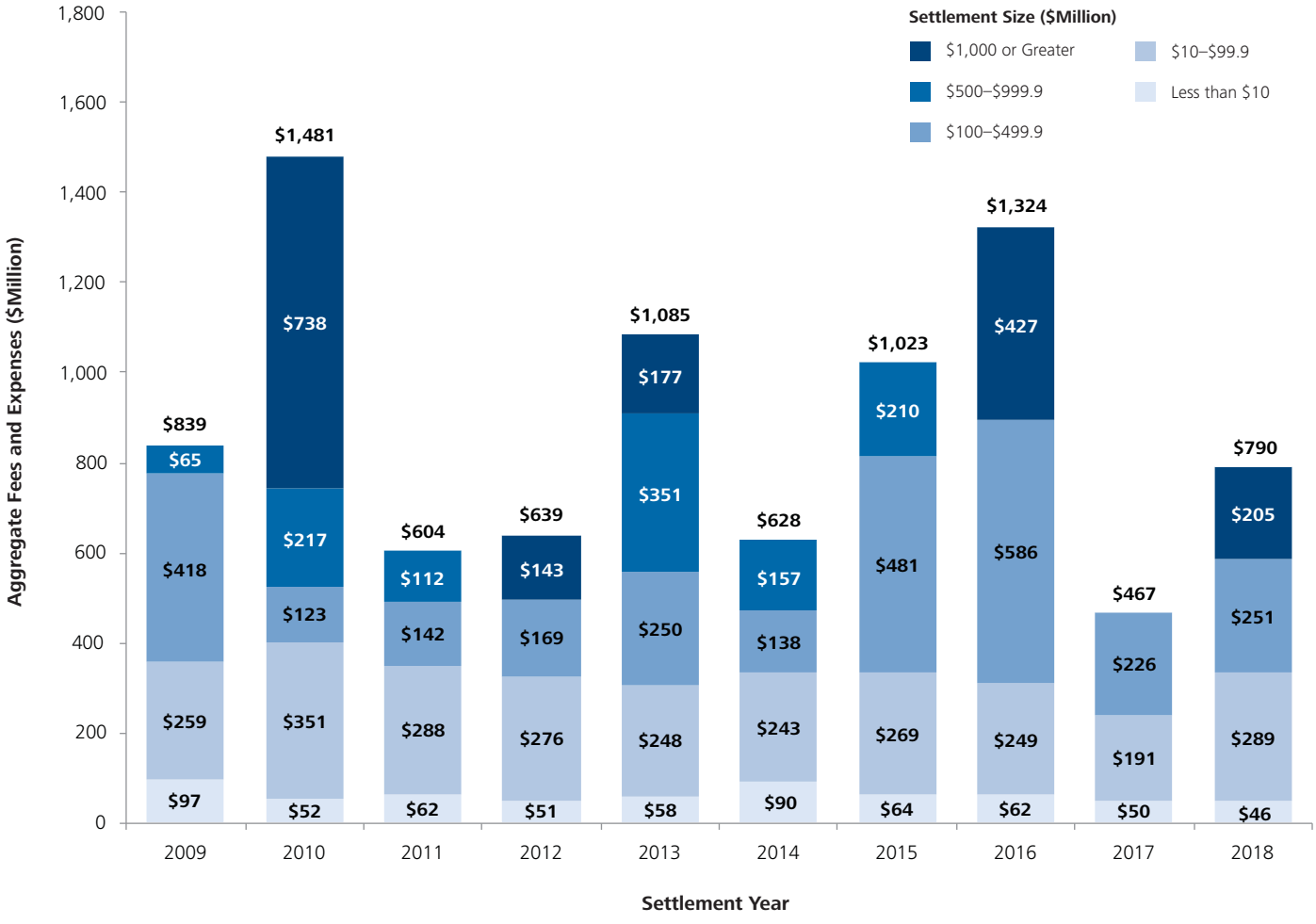
Aggregate Plaintiffs' Attorneys' Fees and Expenses

Aggregate plaintiffs' attorneys' fees and expenses are the sum of all fees and expenses received by plaintiffs' attorneys for all securities class actions that receive judicial approval in a given year.

In 2018, aggregate plaintiffs' attorneys' fees and expenses were $790 million, about 70% higher than in 2017 (see Figure 33). The increase in fees partially reflects the rebound in settlements, but fees grew substantially less than the near-tripling of aggregate settlements. This is partially due to the outsized impact of the $3 billion Petrobras settlement, one of several mega-settlements that historically generates lower fees as a percentage of settlement value.

Note that Figure 33 differs from the other figures in this section because the aggregate includes fees and expenses that plaintiffs' attorneys receive for settlements in which no cash payment was made to the class.

Figure 33. **Aggregate Plaintiffs' Attorneys' Fees and Expenses by Settlement Size**
January 2009–December 2018



Notes

[1] This edition of NERA's report on recent trends in securities class action litigation expands on previous work by our colleagues Lucy Allen, Dr. Vinita Juneja, Dr. Denise Neumann Martin, Dr. Jordan Milev, Robert Patton, Dr. Stephanie Plancich, and others. The authors also thank Dr. Milev for helpful comments on this edition. These individuals receive credit for improving this paper; all errors and omissions are ours.

[2] Data for this report are collected from multiple sources, including Institutional Shareholder Services Inc., complaints, case dockets, Dow Jones Factiva, Bloomberg Finance L.P., FactSet Research Systems, Inc., Nasdaq, Inc., Intercontinental Exchange, Inc., US Securities and Exchange Commission (SEC) filings, and public press reports.

[3] *In re Trulia, Inc. Stockholder Litigation*, C.A. No. 10020-CB (Del. Ch. Jan. 22, 2016).

[4] Craig Doidge, G. Andrew Karolyi, and René M. Stulz, "The U.S. Listing Gap," National Bureau of Economic Research Working Paper No. 21181, May 2015.

[5] *In re Trulia, Inc. Stockholder Litigation*, C.A. No. 10020-CB (Del. Ch. Jan. 22, 2016).

[6] For M&A statistics, see "Mergers & Acquisitions Review: First Nine Months 2018," Thomson Reuters, October 2018, available at http://dmi.thomsonreuters.com/Content/Files/3Q2018_MA_Legal_Advisor_Review.pdf.

[7] *In re Trulia, Inc. Stockholder Litigation*, C.A. No. 10020-CB (Del. Ch. Jan. 22, 2016).

[8] Matthew D. Cain and Steven D. Solomon, "Takeover Litigation in 2015," Berkeley Center for Law, Business and the Economy, 14 January 2016.

[9] Warren S. de Wied, "Delaware Forum Selection Bylaws After Trulia," Harvard Law School Forum on Corporate Governance and Financial Regulation, 25 February 2016.

[10] *In re: Walgreen Co. Stockholder Litigation*, No. 15-3799 (7th Cir. Aug. 10, 2016).

[11] Federal securities class actions that allege violations of Rule 10b-5, Section 11, and/or Section 12 have historically dominated federal securities class action dockets and often been referred to as "Standard" cases.

[12] *Cyan, Inc. v. Beaver County Employees Retirement Fund*, Supreme Court No. 15-1439.

[13] See Restoration Robotics Inc. SEC Form 8-K, filed 17 October 2017, and Snap, Inc. SEC Form S-1, filed 2 February 2017.

[14] Regulatory cases with parallel accounting, performance, or missed earnings claims are excluded.

[15] Industries with fewer than 25 firms listed on US exchanges are dropped.

[16] For M&A statistics, see "Mergers & Acquisitions Review, Full Year 2017," Thomson Reuters, December 2017.

[17] For M&A statistics, see "Mergers & Acquisitions Review, First Nine Months 2018," Thomson Reuters, October 2018.

[18] "SAC to pay $1.8 billion to settle insider trading charges," Chicago Tribune, 4 November 2013, available at https://www.chicagotribune.com/business/ct-xpm-2013-11-04-chi-sac-to-pay-18-billion-to-settle-insider-trading-charges-20131104-story.html.

[19] Filings indicate that most firms in the SP 500 have adopted 10b5-1 plans as of 2014. See "Balancing Act: Trends in 10b5-1 Adoption and Oversight Article," Morgan Stanley, 2019.

[20] This case was filed after the SEC filed a complaint, more than four years after the end of the proposed class period, which plaintiffs in the class action state first revealed the alleged fraud.

[21] Outcomes of the motions for summary judgment are available from NERA but are not shown in this report.

[22] *In re Trulia, Inc. Stockholder Litigation*, C.A. No. 10020-CB (Del. Ch. Jan. 22, 2016).

[23] Active cases equals the sum of pending cases at the beginning of 2018 plus those filed during the year.

[24] Nearly 90% of cases filed before 2012 have been resolved, providing evidence of longer-term trends about dismissal and settlement rates. Data since then is inconclusive given pending litigation.

[25] We only consider pending litigation filed after the PSLRA.

[26] These metrics exclude merger objections.

[27] Each of the metrics in the *Time to Resolution* sub-section exclude IPO laddering cases and merger-objection cases because the former usually take much longer to resolve and the latter are usually much shorter to resolve.

[28] The axes are in logarithmic scale, and the two largest settlements are excluded from this figure.

[29] Commentary regarding a 2017 ruling in the Southern District of New York indicated that "[p]laintiffs in [*Cheung v. Bristol-Myers Squibb*] had originally filed their lawsuits in a federal district court, but after the federal district court issued a ruling that was unfavorable for the plaintiffs, the plaintiffs voluntarily dismissed their lawsuits without prejudice and then refiled them in Delaware state court." See Colin E. Wrabley and Joshua T. Newborn, "Getting Your Company's Case Removed to Federal Court When Sued in Your 'Home' State," *The Legal Intelligencer*, 19 December 2017. The case referred to is *Cheung v. Bristol-Myers Squibb*, Case No. 17cv6223(DLC), (S.D.N.Y. Oct. 12, 2017).

[30] To control for the impact of outliers on the average of each group, for each day the most extreme 5% of daily cumulative returns are dropped. Observations on the three final days of the bounce-back period for each category are dropped due to incomplete return data.

About NERA

NERA Economic Consulting (**www.nera.com**) is a global firm of experts dedicated to applying economic, finance, and quantitative principles to complex business and legal challenges. For over half a century, NERA's economists have been creating strategies, studies, reports, expert testimony, and policy recommendations for government authorities and the world's leading law firms and corporations. We bring academic rigor, objectivity, and real world industry experience to bear on issues arising from competition, regulation, public policy, strategy, finance, and litigation.

NERA's clients value our ability to apply and communicate state-of-the-art approaches clearly and convincingly, our commitment to deliver unbiased findings, and our reputation for quality and independence. Our clients rely on the integrity and skills of our unparalleled team of economists and other experts backed by the resources and reliability of one of the world's largest economic consultancies. With its main office in New York City, NERA serves clients from more than 25 offices across North America, Europe, and Asia Pacific.

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EXHIBIT 2

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

DENNIS WILSON, Individually and on Behalf of All Others Similarly Situated, Plaintiff, v. LSB INDUSTRIES, INC., JACK E. GOLSEN, BARRY H. GOLSEN, MARK T. BEHRMAN, TONY M. SHELBY, and HAROLD L. RIEKER, JR. Defendants.	Case No. 1:15-cv-07614-RA-GWG

DECLARATION OF LUIGGY SEGURA REGARDING; (A) MAILING OF POSTCARD NOTICE; (B) PUBLICATION OF SUMMARY NOTICE OF (I) PENDENCY OF CLASS ACTION, CERTIFICATION OF SETTLEMENT CLASS, AND PROPOSED SETTLEMENT (II) SETTLEMENT FAIRNESS HEARING; AND (III) MOTION FOR AN AWARD OF ATTORNEYS' FEES AND REIMBURSEMENT OF LITIGATION EXPENSES; (C) REPORT ON REQUESTS FOR EXCLUSION AND OBJECTIONS; AND (D) THE CLAIMS ADMINISTRATION PROCESS

I, LUIGGY SEGURA, declare as follows:

1. I am an Assistant Director of Securities Class Actions at JND Legal Administration ("JND"). Pursuant to paragraph 7 of the Court's Order Preliminarily Approving Settlement and Providing for Notice, dated February 25, 2019, ECF No. 180 (the "Preliminary Approval Order"), JND was appointed to act as the Claims Administrator in connection with the proposed settlement of the above-captioned action.[1] I submit this Declaration in order to provide the Court and the parties to the above-captioned litigation information regarding the mailing of the Postcard Notice,

1 All terms with initial capitalization not otherwise defined herein shall have the meanings ascribed in the Stipulation and Agreement of Settlement, dated January 17, 2019 (the "Stipulation"), and Order Preliminarily Approving Settlement and Providing for Notice (the "Preliminary Approval Order") dated February 25, 2019.

the publication of the Summary Notice of (I) Pendency of Class Action, Certification of Settlement Class, and Proposed Settlement; (II) Settlement Fairness Hearing; and (III) Motion for an Award of Attorneys' Fees and Reimbursement of Litigation Expenses (the "Summary Notice"), as well as other status updates to the settlement administration process. The following statements are based on my personal knowledge and information provided to me by other experienced JND employees, and, if called as a witness I could and would testify competently thereto.

MAILING OF THE POSTCARD NOTICE

2. Pursuant to Paragraph 7 of the Preliminary Approval Order, JND was responsible for disseminating notice of the proposed settlement via postcard (the "Postcard Notice") to potential members of the Settlement Class. The Postcard Notice among other things, instructed potential Settlement Class Members how to obtain and submit a Claim Form in this Settlement. A sample of the Postcard Notice is attached hereto as Exhibit A.

3. On March 8, 2019, JND received from Defendants' names and addresses of persons who purchased or otherwise acquired common stock of LSB Industries ("LSB"), or LSB Call Options, or sold LSB Put Options, between November 7, 2014 and November 5, 2015, inclusive (the "Settlement Class Period"). These names and addresses were derived from LSB Industries' transfer agent. The lists contained a total of 460 unique names.

4. JND also researched filings with the U.S. Securities and Exchange Commission (SEC) on Form 13-F to identify additional institutions or entities who may have purchased or acquired LSB Industries common stock, or Call Option, or sold Put Option during the Settlement Class Period. As a result, an additional 256 address records were added to the list of potential Settlement Class Members.

5. As in most Securities Class Actions, a large majority of potential Class Members are beneficial purchasers whose securities are held in "street name," i.e., the securities are purchased by brokerage firms, banks, institutions or other third-party nominees in the name of the nominee, on behalf of the beneficial purchasers. JND maintains a proprietary database with the names and addresses of the most common banks and brokerage firms, nominees and known third party filers. At the time of the initial mailing, the Broker Database contained 4,100 mailing addresses to which JND caused Postcard Notice to be mailed.

6. Based on all the sources of information, JND mailed 4,816 Postcard Notices via First-Class mail to potential Class Members/Nominees on March 25, 2019 (the "Initial Mailing").

7. JND also posted the Notice for brokers and nominees on the DTC Lens service. This service is made available to all brokers/nominees who use the DTC. The DTC Lens is a place for legal notices to be posted pertaining to publicly traded companies. JND provided DTC Lens with the Notice on March 22, 2019 for posting on March 25, 2019.

8. The Notice, a copy of which is attached hereto as Exhibit B, requested all persons who purchased or otherwise acquired shares of LSB Securities during the Settlement Class Period as a nominee for a beneficial owner to either (a) within (7) calendar days after receipt of the Postcard Notice, request from the Claims Administrator sufficient copies of the Postcard Notices to forward to all such beneficial owners and within seven (7) calendar days of receipt of those Postcard Notices, forward them to all such beneficial owners; or (b) within seven (7) calendar days of receipt of the Postcard Notice, provide a list of the names and addresses of all such beneficial owners to JND so that we could mail the Postcard Notice to the potential Settlement Class Members.

9. Following the initial mailing, JND has received an additional 4,510 unique names and addresses of potential Settlement Class Members from individuals or nominees requesting Postcard Notices to be mailed to such persons or entities. JND has also received requests from brokers and other nominee holders for 5,030 Postcard Notices to be forwarded by the nominees to their customers. All requests have been, and will continue to be, complied with and addressed in a timely manner.

10. JND also caused reminder notices to be mailed by first-class mail, postage prepaid, to all the entities in the JND Broker Database who had not responded to the Initial Mailing. The postcard advised them of their obligation to facilitate getting notice to their clients who were holding LSB securities during the Settlement Class Period.

11. In a further attempt to garner broker responses, JND reached out via telephone to those large firms from the broker/nominee and third-party community who did not respond to the Postcard Notice.

12. As a result of the efforts described above, as of May 17, 2019 including the initial mailing, JND has mailed a total of 14,356 Postcard Notices to potential Settlement Class Members, brokers and nominee holders.

PUBLICATION OF THE SUMMARY NOTICE

13. Pursuant to Paragraph 7(d) of the Preliminary Approval Order, JND is also responsible for publishing the Summary Notice. Accordingly, JND caused the Summary Notice, to be published once in *Investor's Business Daily* on April 1, 2019 and to be transmitted once over the *PR Newswire* on April 1, 2019. Attached hereto as Exhibit C are the publications for *Investor's Business Daily* and *PR Newswire*.

ESTABLISHMENT OF CLAIMS CALL CENTER

14. Beginning on or about March 25, 2019, JND established and continues to maintain a toll-free telephone number (1-833-402-1726) for Settlement Class Members to call and obtain information about the Settlement and request a Notice and Claim Form. As of May 17, 2019, JND received a total of 84 calls to the telephone hotline. JND has promptly responded to each telephone inquiry and will continue to address Settlement Class Member inquiries.

ESTABLISHMENT OF THE SETTLEMENT WEBSITE

15. To further assist potential Settlement Class Members, JND, in coordination with Class Counsel, designed, implemented and currently maintains a website, www.LSBSecuritiesLitigation.com dedicated to the Settlement (the "Settlement Website"). The Settlement Website became operational on March 25, 2019 and is accessible 24 hours a day, 7 days a week. Among other things, the Settlement Website includes general information regarding the Settlement, lists the exclusion, objection, and claim filing deadlines, as well as the date and time of the Court's Settlement Hearing. JND also posted to the Settlement Website copies of the Stipulation of Settlement, Preliminary Approval Order, Claim Form, and Notice. The Settlement Website will continue to be updated with relevant case information and court documents. The website also allows claimants to submit their Claim at the site instead of sending one in via U.S. Mail. Potential claimants can enter all of their claim information via the web, complete the Claim Form and upload all pertinent documentation. As of May 17, 2019, the Settlement Website has received 4,146 hits.

REPORT ON EXCLUSION REQUESTS AND OBJECTIONS RECEIVED TO DATE

16. The Notice informs potential Settlement Class Members that requests for exclusion from the Class are to be addressed to *Wilson v LSB Industries, Inc. et al.*, c/o JND Legal

Administration, P.O. Box 91236, Seattle, WA 98111-9336, such that they are received no later than June 7, 2019. As of May 17, 2019, JND has not received any requests for exclusion.

17. As of May 17, 2019, JND has not received any objections. The deadline to submit objections is June 7, 2019.

CLAIMS ADMINISTRATION PROCESS

18. The claims administration process will consist of the following phases and tasks:

A. Claims Processing

- Process/Review Claims

B. Preliminary Quality Assurance

- Review claims to confirm they are in line with Settlement requirements

C. Deficiency/Rejection Notification

- Send deficiency and rejection letters to invalid claims
- Postage for letter mailings

D. Deficiency Response Processing

- Review and process deficiency responses

E. Claim Calculations

- Perform Recognized Loss calculations according to the guidelines in the Plan of Allocation

F. Final Quality Assurance

- Additional review of Claims and Recognized Loss calculations

19. Through May 17, 2019, JND has received 75 Claims.

I declare under penalty of perjury that the foregoing is true and correct. Executed on May 20, 2019.

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EXHIBIT A

COURT-ORDERED LEGAL NOTICE

Important Notice about a Securities Class Action Settlement.

You may be entitled to a CASH payment. This Notice may affect your legal rights. Please read it carefully.

Wilson v. LSB Industries, Inc. et al.
Case No. 1:15-cv-07614-RA-GWG
(S.D.N.Y.)

Wilson v. LSB Industries, Inc. et al.
c/o JND Legal Administration
P.O. Box 91236
Seattle, WA 98111-9336

First Last
Address1
Address2
City, State, Zip Code

THIS CARD PROVIDES ONLY LIMITED INFORMATION ABOUT THE SETTLEMENT.
PLEASE VISIT WWW.LSBSECURITIESLITIGATION.COM FOR MORE INFORMATION.

There has been a proposed Settlement of claims against LSB Industries, Inc. ("LSB") and certain executives and directors of LSB (collectively, the "Defendants"). The Settlement would resolve a lawsuit in which Plaintiffs allege that Defendants disseminated materially false and misleading statements and/or failed to disclose that the Company had not conducted the detailed engineering work necessary to properly calculate the costs of a major construction project and that the project was both over budget and behind schedule in violation of the federal securities laws. Defendants deny any wrongdoing. You received this Postcard Notice because you or someone in your family may have purchased or otherwise acquired LSB Common Stock or LSB Call Options, or sold LSB Put Options between November 7, 2014 and November 5, 2015, inclusive, and been damaged thereby.

Defendants have agreed to pay a Settlement Amount of $18.45 million. The Settlement provides that the Settlement Fund, after deduction of any Court-approved attorneys' fees and expenses, notice and administration costs, and taxes, is to be divided among all Settlement Class Members who submit a valid Claim Form, in exchange for the settlement of this case and the Releases by Settlement Class Members of claims related to this case. **For all details of the Settlement, read the Stipulation and full Notice, available at www.LSBSecuritiesLitigation.com.**

Your share of the Settlement proceeds will depend on the number of valid Claims submitted, and the number, size and timing of your transactions in LSB Securities. If every eligible Settlement Class Member submits a valid Claim Form, the average recovery will be $1.48 per eligible share before expenses and other Court-ordered deductions. Your award will be determined *pro rata* based on the number of claims submitted. This is further explained in the detailed Notice found on the Settlement website.

To qualify for payment, you must submit a Claim Form. The Claim Form can be found on the website www.LSBSecuritiesLitigation.com or will be mailed to you upon request to the Claims Administrator (833-402-1726). **Claim Forms must be postmarked by July 23, 2019**. If you do not want to be legally bound by the Settlement, you must exclude yourself by **June 7, 2019**, or you will not be able to sue the Defendants about the legal claims in this case. If you exclude yourself, you cannot get money from this Settlement. If you want to object to the Settlement, you may file an objection by **June 7, 2019.** The detailed Notice explains how to submit a Claim Form, exclude yourself or object.

The Court will hold a hearing in this case on **June 28, 2019**, to consider whether to approve the Settlement and a request by the lawyers representing the Settlement Class for up to 33 1/3% of the Settlement Fund in attorneys' fees, plus actual expenses up to $1,450,000 for litigating the case and negotiating the Settlement, which may include an application for reimbursement of the reasonable costs and expenses (including lost wages) incurred by Plaintiffs directly related to their representation of the Settlement Class. You may attend the hearing and ask to be heard by the Court, but you do not have to. For more information, call toll-free (833-402-1726) or visit the website www.LSBSecuritiesLitigation.com and read the detailed Notice.

EXHIBIT B

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

DENNIS WILSON, Individually and on Behalf of All Others Similarly Situated, Plaintiff, v. LSB INDUSTRIES, INC., JACK E. GOLSEN, BARRY H. GOLSEN, MARK T. BEHRMAN, TONY M. SHELBY, and HAROLD L. RIEKER, JR. Defendants.	Case No. 1:15-cv-07614-RA-GWG

NOTICE OF (I) PENDENCY OF CLASS ACTION AND PROPOSED SETTLEMENT; (II) SETTLEMENT FAIRNESS HEARING; AND (III) MOTION FOR AN AWARD OF ATTORNEYS' FEES AND REIMBURSEMENT OF LITIGATION EXPENSES

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

NOTICE OF PENDENCY OF CLASS ACTION: Please be advised that your rights may be affected by the above-captioned securities class action (the "Action") pending in the United States District Court for the Southern District of New York (the "Court"), if, during the period between November 7, 2014 and November 5, 2015, inclusive (the "Settlement Class Period"), you purchased or otherwise acquired LSB Common Stock or LSB Call Options, or sold LSB Put Options, and were damaged thereby.[1]

NOTICE OF SETTLEMENT: Please also be advised that the Court-appointed Lead Plaintiff Dennis Wilson and Named Plaintiff Camelot Event Driven Fund ("Plaintiffs"), on behalf of themselves and the Settlement Class (as defined in ¶ 29 below), have reached a proposed settlement of the Action for $18,450,000 in cash that, if approved, will resolve all claims in the Action (the "Settlement").

PLEASE READ THIS NOTICE CAREFULLY. This Notice explains important rights you may have, including the possible receipt of cash from the Settlement. If you are a member of the Settlement Class, your legal rights will be affected whether or not you act.

If you have any questions about this Notice, the proposed Settlement, or your eligibility to participate in the Settlement, please DO NOT contact LSB, any other Defendants in the Action, or their counsel. All questions should be directed to Lead Counsel or the Claims Administrator (*see* ¶ 99 below).

[1] All capitalized terms used in this Notice that are not otherwise defined herein shall have the meanings ascribed to them in the Stipulation and Agreement of Settlement dated January 17, 2019 (the "Stipulation"), which is available at www.LSBSecuritiesLitigation.com.

1. **Description of the Action and the Settlement 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 LSB Industries, Inc. ("LSB") and Barry H. Golsen, Mark T. Behrman, Tony M. Shelby, Harold L. Rieker, Jr., and Jack Golsen (collectively, the "Individual Defendants," and, together with LSB, the "Defendants") violated the federal securities laws by making false and misleading statements regarding LSB. A more detailed description of the Action is set forth in paragraphs 11-28 below. The proposed Settlement, if approved by the Court, will settle claims of the Settlement Class, as defined in paragraph 29 below.

2. **Statement of the Settlement Class's Recovery**: Subject to Court approval, Plaintiffs, on behalf of themselves and the Settlement Class, have agreed to settle the Action in exchange for a settlement payment of $18,450,000 in cash (the "Settlement Amount") to be deposited into an escrow account. The Net Settlement Fund (*i.e.*, the Settlement Amount plus any and all interest earned thereon (the "Settlement Fund") less (a) any Taxes, (b) any Notice and Administration Costs, (c) any Litigation Expenses awarded by the Court, and (d) any attorneys' fees awarded 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 Settlement Class. The proposed plan of allocation (the "Plan of Allocation") is set forth on pages 12-21 below.

3. **Estimate of Average Amount of Recovery Per Share:** Based on Plaintiffs' damages expert's estimates of the number of LSB stock purchased during the Settlement Class Period that may have been affected by the conduct at issue in the Action and assuming that all Settlement 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 herein) per share of LSB common stock is $1.48.[2] Settlement Class Members should note, however, that the foregoing average recovery per share is only an estimate. Some Settlement Class Members may recover more or less than this estimated amount depending on, among other factors, which LSB Securities they purchased, when and at what prices they purchased/acquired/wrote options or sold or executed their LSB Securities, and the total number of valid Claim Forms submitted. Distributions to Settlement Class Members will be made based on the Plan of Allocation set forth herein (*see* pages 12-21 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 or note that would be recoverable if Plaintiffs 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 Settlement Class as a result of their conduct.

5. **Attorneys' Fees and Expenses Sought:** Lead 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 Settlement Class and have advanced the funds to pay expenses necessarily incurred to prosecute this Action. Court-appointed Lead Counsel, Glancy Prongay & Murray LLP, will apply to the Court for an award of attorneys' fees for all Plaintiffs' Counsel in an amount not to exceed 33 1/3% of the Settlement Fund. In addition, Lead Counsel will apply for reimbursement of Litigation Expenses paid or incurred in connection with the institution, prosecution and resolution of the claims against the Defendants, in an amount not to exceed $1,450,000, which may include an application for reimbursement of the reasonable costs and expenses incurred by Plaintiffs directly related to their representation of the Settlement Class. Any fees and expenses awarded by the

[2] Due to the large amount of options that are covered by the settlement, the complexity of determining the amount of recognized loss per different options at points in time and that most of damages at issue stem from common stock transactions, the Notice only contains estimated recovery amounts per share of common stock.

Court will be paid from the Settlement Fund. Settlement Class Members are not personally liable for any such fees or expenses. Estimates of the average cost per affected share of LSB stock, if the Court approves Lead Counsel's fee and expense application, is $0.61 per share.

6. **Identification of Attorneys' Representatives:** Plaintiffs and the Settlement Class are represented by Casey E. Sadler, Esq. of Glancy Prongay & Murray LLP, 1925 Century Park East, Suite 2100, Los Angeles, CA 90067, (888) 773-9224, settlements@glancylaw.com.

7. **Reasons for the Settlement:** Plaintiffs' principal reason for entering into the Settlement is the substantial immediate cash benefit for the Settlement 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 contested motions, a trial of the Action and the likely appeals that would follow a trial. This process could be expected to last several years. Defendants, who deny all allegations of wrongdoing or liability whatsoever, are entering into the Settlement solely to eliminate the uncertainty, burden and expense of further protracted litigation. Accordingly, the Settlement may not be construed as an admission of any wrongdoing by Defendants.

YOUR LEGAL RIGHTS AND OPTIONS IN THE SETTLEMENT:	
SUBMIT A CLAIM FORM POSTMARKED NO LATER THAN JULY 23, 2019.	This is the only way to be eligible to receive a payment from the Settlement Fund. If you are a Settlement Class Member and you remain in the Settlement Class, you will be bound by the Settlement as approved by the Court and you will give up any Released Plaintiffs' Claims (defined in ¶ 38 below) that you have against Defendants and the other Defendants' Releasees (defined in ¶ 39 below), so it is in your interest to submit a Claim Form.
EXCLUDE YOURSELF FROM THE SETTLEMENT CLASS BY SUBMITTING A WRITTEN REQUEST FOR EXCLUSION SO THAT IT IS *RECEIVED* NO LATER THAN JUNE 7, 2019.	If you exclude yourself from the Settlement Class, you will not be eligible to receive any payment from the Settlement Fund. This is the only option that allows you ever to be part of any other lawsuit against any of the Defendants or the other Defendants' Releasees concerning the Released Plaintiffs' Claims.
OBJECT TO THE SETTLEMENT BY SUBMITTING A WRITTEN OBJECTION SO THAT IT IS *RECEIVED* NO LATER THAN JUNE 7, 2019.	If you do not like the proposed Settlement, the proposed Plan of Allocation, or the request for attorneys' fees and reimbursement 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 Settlement Class Member and do not exclude yourself from the Settlement Class.

GO TO A HEARING ON JUNE 28, 2019 AT 10:00 A.M., AND FILE A NOTICE OF INTENTION TO APPEAR SO THAT IT IS *RECEIVED* NO LATER THAN JUNE 7, 2019.	Filing a written objection and notice of intention to appear by **June 7, 2019** allows you to speak in Court, at the discretion of the Court, about the fairness of the proposed Settlement, the Plan of Allocation, and/or the request for attorneys' fees and reimbursement 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 Settlement 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 Settlement 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.

WHAT THIS NOTICE CONTAINS

WHY DID I GET THE POSTCARD NOTICE?

8. The Court directed that the Postcard 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 LSB Securities during the Settlement Class Period. The Court also directed that this Notice be posted online at www.LSBSecuritiesLitigation.com and mailed to you upon request to the Claims Administrator. The Court has directed us to disseminate these notices because, as a potential Settlement 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 may generally 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 Plaintiffs and approved by the Court will make payments pursuant to the Settlement after any objections and appeals are resolved.

9. The purpose of this Notice is to inform you of the existence of this case, that it is a class action, how you might be affected, and how to exclude yourself from the Settlement Class if you wish to do so. It is also being sent 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 Lead Counsel for an award of attorneys' fees and reimbursement of Litigation Expenses (the "Settlement Hearing"). *See* paragraph 90 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 litigation stems from allegations regarding LSB's purchase, disassembly, transportation and then attempted reassembly of a long dormant ammonia plant.

12. Dennis Wilson filed the instant action on September 25, 2015. Dkt. No. 1. He was appointed Lead Plaintiff and his selection of Glancy Prongay & Murray LLP as Lead Counsel for the proposed class was approved by Order dated December 15, 2015 . Dkt. No. 16.

13. On February 17, 2016, Lead Plaintiff filed the Corrected Amended Class Action Complaint for Violations of the Federal Securities Laws ("CAC") against all Defendants under Section 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") and Rule 10b-5 promulgated thereunder, and against the Individual Defendants under Section 20(a) of the Exchange Act. Dkt. No. 27. Among other things, the CAC alleged that, throughout the Settlement Class Period, Defendants failed to disclose that the Company had not conducted the detailed engineering work necessary to properly calculate the costs of a major construction project and that the project was both over budget and behind schedule. The CAC further alleged that the prices of LSB publicly-traded securities were artificially inflated as a result of Defendants' allegedly false and misleading statements, and declined when the truth was revealed.

14. On April 1, 2016, Defendants filed a motion to dismiss the CAC, which was followed by the filing of Lead Plaintiff's opposition and Defendants' reply. Dkt. Nos. 33-34, 39, 43. Additionally, on September 20, 2016, Lead Plaintiff filed a motion for leave to file a second amended complaint, which Defendants opposed. Dkt. Nos. 45-46, 48.

15. The Court held oral argument on both the motion to dismiss and the motion for leave to file the second amended complaint on March 2, 2017. From the bench, the Court denied Defendants' motion to dismiss in its entirety and granted Lead Plaintiff's motion for leave to file a second amended complaint. Dkt. No. 56.

16. On April 5, 2017, Lead Plaintiff filed and served his Corrected Second Amended Class Action Complaint ("SAC"). The SAC, like the CAC, asserted claims against all Defendants under Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder, and against the Individual Defendants under Section 20(a) of the Exchange Act. The Complaint alleged claims substantially similar to those alleged in the CAC but also included allegations based on new information from a related litigation and additional allegations regarding the Individual Defendants' control of the Company.

17. On April 10, 2017, Defendants answered the SAC. Dkt. No. 70

18. Thereafter, discovery commenced. During the course of discovery, Defendants produced approximately 2.7 million pages of documents and an additional 3.3 million pages of documents were produced pursuant to the more than twenty third-party subpoenas issued by Lead Counsel.

19. Prior to the filing of Plaintiffs' motion for class certification, the Parties exchanged class certification expert, opposition, and rebuttal reports, and the Parties deposed each other's experts. On September 15, 2017, Plaintiffs filed their class certification motion and the Parties expert reports (Dkt. Nos. 99-101). Following the depositions of both proposed class representatives, Dennis Wilson and Camelot, Defendants filed their opposition on October 6, 2017 (Dkt. No. 108), and Plaintiffs filed their reply on October 27, 2017. Dkt. No. 112.

20. With discovery ongoing and class certification briefed, the Parties began to discuss the possibility of exploring whether a settlement could be reached through a mediation process. The Parties selected Robert A. Meyer, Esq. of JAMS as mediator. In advance of that session, the Parties exchanged, and provided to Mr. Meyer, detailed mediation statements and exhibits, which addressed the issues of class certification, liability and damages. On March 1, 2018, the Parties participated in a full-day mediation session before experienced third-party mediator, Robert A. Meyer, Esq., in Los Angeles, California at the JAMS offices. The session ended without a settlement.

21. Following the unsuccessful mediation session, on March 19, 2018, Defendants filed a request for leave to file a supplemental response in opposition to Plaintiffs' class certification motion. Dkt. Nos. 130, 130-1. On March 22, 2018, the Court granted Defendants' request to allow supplemental briefing. Dkt. No. 132. On May 2, 2018, Defendants submitted under seal their supplemental brief in opposition to Plaintiffs' motion for class certification, and on May 16, 2018, Plaintiffs submitted under seal their supplemental response.

22. With discovery ongoing and summary judgment fast approaching, the Parties decided to participate in a second mediation on July 25, 2018. In the time period between the two mediations, eighteen fact witnesses were deposed and Defendants and third parties supplemented their document productions with tens of thousands of additional pages of documents.

23. In advance of the section mediation, the Parties drafted and exchanged their second confidential mediation statements. These mediation statements primarily focused on how discovery had impacted liability and damages issues. The mediation on July 25, 2018 was again overseen by Robert A. Meyer, Esq. in Los Angeles, California at the JAMS offices. While productive, the Parties were unable to resolve the matter at the mediation.

24. Following the unsuccessful mediation, discovery continued, with Plaintiffs deposing LSB's current Chief Executive Officer and Chief Financial Officer, and on August 9, 2018, Plaintiffs filed a letter motion requesting a 60-day extension of the fact and expert discovery cut-off deadlines and an

increase of the deposition limit to 34 depositions per side. Dkt. No. 145. On August 13, 2018, Defendants opposed the request (Dkt. No. 151), and on August 14, 2018 Plaintiffs filed a reply letter. Dkt. No. 141. On August 16, 2018, Judge Gorenstein granted Plaintiffs' letter motion in its entirety. Dkt. No. 155. On that same day, August 16, 2018, Magistrate Judge Gorenstein issued a 44-page Report and Recommendation that granted Plaintiffs' class certification motion in its entirety. Dkt. No. 154.

25. Despite being unable to reach a settlement at the July 25, 2018 mediation, the Parties continued their negotiations with the help of Mr. Meyer. On August 23, 2018, Mr. Meyer issued a mediators' proposal to settle this Action, which was ultimately agreed to by the Parties, and on August 27, 2018, the Parties informed the Court that they reached an agreement in principle to settle this action, subject to written memorialization.

26. Based on the investigation, substantial litigation, extensive discovery and two mediations that occurred during the case and Plaintiffs' direct oversight of the prosecution of this matter and with the advice of their counsel, each of the Plaintiffs has agreed to settle and release the claims raised in the Action pursuant to the terms and provisions of the Stipulation, after considering, among other things, (a) the substantial financial benefit that Plaintiffs and the other members of the Settlement Class will receive under the proposed Settlement; and (b) the significant risks and costs of continued litigation and trial.

27. Defendants are entering into the Stipulation solely to eliminate the uncertainty, burden and expense of further protracted litigation. Each of the Defendants denies any wrongdoing, and the Stipulation shall in no event be construed or deemed to be evidence of or an admission or concession on the part of any of the Defendants, or any other of the Defendants' Releasees (defined in ¶ 39 below), with respect to any claim or allegation of any fault or liability or wrongdoing or damage whatsoever, or any infirmity in the defenses that the Defendants have, or could have, asserted. Similarly, the Stipulation shall in no event be construed or deemed to be evidence of or an admission or concession on the part of either Plaintiffs of any infirmity in any of the claims asserted in the Action, or an admission or concession that any of the Defendants' defenses to liability had any merit.

28. On February 25, 2019, the Court preliminarily approved the Settlement, authorized the Postcard Notice to be mailed to potential Settlement Class Members and this Notice to be posted online and mailed to potential Settlement Class Members upon request, and scheduled the Settlement Hearing to consider whether to grant final approval to the Settlement.

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

29. If you are a member of the Settlement Class, you are subject to the Settlement, unless you timely request to be excluded. The Settlement Class consists of:

> all persons or entities that purchased or otherwise acquired LSB Common Stock or LSB Call Options, or sold LSB Put Options between November 7, 2014 and November 5, 2015, inclusive (the "Class Period"), and were damaged thereby.

Excluded from the Settlement Class are Defendants; the officers and directors of the Company, at all relevant times; members of Defendants' Immediate Families and their legal representatives, heirs, successors, or assigns; and any entity in which any of the Defendants have or had a controlling interest. Also excluded from the Settlement Class are any persons or entities who or which exclude themselves by submitting a request for exclusion in accordance with the requirements set forth in this Notice. *See* "What

If I Do Not Want To Be A Member Of The Settlement Class? How Do I Exclude Myself," on page 21 below.

PLEASE NOTE: RECEIPT OF THE POSTCARD NOTICE DOES NOT MEAN THAT YOU ARE A SETTLEMENT CLASS MEMBER OR THAT YOU WILL BE ENTITLED TO RECEIVE PROCEEDS FROM THE SETTLEMENT.

If you are a Settlement 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 available online at www.LSBSecuritiesLitigation.com or which can be mailed to you upon request to the Claims Administrator, and the required supporting documentation as set forth therein, postmarked no later than July 23, 2019.

WHAT ARE PLAINTIFFS' REASONS FOR THE SETTLEMENT?

30. Plaintiffs and Lead 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 the Defendants through trial and appeals, as well as the very substantial risks they would face in establishing liability and damages. Defendants had numerous avenues of attack that could preclude recovery or result in a substantial limiting of damages. For example, Defendants were likely to have credible experts testify that the Individual Defendants' conduct was not reckless and that the cost overruns were the result of unforeseen contractor negligence. In fact, LSB is currently involved in litigation with certain contractors regarding the quality of their work on the project. Even if the hurdles to establishing liability were overcome, the amount of damages that could be attributed to the allegedly false statements would be hotly contested because other disclosures concerning financial results were made at the time of the alleged disclosure of the alleged fraud. Plaintiffs would have to prevail at several stages – motions for summary judgment, trial, and if they prevailed on those, on the appeals that were likely to follow. Thus, there were very significant risks attendant to the continued prosecution of the Action.

31. In light of these risks, the amount of the Settlement and the immediacy of recovery to the Settlement Class, Plaintiffs and Lead Counsel believe that the proposed Settlement is fair, reasonable and adequate, and in the best interests of the Settlement Class. Plaintiffs and Lead Counsel believe that the Settlement provides a substantial benefit to the Settlement Class, namely $18,450,000 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 no recovery after summary judgment, trial and appeals, possibly years in the future.

32. Defendants have denied the 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 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?

33. If there were no Settlement and Plaintiffs failed to establish any essential legal or factual element of their claims against Defendants, neither Plaintiffs nor the other members of the Settlement Class would recover anything from Defendants. Also, if Defendants were successful in proving any of their

defenses, either at summary judgment, at trial or on appeal, the Settlement Class could recover substantially less than the amount provided in the Settlement, or nothing at all.

HOW ARE SETTLEMENT CLASS MEMBERS AFFECTED BY THE ACTION AND THE SETTLEMENT?

34. As a Settlement Class Member, you are represented by Plaintiffs and Lead 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?," on page 22 below.

35. If you are a Settlement Class Member and do not wish to remain a Settlement Class Member, you may exclude yourself from the Settlement Class by following the instructions in the section entitled, "What If I Do Not Want To Be A Member Of The Settlement Class? How Do I Exclude Myself?," on page 21 below.

36. If you are a Settlement Class Member and you wish to object to the Settlement, the Plan of Allocation, or Lead Counsel's application for attorneys' fees and reimbursement of Litigation Expenses, and if you do not exclude yourself from the Settlement Class, you may present your objections by following the instructions in the section entitled, "When And Where Will The Court Decide Whether To Approve The Settlement?," below.

37. If you are a Settlement Class Member and you do not exclude yourself from the Settlement Class, you will be 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, Plaintiffs and each of the other Settlement Class Members, on behalf of themselves, and their respective heirs, executors, administrators, predecessors, successors, and assigns in their capacities as such, will have fully, finally and forever compromised, settled, released, resolved, relinquished, waived and discharged each and every Released Plaintiffs' Claim (as defined in ¶ 38 below) against the Defendants and the other Defendants' Releasees (as defined in ¶ 39 below), and shall forever be barred and enjoined from prosecuting any or all of the Released Plaintiffs' Claims against any of the Defendants' Releasees.

38. "Released Plaintiffs' Claims" means all claims, rights, demands, suits, liabilities, or causes of action, in law or in equity, accrued or unaccrued, fixed or contingent, direct, individual or representative, of every nature and description whatsoever, under federal, state, local, foreign law, or any other law, rule, or regulation, whether known or Unknown Claims, whether class or individual in nature, that (i) were asserted in the SAC, or (ii) could have been, or could in the future be, asserted against Defendants in any court of competent jurisdiction or any other adjudicatory tribunal, in connection with, arising out of, related to, based upon, in whole or in part, directly or indirectly, or in any way involving, the facts, transactions, events, occurrences, acts, disclosures, oral or written statements, representations, filings, publications, disseminations, press releases, presentations, accounting practices or procedures, omissions or failures to act which were alleged or described in the SAC, and arise out of the purchase, acquisition, sale and/or holding of LSB Securities during the Settlement Class Period, including any claims for breach of fiduciary duty. Notwithstanding the foregoing, this release does not include (i) any claims filed by a shareholder who made a valid demand and/or filed a derivative suit prior to the date this Settlement Agreement was executed; and (ii) any claims relating to the enforcement of the Settlement or any claims of any person or entity who or which submits a request for exclusion from the Settlement Class that is accepted by the Court.

39. "Defendants' Releasees" means Defendants and their current and former officers, directors, agents, parents, affiliates, subsidiaries, successors, predecessors, assigns, assignees, employees, insurance companies, and attorneys, in their capacities as such.

40. "Unknown Claims" means any Released Plaintiffs' Claims which Plaintiffs or any other Settlement 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 or any other Defendants' Releasee does not know or suspect to exist in his, her, or its favor at the time of the release of such claims, which, if known by him, her or it, might have affected his, her or its decision(s) with respect to this Settlement. With respect to any and all Released Claims, the Parties stipulate and agree that, upon the Effective Date of the Settlement, Plaintiffs and Defendants shall expressly waive, and each of the other Settlement Class Members and each of the other Defendants' Releasees shall be deemed to have waived, and by operation of the Judgment or the Alternate Judgment, if applicable, 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.

Plaintiffs and Defendants acknowledge, and each of the other Settlement Class Members and each of the other Defendants' Releasees 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.

41. 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, will have fully, finally and forever compromised, settled, released, resolved, relinquished, waived and discharged each and every Released Defendants' Claim (as defined in ¶ 42 below) against Plaintiffs and the other Plaintiffs' Releasees (as defined in ¶ 43 below), and shall forever be barred and enjoined from prosecuting any or all of the Released Defendants' Claims against any of the Plaintiffs' Releasees.

42. "Released Defendants' Claims" means all claims and causes of action of every nature and description, whether known or Unknown Claims, whether arising under federal, state, common or foreign law, that arise out of or relate in any way to the institution, prosecution, or settlement of the claims against the Defendants. This release does not include any claims relating to the enforcement of the Settlement or any claims against any person or entity who or which submits a request for exclusion from the Settlement Class that is accepted by the Court.

43. "Plaintiffs' Releasees" means Plaintiffs, all other plaintiffs in the Action, their respective attorneys, and all other Settlement Class Members, and their respective current and former officers, directors, agents, parents, affiliates, subsidiaries, successors, predecessors, assigns, assignees, employees, and attorneys, in their capacities as such.

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

44. To be eligible for a payment from the proceeds of the Settlement, you must be a member of the Settlement Class and you must timely complete and return the Claim Form with adequate supporting documentation **postmarked no later than July 23, 2019.** A Claim Form is available on the website maintained by the Claims Administrator for the Settlement, www.LSBSecuritiesLitigation.com, or you

may request that a Claim Form be mailed to you by calling the Claims Administrator toll free at 1-833-402-1726. Please retain all records of your ownership of and transactions in LSB Securities, as they may be needed to document your Claim. If you request exclusion from the Settlement Class or do not submit a timely and valid Claim Form, you will not be eligible to share in the Net Settlement Fund.

HOW MUCH WILL MY PAYMENT BE?

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

46. Pursuant to the Settlement, Defendants have agreed to pay or caused to be paid eighteen million four hundred fifty thousand dollars ($18,450,000) in cash. The Settlement Amount will be 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 (a) all federal, state and/or local taxes on any income earned by the Settlement Fund and the reasonable costs incurred in connection with determining the amount of and paying taxes owed by the Settlement Fund (including reasonable expenses of tax attorneys and accountants); (b) the costs and expenses incurred in connection with providing notice to Settlement Class Members and administering the Settlement on behalf of Settlement Class Members; and (c) any attorneys' fees and Litigation Expenses awarded by the Court) will be distributed to Settlement 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.

47. 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.

48. 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.

49. 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.

50. Unless the Court otherwise orders, any Settlement Class Member who fails to submit a Claim Form **postmarked on or before July 23, 2019** shall be fully and forever barred from receiving payments pursuant to the Settlement but will in all other respects remain a Settlement 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 Settlement Class Member releases the Released Plaintiffs' Claims (as defined in ¶ 38 above) against the Defendants' Releasees (as defined in ¶ 39 above) and will be enjoined and prohibited from filing, prosecuting, or pursuing any of the Released Plaintiffs' Claims against any of the Defendants' Releasees whether or not such Settlement Class Member submits a Claim Form.

51. Participants in and beneficiaries of a plan covered by ERISA ("ERISA Plan") should NOT include any information relating to their transactions in LSB Securities held through the ERISA Plan in any Claim Form that they may submit in this Action. They should include ONLY those shares that they purchased or acquired outside of the ERISA Plan. Claims based on any ERISA Plan's purchases or acquisitions of LSB Securities during the Settlement Class Period may be made by the plan's trustees.

To the extent any of the Defendants or any of the other persons or entities excluded from the Settlement Class are participants in the ERISA Plan, such persons or entities shall not receive, either directly or indirectly, any portion of the recovery that may be obtained from the Settlement by the ERISA Plan.

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

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

54. Only Settlement Class Members, *i.e.*, persons and entities who purchased or otherwise acquired LSB Securities during the Settlement Class Period and were damaged as a result of such purchases or acquisitions will be eligible to share in the distribution of the Net Settlement Fund. Persons and entities that are excluded from the Settlement Class by definition or that exclude themselves from the Settlement Class pursuant to request will not be eligible to receive a distribution from the Net Settlement Fund and should not submit Claim Forms. The only securities that are included in the Settlement are the LSB Securities.

PROPOSED PLAN OF ALLOCATION

55. The objective of the Plan of Allocation is to equitably distribute the Settlement proceeds to those Settlement Class Members who suffered net economic losses as a proximate result of the alleged wrongdoing in the Action. The calculations made pursuant to the Plan of Allocation are not intended to be estimates of, nor indicative of, the amounts that Settlement 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.

56. In developing the Plan of Allocation, Plaintiffs consulted with their damages expert, who reviewed publicly available information regarding LSB and performed statistical analyses of the price movements of LSB Common Stock ("Common Stock") and of LSB Put Options and LSB Call Options (collectively "Options"; LSB Common Stock and Options are collectively referred to as "LSB Securities") and the price performance of relevant market and peer indices during the Settlement Class Period. The damages expert isolated the losses in LSB Securities that allegedly resulted from the alleged violations of the federal securities laws in the Action, eliminating losses attributable to market factors, industry factors, or Company-specific factors unrelated to the alleged violations of law. The Plan of Allocation, however, is not a formal damage analysis.

57. In order to have recoverable damages, the corrective disclosure of the allegedly misrepresented information must be the cause of the decline in the price or value of the LSB Securities. In this Action, Plaintiffs allege that Defendants made false statements and omitted material facts during the period between November 7, 2014 and November 5, 2015, inclusive, which had the effect of artificially inflating the prices of LSB Securities. Plaintiffs further alleges that corrective disclosures removed artificial inflation from the price of LSB Securities on July 14, 2015, August 7, 2015 or November 6, 2015. Thus, in order for a Settlement Class Member to have a "Recognized Loss Amount" under the Plan of Allocation, with respect to Common Stock and Call Options, the stock or call options must have been purchased or acquired during the Settlement Class Period and held through at least one of these disclosure dates, and, with respect to Put Options, those options must have been sold (written) during the Settlement Class Period and not closed prior to these disclosure dates.

CALCULATION OF RECOGNIZED LOSS AMOUNTS

58. For purposes of determining whether a Claimant has a Recognized Claim, purchases, acquisitions, and sales of like securities will first be matched on a First In/First Out basis as set forth in paragraph 69 below.

59. With respect to shares of LSB Common Stock and Call and Put Options, a "Recognized Loss Amount" or a "Recognized Gain Amount" will be calculated as set forth below for each purchase or acquisition of LSB Common Stock and Call Option contracts and each writing of LSB Put Option contracts from November 7, 2014 and November 5, 2015, that is listed in the Claim Form and for which adequate documentation is provided.

60. **Common Stock Calculations**: For shares of common stock purchased or otherwise acquired between November 7, 2014 and November 5, 2015:

(a) For shares sold between November 7, 2014 and November 5, 2015, the Recognized Loss shall be that number of shares multiplied by the lesser of:

(i) the applicable purchase date artificial inflation per share figure less the applicable sales date artificial inflation per share figure, as found in Table A; or

(ii) the difference between the purchase price per share and the sales price per share.

(b) For shares sold between November 6, 2015 and February 3, 2016, the Recognized Loss shall be the lesser of:

(i) the applicable purchase date artificial inflation per share figure, as found in Table A; or

(ii) the difference between the purchase price per share and the sales price per share; or

(iii) the difference between the purchase price per share and the average closing price between November 6, 2015 and the date of sale, as found in Table B.[3]

(c) For shares held at the end of trading on February 3, 2016, the Recognized Loss shall be that number of shares multiplied by the lesser of:

(i) the applicable purchase date artificial inflation per share figure, as found in Table A; or

(ii) the difference between the purchase price per share and $6.23.[4]

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[3] Pursuant to Section 21(D)(e)(2) of the Private Securities Litigation Reform Act of 1995, "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, if the plaintiff sells or repurchases the subject security prior to the expiration of the 90-day period described in paragraph (1), the plaintiff's damages shall not exceed the difference between the purchase or sale price paid or received, as appropriate, by the plaintiff for the security and the mean trading price of the security during the period beginning immediately after dissemination of information correcting the misstatement or omission and ending on the date on which the plaintiff sells or repurchases the security."

[4] Pursuant to Section 21(D)(e)(1) of the Private Securities Litigation Reform Act of 1995, "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." The mean (average) closing price of LSB common stock during the 90-day period beginning on November 6, 2015 and ending on February 3, 2016 was $6.23 per share.

61. **Call and Put Option Calculations**: Exchange-traded options are traded in units called "contracts" which entitle the holder to buy (in the case of a call) or sell (in the case of a put) 100 shares of the underlying security, which in this case is LSB Common Stock.

62. Each option contract specifies a strike price and an expiration date. Contracts with the same strike price, expiration date and option class symbol are referred to as a "series" and each series represents a different security that trades in the market and has its own market price (and thus artificial inflation or deflation). Under the Plan of Allocation, the dollar amount of artificial inflation per option for each series of LSB Call Options and the dollar amount of artificial deflation per option for each series of LSB Put Options has been calculated by Plaintiffs' damages expert and is included in Table C.

63. Shares of LSB Common Stock acquired via the exercise of a LSB Call Option shall be treated as a purchase on the date of exercise for the exercise price plus the cost per share of the LSB Call Option, and any Recognized Loss arising from such transaction shall be computed as provided for purchases of LSB Common Stock as set forth herein.

64. Shares of LSB Common Stock acquired through the "put" of LSB Common Stock via exercise of a LSB Put Option shall be treated as if the sale of the LSB Put Option were a purchase of LSB Common Stock on the date of the sale or writing of the LSB Put Option, for the exercise price of the LSB Put Option less the proceeds per share received from the sale of the LSB Put Option, and any Recognized Loss Amount arising from such transaction shall be computed as provided for purchases of LSB Common Stock as set forth herein.

65. No Recognized Claim shall be calculated based upon purchase or acquisition of any LSB Call Option that had been previously sold or written.

66. No Recognized Claim shall be calculated based upon the sale or writing of any LSB Put Option that had been previously purchased or acquired.

67. The following LSB Call Options are included in the Settlement and have Recognized Losses as described below:

(a) for Call Options with expiration dates on or after July 15, 2015 purchased between November 7, 2014 and July 14, 2015 that were (a) sold on or after July 15, 2015 or (b) held at expiration, the Recognized Loss shall be the sum of artificial inflation figures provided for that option in Table C if still held at July 15, 2015, August 7, 2015 or November 6, 2015.

(b) for Call Options with expiration dates on or after August 7, 2015 purchased between November 7, 2014 and August 6, 2015 that were (a) sold on or after August 7, 2015 or (b) held at expiration, the Recognized Loss shall be the sum of artificial inflation figures provided for that option in Table C if still held at August 7, 2015 or November 6, 2015.

(c) for Call Options with expiration dates on or after November 6, 2015 purchased between November 7, 2014 and November 5, 2015 that were (a) sold on or after November 6, 2015 or (b) held at expiration, the Recognized Loss shall be the artificial inflation figure provided for that option if still held at November 6, 2015.

68. The following LSB Put Options are included in the Settlement and have Recognized Losses as described below:

(a) for Put Options with expiration dates on or after July 15, 2015 sold or written between November 7, 2014 and July 14, 2015 that were (a) repurchased on or after July 15, 2015 or (b) still written at expiration, the Recognized Loss shall be the sum of artificial

deflation figures provided for that option in Table C if still written at July 15, 2015, August 7, 2015 or November 6, 2015.

(b) for Put Options with expiration dates on or after August 7, 2015 sold or written between November 7, 2014 and August 6, 2015 that were (a) repurchased on or after August 7, 2015 or (b) still written at expiration, the Recognized Loss shall be the sum of artificial deflation figures provided for that option in Table C if still written at August 7, 2015 or November 6, 2015.

(c) for Put Options with expiration dates on or after November 6, 2015 sold or written between November 7, 2014 and November 5, 2015 that were (a) repurchased on or after November 6, 2015 or (b) still written at expiration, the Recognized Loss shall be the artificial deflation figure provided for that option in Table C if still written at November 6, 2015.

Table A

Purchase or Sale Date Range	Artificial Inflation Per Share
11/07/2014 – 07/14/2015	$20.12
07/15/2015 – 08/06/2015	$19.01
08/07/2015 – 11/05/2015	$7.19

Table B

Date of Sale	Average Closing Price Between 11/06/2015 and Date of Sale	Date of Sale	Average Closing Price Between 11/06/2015 and Date of Sale	Date of Sale	Average Closing Price Between 11/06/2015 and Date of Sale
11/06/2015	$9.08	12/07/2015	$6.78	01/06/2016	$6.79
11/09/2015	$8.21	12/08/2015	$6.75	01/07/2016	$6.77
11/10/2015	$8.06	12/09/2015	$6.75	01/08/2016	$6.74
11/11/2015	$7.83	12/10/2015	$6.73	01/11/2016	$6.71
11/12/2015	$7.51	12/11/2015	$6.70	01/12/2016	$6.68
11/13/2015	$7.42	12/14/2015	$6.66	01/13/2016	$6.64
11/16/2015	$7.33	12/15/2015	$6.62	01/14/2016	$6.60
11/17/2015	$7.22	12/16/2015	$6.61	01/15/2016	$6.58
11/18/2015	$7.15	12/17/2015	$6.59	01/19/2016	$6.53
11/19/2015	$7.10	12/18/2015	$6.61	01/20/2016	$6.49
11/20/2015	$7.08	12/21/2015	$6.64	01/21/2016	$6.46
11/23/2015	$7.03	12/22/2015	$6.67	01/22/2016	$6.43
11/24/2015	$6.98	12/23/2015	$6.71	01/25/2016	$6.40
11/25/2015	$6.94	12/24/2015	$6.74	01/26/2016	$6.37
11/27/2015	$6.89	12/28/2015	$6.75	01/27/2016	$6.34
11/30/2015	$6.91	12/29/2015	$6.77	01/28/2016	$6.32
12/01/2015	$6.88	12/30/2015	$6.78	01/29/2016	$6.30
12/02/2015	$6.86	12/31/2015	$6.79	02/01/2016	$6.29
12/03/2015	$6.84	01/04/2016	$6.80	02/02/2016	$6.26
12/04/2015	$6.80	01/05/2016	$6.80	02/03/2016	$6.23

Table C

Disclosure Date	Type	Expiration	Strike	Artificial Inflation (Calls) Deflation (Puts) If Still Held/Written
7/15/2015	Call	7/17/2015	$35.00	$1.14
7/15/2015	Call	7/17/2015	$45.00	$0.21
7/15/2015	Call	8/21/2015	$45.00	$0.52
8/7/2015	Call	8/21/2015	$45.00	$0.50
7/15/2015	Call	9/18/2015	$22.50	$1.36
8/7/2015	Call	9/18/2015	$22.50	$9.17
7/15/2015	Call	9/18/2015	$40.00	$0.86
8/7/2015	Call	9/18/2015	$40.00	$4.05
7/15/2015	Call	9/18/2015	$45.00	$0.60
8/7/2015	Call	9/18/2015	$45.00	$0.51
7/15/2015	Call	9/18/2015	$50.00	$0.22
8/7/2015	Call	9/18/2015	$50.00	$0.50
7/15/2015	Call	9/18/2015	$55.00	$0.15
8/7/2015	Call	9/18/2015	$55.00	$0.50
11/6/2015	Call	11/20/2015	$15.00	$3.81
11/6/2015	Call	11/20/2015	$17.50	$0.70
11/6/2015	Call	11/20/2015	$20.00	$3.53
11/6/2015	Call	12/18/2015	$12.50	$4.65
11/6/2015	Call	12/18/2015	$15.00	$3.82
11/6/2015	Call	12/18/2015	$17.50	$3.64
11/6/2015	Call	12/18/2015	$20.00	$1.36
11/6/2015	Call	12/18/2015	$22.50	$0.60
11/6/2015	Call	12/18/2015	$25.00	$3.44
7/15/2015	Call	12/18/2015	$40.00	$0.90
8/7/2015	Call	12/18/2015	$40.00	$4.09
11/6/2015	Call	12/18/2015	$40.00	$0.47
7/15/2015	Call	12/18/2015	$45.00	$0.73
8/7/2015	Call	12/18/2015	$45.00	$3.88
11/6/2015	Call	12/18/2015	$45.00	$0.46
7/15/2015	Call	12/18/2015	$55.00	$0.22
8/7/2015	Call	12/18/2015	$55.00	$0.61
11/6/2015	Call	12/18/2015	$55.00	$3.12
11/6/2015	Call	3/18/2016	$12.50	$4.74
11/6/2015	Call	3/18/2016	$15.00	$3.92
11/6/2015	Call	3/18/2016	$17.50	$3.66
11/6/2015	Call	3/18/2016	$20.00	$1.33
11/6/2015	Call	3/18/2016	$22.50	$3.51
11/6/2015	Call	3/18/2016	$25.00	$0.97
11/6/2015	Call	3/18/2016	$30.00	$3.36
11/6/2015	Call	6/17/2016	$10.00	$5.56

11/6/2015	Call	6/17/2016	$12.50	$4.89
11/6/2015	Call	6/17/2016	$15.00	$4.20
11/6/2015	Call	6/17/2016	$20.00	$3.60
11/6/2015	Call	6/17/2016	$25.00	$3.46
7/15/2015	Put	7/17/2015	$45.00	$1.05
7/15/2015	Put	8/21/2015	$40.00	$0.74
8/7/2015	Put	8/21/2015	$40.00	$10.60
7/15/2015	Put	9/18/2015	$30.00	$0.16
8/7/2015	Put	9/18/2015	$30.00	$5.04
7/15/2015	Put	9/18/2015	$35.00	$0.32
8/7/2015	Put	9/18/2015	$35.00	$7.64
7/15/2015	Put	9/18/2015	$40.00	$0.72
8/7/2015	Put	9/18/2015	$40.00	$10.30
7/15/2015	Put	9/18/2015	$45.00	$1.13
8/7/2015	Put	9/18/2015	$45.00	$10.36
11/6/2015	Put	11/20/2015	$15.00	$4.38
11/6/2015	Put	11/20/2015	$17.50	$4.13
11/6/2015	Put	11/20/2015	$20.00	$5.13
11/6/2015	Put	12/18/2015	$15.00	$2.86
11/6/2015	Put	12/18/2015	$17.50	$4.13
11/6/2015	Put	12/18/2015	$20.00	$4.78
11/6/2015	Put	12/18/2015	$22.50	$5.19
7/15/2015	Put	12/18/2015	$35.00	$0.39
8/7/2015	Put	12/18/2015	$35.00	$7.58
7/15/2015	Put	12/18/2015	$40.00	$0.69
8/7/2015	Put	12/18/2015	$40.00	$9.46
7/15/2015	Put	12/18/2015	$45.00	$0.98
8/7/2015	Put	12/18/2015	$45.00	$10.30
11/6/2015	Put	3/18/2016	$12.50	$1.92
11/6/2015	Put	3/18/2016	$15.00	$2.84
11/6/2015	Put	3/18/2016	$17.50	$3.89
11/6/2015	Put	3/18/2016	$20.00	$4.45
11/6/2015	Put	3/18/2016	$25.00	$4.95
11/6/2015	Put	3/18/2016	$35.00	$5.33
11/6/2015	Put	6/17/2016	$12.50	$1.91

ADDITIONAL PROVISIONS

69. **FIFO Matching**: If a Settlement Class Member made more than one purchase/acquisition or sale of any LSB Securities during the Settlement Class Period, all purchases/acquisitions and sales of the like security shall be matched on a First In, First Out ("FIFO") basis. With respect to LSB Common Stock and Call Options, Settlement Class Period sales will be matched first against any holdings at the beginning of the Settlement Class Period, and then against purchases/acquisitions in chronological order, beginning with the earliest purchase/acquisition made during the Settlement Class Period. For LSB Put Options, Settlement Class Period purchases will be matched first to close out positions open at the

beginning of the Settlement Class Period, and then against Put Options sold (written) during the Settlement Class Period in chronological order.

70. **"Purchase/Sale" Dates**: Purchases or acquisitions and sales of LSB Securities shall be deemed to have occurred on the "contract" or "trade" date as opposed to the "settlement" or "payment" date. The receipt or grant by gift, inheritance or operation of law of LSB Securities during the Settlement Class Period shall not be deemed a purchase, acquisition or sale of these LSB Securities for the calculation of a Claimant's Recognized Loss or Gain Amounts, nor shall the receipt or grant be deemed an assignment of any claim relating to the purchase/acquisition of such LSB Securities unless: (i) the donor or decedent purchased or otherwise acquired such LSB Securities during the Settlement 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 LSB Securities.

71. **Short Sales**: With respect to LSB Common Stock, the date of covering a "short sale" is deemed to be the date of purchase or acquisition of the Common Stock. The date of a "short sale" is deemed to be the date of sale of the LSB Common Stock. In accordance with the Plan of Allocation, however, the Recognized Loss and Gain Amounts on "short sales" is zero.

72. In the event that a Claimant has an opening short position in LSB Common Stock, the earliest purchases or acquisitions during the Settlement Class Period shall be matched against such opening short position, and not be entitled to a recovery, until that short position is fully covered.

73. If a Settlement Class Member has "written" Call Options, thereby having a short position in the Call Options, the date of covering such a written position is deemed to be the date of purchase or acquisition of the Call Option. The date on which the Call Option was written is deemed to be the date of sale of the Call Option. In accordance with the Plan of Allocation, however, the Recognized Loss and Gain Amounts on "written" Call Options is zero. In the event that a Claimant has an opening written position in Call Options, the earliest purchases or acquisitions of like Call Options during the Settlement Class Period shall be matched against such opening written position, and not be entitled to a recovery, until that written position is fully covered.

74. If a Settlement Class Member has purchased or acquired Put Options, thereby having a long position in the Put Options, the date of purchase/acquisition is deemed to be the date of purchase/acquisition of the Put Option. The date on which the Put Option was sold, exercised, or expired is deemed to be the date of sale of the Put Option. In accordance with the Plan of Allocation, however, the Recognized Loss and Gain Amounts on purchased/acquired Put Options is zero. In the event that a Claimant has an opening long position in Put Options, the earliest sales or dispositions of like Put Options during the Settlement Class Period shall be matched against such opening position, and not be entitled to a recovery, until that long position is fully covered.

75. **Common Stock Acquired Through the Exercise of Options**: With respect to LSB Common Stock purchased through the exercise of a LSB Call Option, the purchase date of the Common Stock is the exercise date of the option and the purchase price is the exercise price of the option, plus the cost per share of the LSB Call Option. With respect to LSB Common Stock purchased through the exercise of a LSB Put Option, the purchase date of the Common Stock is the sales date of the option and the purchase price is the exercise price of the option, less the proceeds per share received from the sale of the LSB Put Option.

76. **Netting Gains and Losses**: Gains and losses in LSB Securities trades will be netted for purposes of calculating whether a Claimant had an overall gain or loss on his, her or its transactions. The netting will occur both with respect to the Claimant's calculated Recognized Gain and Loss

Amounts as set forth in ¶¶ 58-68 above, as well as with respect to the Claimant's gains or losses based on his, her or its market transactions.

(a) **Netting of Calculated Gains and Loss Amounts**: The Claimant's Recognized Loss Amounts for Common Stock and Options will be totaled (the "Total Loss Amount") and the Claimant's Recognized Gain Amounts for Common Stock and Options will be totaled (the "Total Gain Amount"). If the Claimant's Total Loss Amount *minus* the Claimant's Total Gain Amount is a positive number, that will be the Claimant's Net Recognized Loss Amount; if the number is a negative number or zero, that will be the Claimant's Net Recognized Gain Amount.

(b) **Netting of Market Gains and Losses**: With respect to all LSB Common Stock and Call Options purchased or acquired or Put Options sold during the Settlement Class Period, the Claims Administrator will also determine if the Claimant had a Market Gain or a Market Loss with respect to his, her or its overall transactions during the Settlement Class Period in those shares and options. For purposes of making this calculation, with respect to LSB Common Stock, the Claims Administrator shall determine the difference between (i) the Claimant's Total Purchase Amount[5] and (ii) the sum of the Claimant's Sales Proceeds[6] and the Claimant's Holding Value.[7] For LSB Common Stock, if the Claimant's Total Purchase Amount *minus* the sum of the Claimant's 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. With respect to LSB Call Options that were purchased and subsequently sold or expired worthless, the Claims Administrator shall determine the difference between (i) the Claimant's Total Purchase Amount and (ii) the sum of the Claimant's Sales Proceeds. For LSB Call Options, if the Claimant's Total Purchase Amount *minus* the sum of the Claimant's Sales Proceeds 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. With respect to LSB Put Options that were sold and subsequently repurchased or expired worthless, the Claims Administrator shall determine the difference between (i) the sum of the Claimant's Total Purchase Amount[8] and (ii) the Claimant's Sale Proceeds.[9] For LSB Put Options, if the sum of the Claimant's Total

[5] For LSB Common Stock and Call Options, the "Total Purchase Amount" is the total amount the Claimant paid (excluding all fees, taxes and commissions) for all such LSB securities purchased or acquired during the Settlement Class Period.

[6] For LSB Common Stock and Call Options, the Claims Administrator shall match any sales of such LSB Securities during the Settlement Class Period first against the Claimant's opening position in the like LSB Securities (the proceeds of those sales will not be considered for purposes of calculating market gains or losses). The total amount received for sales of the remaining like LSB Securities sold during the Settlement Class Period is the "Sales Proceeds."

[7] The Claims Administrator shall ascribe a "Holding Value" of $9.08 to each share of LSB Common Stock purchased or acquired during the Settlement Class Period that was still held as of the close of trading on November 6, 2015.

[8] For LSB Put Options, the Claims Administrator shall match any purchases during the Settlement Class Period to close out positions in Put Options first against the Claimant's opening position in Put Options (the total amount paid with respect to those purchases will not be considered for purposes of calculating market gains or losses). The total amount paid for the remaining purchases during the Settlement Class Period to close out positions in Put Options is the "Total Purchase Amount."

[9] For LSB Put Options, the total amount received for Put Options sold (written) during the Settlement Class Period is the "Sales Proceeds."

Purchase Amount minus the Claimant's Sales Proceeds 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.

77. **Calculation of Claimant's Recognized Claim**: If a Claimant has a Net Recognized Gain Amount *or* a Market Gain, the Claimant's "Recognized Claim" will be zero. Such Claimants shall in any event be bound by the Settlement. If the Claimant has a Net Recognized Loss Amount *and* a Market Loss, the Claimant's "Recognized Claim" will be the lesser of those two amounts.

78. **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 shall be the Authorized Claimant's Recognized Claim divided by the total of Recognized Claims of all Authorized Claimants, multiplied by the total amount in the Net Settlement Fund.

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

80. The Net Settlement Fund will be allocated among all Authorized Claimants whose prorated payment is $10.00 or greater. If the prorated payment to any Authorized Claimant calculates to less than $10.00, it will not be included in the calculation (*i.e.*, the Recognized Claim will be deemed to be zero) and no distribution will be made to that Authorized Claimant. Any prorated amounts of less than $10.00 will be included in the pool distributed to those whose prorated payments are $10.00 or greater. Such Authorized Claimants shall in any event be bound by the Settlement.

81. After the initial distribution of the Net Settlement Fund, the Claims Administrator shall make reasonable and diligent efforts to have Authorized Claimants cash their distribution checks. To the extent any monies remain in the fund nine (9) months after the initial distribution, if Lead Counsel, in consultation with the Claims Administrator, determines that it is cost-effective to do so, the Claims Administrator shall conduct a re-distribution of the funds remaining after payment of any unpaid fees and expenses incurred in administering the Settlement, including for such re-distribution, to Authorized Claimants who have cashed their initial distributions and who would receive at least $10.00 from such re-distribution. Additional re-distributions to Authorized Claimants who have cashed their prior checks and who would receive at least $10.00 on such additional re-distributions may occur thereafter if Lead Counsel, in consultation with the Claims Administrator, determines that additional re-distributions, after the deduction of any additional fees and expenses incurred in administering the Settlement, including for such re-distributions, would be cost-effective. At such time as it is determined that the re-distribution of funds remaining in the Net Settlement Fund is not cost-effective, the remaining balance shall be contributed to non-sectarian, not-for-profit organization(s), to be recommended by Lead Counsel and approved by the Court.

82. 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 Plaintiffs, Lead Counsel, Plaintiffs' damages expert, Defendants, Defendants' Counsel, or any of the other Releasees, or the Claims Administrator or other agent designated by Lead Counsel arising from distributions made substantially in accordance with the Stipulation, the plan of allocation approved by the Court, or further Orders of the Court. Plaintiffs, Defendants and their respective counsel, shall have no responsibility or liability whatsoever for the investment or distribution of the Settlement Fund, the Net Settlement Fund, the plan of allocation, or the determination, administration, calculation, or

payment of any Claim Form or nonperformance of the Claims Administrator, the payment or withholding of taxes owed by the Settlement Fund, or any losses incurred in connection therewith.

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

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

84. Plaintiffs' Counsel have not yet received any payment for their services in pursuing claims against the Defendants on behalf of the Settlement Class, nor have Plaintiffs' Counsel been reimbursed for their out-of-pocket expenses. Before final approval of the Settlement, Lead Counsel will apply to the Court for an award of attorneys' fees for all Plaintiffs' Counsel in an amount not to exceed 33 1/3% of the Settlement Fund. At the same time, Lead Counsel also intends to apply for reimbursement of Litigation Expenses in an amount not to exceed $1,450,000, which may include an application for reimbursement of the reasonable costs and expenses (including lost wages) incurred by Plaintiffs directly related to their representation of the Settlement Class. The Court will determine the amount of any award of attorneys' fees or reimbursement of Litigation Expenses. Such sums as may be approved by the Court will be paid from the Settlement Fund. Settlement Class Members are not personally liable for any such fees or expenses.

WHAT IF I DO NOT WANT TO BE A MEMBER OF THE SETTLEMENT CLASS? HOW DO I EXCLUDE MYSELF?

85. Each Settlement Class Member will be bound by all determinations and judgments in this lawsuit, whether favorable or unfavorable, unless such person or entity mails or delivers a written Request for Exclusion from the Settlement Class, addressed to *Wilson v. LSB Industries, Inc. et al.*, EXCLUSIONS, c/o JND Legal Administration, P.O. Box 91236, Seattle, WA 98111-9336. The exclusion request must be ***received*** **no later than June 7, 2019.** You will not be able to exclude yourself from the Settlement Class after that date. Each Request for Exclusion must: (a) state the name, address and telephone number of the person or entity requesting exclusion, and in the case of entities the name and telephone number of the appropriate contact person; (b) state that such person or entity "requests exclusion from the Settlement Class in *Wilson v. LSB Industries, Inc. et al.*, Case No. 1:15-cv-07614"; (c) identify and state the number of all LSB Securities that the person or entity requesting exclusion purchased/acquired and/or sold during the Settlement Class Period (*i.e.*, between November 7, 2014 and November 5, 2015, inclusive), as well as the dates and prices of each such purchase/acquisition and sale; and (d) be signed by the person or entity requesting exclusion or an authorized representative. A Request for Exclusion shall not be valid and effective unless it provides all the information called for in this paragraph and is received within the time stated above, or is otherwise accepted by the Court.

86. If you do not want to be part of the Settlement Class, you must follow these instructions for exclusion even if you have pending, or later file, another lawsuit, arbitration, or other proceeding relating to any Released Plaintiffs' Claim against any of the Defendants' Releasees.

87. If you ask to be excluded from the Settlement Class, you will not be eligible to receive any payment out of the Net Settlement Fund.

88. Defendants have the right to terminate the Settlement if valid requests for exclusion are received from persons and entities entitled to be members of the Settlement Class in an amount that exceeds an amount agreed to by Plaintiffs and Defendants.

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?

89. **Settlement 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 Settlement Class Member does not attend the hearing. You can participate in the Settlement without attending the Settlement Hearing**.

90. The Settlement Hearing will be held on **June 28, 2019 at 10:00 a.m.**, before the Honorable Ronnie Abrams in Courtroom 1506 of the United States Courthouse, Southern District of New York, 40 Foley Square, New York, NY 10007. The Court reserves the right to approve the Settlement, the Plan of Allocation, Lead Counsel's motion for an award of attorneys' fees and reimbursement 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 Settlement Class.

91. Any Settlement Class Member who or which does not request exclusion may object to the Settlement, the proposed Plan of Allocation or Lead Counsel's motion for an award of attorneys' fees and reimbursement 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 June 7, 2019**. You must also serve the papers on Lead Counsel and on Defendants' Counsel at the addresses set forth below so that the papers are ***received*** **on or before June 7, 2019.**

Clerk's Office	Lead Counsel	Defendants' Counsel
United States District Court for the Southern District of New York Clerk of the Court Thurgood Marshall United States Courthouse 40 Foley Ave. New York, NY 10007	**Glancy Prongay & Murray LLP** Casey E. Sadler, Esq. 1925 Century Park East Suite 2100 Los Angeles, CA 90067	**DECHERT, LLP** David Kistenbroker, Esq. 35 West Wacker Drive Suite 3400 Chicago, Illinois 60601

92. Any objection: (a) must state the name, address and telephone number of the person or entity objecting and must be signed by the objector; (b) must contain a statement of the Settlement Class Member's objection or objections, and the specific reasons for each objection, including any legal and evidentiary support the Settlement Class Member wishes to bring to the Court's attention; and (c) must include documents sufficient to prove membership in the Settlement Class, including the number of all LSB Securities that the objecting Settlement Class Member purchased/acquired and/or sold during the Settlement Class Period (*i.e.*, between November 7, 2014 and November 5, 2015, inclusive), as well as the dates and prices of each such purchase/acquisition and sale. You may not object to the Settlement,

the Plan of Allocation or Lead Counsel's motion for attorneys' fees and reimbursement of Litigation Expenses if you exclude yourself from the Settlement Class or if you are not a member of the Settlement Class.

93. 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.

94. If you wish to be heard orally at the hearing in opposition to the approval of the Settlement, the Plan of Allocation or Lead Counsel's motion for an award of attorneys' fees and reimbursement 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 Lead Counsel and Defendants' Counsel at the addresses set forth above so that it is ***received*** **on or before June 7, 2019.** 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.

95. 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 Lead Counsel and Defendants' Counsel at the addresses set forth in ¶ 91 above so that the notice is ***received*** **on or June 7, 2019**.

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

97. **Unless the Court orders otherwise, any Settlement 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 Lead Counsel's motion for an award of attorneys' fees and reimbursement of Litigation Expenses. Settlement Class Members do not need to appear at the Settlement Hearing or take any other action to indicate their approval.**

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

98. If you purchased or otherwise acquired any of the LSB Securities between November 7, 2014 and November 5, 2015, inclusive, for the beneficial interest of persons or organizations other than yourself, you must either: (a) within seven (7) calendar days of receipt of the Postcard Notice, request from the Claims Administrator sufficient copies of the Postcard Notice to forward to all such beneficial owners and within seven (7) calendar days of receipt of those Postcard Notices forward them to all such beneficial owners; or (b) within seven (7) calendar days of receipt of the Postcard Notice, provide a list of the names and addresses of all such beneficial owners to *Wilson v. LSB Industries, Inc. et al.*, c/o JND Legal Administration, P.O. Box 91236, Seattle, WA 98111-9336. If you choose the second option, the Claims Administrator will send a copy of the Postcard Notice to the beneficial owners. Upon full compliance with these directions, such nominees may seek reimbursement of their reasonable expenses actually incurred, up to a maximum of $0.50 per notice, by providing the Claims Administrator with proper documentation supporting the expenses for which reimbursement is sought. Any dispute concerning the reasonableness of reimbursement costs shall be resolved by the Court. Copies of this Notice and the Claim Form may be obtained from the

website maintained by the Claims Administrator, www.LSBSecuritiesLitigation.com, or by calling the Claims Administrator toll-free at 1-833-402-1726.

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

99. 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, United States Courthouse, 40 Foley Ave., New York, NY 10007. 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.LSBSecuritiesLitigation.com.

All inquiries concerning this Notice and the Claim Form should be directed to the Claims Administrator or Lead Counsel at:

Wilson v. LSB Industries, Inc., et al.
c/o JND Legal Administration
P.O. Box 91236
Seattle, WA 98111-9336
833-402-1726
www.LSBSecuritiesLitigation.com

and/or

Casey E. Sadler, Esq.
GLANCY PRONGAY & MURRAY LLP
1925 Century Park East, Suite 2100
Los Angeles, CA 90067
(888) 773-9224
settlements@glancylaw.com

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

Dated: March 25, 2019

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

EXHIBIT C

Exchange Traded Funds continued from previous page

'19% Chg	RS	Acc Dis	52-wk High	Fund	Symbol	Div Yld	Close Price	Chg	Vol% Chg
26.9	81	E	130.0	ProS Ultra S&P 500	SSO	0.6	117.80	1.51	-13
45.2	67	D-	97.1	DX SC Bull 3X Shrs	TNA	0.2	61.12	0.55	35
29.3	59	B-	89.2	ProS Ultra Russ 2000	UWM	0.4	67.43	0.39	94
-24.8	20	B+	23.6	ProS UltSht Russ 2000	TWM	1.0	15.50	-0.10	73
-35.3	14	B+	18.7	DX SC Bear 3X Shrs	TZA	1.0	9.85	-0.08	46
-35.6	14	B+	48.5	ProS UltP Shrt R 2000	SRTY	1.2	25.49	-0.23	78
-20.1	12	B	41.2	ProS UltSht Dow 30	DXD	1.6	28.29	-0.49	12
-22.4	12	A-	49.5	ProS UltSht S&P 500	SDS	1.7	33.29	-0.43	-11
-27.6	9	C+	55.7	ProS UltSht QQQ	QID	2.0	34.40	-0.52	-4
-32.3	7	A-	38.5	DX Bear 3X Shrs	SPXS	1.0	20.86	-0.42	11
-29.0	7	B	24.2	ProS UltP Shrt Dow 30	SDOW	1.8	13.63	-0.33	-22
-32.2	7	B	57.9	ProS UltPro Sht SP500	SPXU	2.0	31.54	-0.62	-12
-39.3	5	B-	21.4	ProS UltPro Shrt QQQ	SQQQ	2.4	10.17	-0.23	2

Sector/Industry

'19% Chg	RS	Acc Dis	52-wk High	Fund	Symbol	Div Yld	Close Price	Chg	Vol% Chg
21.6	84	B	65.9	FrstTr Tech Alphdx	FXL	0.3	63.92	0.92	13
16.2	83	B	111.6	IS Cohen&Steers	ICF	2.7	111.20	-0.29	21
16.1	81	C	87.1	IS DJ US Real Est	IYR	3.0	87.04	-0.07	73
20.3	81	C+	204.4	VG Info Tech	VGT	1.2	200.63	2.01	-27
21.5	80	D	159.8	FrstTr NYSEArc Biotch	FBT	..	150.85	2.96	7
15.2	80	C-	25.0	FrstTr S&P REIT Indx	FRI	3.1	24.90	-0.09	111
18.7	80	B-	40.9	PureFnds ISE CybSec	HACK	0.1	40.01	0.50	-29
15.4	80	D-	44.6	Schwab US REIT	SCHH	2.8	44.43	-0.19	23
16.5	80	B-	87.4	VG REIT	VNQ	4.0	86.91	-0.08	98
15.3	79	C-	25.0	FirstTr NAm EngyInf	EMLP	4.0	24.73	0.10	-27
24.9	78	C-	27.1	Invesco Solar	TAN	0.5	23.16	0.02	119
19.2	78	C+	197.0	IS DJ US Tech Indx	IYW	0.8	190.60	1.80	-35
20.8	78	C-	197.1	IS Phlx Sox Smcdct	SOXX	1.2	189.54	2.77	-19
9.8	78	B	149.4	IS US Utilities	IDU	2.6	147.31	0.72	-29
15.0	78	B-	99.4	SPDR DJ Wil REIT	RWR	3.7	98.92	-0.47	-60
19.4	78	C+	76.3	SPDR Technology	XLK	1.4	74.00	0.72	7
9.9	78	B-	59.1	Util Sel Sec SDPR	XLU	3.1	58.17	0.31	39
10.0	78	A	131.4	VG Utilities	VPU	3.0	129.60	0.73	-27
19.1	76	C	147.7	FrstTr DJ Internet	FDN	..	138.90	0.97	-12
26.2	76	D+	101.5	SPDR S&P Biotech	XBI	0.2	90.54	1.65	13
21.8	76	C	112.0	VV Semicndctr	SMH	1.5	106.33	1.70	-6
15.5	75	B	39.0	FrstTr Nasdq TechDiv	TDIV	2.5	38.30	0.37	-41
12.9	74	C	30.2	IS DJ US Telecom	IYZ	1.7	29.74	0.21	181
15.0	74	C+	118.1	SPDR Cnsmr Discrtnry	XLY	1.2	113.85	0.59	-13
13.0	73	B-	50.3	SPDR DJ Glbl Real Est	RWO	3.4	50.03	-0.23	20
10.5	72	D	57.0	SPDR Consmr Stpls	XLP	2.7	56.11	0.37	2
6.3	72	B-	23.7	VV Gold Miners	GDX	0.4	22.42	0.01	-24
8.4	71	B+	20.5	Sprott Gold Miners	SGDM	0.4	18.94	-0.09	-62
16.5	69	E	80.4	SPDR Industrial	XLI	2.0	75.03	0.80	-20
5.6	67	B-	29.1	FirstTrustUtilitiesAlphaDEX	FXU	2.3	28.28	0.15	-53
14.9	67	C	25.8	UBS Etrc Alrn MLP Infr	MLPI	7.0	22.72	0.13	-42
13.7	67	B-	62.2	VG Glbl X-US Real Est	VNQI	4.1	59.57	0.19	-12
15.9	66	E	123.0	IS Nasdaq Biotech	IBB	0.3	111.80	2.34	8
7.2	66	C	204.8	IS US Healthcare	IYH	1.8	193.78	2.31	-24
6.1	66	E	96.1	SPDR Health Care	XLV	1.5	91.75	1.09	2
18.5	66	B-	42.0	SPDR S&P Homebldrs	XHB	1.1	38.55	-0.01	20
7.4	66	B	181.9	VG Health Care	VHT	1.7	172.48	2.03	-45
14.2	63	A-	44.1	FrstTr CnsmrDisc Alph	FXD	0.9	42.08	0.09	97
10.9	63	D	85.3	FrstTr Health Cre Alph	FXH	..	76.41	0.75	13
14.3	63	C+	29.9	JPMorgan Alerian ETN	AMJ	7.5	25.51	0.15	-60
5.0	63	D	35.0	VV Jr Gold Mine	GDXJ	0.4	31.73	0.02	-7
11.1	59	B	41.1	SPDR DJ Wil Intl RE	RWX	4.7	39.28	-0.05	-26
13.5	58	D+	209.4	IS DJ Transprtn Idx	IYT	1.1	187.26	1.65	-31
11.1	58	D-	126.4	IS DJ US Finl Indx	IYF	1.8	118.13	0.27	-33
11.9	55	C-	35.5	Flx Glb Upstr NatRes	GUNR	3.3	32.75	0.19	-41
17.3	54	C+	41.5	IS DJ US Home Const	ITB	0.6	35.24	-0.18	83
8.5	54	C-	45.8	IS FTSE Nareit Mort	REM	8.8	43.34	-0.10	6
8.5	50	D+	49.0	FrstTr ConsmrSpl Alph	FXG	2.3	45.80	0.14	32
12.0	50	D	33.0	FrstTr Financial Alpha	FXO	2.2	30.26	0.04	35
9.9	49	D	61.2	SPDR Materials	XLB	2.0	55.50	0.48	-10
14.8	44	B+	39.5	IS S&P Glb Energy	IXC	3.0	33.70	0.02	20
4.5	39	D-	74.3	Inv Dyn Phara	PJP	1.1	65.17	0.56	131
15.6	39	D-	43.8	IS DJ US Energy Idx	IYE	2.7	36.03	-0.02	7
15.5	39	C-	38.3	IS S&P NAm Nat Res	IGE	2.4	31.38	-0.02	-46
15.3	39	D	79.4	SPDR Energy	XLE	3.1	66.12	-0.10	-25
7.9	39	E	29.1	SPDR Financial	XLF	2.0	25.71	0.07	-5
9.8	39	E	53.0	SPDR S&P Retail	XRT	1.4	45.01	0.14	15
8.7	39	D	73.0	VG Financials	VFH	2.3	64.54	0.15	-16
15.7	37	D	22.2	Fidelity MSCI Enrgy	FENY	2.9	18.08	-0.02	45
15.9	36	D+	109.8	VG Energy	VDE	3.0	89.38	-0.06	-63
11.8	33	D-	51.2	SPDR KBW Bank	KBE	2.1	41.77	-0.09	-6
13.3	29	D+	38.8	SPDR S&P Metal&Mng	XME	2.3	29.68	0.12	-36
9.7	27	D-	66.0	SPDR KBW Regnl Bnk	KRE	2.1	51.34	-0.12	18
17.6	25	C+	24.4	FrstTr ISE Rev NatGas	FCG	1.3	17.28	-0.02	0
7.1	25	D+	24.0	IS MSCI Europe Fncl	EUFN	6.0	18.16	0.05	59
28.2	25	E	19.2	SPDR S&P O&G Equip	XES	0.8	11.55	-0.03	-40
12.3	23	D	18.2	FrstTr Energy Alphdx	FXN	1.2	12.93	-0.03	-70
15.9	22	C-	45.5	SPDR S&P O&G Expl	XOP	0.9	30.74	-0.06	-17
22.8	19	E	29.9	HT Oil Service	OIH	1.7	17.23	-0.03	3

Leveraged

'19% Chg	RS	Acc Dis	52-wk High	Fund	Symbol	Div Yld	Close Price	Chg	Vol% Chg
38.2	82	D-	78.3	DX Finl Bull 3X	FAS	1.1	61.86	0.51	1
13.1	79	B+	28.8	DX Gld Mnr Bull 2X	NUGT	0.3	19.79	-0.02	-14
31.8	77	E	70.8	ProS Ult Ndsq Biotech	BIB	..	55.48	2.26	-42
6.5	46	C+	16.4	DX JrGldMnrs Bul 3X	JNUG	0.5	9.81	0.01	-26
49.8	45	C	43.9	DX Energy Bull 3X	ERX	2.6	22.70	-0.15	-34
32.9	40	C+	47.4	ProS Ultra Oil & Gas	DIG	1.8	31.00	-0.04	165
-27.6	27	B	58.5	ProS UltSht Oil & Gas	DUG	0.5	36.37	0.08	4
-39.0	17	D+	82.5	DX Energy Bear 3X	ERY	1.1	39.66	0.22	-30
52.6	13	C+	27.8	DX NatGas Bull 3X	GASL	..	7.83	-0.01	-14
-27.7	11	B-	27.6	ProS UltSht Nsdq Biot	BIS	0.9	16.69	-0.71	-51
-30.4	10	A-	17.0	DX Finl Bear 3X	FAZ	0.8	9.45	-0.09	-18
-26.9	7	D-	34.3	ProS UltSht Real Est	SRS	0.9	22.54	0.03	-10
-20.9	5	D	48.8	DX GldMnrs Bear 3X	DUST	0.7	18.08	0.01	-10
-22.0	5	C-	95.1	DX JrGldMnrs Br 3X	JDST	1.2	39.21	0.07	-32
-50.2	3	B-	17.2	DX Semicon Bear 3X	SOXS	1.5	6.57	-0.32	11

Global

'19% Chg	RS	Acc Dis	52-wk High	Fund	Symbol	Div Yld	Close Price	Chg	Vol% Chg
31.0	83	B	31.5	Dxt CSI 300	ASHR	0.9	28.73	0.93	32
7.3	78	C-	45.7	IS MSCI Brazil	EWZ	2.7	40.99	0.31	19
16.1	76	B-	26.7	IS MSCI Hong Kong	EWH	2.5	26.21	0.33	46
7.4	73	A-	38.3	IS India 50	INDY	0.5	37.92	0.08	-32
15.7	71	B	33.0	WT Intl Hedg Div	IHDG	0.3	32.20	0.31	1
10.1	70	B+	89.4	IS MSCI ACWI MinVol	ACWV	2.1	89.48	0.37	-21
7.6	70	D	35.6	IS MSCI Philippines	EPHE	0.4	34.30	0.22	-10
12.2	69	D	35.6	IS MSCI Switzerland	EWL	2.3	35.37	0.25	-13
13.2	67	D+	67.6	WT Europe Hdg Eq	HEDJ	2.4	63.91	0.45	-2
12.6	64	B	29.8	Dxt MSCI Eurp Hedg	DBEU	3.1	28.34	0.13	-22
5.7	64	B	36.3	IS MSCI India	INDA	0.9	35.25	0.13	-34
14.2	64	B-	32.4	WT Europe Hdg SC	EUSC	2.3	30.16	0.22	-58
12.4	63	B-	16.2	Inv Intl Div Achvr	PID	3.3	15.88	0.04	-28
13.3	63	C	48.9	IS Ftse China 25	FXI	2.4	44.27	0.44	25
18.6	63	C-	72.2	IS MCSI China	MCHI	1.3	62.43	1.17	80
12.5	63	D	75.0	IS MSCI ACWI	ACWI	2.0	72.15	0.45	-10
3.5	63	C+	28.0	IS MSCI Indonesia	EIDO	1.9	25.68	-0.03	-29
6.2	63	B	27.2	WT India Earn	EPI	1.3	26.33	0.20	-27
15.4	62	E	29.6	IS MSCI Canada	EWC	2.3	27.64	0.06	8
11.9	59	C	33.0	Dxt MSCI EAFE Hedg	DBEF	2.9	31.22	0.13	-18
11.8	59	B-	77.0	VG Total World Stock	VT	2.3	73.17	0.39	90
12.8	58	B	48.6	IS MSCI Pac Ex-Japn	EPP	4.4	45.90	0.35	-26
7.8	58	C	38.1	IS S&P Latin Am 40	ILF	2.9	33.23	0.34	24
12.0	55	B	36.7	IS MSCI Russia Cap	ERUS	4.2	34.49	-0.33	2
4.8	54	A	26.8	Inv India	PIN	1.1	25.32	0.01	-82
13.7	54	B-	33.1	IS MSCI Netherlands	EWN	2.1	29.89	0.26	-19
11.5	54	C-	47.2	VG MSCI Em Mkt	VWO	2.6	42.50	0.50	-5
8.3	50	C-	23.6	Inv FTSE RAFI EM	PXH	3.1	21.41	0.16	-62
11.3	50	C	78.7	IS MSCI Asia Ex Jpn	AAXJ	1.9	70.69	0.74	121
8.0	50	C-	75.0	IS MSCI EAFE Min Vol	EFAV	3.1	72.00	0.19	-36
10.5	50	C	28.8	Schwab Emerg Mkt	SCHE	2.4	26.01	0.34	8
8.8	50	C+	40.5	SPDR S&P Intl Div	DWX	4.6	38.03	0.14	-58
9.2	50	C-	48.0	WT Emg Mk Hi Yld	DEM	4.3	43.84	0.29	-26
11.8	49	C	23.2	IS MSCI Australia	EWA	5.4	21.52	0.15	-24
14.8	49	A-	34.3	IS MSCI Italy	EWI	4.1	27.79	0.20	-32
12.5	49	B-	37.4	IS MSCI Untd Kingdm	EWU	4.4	33.01	0.07	106
9.7	45	E	58.6	IS Core MSCI EM	IEMG	2.5	51.71	0.50	-30
10.3	45	E	51.0	IS MSCI ACWI Ex US	ACWX	2.4	46.27	0.27	-42
6.1	45	D+	63.1	IS MSCI EM Min Vol	EEMV	2.3	59.27	0.44	-49
12.3	45	B-	20.5	VV Vietnam	VNM	0.7	16.56	0.09	-59
10.3	44	B-	72.1	IS MSCI Eafe Idx	EFA	3.1	64.86	0.27	-10
9.9	44	D+	48.5	IS MSCI Emrg Mkts	EEM	2.0	42.92	0.44	-6
11.1	44	B	33.1	IS MSCI France	EWQ	2.6	29.47	0.24	-34
10.9	44	D+	48.4	IS S&P Europe 350	IEV	3.1	43.39	0.20	32
10.0	44	C+	55.7	VG Fts Wrd X-US	VEU	3.0	50.15	0.23	-49
10.5	41	C-	68.0	IS Core MSCI EAFE	IEFA	3.1	60.77	0.24	109
8.2	41	C-	33.3	WT Germany Hdg	DXGE	2.7	28.64	0.24	-63
9.1	40	B-	29.1	Dxt MSCI Germny Hdg	DBGR	2.6	25.41	0.13	48
10.8	40	C	27.1	EGShrs EM Consmr	ECON	0.9	22.58	0.24	-38
9.6	40	B-	29.5	FrstTr Emrg Mkt Alph	FEM	3.2	25.03	0.14	63
16.5	40	D	10.8	GX FTSE Greece 20	GREK	2.0	8.04	0.11	29
7.5	40	C	34.4	IS DJ Intl Selct Divnd	IDV	5.6	30.86	0.09	-24
6.7	40	D	100.8	IS MSCI Thailand In	THD	2.4	88.33	0.72	-6
10.4	40	D-	34.8	Schwab Intl Equity	SCHF	2.7	31.31	0.10	-27
10.2	40	D+	45.7	VG MSCI Eafe	VEA	3.1	40.87	0.14	-8
9.9	40	C+	57.9	VG Total Intl Stk	VXUS	2.9	51.90	0.28	258
9.9	40	B	22.9	VV Russia	RSX	4.7	20.60	-0.22	103
12.6	39	B	21.6	IS MSCI Belgium	EWK	2.4	18.40	0.22	-63
7.4	39	B-	28.0	IS MSCI Singapore	EWS	3.9	23.73	0.19	2
9.9	39	C+	42.1	SPDR Euro Stoxx 50	FEZ	3.2	36.58	0.26	10
10.3	39	D-	60.5	VG MSCI Europn	VGK	3.6	53.61	0.25	-12
9.6	37	B-	45.2	Dxt MSCI Japan Hedg	DBJP	3.5	39.79	0.05	-48
8.1	36	D	56.5	IS MSCI EAFE Value	EFV	4.2	48.88	0.10	-46
10.1	36	C-	45.2	IS MSCI Emu Indx	EZU	3.1	38.60	0.24	29
7.0	36	E	34.5	IS MSCI Sweden	EWD	4.8	30.22	0.00	49
9.4	36	C-	38.5	IS MSCI Taiwan	EWT	2.9	34.58	0.42	-25
9.5	34	B-	22.6	FrstTr DorWr Intl Foc 5	IFV	1.9	19.08	0.06	-20
10.8	34	D	67.0	IS MSCI Eafe Sml Cp	SCZ	2.5	57.44	0.34	-37
-0.7	34	D	26.6	IS MSCI Poland	EPOL	1.4	22.88	-0.11	-28
8.0	33	D	61.7	IS MSCI Japan	EWJ	1.6	54.72	-0.03	-3
6.7	33	D	34.0	IS MSCI Spain	EWP	3.4	28.61	0.09	-16
8.6	33	C+	74.5	VG MSCI Pacifc	VPL	2.8	65.86	0.11	-42
6.1	31	D-	32.1	Dxt MSCI SKorea Hdg	DBKO	3.0	27.02	0.12	-88
1.1	31	D-	39.2	VV Emrg Mkt Bnd	EMLC	6.4	33.36	-0.06	-17
9.5	31	C	72.9	WT Euro SC Div	DFE	4.6	58.43	0.19	-65
9.1	31	D	58.9	WT Jpn Hedged	DXJ	2.7	50.61	0.01	-46
-9.3	29	B	21.8	ProS Short MSCI Emrg	EUM	1.2	18.49	-0.19	-18
4.3	27	C-	55.6	IS MSCI Chile Index	ECH	2.3	43.18	0.51	-30
6.2	26	C	33.4	IS MSCI Germany	EWG	3.0	26.92	0.14	-29
0.6	24	D-	36.6	IS MSCI Malaysia	EWM	3.8	29.94	0.09	-50
5.9	24	C+	54.6	IS MSCI Mexico	EWW	2.2	43.59	0.19	22
3.7	24	C	70.3	IS MSCI So Africa	EZA	3.7	52.33	1.06	2
3.6	23	D+	76.4	IS MSCI South Korea	EWY	1.3	60.95	0.27	-23
0.0	21	C	26.3	Innovator IBD ETF Ldrs	LDRS	1.1	21.38	0.11	44
-1.2	15	D+	42.7	IS MSCI Turkey Inve	TUR	4.1	24.27	0.68	50

Leveraged

'19% Chg	RS	Acc Dis	52-wk High	Fund	Symbol	Div Yld	Close Price	Chg	Vol% Chg
12.2	86	C-	51.7	DX Brazil Bull 3X	BRZU	0.9	28.02	0.60	46
39.0	75	C	37.0	DX FTSE China Bul 3X	YINN	1.0	24.18	0.73	24
27.1	36	B-	128.8	DX Emg Mkt Bull 3X	EDC	0.7	79.78	2.45	58
25.2	34	B	59.0	DX Russia Bull 3X	RUSL	2.1	37.31	-1.08	141
-26.6	14	B	73.3	DX Emg Mkt Bear 3X	EDZ	1.1	43.85	-1.35	-31
-26.4	10	C	24.5	DX Russia Bear 3X	RUSS	1.0	15.06	0.49	119
-33.9	7	B-	79.4	DX FTSE China Bear 3X	YANG	1.0	44.07	-1.42	-13

Bond/Income

'19% Chg	RS	Acc Dis	52-wk High	Fund	Symbol	Div Yld	Close Price	Chg	Vol% Chg
9.2	60	B+	19.0	MultAsset Div Income	MDIV	6.0	18.38	0.03	-15
6.0	59	B-	28.3	Inv Emrg Mkt Sovgn	PCY	4.8	28.00	0.08	-18
5.2	59	B	55.2	IS Brcly Intmd CrpBnd	IGIB	3.4	55.14	-0.03	7
11.7	59	C+	55.0	SPDR Brcly Conv Sec	CWB	5.4	52.25	0.45	-8
4.8	59	B	87.1	VG Intmd Corp Bond	VCIT	3.5	86.87	-0.09	-2
7.5	59	A-	91.5	VG LngTrm Corp Bond	VCLT	4.2	91.53	0.27	34
4.1	58	B+	126.7	IS Brcly 20+ Yr Trsy	TLT	2.6	126.44	-0.12	41
5.5	58	A-	119.2	IS Iboxx $ Invgrdcp	LQD	3.5	119.06	-0.09	-6
7.6	54	C	14.8	Inv Preferred	PGX	5.6	14.50	0.06	10
2.4	54	B+	107.1	IS Brcly 7-10 Yr Trs	IEF	2.3	106.67	-0.17	-46
6.6	54	B-	86.7	IS Iboxx Hi Yd C Bd	HYG	5.3	86.47	0.22	11
5.9	54	C-	112.9	IS JPM USD Emg Mkts	EMB	5.5	110.06	0.10	-23
7.1	54	C+	36.3	SPDR Brcly HiYld Bnd	JNK	5.6	35.97	0.10	41
3.2	54	C+	84.3	VG Intrmed-Term Bd	BIV	2.8	83.93	-0.15	-30
2.8	54	A	48.9	VV Intmd Muni	ITM	2.3	48.80	-0.05	52
2.8	51	B	55.9	VG Totl Intl Bond	BNDX	2.9	55.77	-0.08	-57
5.5	50	B	18.8	Inv High Yld Corp	PHB	4.2	18.65	0.00	147
2.4	50	B+	25.3	IS Core US Trsy	GOVT	2.0	25.24	-0.01	-10
2.0	50	B+	111.4	IS S&P Natl Muni	MUB	2.5	111.19	-0.17	-59
5.3	50	C-	100.9	Pimco 0-5Yr HiYld Crp	HYS	4.8	100.19	0.30	-2
2.7	50	A-	105.7	Pimco TotlRtn Active	BOND	3.5	105.54	-0.08	-39
2.5	50	B	51.9	Schwab US Aggr Bnd	SCHZ	2.8	51.88	-0.02	-15
2.4	50	B+	49.4	SPDR NV Brcly Muni	TFI	2.2	49.28	-0.06	33
2.3	50	D-	79.9	VG St Corp Bond	VCSH	2.7	79.76	0.00	23
5.2	49	B-	18.8	Inv Financial Prfd	PGF	5.5	18.26	0.05	-65
2.3	49	C-	52.9	IS Brcly 1-3 Yr Cr	IGSB	2.6	52.82	-0.05	40
1.5	49	B+	123.6	IS Brcly 3-7 Yr Trsy	IEI	2.0	123.20	-0.16	-24
2.4	49	A-	109.2	IS Brcly Agg Bd Fd	AGG	2.7	109.07	-0.01	18
1.6	49	B-	106.6	IS Brcly MBS Fixed	MBB	2.7	106.36	-0.09	-43
2.5	49	B-	81.3	VG Total Bond Mkt	BND	2.8	81.18	-0.06	-25
2.1	46	A	48.4	SPDR DL Totl Rtn Tact	TOTL	3.4	48.35	0.04	-36
4.7	45	B-	27.6	SPDR Brcly St HY Bnd	SJNK	5.5	27.25	0.06	77
1.4	45	A-	30.6	SPDR Brcly St Crd Bnd	SPSB	2.5	30.55	-0.02	-20
1.7	45	B+	52.5	VG Mrtg Backed Sec	VMBS	2.8	52.36	-0.03	-53
2.8	45	B+	63.1	VV Hi Yield Muni	HYD	4.3	62.77	-0.02	-22
3.3	44	B-	113.3	IS Brcly TIPS	TIP	2.6	113.07	0.20	-11
6.8	44	D+	38.1	IS S&P US Pfd Stk	PFF	5.9	36.55	0.15	23
0.9	44	B	48.6	SPDR Nuv Brcly ST Bn	SHM	1.3	48.48	-0.09	-59
1.3	44	B+	79.7	VG Short-Term Bond	BSV	2.1	79.59	-0.04	-53
0.2	41	E	60.1	FrstTr Enh Shrt Matur	FTSM	2.3	59.98	-0.11	-15
5.3	41	C	12.1	GX SuperDiv Preferd	SPFF	7.0	11.61	0.01	47
1.6	41	C+	49.2	VG Shrt Trm Infl-Protc	VTIP	2.4	48.68	0.00	61
3.9	40	C+	23.2	Inv Senior Loan	BKLN	4.6	22.64	0.11	17
4.1	40	B-	30.9	IQ Hdg MultStrat Trckr	QAI	..	30.07	0.04	-68
0.2	40	B	110.6	IS Brcly Shrt Trsy	SHV	1.8	110.57	0.01	-3
1.1	40	B-	51.1	IS Fltng Rate Bond	FLOT	2.6	50.91	0.02	-34
0.6	40	E	101.7	Pimco Enhn ShrtMat	MINT	2.5	101.56	0.00	42
0.2	40	E	91.6	SPDR Brcly 1-3MoTbill	BIL	1.9	91.60	0.00	-8
0.6	39	B	84.2	IS Brcly 1-3 Yr Trsy	SHY	1.9	84.12	-0.05	-36
1.0	36	C-	29.6	SPDR Brcly Intl Treas	BWX	1.1	27.89	-0.03	-77
-3.9	25	E	24.4	ProS Short 20+ Yr Trs	TBF	1.2	21.51	0.03	-3

Leveraged

'19% Chg	RS	Acc Dis	52-wk High	Fund	Symbol	Div Yld	Close Price	Chg	Vol% Chg
11.8	83	B+	21.8	DX 20+ Treas Bull 3X	TMF	1.5	21.65	-0.04	20
24.6	77	B-	16.1	UBS Etrc 2X MortREIT	MORL	20.4	15.12	-0.01	-37
-8.2	18	E	41.7	ProS UltSht 20+ Yr	TBT	1.3	32.26	0.06	63
-12.2	12	E	23.7	DX 20+ Treas Bear 3X	TMV	0.9	16.01	0.02	1

Commodity/Currency

'19% Chg	RS	Acc Dis	52-wk High	Fund	Symbol	Div Yld	Close Price	Chg	Vol% Chg
23.8	79	E	59.9	ProS Short VIX ST Fut	SVXY	..	52.36	0.82	-16
25.4	63	C	24.4	US Brent Oil	BNO	..	19.22	0.12	-41
13.2	60	D	31.6	IS CurrHdg MSCI EMU	HEZU	3.1	29.36	0.19	-57
2.3	59	C-	26.1	Inv DB US$ Bullish	UUP	1.0	26.03	0.03	-3
29.4	59	D+	16.2	United States Oil LP	USO	..	12.50	0.15	-19
11.9	55	C-	30.8	IS Curr Hdg MSCI EAFE	HEFA	3.0	28.87	0.11	-29
10.7	51	B	27.3	IS Curr Hdg MSCI EM	HEEM	2.1	25.49	0.26	-50
10.7	49	B-	19.9	Inv DB Base Metals	DBB	1.4	17.04	0.24	-13
0.7	49	D-	13.1	IS Gold Trust	IAU	..	12.38	0.02	0
24.1	44	C	14.2	Inv DB Oil	DBO	1.2	10.51	0.07	-42
0.6	44	C	129.5	SPDR Gold Trust	GLD	..	122.01	0.11	-12
9.2	41	D+	29.8	IS CurrHdg MSCI Germ	HEWG	2.5	25.94	0.14	-68
8.6	40	C-	6.0	Elmnts Rogr Intl Cmd	RJI	..	5.31	0.00	1875
13.8	39	B-	18.8	IS S&P GSCI Cmd ETN	GSG	..	15.95	0.02	254
9.6	37	D+	34.7	IS Curr Hdg MSCI Japn	HEWJ	1.2	30.79	0.04	-47
9.7	33	C	18.6	Inv DB Commdty Idx	DBC	1.1	15.90	0.01	-48
6.8	33	D-	25.8	IP DJ-UBS Cmmd ETN	DJP	..	22.66	-0.01	6
-2.3	31	C	16.4	IS Silver Trust	SLV	..	14.18	0.11	15
-2.2	26	D-	119.2	Currencyshrs Euro	FXE	..	107.02	-0.03	4
-2.8	25	C	19.5	Inv DB Agriculture	DBA	1.1	16.47	-0.18	121
-5.0	23	C	39.9	United States NatGas	UNG	..	23.48	-0.43	-28
-37.8	7	B+	44.5	ProS VIX ST Futures	VIXY	..	24.02	-0.80	-13

Leveraged

'19% Chg	RS	Acc Dis	52-wk High	Fund	Symbol	Div Yld	Close Price	Chg	Vol% Chg
5.9	80	D+	25.8	ProS UltSht Euro	EUO	..	25.67	0.04	-14
61.9	67	D-	39.4	ProS Ultra Crude Oil	UCO	..	21.53	0.55	-37
0.2	36	C+	6.8	DB Gold DS ETN	DZZ	..	5.81	0.00	-72
-7.2	19	D	34.9	ProS Ultra Silver	AGQ	..	24.48	0.35	-9
-42.3	14	E	33.2	ProS UltSht Crude Oil	SCO	..	16.88	-0.44	37
-11.3	13	C	118.0	VS 3X Long Silver ETN	USLV	..	65.74	1.43	8
-20.9	5	D-	73.7	ProS Ult Bloom Natgs	BOIL	..	20.42	-0.82	-30
-8.9	4	D	612.0	VS 3X Invr NatGas ETN	DGAZ	..	107.75	5.70	-32
-52.4	3	A	112.0	ProS Ult VIX ShrtTrm	UVXY	..	38.90	-1.94	-2
-63.1	2	B+	120.6	VS 2X VIX ShrtTrm ETN	TVIX	..	26.15	-1.61	18
-28.1	2	E	260.2	VS 3X Lng NatGas ETN	UGAZ	..	28.98	-1.74	-25

ETF abbreviations: Bldrs=Builders; Brcly=Barclays; DB=Deutsche Bank; DX=Direxion; Dxt=Deutsche X-trackers; FrstTr=First Trust; GS=Goldman Sachs; GX=Global X; HT=Holdrs Trust; Inv=Invesco; IP=iPath; IS=iShares; KS=KraneShares; Nv=Nuveen; ProS=ProShares; RX=Rydex; VG=Vanguard; VS=VelocityShares; VV=VanEck Vectors; WT=WisdomTree

LEGAL NOTICE

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

DENNIS WILSON, Individually and on Behalf of All Others Similarly Situated,

Plaintiff,

v.

LSB INDUSTRIES, INC., JACK E. GOLSEN, BARRY H. GOLSEN, MARK T. BEHRMAN, TONY M. SHELBY, and HAROLD L. RIEKER, JR.

Defendants.

Case No. 1:15-cv-07614-RA-GWG

SUMMARY NOTICE OF (I) PENDENCY OF CLASS ACTION AND PROPOSED SETTLEMENT; (II) SETTLEMENT FAIRNESS HEARING; AND (III) MOTION FOR AN AWARD OF ATTORNEYS' FEES AND REIMBURSEMENT OF LITIGATION EXPENSES

TO: All persons or entities that purchased or otherwise acquired LSB Common Stock or sold LSB Put Options between November 7, 2014 and November 5, 2015, inclusive (the "Class Period"), and were damaged thereby (the "Settlement Class"):

PLEASE READ THIS NOTICE CAREFULLY: YOUR RIGHTS WILL BE AFFECTED BY 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 the above-captioned litigation (the "Action") has been certified as a class action on behalf of the Settlement Class, except for certain persons and entities who are excluded from the Settlement Class by definition as set forth in the full Notice of (I) Pendency of Class Action and Proposed Settlement; (II) Settlement Fairness Hearing; and (III) Motion for an Award of Attorneys' Fees and Reimbursement of Litigation Expenses (the "Notice").

YOU ARE ALSO NOTIFIED that Plaintiffs in the Action have reached a proposed settlement of the Action for $18,450,000 in cash (the "Settlement"), that, if approved, will resolve all claims in the Action.

A hearing will be held on **June 28, 2019 at 10:00 a.m.**, before the Honorable Ronnie Abrams at the United States District Court for the Southern District of New York, United States Courthouse, Courtroom 1506, 40 Foley Square, New York, NY 10007, to determine (i) whether the proposed Settlement should be approved as fair, reasonable, and adequate; (ii) whether the Action should be dismissed with prejudice against Defendants, and the Releases specified and described in the Stipulation and Agreement of Settlement dated January 19, 2019 (and in the Notice) should be granted; (iii) whether the proposed Plan of Allocation should be approved as fair and reasonable; and (iv) whether Lead Counsel's application for an award of attorneys' fees and reimbursement of expenses should be approved.

If you are a member of the Settlement Class, your rights will be affected by the pending Action and the Settlement, and you may be entitled to share in the Settlement Fund. The Notice and Proof of Claim and Release Form ("Claim Form"), can be downloaded from the website maintained by the Claims Administrator, www.LSBSecuritiesLitigation.com. You may also obtain copies of the Notice and Claim Form by contacting the Claims Administrator at *Wilson v. LSB Industries, Inc. et al.*, c/o JND Legal Administration, P.O. Box 91236, Seattle, WA 98111-9336, 833-402-1726.

If you are a member of the Settlement Class, in order to be eligible to receive a payment under the proposed Settlement, you must submit a Claim Form ***postmarked*** **no later than July 23, 2019.** If you are a Settlement 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.

If you are a member of the Settlement Class and wish to exclude yourself from the Settlement Class, you must submit a request for exclusion such that it is ***received*** **no later than June 7, 2019**, in accordance with the instructions set forth in the Notice. If you properly exclude yourself from the Settlement Class, you will not be bound by any judgments or orders entered by the Court in the Action and you will not be eligible to share in the proceeds of the Settlement.

Any objections to the proposed Settlement, the proposed Plan of Allocation, or Lead Counsel's motion for attorneys' fees and reimbursement of expenses, must be filed with the Court and delivered to Lead Counsel and Defendants' Counsel such that they are ***received*** **no later than June 7, 2019**, in accordance with the instructions set forth in the Notice.

Please do not contact the Court, the Clerk's office, LSB, or its counsel regarding this notice. All questions about this notice, the proposed Settlement, or your eligibility to participate in the Settlement should be directed to Lead Counsel or the Claims Administrator.

Requests for the Notice and Claim Form should be made to:	Inquiries, other than requests for the Notice and Claim Form, should be made to Lead Counsel:
Wilson v. LSB Industries, Inc. et al. c/o JND Legal Administration P.O. Box 91236 Seattle, WA 98111-9336 833-402-1726 www.LSBSecuritiesLitigation.com	GLANCY PRONGAY & MURRAY LLP ATTN: Casey E. Sadler, Esq. 1925 Century Park East, Suite 2100 Los Angeles, CA 90067 (888) 773-9224 settlements@glancylaw.com

By Order of the Court

UNITED STATES DISTRICT COURT
DISTRICT OF ARIZONA

Rameses Te Lomingkit, Individually And On Behalf Of All Others Similarly Situated,

Plaintiff,

v.

Apollo Education Group, Inc. (F/K/A Apollo Group, Inc.); Peter V. Sperling, Gregory W. Cappelli; Brian L. Swartz; and William Pepicello,

Defendants.

No. 2:16-cv-00689-PHX-JAT

CLASS ACTION

SUMMARY NOTICE OF (I) PENDENCY OF CLASS ACTION AND PROPOSED SETTLEMENT; (II) SETTLEMENT FAIRNESS HEARING; AND (III) MOTION FOR AN AWARD OF ATTORNEYS' FEES AND REIMBURSEMENT OF LITIGATION EXPENSES

TO: ALL PERSONS OR ENTITIES WHO PURCHASED OR OTHERWISE ACQUIRED CLASS A COMMON STOCK OF APOLLO EDUCATION GROUP, INC. ("APOLLO") DURING THE PERIOD FROM NOVEMBER 13, 2013 THROUGH OCTOBER 21, 2015, INCLUSIVE (THE "CLASS PERIOD"), AND WERE DAMAGED THEREBY (THE "SETTLEMENT CLASS")[1]:

PLEASE READ THIS NOTICE CAREFULLY. YOUR RIGHTS WILL BE AFFECTED BY 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 District of Arizona (the "Court"), that the above-captioned securities class action (the "Action") is pending in the Court.

YOU ARE ALSO NOTIFIED that the Lead Plaintiff in the Action, on behalf of itself and the Settlement Class, has reached a proposed settlement of the Action for $7,400,000 in cash (the "Settlement"), that, if approved, will resolve all claims in the Action.

A hearing will be held on **June 26, 2019 at 1:30 p.m.**, before the Honorable James A. Teilborg at the United States District Court for the District of Arizona, Courtroom 503 of the Sandra Day O'Connor U.S. Courthouse, 401 West Washington Street, Phoenix, AZ 85003 to determine: (i) whether the proposed Settlement should be approved as fair, reasonable, and adequate; (ii) whether, for purposes of the proposed Settlement only, the Action should be certified as a class action on behalf of the Settlement Class, Lead Plaintiff should be certified as the Class Representative for the Settlement Class, and Lead Counsel should be appointed as Class Counsel for the Settlement Class; (iii) whether the Action should be dismissed with prejudice against Defendants, and the Releases specified and described in the Stipulation and Agreement of Settlement dated February 8, 2019 (and in the Notice), should be granted; (iv) whether the proposed Plan of Allocation should be approved as fair and reasonable; and (v) whether Lead Counsel's motion for an award of attorneys' fees and reimbursement of expenses should be approved.

If you are a member of the Settlement Class, your rights will be affected by the pending Action and the Settlement, and you may be entitled to share in the Settlement Fund. If you have not yet received the Notice and Claim Form, you may obtain copies of these documents by contacting the Claims Administrator at: Apollo Education Group Securities Litigation, c/o A.B. Data, Ltd., P.O. Box 173061, Milwaukee, WI 53217, 1-866-778-9625, info@ApolloEducationGroupSecuritiesLitigation.com. Copies of the Notice and Claim Form can also be downloaded from the Settlement website, www.ApolloEducationGroupSecuritiesLitigation.com.

If you are a member of the Settlement Class, in order to be eligible to receive a payment under the proposed Settlement, you must submit a Claim Form ***postmarked*** **no later than July 19, 2019.** If you are a Settlement 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.

If you are a member of the Settlement Class and wish to exclude yourself from the Settlement Class, you must submit a request for exclusion such that it is ***received*** **no later than June 5, 2019,** in accordance with the instructions set forth in the Notice. If you properly exclude yourself from the Settlement Class, you will not be bound by any judgments or orders entered by the Court in the Action and you will not be eligible to share in the proceeds of the Settlement.

Any objections to the proposed Settlement, the proposed Plan of Allocation, or Lead Counsel's motion for attorneys' fees and reimbursement of expenses must be filed with the Court and delivered to Lead Counsel and Defendants' Counsel such that they are ***received*** **no later than June 5, 2019,** in accordance with the instructions set forth in the Notice.

Please do not contact the Court, the Clerk's Office, Apollo, any of the 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 Lead Counsel or the Claims Administrator.

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

Apollo Education Group Securities Litigation
c/o A.B. Data, Ltd.
P.O. Box 173061
Milwaukee, WI 53217
1-866-778-9625
info@ApolloEducationGroupSecuritiesLitigation.com
www.ApolloEducationGroupSecuritiesLitigation.com

Inquiries, other than requests for the Notice and Claim Form, should be made to Lead Counsel:

Jonathan D. Uslaner, Esq.
BERNSTEIN LITOWITZ BERGER & GROSSMANN LLP
12481 High Bluff Drive, Suite 300
San Diego, CA 92130-3582
1-800-380-8496
settlements@blbglaw.com

By Order of the Court

[1] Certain persons and entities are excluded from the Settlement Class by definition, as set forth in the full printed Notice of (I) Pendency of Class Action and Proposed Settlement; (II) Settlement Fairness Hearing; and (III) Motion for an Award of Attorneys' Fees and Reimbursement of Litigation Expenses (the "Notice").

A Proposed Class Action Settlement Has Been Reached on Behalf of Purchasers of LSB Common Stock or LSB Call Options, or Sellers of LSB Put Options

NEWS PROVIDED BY
JND Class Action Administration →
Apr 01, 2019, 09:23 ET

SEATTLE, April 1, 2019 /PRNewswire/ -- JND Class Action Administration

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

DENNIS WILSON, Individually and on Behalf of All Others Similarly Situated, Plaintiff, v. LSB INDUSTRIES, INC., JACK E. GOLSEN, BARRY H. GOLSEN, MARK T. BEHRMAN, TONY M. SHELBY, and HAROLD L. RIEKER, JR. Defendants.	Case No. 1:15-cv-07614-RA-GWG

This notice affects all persons or entities that purchased or otherwise acquired LSB Common Stock or LSB Call Options, or sold LSB Put Options between November 7, 2014 and November 5, 2015, inclusive (the "Class Period"), and were damaged thereby (the "Settlement Class"):

YOU ARE HEREBY NOTIFIED, pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the Southern District of New York, that the above-captioned litigation (the "Action") has been certified as a class action on behalf of the Settlement Class, except for certain persons and entities who are excluded from the Settlement Class by definition as set forth in the full Notice of (I) Pendency of Class Action and Proposed Settlement; (II) Settlement Fairness Hearing; and (III) Motion for an Award of Attorneys' Fees and Reimbursement of Litigation Expenses (the "Notice").

YOU ARE ALSO NOTIFIED that Plaintiffs in the Action have reached a proposed settlement of the Action for $18,450,000 in cash (the "Settlement"), that, if approved, will resolve all claims in the Action.

A hearing will be held on **June 28, 2019 at 10:00 a.m**., before the Honorable Ronnie Abrams at the United States District Court for the Southern District of New York, United States Courthouse, Courtroom 1506, 40 Foley Square, New York, NY 10007, to determine (i) whether the proposed Settlement should be approved as fair, reasonable, and adequate; (ii) whether the Action should be dismissed with prejudice against Defendants, and the Releases specified and described in the Stipulation and Agreement of Settlement dated January 19, 2019 (and in the Notice) should be granted; (iii) whether the proposed Plan of Allocation should be approved as fair and reasonable; and (iv) whether Lead Counsel's application for an award of attorneys' fees and reimbursement of expenses should be approved.

If you are a member of the Settlement Class, your rights will be affected by the pending Action and the Settlement, and you may be entitled to share in the Settlement Fund. The Notice and the Proof of Claim and Release Form ("Claim Form"), can be downloaded from the website maintained by the Claims Administrator, www.LSBSecuritiesLitigation.com. You may also obtain copies of the Notice and the Claim Form by contacting the Claims Administrator at *Wilson v. LSB Industries, Inc. et al.*, c/o JND Legal Administration, P.O. Box 91236, Seattle, WA 98111-9336, 833-402-1726.

If you are a member of the Settlement Class, in order to be eligible to receive a payment under the proposed Settlement, you must submit a Claim Form ***postmarked* no later than July 23, 2019**. If you are a Settlement 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.

If you are a member of the Settlement Class and wish to exclude yourself from the Settlement Class, you must submit a request for exclusion such that it is ***received*** **no later than June 7, 2019**, in accordance with the instructions set forth in the Notice. If you properly exclude yourself from the Settlement Class, you will not be bound by any judgments or orders entered by the Court in the Action and you will not be eligible to share in the proceeds of the Settlement.

Any objections to the proposed Settlement, the proposed Plan of Allocation, or Lead Counsel's motion for attorneys' fees and reimbursement of expenses, must be filed with the Court and delivered to Lead Counsel and Defendants' Counsel such that they are ***received*** **no later than June 7, 2019**, in accordance with the instructions set forth in the Notice.

Please do not contact the Court, the Clerk's office, LSB, or its counsel regarding this notice. All questions about this notice, the proposed Settlement, or your eligibility to participate in the Settlement should be directed to Lead Counsel or the Claims Administrator.

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

Wilson v. LSB Industries, Inc. et al.
c/o JND Legal Administration
P.O. Box 91236
Seattle, WA 98111-9336
833-402-1726
www.LSBSecuritiesLitigation.com

Inquiries, other than requests for the Notice and Claim Form, should be made to Lead Counsel:

GLANCY PRONGAY & MURRAY LLP
ATTN: Casey E. Sadler, Esq.
1925 Century Park East, Suite 2100
Los Angeles, CA 90067
(888) 773-9224
settlements@glancylaw.com

By Order of the Court

SOURCE JND Class Action Administration

EXHIBIT 3

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

DENNIS WILSON, Individually and on Behalf of All Others Similarly Situated, Plaintiff, v. LSB INDUSTRIES, INC., JACK E. GOLSEN, BARRY H. GOLSEN, MARK T. BEHRMAN, TONY M. SHELBY, and HAROLD L. RIEKER, JR. Defendants.	Case No. 1:15-cv-07614-RA-GWG

DECLARATION OF DENNIS WILSON IN SUPPORT OF: (I) PLAINTIFFS' MOTION FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT AND PLAN OF ALLOCATION; AND (II) LEAD COUNSEL'S MOTION FOR AN AWARD OF ATTORNEYS' FEES AND REIMBURSEMENT OF LITIGATION EXPENSES

I, Dennis Wilson, hereby declare as follows:

1. I am the Court-appointed Lead Plaintiff in the above-captioned securities class action (the "Action").[1] I submit this declaration in support of (a) Plaintiffs' motion for final approval of the proposed Settlement and Plan of Allocation; and (b) Lead Counsel's motion for an award of attorneys' fees and reimbursement of Litigation Expenses, including the reasonable costs I incurred in connection with my representation of the Settlement Class in the prosecution of this litigation.

[1] Unless otherwise defined herein, all capitalized terms have the meanings ascribed to them in the Stipulation and Agreement of Settlement filed January 18, 2019 (the "Stipulation"). *See* ECF No. 179-1.

2. I am aware of and understand the requirements and responsibilities of a representative plaintiff in a securities class action, including those set forth in the Private Securities Litigation Reform Act of 1995 ("PSLRA"). I have personal knowledge of the matters set forth in this Declaration, as I have been directly involved in monitoring and overseeing the prosecution of the Action, as well as the negotiations leading to the Settlement, and I could and would testify competently to these matters.

I. MY OVERSIGHT OF THE LITIGATION

3. I am Chief Financial Officer of Vermeer Great Plains, a full-service dealer of Vermeer industrial equipment across Kansas, Oklahoma, and Western Missouri. I have served in that capacity for almost twenty years. I have both a Bachelor's degree and a Masters of Business Administration degree with an emphasis in accounting and I am also a Certified Public Accountant. I have been an active investor in securities for decades.

4. I have been very active in this litigation. I filed the initial complaint in this Action and was subsequently appointed to serve as Lead Plaintiff by the Court. Throughout the litigation, I was in regular communication with Lead Counsel Glancy Prongay & Murray LLP ("GPM") on case developments, and participated in regular discussions with attorneys from GPM concerning the prosecution of the Action, the strengths and weaknesses of the claims, discovery, mediation, and settlement. In particular, throughout the course of this Action, I: (a) regularly communicated with GPM by email and telephone regarding the posture and progress of the case; (b) reviewed all significant pleadings and briefs filed in the Action; (c) reviewed the Court's orders and discussed them with GPM; (d) produced thousands of pages of documents that I personally reviewed; (e) responded to discovery requests propounded by Defendants, including many interrogatories and document requests; (f) was deposed by Defendants and spent

a day preparing for the deposition with my counsel; (g) was actively involved in the settlement process and negotiations, including making myself available and remaining in consistent contact with my counsel during the mediations; and (h) evaluated and approved the proposed Settlement.

II. APPROVAL OF THE SETTLEMENT

5. Through my active participation, I was kept informed of the progress of the settlement negotiations in this litigation. Before and during the two mediations presided over by Robert A. Meyer, Esq., I conferred with GPM regarding the parties' respective positions and, ultimately, the mediator's recommendation.

6. Based on my involvement throughout the prosecution and resolution of the claims asserted in the Action, I believe that the Settlement provides an excellent recovery for the Settlement Class, particularly in light of the risks of continued litigation. Thus, I believe that the proposed Settlement is fair, reasonable, and adequate to the Settlement Class and I strongly endorse approval of the Settlement by the Court.

III. LEAD COUNSEL'S MOTION FOR AN AWARD OF ATTORNEYS' FEES AND REIMBURSEMENT OF LITIGATION EXPENSES

7. While I understand that the ultimate determination of Lead Counsel's request for an award of attorneys' fees and litigation expenses rests with the Court, I believe that Lead Counsel's request for an award of attorneys' fees in the amount of 33 1/3% of the Settlement Fund is fair and reasonable in light of the work Lead Counsel performed on behalf of the Settlement Class. I have evaluated Lead Counsel's fee request by considering the work performed, the recovery obtained for the Settlement Class, and the risks of the Action.

8. I further believe that the litigation expenses being requested for reimbursement to Lead Counsel are reasonable, and represent costs and expenses necessary for the prosecution and resolution of the claims in the Action. Based on the foregoing, and consistent with my obligation

to the Settlement Class to obtain the best result at the most efficient cost, I fully support Lead Counsel's motion for an award of attorneys' fees and reimbursement of litigation expenses.

9. I understand that reimbursement of a class representative's reasonable costs are authorized under the PSLRA, 15 U.S.C. § 78u-4(a)(4). For this reason, in connection with Lead Counsel's request for reimbursement of litigation expenses, I am seeking reimbursement for the costs that I incurred directly relating to my representation of the Settlement Class in the Action.

10. The time that I devoted to the representation of the Settlement Class in this Action was time that I otherwise would have spent on other professional activities and, thus, represented a cost to me. I seek reimbursement in the amount of $18,850 (130 hours at $145 per hour[2]) for the time that I devoted to participating in this Action.

IV. CONCLUSION

11. For the foregoing reasons, I respectfully request that the Court approve: (a) Plaintiffs' motion for final approval of the proposed Settlement and of the Plan of Allocation; (b) Lead Counsel's motion for an award of attorneys' fees and reimbursement of Litigation Expenses, including my request for reimbursement of the reasonable costs I incurred in prosecuting the Action on behalf of the Settlement Class.

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

Executed this 20th day of May, 2019.

DocuSigned by:
Dennis Wilson
89A476D3478B49A...

Dennis Wilson

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

EXHIBIT 4

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

DENNIS WILSON, Individually and on Behalf of All Others Similarly Situated, Plaintiff, v. LSB INDUSTRIES, INC., JACK E. GOLSEN, BARRY H. GOLSEN, MARK T. BEHRMAN, TONY M. SHELBY, and HAROLD L. RIEKER, JR. Defendants.	Case No. 1:15-cv-07614-RA-GWG

DECLARATION OF THOMAS KIRCHNER, ON BEHALF OF THE CAMELOT EVENT DRIVEN FUND, IN SUPPORT OF: (I) PLAINTIFFS' MOTION FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT AND PLAN OF ALLOCATION; AND (II) LEAD COUNSEL'S MOTION FOR AN AWARD OF ATTORNEYS' FEES AND REIMBURSEMENT OF LITIGATION EXPENSES

I, Thomas Kirchner, hereby declare as follows:

1. I am the Portfolio Manager of the Camelot Event Driven Fund ("Camelot"),[1] one of the named plaintiffs in the above-captioned action ("Action").[2] I submit this declaration on behalf of Camelot in support of: (a) Plaintiffs' motion for final approval of the proposed Settlement and Plan of Allocation; and (b) Lead Counsel's motion for an award of attorneys' fees

[1] During the course of the litigation, Quaker Event Arbitrage Fund transferred all of its property and assets to the Camelot Event Driven Fund and Camelot assumed all liabilities for the Quaker Event Arbitrage Fund. On July 27, 2018, the Court substituted Camelot for Quaker Event Arbitrage Fund for all purposes. ECF No. 144. As such, Camelot refers to both Camelot and the Quaker Event Arbitrage Fund.

[2] Unless otherwise defined herein, all capitalized terms have the meanings ascribed to them in the Stipulation and Agreement of Settlement filed January 18, 2019 (the "Stipulation"). *See* ECF No. 179-1.

and reimbursement of Litigation Expenses, including the costs Camelot incurred in connection with its representation of the Settlement Class in the prosecution of this litigation.

2. I am aware of and understand the requirements and responsibilities of a representative plaintiff in a securities class action, including those set forth in the Private Securities Litigation Reform Act of 1995 ("PSLRA"). I have personal knowledge of the matters set forth in this Declaration, as I have been directly involved in monitoring and overseeing the prosecution of the Action on behalf of Camelot, as well as the negotiations leading to the Settlement, and I could and would testify competently to these matters

I. CAMELOT'S OVERSIGHT OF THE LITIGATION

3. Camelot is a mutual fund that focuses on event-driven investing. Camelot's investment focus is on company specific events, such as mergers, acquisitions, distressed situations, activist situations, liquidations and other situations that can change the structure of the company. These changes can present opportunities to capitalize on pricing inefficiencies. Camelot is a widely held mutual fund with assets of millions of dollars and is available to the public under the tickers EVDAX and EVDIX.

4. Throughout the litigation, on behalf of Camelot, I was in regular communication with Lead Counsel Glancy Prongay & Murray LLP ("GPM") on case developments, and participated in regular discussions with attorneys from GPM concerning the prosecution of the Action, the strengths and weaknesses of the claims, discovery, mediation, and settlement. In particular, following Camelot's appearance in this Action as part of the class certification process, I: (a) regularly communicated with GPM by email and telephone regarding the posture and progress of the case; (b) reviewed all significant pleadings and briefs filed in the Action; (c) reviewed the Court's orders and discussed them with GPM; (d) supervised Camelot's discovery

responses, including written responses to interrogatories and document requests and the collection of thousands of pages of documents and communications for production; (e) was deposed by Defendants as part of the class certification process and prepared for the deposition with my counsel; (f) was actively involved in the settlement process and negotiations, including flying from New York City to Los Angeles (and back) so that I could attend in person the two mediations in this Action; and (g) evaluated and approved the proposed Settlement.

II. APPROVAL OF THE SETTLEMENT

5. Through my active participation, Camelot was kept informed of the progress of the settlement negotiations in this litigation. As noted above, I attended the two mediations presided over by Robert A. Meyer, Esq. in person. During these mediations, I was an active participant in the negotiations on behalf of Camelot and fully understood the parties' respective positions. As such, Camelot was in an informed position when the mediator submitted a recommendation to settle the Action.

6. Based on my involvement throughout the prosecution and resolution of the claims asserted in the Action, I believe that the Settlement provides an excellent recovery for the Settlement Class, particularly in light of the risks of continued litigation. Therefore, I believe that the proposed Settlement is fair, reasonable, and adequate to the Settlement Class and strongly endorse approval of the Settlement by the Court.

III. LEAD COUNSEL'S MOTION FOR AN AWARD OF ATTORNEYS' FEES AND REIMBURSEMENT OF LITIGATION EXPENSES

7. While I understand that the ultimate determination of Lead Counsel's request for an award of attorneys' fees and litigation expenses rests with the Court, I believe that Lead Counsel's requested fee of 33 1/3% of the Settlement Fund is fair and reasonable in light of the work Lead Counsel performed on behalf of the Settlement Class. I have evaluated Lead

Counsel's fee request by considering the work performed, the recovery obtained for the Settlement Class, and the risks of the Action, and, on behalf of Camelot, have authorized this fee request for the Court's ultimate determination.

8. I further believe that the litigation expenses being requested for reimbursement to Lead Counsel are reasonable, and represent costs and expenses necessary for the prosecution and resolution of the claims in the Action. Based on the foregoing, and consistent with its obligation to the Settlement Class to obtain the best result at the most efficient cost, Camelot fully supports Lead Counsel's motion for an award of attorneys' fees and reimbursement of litigation expenses.

9. I understand that reimbursement of a class representative's reasonable costs are authorized under the PSLRA, 15 U.S.C. § 78u-4(a)(4). For this reason, in connection with Lead Counsel's request for reimbursement of litigation costs, I seek reimbursement for the costs that Camelot directly incurred relating to its representation—through me—of the Settlement Class in the Action.

10. My primary responsibility at Camelot involves overseeing Camelot's investment activities, such as Camelot's investment in LSB securities class actions. The time that I devoted to the representation of the Settlement Class in this Action was time that I would have spent on other work for Camelot and, thus, represented a cost to Camelot. Camelot seeks reimbursement in the amount of $21,250[3] for time that I devoted to this Action (85 hours at $250 per hour).[4]

[3] While other employees of Camelot and its predecessor entity devoted a significant amount of time to this Action, Camelot is only seeking reimbursement for my time.

[4] The hourly rate used for purposes of this request is based on my compensation and my billable rate for outside projects.

IV. CONCLUSION

11. For the foregoing reasons, I respectfully request that the Court approve: (a) Plaintiffs' motion for final approval of the proposed Settlement and Plan of Allocation; and (II) Lead Counsel's motion for an award of attorneys' fees and reimbursement of Litigation Expenses, including the reasonable costs incurred by Camelot, through me, in prosecuting the Action on behalf of the Settlement Class.

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

Executed this 5/20/2019 day of May, 2019.

DocuSigned by:
Thomas Kirchner
8A723CA9210A432...

Thomas Kirchner, on behalf of the
Camelot Event Driven Fund

EXHIBIT 5

GLANCY PRONGAY & MURRAY LLP
FIRM EXPENSES REPORT

WILSON V. LSB INDUSTRIES, INC. ET AL
S.D.N.Y. CASE NO. 15-CV-07614-RA-GWG

INCEPTION THROUGH MAY 23, 2019

ITEM	AMOUNT
COURIER & SPECIAL POSTAGE	5,915.56
COURT FILING FEES	1,860.00
DEPOSITION LOCATION RENTAL	19,683.10
DEPOSITION TRANSCRIPTS/VIDEO	81,059.62
DOCUMENT MANAGEMENT	166,290.03
EXPERTS ACCOUNTING	217,885.00
EXPERTS DAMAGES	46,402.00
EXPERTS ENGINEERING	216,354.45
EXPERTS MARKET EFFICIENCY	226,217.00
HEARING TRANSCRIPTS	285.36
INVESTIGATIONS	11,081.75
MEDIATION	13,242.85
ONLINE RESEARCH	27,203.24
PHOTOIMAGING	7,303.78
PRESS RELEASES	145.00
RESEARCH OTHER	913.07
SERVICE OF PROCESS	6,224.78
TELEPHONE	279.75
TRAVEL AIRFARE	75,620.62
TRAVEL AUTO	8,508.11
TRAVEL HOTEL	25,113.82
TRAVEL MEALS	10,239.57
TRAVEL PARKING	1,673.38
TOTAL	**1,169,501.84**

EXHIBIT 6

GLANCY PRONGAY & MURRAY LLP

FIRM LODESTAR REPORT

WILSON V. LSB INDUSTRIES, INC. ET AL

S.D.N.Y. CASE NO. 15-CV-07614-RA-GWG

FROM INCEPTION THROUGH FEBRUARY 25, 2019

TIMEKEEPER/CASE	STATUS	HOURS	RATE	LODESTAR
ATTORNEYS:				
Robert Prongay	Partner	389.30	750.00	291,975.00
Joseph Cohen	Partner	106.75	935.00	99,811.25
Kevin F. Ruf	Partner	863.00	935.00	806,905.00
Casey Sadler	Partner	2,815.85	650.00	1,830,302.50
Jonathan M. Rotter	Partner	103.40	775.00	80,135.00
Peter A. Binkow	Of Counsel	1,081.40	875.00	946,225.00
Jason Krajcer	Senior Counsel	1,943.10	775.00	1,505,902.50
Danielle Manning	Associate	571.00	400.00	228,400.00
Leanne Heine	Associate	301.10	550.00	165,605.00
Christopher Thoms	Staff Attorney	2,942.00	395.00	1,162,090.00
Holly A. Heath	Staff Attorney	2,553.50	395.00	1,008,632.50
Kim H. Nguyen	Staff Attorney	1,381.20	395.00	545,574.00
Michael S. Rinck	Staff Attorney	2,525.80	395.00	997,691.00
Nilla Watkins	Staff Attorney	1,286.20	395.00	508,049.00
Sandra Hung	Staff Attorney	2,938.90	395.00	1,160,865.50
Christopher Del Valle	Staff Attorney	1,579.35	395.00	623,843.25
Matthew Blanco	Staff Attorney	2,027.20	395.00	800,744.00
Diarra Porter	Staff Attorney	2,477.25	395.00	978,513.75
Frank R. Cruz	Staff Attorney	2,130.75	395.00	841,646.25
TOTAL ATTORNEY		**30,017.05**		**14,582,910.50**
PARALEGALS:				
Harry Kharadjian	Senior Paralegal	199.50	290.00	57,855.00
Jack Ligman	Research Analyst	818.00	310.00	253,580.00
Erin Krikorian	Research Analyst	131.10	290.00	38,019.00
Michaela Ligman	Research Analyst	155.85	290.00	45,196.50
TOTAL PARALEGAL		**1,304.45**		**394,650.50**
TOTAL LODESTAR		**31,321.50**		**14,977,561.00**

EXHIBIT 7

Law Firm Billing Rates

Defense Firms	Case Name	Citation	Non-Partner Attorneys' Fee Range	Partners' Fee Range
Boies, Schiller & Flexner LLP	In re Molycorp, Inc., *et al*, Debtors, No. 15-11357 (CSS)	(D. Del.) 9/29/2016 (Dkt. No. 1994)	$490 - $1,180	$780 - $1,500
Cooley LLP	In re Big M, Inc., Debtor, No. 13-10233-MBK	(D.N.J.) 7/16/2015 (Dkt. No. 906)	$435 - $755 or $391.5 - $679.5 after voluntary discount of 10%	$680 - $1,050 or $612 - $945 after voluntary discount of 10%
Dechert LLP	In re Thru, Inc., Debtor, No. 17-31034	(N.D. Tex.) 08/09/2017 (Dkt. No. 148)	$725 - $785	$1095
Gibson, Dunn & Crutcher LLP	In re Newland International Properties, Corp., Debtor, No. 13-11396 In re LightSquared Inc., *et al.*, Debtors, No. 12-12080 (SCC)	(S.D.N.Y.) 07/12/2013 (Dkt. No. 146) (S.D.N.Y.) 01/21/2016 (Dkt. No. 2444).	$510 - $795 $395 - $765 (fees voluntarily reduced by roughly 8%)	$960 - $1,170 $765 - $1,800 (fees voluntarily reduced by roughly 8%)
K&L Gates, LLP	In re The Brown Publishing Company, *et al.*, Debtors, No. 10-73295	(E.D.N.Y.) (April 2010) (Dkt. No. 942 & 968)	$280 - $595	$420 - $995
Kirkland & Ellis, LLP	In re rue21, inc., *et al.*, Debtors, No. 17-22045-GLT In re Caesars Entertainment Operating Company, Inc., *et al.*, Debtors, No. 15-01145 (ABG)	(W.D. Pa.) (Nov. 2017) (Dkt. No. 1308-6) (N.D. Ill.) (Nov. 2017) (Dkt. No. 7620-6)	$555 - $965 $480 - $1395	$965 - $1625 $645 - $1625
Latham & Watkins, LLP	In re November 2005 Land Investors, LLC, Debtor, No. BK-S-09-17474-MKN	2009 WL 4835036 (Bankr. D. Nev.) (Oct. 2009)	$530 - $665	$925 - $995
Mayer Brown LLP	In re Scottish Holdings, Inc., *et al.,* Debtors, No. 18-10160 (LSS)	(Bankr. D. Del.) (Mar. 2018) (Dkt. No. 193)	$605 - $895	$960 - $1130
O'Melveny & Myers LLP	US Airways, Inc. v. Sabre Holdings Corporation, *et al.*, No. 11-cv-02725 (LGS)	(S.D.N.Y.) 03/03/2017 (Dkt. No. 859)	$463 - $815	$839 - $1,096
Proskauer Rose LLP	In re IPC International Corporation, *et al*., Debtors, No. 13-12050 (MFW)	(Bankr. D. Del.) 08/13/2013 (Dkt. No. 57)	$200 - $1,150	$600 - $1,250
Sheppard, Mullin, Richter & Hampton LLP	In re AMR Corporation, *et al.*, Debtors, No. 11-15463-shl	(Bankr. S.D.N.Y.) 12/21/2012 (Dkt. No. 5857)	$165 - $675	$550 - $925
Sidley Austin LLP	In re UCI International, LLC, *et al.*, Reorganized Debtors, No. 16-11354 (MFW)	(Bankr. D. Del.) 1/30/2017 (Dkt. No. 1144)	$430 - $1,200	$850 - $1325

Law Firm Billing Rates

Defense Firms (Cont.'d)	Case Name	Citation	Non-Partner Attorneys' Fee Range	Partners' Fee Range
Skadden, Arps, Slate, Meagher & Flom LLP	In re Indymac Bancorp, Inc., Debtor, No. 08-bk-21752-BB	(Bankr. C.D. Cal.) 02/01/2018 (Dkt. No. 1041)	$420 - $710	$895 - $1350
Weil, Gotshal & Manges LLP	In re Sears Holdings Corporation, *et al*., Debtors, No. 18-23538 (RDD)	(Bankr. S.D.N.Y.) 10/26/2018 (Dkt. No. 344)	$560 - $995	$1,075 - $1,600

Plaintiffs' Firms	Case Name	Citation	Non-Partner Attorneys' Fee Range	Partners' Fee Range
Bernstein Litowitz Berger & Grossman LLP	In re Allergan, Inc. Proxy Violation Securities Litigation, No. 8:14-cv-02004-DOC-KESx	(C.D. Cal.) (Apr. 2018) (Dkt. No. 619-4)	$340 - $750	$750 - $1,250
Boies, Schiller & Flexner LLP	Erica P John Fund Inc et al v. Halliburton Company et al, No. 3:02-cv-01152-M	(N.D. Tex.) 7/3/2017 (Dkt. No. 819)	$170 - $870	$350 – 1,650
Cohen Milstein Sellers & Toll, PLLC	In re ITT Educational Services, Inc. Securities Litigation, No. 1:13-cv-01620-JPO-JLC In re Ability, Inc. Securities Litigation, No. 1:16-cv-03893-VM	(S.D.N.Y.) (Feb. 2016) (Dkt. No. 88) (S.D.N.Y.) (Aug. 2018) (Dkt. No. 89-4)	$420 - $550 $530	$530 - $915 $630 - $900
Grant & Eisenhofer P.A.	In re Foreign Exchange Benchmark Rates Antitrust Litigation, No. 1:13-cv-07789-LGS	(S.D.N.Y.) (Jan. 2018) (Dkt. No. 939-17)	$325 - $720	$850 - $925
Hausfeld LLP	In re Foreign Exchange Benchmark Rates Antitrust Litigation, No. 1:13-cv-07789-LGS	(S.D.N.Y.) (Jan. 2018) (Dkt. No. 939-3)	$350 - $500	$630 - $1,375
Kessler Topaz Meltzer & Check, LLP	In re JPMorgan Chase & Co. Securities Litigation, 1:12-cv-03852-GBD	(S.D.N.Y.) (Apr. 2016) (Dkt. No. 206-8)	$350 - $650	$675 - $850
Labaton Sucharow LLP	In re Nu Skin Enterprises, Inc., Sec. Litig., No. 14-cv-00033-JNP-BCW In re Foreign Exchange Benchmark Rates Antitrust Litigation, No. 1:13-cv-07789-LGS	(D. Utah) (Oct. 2016) (Dkt. No. 140) (S.D.N.Y.) (Jan. 2018) (Dkt. No. 939-6)	$390 - $775 $335 - $775	$800 - $985 $875 - $950
Lieff Cabraser Heimann & Bernstein, LLP	In re Volkswagen "Clean Diesel' Marketing, Sales Practices, and Products Liability Litigation, No. 15-md-02672	(N.D. Cal.) (Nov. 2016) (Dkt. No. 2175-1)	$150 - $790	$275 - $1,600

Law Firm Billing Rates

Plaintiffs' Firms (Cont.'d)	Case Name	Citation	Non-Partner Attorneys' Fee Range	Partners' Fee Range
Motley Rice LLC	In re Investment Technology Group, Inc. Securities Litigation, No. 15-cv-06369	(S.D.N.Y.) (Jan. 2019) (Dkt. 119)	$300 - $750	$775 - $1,050
Pomerantz LLP	In re Petrobras Securities Litigation, No. 14-cv-9662 (JSR)	(S.D.N.Y.) (Apr. 2018) (Dkt. 789-16)	$325 - $765	$700 - $1,000
Robbins Geller Rudman & Dowd LLP	In re Foreign Exchange Benchmark Rates Antitrust Litigation, No. 1:13-cv-07789-LGS	(S.D.N.Y.) (Jan. 2018) (Dkt. No. 939-8)	$360 - $950	$685 - $870
	In re Medtronic, Inc. Securities Litigation, No. 13-cv-01686-MJD-KMM	(D. Minn.) (Oct. 2018) (Dkt. No. 537-1)	$350 - $730	$740 - $1,030
Scott+Scott, Attorneys at Law, LLP	In re Foreign Exchange Benchmark Rates Antitrust Litigation, No. 1:13-cv-07789-LGS	(S.D.N.Y.) (Jan. 2018) (Dkt. No. 939-2)	$400 - $710	$775 - $995

EXHIBIT 8

GPM Glancy Prongay & Murray LLP

1925 Century Park East, Suite 2100
Los Angeles, CA 90067
T: 310.201.9150

FIRM RESUME

Glancy Prongay & Murray LLP (the "Firm") has represented investors, consumers and employees for over 25 years. Based in Los Angeles, with offices in New York City and Berkeley, the Firm has successfully prosecuted class action cases and complex litigation in federal and state courts throughout the country. As Lead Counsel, Co-Lead Counsel, or as a member of Plaintiffs' Counsel Executive Committees, the Firm's attorneys have recovered billions of dollars for parties wronged by corporate fraud, antitrust violations and malfeasance. Indeed, the Institutional Shareholder Services unit of RiskMetrics Group has recognized the Firm as one of the top plaintiffs' law firms in the United States in its Securities Class Action Services report for every year since the inception of the report in 2003. The Firm's efforts have been publicized in major newspapers such as the *Wall Street Journal*, the *New York Times*, and the *Los Angeles Times*.

Glancy Prongay & Murray's commitment to high quality and excellent personalized services has boosted its national reputation, and we are now recognized as one of the premier plaintiffs' firms in the country. The Firm works tenaciously on behalf of clients to produce significant results and generate lasting corporate reform.

The Firm's integrity and success originate from our attorneys, who are among the brightest and most experienced in the field. Our distinguished litigators have an unparalleled track record of investigating and prosecuting corporate wrongdoing. The Firm is respected for both the zealous advocacy with which we represent our clients' interests as well as the highly-professional and ethical manner by which we achieve results. We are ideally positioned to pursue securities, antitrust, consumer, and derivative litigation on behalf of our clients. The Firm's outstanding accomplishments are the direct result of the exceptional talents of our attorneys and employees.

Appointed as Lead or Co-Lead Counsel by judges throughout the United States, Glancy Prongay & Murray has achieved significant recoveries for class members in numerous securities class actions, including:

In re Mercury Interactive Corporation Securities Litigation, USDC Northern District of California, Case No. 05-3395-JF, in which the Firm served as Co-Lead Counsel and achieved a settlement valued at over $117 million.

In re Real Estate Associates Limited Partnership Litigation, USDC Central District of California, Case No. 98-7035-DDP, in which the Firm served as local counsel and plaintiffs achieved a $184 million jury verdict after a complex six week trial in Los Angeles, California and later settled the case for $83 million.

In Re Yahoo! Inc. Securities Litigation, USDC Northern District of California, Case No. 5:17-cv-00373-LHK, in which the Firm served as Co-Lead Counsel and achieved an $80 million settlement.

The City of Farmington Hills Employees Retirement System v. Wells Fargo Bank, N.A., USDC District of Minnesota, Case No. 10-cv-04372-DWF/JJG, in which the Firm served as Co-Lead Counsel and achieved a settlement valued at $62.5 million.

Schleicher v. Wendt, (Conseco Securities Litigation), USDC Southern District of Indiana, Case No. 02-1332-SEB, a securities fraud class action in which the Firm served as Lead Counsel for the Class and achieved a settlement of over $41 million.

Robb v. Fitbit, Inc., USDC Northern District of California, Case No. 3:16-cv-00151, a securities fraud class action in which the Firm served as Lead Counsel for the Class and achieved a settlement of $33 million.

Yaldo v. Airtouch Communications, State of Michigan, Wayne County, Case No. 99-909694-CP, in which the Firm served as Co-Lead Counsel and achieved a settlement valued at over $32 million for defrauded consumers.

Lapin v. Goldman Sachs, USDC Southern District of New York, Case No. 03-0850-KJD, a securities fraud class action in which the Firm served as Co-Lead Counsel for the Class and achieved a settlement of $29 million.

In re Heritage Bond Litigation, USDC Central District of California, Case No. 02-ML-1475-DT, where as Co-Lead Counsel, the Firm recovered in excess of $28 million for defrauded investors and continues to pursue additional defendants.

In re Livent, Inc. Noteholders Litigation, USDC Southern District of New York, Case No. 99 Civ 9425-VM, a securities fraud class action in which the Firm served as Co-Lead Counsel for the Class and achieved a settlement of over $27 million.

In re ECI Telecom Ltd. Securities Litigation, USDC Eastern District of Virginia, Case No. 01-913-A, in which the Firm served as sole Lead Counsel and recovered almost $22 million for defrauded ECI investors.

Senn v. Sealed Air Corporation, USDC New Jersey, Case No. 03-cv-4372-DMC, a securities fraud class action, in which the Firm acted as co-lead counsel for the Class and achieved a settlement of $20 million.

In re Gilat Satellite Networks, Ltd. Securities Litigation, USDC Eastern District of New York, Case No. 02-1510-CPS, a securities fraud class action in which the Firm served as Co-Lead Counsel for the Class and achieved a settlement of $20 million.

In re Lumenis, Ltd. Securities Litigation, USDC Southern District of New York, Case No.02-CV-1989-DAB, in which the Firm served as Co-Lead Counsel and achieved a settlement valued at over $20 million.

In re Infonet Services Corporation Securities Litigation, USDC Central District of California, Case No. CV 01-10456-NM, in which as Co-Lead Counsel, the Firm achieved a settlement of $18 million.

In re ESC Medical Systems, Ltd. Securities Litigation, USDC Southern District of New York, Case No. 98 Civ. 7530-NRB, a securities fraud class action in which the Firm served as sole Lead Counsel for the Class and achieved a settlement valued in excess of $17 million.

In re Musicmaker.com Securities Litigation, USDC Central District of California, Case No. 00-02018-CAS, a securities fraud class action in which the Firm was sole Lead Counsel for the Class and recovered in excess of $13 million.

In re Lason, Inc. Securities Litigation, USDC Eastern District of Michigan, Case No. 99 76079-AJT, in which the Firm was Co-Lead Counsel and recovered almost $13 million for defrauded Lason stockholders.

In re Inso Corp. Securities Litigation, USDC District of Massachusetts, Case No. 99 10193-WGY, a securities fraud class action in which the Firm served as Co-Lead Counsel for the Class and achieved a settlement valued in excess of $12 million.

In re National TechTeam Securities Litigation, USDC Eastern District of Michigan, Case No. 97-74587-AC, a securities fraud class action in which the Firm served as Co-Lead Counsel for the Class and achieved a settlement valued in excess of $11 million.

Taft v. Ackermans (KPNQwest Securities Litigation), USDC Southern District of New York, Case No. 02-CV-07951-PKL, a securities fraud class action in which the Firm served as Co-Lead Counsel for the Class and achieved a settlement worth $11 million.

Jenson v. First Trust Corporation, USDC Central District of California, Case No. 05-cv-3124-ABC, in which the Firm was appointed sole lead counsel and achieved an $8.5 million settlement in a very difficult case involving a trustee's potential liability for losses incurred by investors in a Ponzi scheme. Kevin Ruf of the Firm also successfully defended in the 9th Circuit Court of Appeals the trial court's granting of class certification in this case.

In re Ramp Networks, Inc. Securities Litigation, USDC Northern District of California, Case No. C-00-3645-JCS, a securities fraud class action in which the Firm served as Co-Lead Counsel for the Class and achieved a settlement of nearly $7 million.

Capri v. Comerica, Inc., USDC Eastern District of Michigan, Case No. 02-CV-60211-MOB, a securities fraud class action in which the Firm served as Co-Lead Counsel for the Class and achieved a settlement of $6.0 million.

Plumbing Solutions Inc. v. Plug Power, Inc., USDC Eastern District of New York, Case No. CV 00 5553-ERK, a securities fraud class action in which the Firm served as Co-Lead Counsel for the Class and achieved a settlement of over $5 million.

Ree v. Procom Technologies, Inc., USDC Southern District of New York, Case No. 02-CV-7613-JGK, a securities fraud class action in which the Firm served as Co-Lead Counsel for the Class and achieved a settlement of $2.7 million.

Tatz v. Nanophase Technologies Corp., USDC Northern District of Illinois, Case No. 01-C-8440-MCA, a securities fraud class action in which the Firm served as Co-Lead Counsel for the Class and achieved a settlement of $2.5 million.

In re F & M Distributors Securities Litigation, USDC Eastern District of Michigan, Case No. 95 CV 71778-DT, a securities fraud class action in which the Firm served on the Executive Committee and helped secure a $20.25 million settlement.

Glancy Prongay & Murray's Antitrust Practice Group focuses on representing individuals and entities that have been victimized by unlawful monopolization, price-fixing, market allocation, and other anti-competitive conduct. The Firm has prosecuted significant antitrust cases and has helped individuals and businesses recover billions of dollars. Prosecuting civil antitrust cases under federal and state laws throughout the country, the Firm's Antitrust Practice Group represents consumers, businesses, and Health and Welfare Funds and seeks injunctive relief and damages for violations of antitrust and commodities laws. The Firm has served, or is currently serving, as Lead Counsel, Co-Lead Counsel or Class Counsel in a substantial number of antitrust class actions, including:

In re Nasdaq Market-Makers Antitrust Litigation, USDC Southern District of New York, Case No. 94 C 3996-RWS, MDL Docket No. 1023, a landmark antitrust lawsuit in which the Firm filed the first complaint against all of the major NASDAQ market makers and served on Plaintiffs' Counsel's Executive Committee in a case that recovered $900 million for investors.

Sullivan v. DB Investments, USDC District of New Jersey, Case No. No. 04-cv-2819, where the Firm served as Co-Lead Settlement Counsel in an antitrust case against DeBeers relate to the pricing of diamonds that settled for $295 million.

In re Korean Air Lines Antitrust Litig., USDC Central District of California, Master File No. CV 07-05107 SJO(AGRx), MDL No. 07-0189, where the Firm served as Co-Lead Counsel in a case related to fixing of prices for airline tickets to Korea that settled for $86 million.

In re Urethane Chemical Antitrust Litig., USDC District of Kansas, Case No. MDL 1616, where the Firm served as Co-Lead counsel in an antitrust price fixing case that settled $33 million.

In re Western States Wholesale Natural Gas Litig., USDC District of Nevada, Case No. MDL 1566, where the Firm served as Class Counsel in an antitrust price fixing case that settled $25 million.

In re Aggrenox Antitrust Litig., USDC District of Connecticut, Case No. 14-cv-2516, where the Firm played a major role in achieving a settlement of $54,000,000.

In re Solodyn Antitrust Litig., USDC District of Massachusetts, Case No. MDL 2503, where the Firm played a major role in achieving a settlement of $43,000,000.

In re Generic Pharmaceuticals Pricing Antitrust Litig., USDC Eastern District of Pennsylvania, Case No. 16-md-2427, where the Firm is representing a major Health and Welfare Fund in a case against a number of generic drug manufacturers for price fixing generic drugs.

In re Actos End Payor Antitrust Litig., USDC Southern District of New York, Case No. 13-cv-9244, where the Firm is serving on Plaintiffs' Executive Committee.

In re Heating Control Panel Direct Purchaser Action, USDC Eastern District of Michigan, Case No. 12-md-02311, representing a recreational vehicle manufacturer in a price-fixing class action involving direct purchasers of heating control panels.

In re Instrument Panel Clusters Direct Purchaser Action, USDC Eastern District of Michigan, Case No. 12-md-02311, representing a recreational vehicle manufacturer in a price-fixing class action involving direct purchasers of instrument panel clusters.

In addition, the Firm is currently involved in the prosecution of many market manipulation cases relating to violations of antitrust and commodities laws, including *Sullivan v. Barclays PLC* (manipulation of Euribor rate), *In re Foreign Exchange Benchmark Rates Antitrust Litig*., *In re LIBOR-Based Financial Instruments Antitrust Litig*., *In re Gold Futures & Options Trading Litig*., *In re Platinum & Palladium Antitrust Litig*., *Sonterra Cap. Master Fund v. Credit Suisse Group AG* (Swiss Libor rate manipulation), *Twin City Iron Pension Fund v. Bank of Nova Scotia* (manipulation of treasury securities), and *Ploss v. Kraft Foods Group* (manipulation of wheat prices).

Glancy Prongay & Murray has been responsible for obtaining favorable appellate opinions which have broken new ground in the class action or securities fields, or which have promoted shareholder rights in prosecuting these actions. The Firm successfully argued the appeals in a number of cases:

In *Smith v. L'Oreal*, 39 Cal.4th 77 (2006), Firm partner Kevin Ruf established ground-breaking law when the California Supreme Court agreed with the Firm's position that waiting penalties under the California Labor Code are available to *any* employee after termination of employment, regardless of the reason for that termination.

Other notable Firm cases are: *Silber v. Mabon I*, 957 F.2d 697 (9th Cir. 1992) and *Silber v. Mabon II*, 18 F.3d 1449 (9th Cir. 1994), which are the leading decisions in the Ninth

Circuit regarding the rights of opt-outs in class action settlements. In *Rothman v. Gregor*, 220 F.3d 81 (2d Cir. 2000), the Firm won a seminal victory for investors before the Second Circuit Court of Appeals, which adopted a more favorable pleading standard for investors in reversing the District Court's dismissal of the investors' complaint. After this successful appeal, the Firm then recovered millions of dollars for defrauded investors of the GT Interactive Corporation. The Firm also argued *Falkowski v. Imation Corp.*, 309 F.3d 1123 (9th Cir. 2002), *as amended*, 320 F.3d 905 (9th Cir. 2003), and favorably obtained the substantial reversal of a lower court's dismissal of a cutting edge, complex class action initiated to seek redress for a group of employees whose stock options were improperly forfeited by a giant corporation in the course of its sale of the subsidiary at which they worked. The revived action is currently proceeding in the California state court system.

The Firm is also involved in the representation of individual investors in court proceedings throughout the United States and in arbitrations before the American Arbitration Association, National Association of Securities Dealers, New York Stock Exchange, and Pacific Stock Exchange. Mr. Glancy has successfully represented litigants in proceedings against such major securities firms and insurance companies as A.G. Edwards & Sons, Bear Stearns, Merrill Lynch & Co., Morgan Stanley, PaineWebber, Prudential, and Shearson Lehman Brothers.

One of the Firm's unique skills is the use of "group litigation" - the representation of groups of individuals who have been collectively victimized or defrauded by large institutions. This type of litigation brought on behalf of individuals who have been similarly damaged often provides an efficient and effective economic remedy that frequently has advantages over the class action or individual action devices. The Firm has successfully achieved results for groups of individuals in cases against major corporations such as Metropolitan Life Insurance Company, and Occidental Petroleum Corporation.

Glancy Prongay & Murray LLP currently consists of the following attorneys:

PARTNERS

LEE ALBERT, a partner, was admitted to the bars of the Commonwealth of Pennsylvania, the State of New Jersey, and the United States District Courts for the Eastern District of Pennsylvania and the District of New Jersey in 1986. He received his B.S. and M.S. degrees from Temple University and Arcadia University in 1975 and 1980, respectively, and received his J.D. degree from Widener University School of Law in 1986. Upon graduation from law school, Mr. Albert spent several years working as a civil litigator in Philadelphia, PA. Mr. Albert has extensive litigation and appellate practice experience having argued before the Supreme and Superior Courts of Pennsylvania and has over fifteen years of trial experience in both jury and non-jury cases and arbitrations. Mr. Albert has represented a national health care provider at trial obtaining injunctive relief in federal court to enforce a five-year contract not to

compete on behalf of a national health care provider and injunctive relief on behalf of an undergraduate university.

Currently, Mr. Albert represents clients in all types of complex litigation including matters concerning violations of federal and state antitrust and securities laws, mass tort/product liability and unfair and deceptive trade practices. Some of Mr. Albert's current major cases include *In Re Automotive Wire Harness Systems Antitrust Litigation* (E.D. Mich.*); In Re Heater Control Panels Antitrust Litigation* (E.D. Mich.); *Kleen Products, et al. v. Packaging Corp. of America* (N.D. Ill.); *and In re Class 8 Transmission Indirect Purchaser Antitrust Litigation* (D. Del.). Previously, Mr. Albert had a significant role in *Marine Products Antitrust Litigation* (C.D. Cal.); *Baby Products Antitrust Litigation* (E.D. Pa.); *In re ATM Fee Litigation* (N.D. Cal.); *In re Canadian Car Antitrust Litigation* (D. Me.); *In re Broadcom Securities Litigation* (C.D. Cal.); and has worked on *In re Avandia Marketing, Sales Practices and Products Liability Litigation* (E.D. Pa.); *In re Ortho Evra Birth Control Patch Litigation* (N.J. Super. Ct., Middlesex County); *In re AOL Time Warner, Inc. Securities Litigation* (S.D.N.Y.); *In re WorldCom, Inc. Securities Litigation* (S.D.N.Y.); and *In re Microsoft Corporation Massachusetts Consumer Protection Litigation* (Mass. Super. Ct.).

JOSEPH D. COHEN has extensive complex civil litigation experience, and currently oversees the firm's settlement department, negotiating, documenting and obtaining court approval of the firm's securities, merger and derivative settlements.

Prior to joining the firm, Mr. Cohen successfully prosecuted numerous securities fraud, consumer fraud, antitrust and constitutional law cases in federal and state courts throughout the country. Cases in which Mr. Cohen took a lead role include: *Jordan v. California Dep't of Motor Vehicles*, 100 Cal. App. 4th 431 (2002) (complex action in which the California Court of Appeal held that California's Non-Resident Vehicle $300 Smog Impact Fee violated the Commerce Clause of the United States Constitution, paving the way for the creation of a $665 million fund and full refunds, with interest, to 1.7 million motorists); *In re Geodyne Res., Inc. Sec. Litig.* (Harris Cty. Tex.) (settlement of securities fraud class action, including related litigation, totaling over $200 million); *In re Cmty. Psychiatric Centers Sec. Litig.* (C.D. Cal.) (settlement of $55.5 million was obtained from the company and its auditors, Ernst & Young, LLP); *In re McLeodUSA Inc., Sec. Litig.* (N.D. Iowa) ($30 million settlement); *In re Arakis Energy Corp. Sec. Litig.* (E.D.N.Y.) ($24 million settlement); *In re Metris Cos., Inc., Sec. Litig.* (D. Minn.) ($7.5 million settlement); *In re Landry's Seafood Rest., Inc. Sec. Litig.* (S.D. Tex.) ($6 million settlement); and *Freedman v. Maspeth Fed. Loan and Savings Ass'n*, (E.D.N.Y) (favorable resolution of issue of first impression under RESPA resulting in full recovery of improperly assessed late fees).

Mr. Cohen was also a member of the teams that obtained substantial recoveries in the following cases: *In re: Foreign Exchange Benchmark Rates Antitrust Litig.* (S.D.N.Y.) (partial settlements of approximately $2 billion); *In re Washington Mutual Mortgage-Backed Sec. Litig.* (W.D. Wash.) (settlement of $26 million); *Mylan Pharm., Inc. v. Warner Chilcott Public Ltd. Co.* (E.D. Pa.) ($8 million recovery in antitrust action on behalf of class of indirect purchasers of the prescription drug Doryx); *City of Omaha*

Police and Fire Ret. Sys. v. LHC Group, Inc. (W.D. La.) (securities class action settlement of $7.85 million); and *In re Pacific Biosciences of Cal., Inc. Sec. Litig.* (Cal. Super. Ct.) ($7.6 million recovery).

In addition, Mr. Cohen was previously the head of the settlement department at Bernstein Litowitz Berger & Grossmann LLP. While at BLB&G, Mr. Cohen had primary responsibility for overseeing the team working on the following settlements, among others: *In Re Merck & Co., Inc. Sec., Deriv. & "ERISA" Litig.* (D.N.J.) ($1.062 billion securities class action settlement); *New York State Teachers' Ret. Sys. v. General Motors Co.* (E.D. Mich.) ($300 million securities class action settlement); *In re JPMorgan Chase & Co. Sec. Litig.* (S.D.N.Y.) ($150 million settlement); *Dep't of the Treasury of the State of New Jersey and its Division of Inv. v. Cliffs Natural Res. Inc., et al.* (N.D. Ohio) ($84 million securities class action settlement); *In re Penn West Petroleum Ltd. Sec. Litig.* (S.D.N.Y.) ($19.76 million settlement); and *In re BioScrip, Inc. Sec. Litig.* ($10.9 million settlement).

JOSHUA L. CROWELL, a partner in the firm's Los Angeles office, concentrates his practice on prosecuting complex securities cases on behalf of investors.

Recently, he was co-lead counsel in *In re Yahoo! Inc. Securities Litigation*, No. 17-CV-00373-LHK (N.D. Cal.), which resulted in an $80 million settlement for the class. He also led the prosecution of *In re Akorn, Inc. Securities Litigation*, No. 1:15-cv-01944 (N.D. Ill.), achieving a $24 million class settlement.

Prior to joining Glancy Prongay & Murray LLP, Joshua was an Associate at Labaton Sucharow LLP in New York, where he substantially contributed to some of the firm's biggest successes. There he helped secure several large federal securities class settlements, including:

- *In re Countrywide Financial Corp. Securities Litigation*, No. CV 07-05295 MRP (MANx) (C.D. Cal.) – $624 million
- *In re Schering-Plough Corp. / ENHANCE Securities Litigation*, No. 08-397 (DMC) (JAD) (D.N.J.) – $473 million
- *In re Broadcom Corp. Class Action Litigation*, No. CV-06-5036-R (CWx) (C.D. Cal.) – $173.5 million
- *In re Fannie Mae 2008 Securities Litigation*, No. 08-civ-7831-PAC (S.D.N.Y.) – $170 million
- *Oppenheimer Champion Fund* and *Core Bond Fund* actions, Nos. 09-cv-525-JLK-KMT and 09-cv-1186-JLK-KMT (D. Colo.) – $100 million combined

He began his legal career as an Associate at Paul, Hastings, Janofsky & Walker LLP in New York, primarily representing financial services clients in commercial litigation.

Super Lawyers has selected Joshua as a Rising Star in the area of Securities Litigation from 2015 through 2017.

Prior to attending law school, Mr. Joshua was a Senior Economics Consultant at Ernst & Young LLP, where he priced intercompany transactions and calculated the value of intellectual property. Joshua received a J.D., cum laude, from The George Washington University Law School. During law school, he was a member of The George Washington Law Review and the Mock Trial Board. He was also a law intern for Chief Judge Edward J. Damich of the United States Court of Federal Claims. Joshua earned a B.A. in International Relations from Carleton College.

LIONEL Z. GLANCY, a graduate of University of Michigan Law School, is the founding partner of the Firm. After serving as a law clerk for United States District Judge Howard McKibben, he began his career as an associate at a New York law firm concentrating in securities litigation. Thereafter, he started a boutique law firm specializing in securities litigation, and other complex litigation, from the Plaintiff's perspective. Mr. Glancy has established a distinguished career in the field of securities litigation over the last fifteen years, having appeared and been appointed lead counsel on behalf of aggrieved investors in securities class action cases throughout the country. He has appeared and argued before dozen of district courts and a number of appellate courts. His efforts have resulted in the recovery of hundreds of millions of dollars in settlement proceeds for huge classes of shareholders. Well known in securities law, he has lectured on its developments and practice, including having lectured before Continuing Legal Education seminars and law schools.

Mr. Glancy was born in Windsor, Canada, on April 4, 1962. Mr. Glancy earned his undergraduate degree in political science in 1984 and his Juris Doctor degree in 1986, both from the University of Michigan. He was admitted to practice in California in 1988, and in Nevada and before the U.S. Court of Appeals, Ninth Circuit, in 1989.

MARC L. GODINO has extensive experience successfully litigating complex, class action lawsuits as a plaintiffs' lawyer. Since joining the firm in 2005, Mr. Godino has played a primary role in cases resulting in settlements of more than $100 million. He has prosecuted securities, derivative, merger & acquisition, and consumer cases throughout the country in both state and federal court, as well as represented defrauded investors at FINRA arbitrations. Mr. Godino manages the Firm's consumer class action department.

While a senior associate with Stull Stull & Brody, Mr. Godino was one of the two primary attorneys involved in *Small v. Fritz Co.*, 30 Cal. 4th 167 (April 7, 2003), in which the California Supreme Court created new law in the State of California for shareholders that held shares in detrimental reliance on false statements made by corporate officers. The decision was widely covered by national media including *The National Law Journal*, the *Los Angeles Times*, the *New York Times*, and the *New York Law Journal*, among others, and was heralded as a significant victory for shareholders.

Mr. Godino's successes with Glancy Prongay & Murray LLP include: *Good Morning To You Productions Corp., et al., v. Warner/Chappell Music, Inc., et al.*, Case No. 13-04460 (C.D. Cal.) (In this highly publicized case that attracted world-wide attention, Plaintiffs prevailed on their claim that the song "Happy Birthday" should be in the public domain

and achieved a $14,000,000 settlement to class members who paid a licensing fee for the song); *Ord v. First National Bank of Pennsylvania,* Case No. 12-766 (W. D. Pa.) ($3,000,000 settlement plus injunctive relief); *Pappas v. Naked Juice Co. of Glendora, Inc.,* Case No. 11-08276 (C.D. Cal.) ($9,000,000 settlement plus injunctive relief);*Astiana v. Kashi Company,* Case No. 11-1967 (S.D. Cal.) ($5,000,000 settlement); *In re Magma Design Automation, Inc. Securities Litigation*, Case No. 05-2394 (N.D. Cal.) ($13,500,000 settlement); *In re Hovnanian Enterprises, Inc. Securities Litigation*, Case No. 08-cv-0099 (D.N.J.) ($4,000,000 settlement); *In re Skilled Healthcare Group, Inc. Securities Litigation*, Case No. 09-5416 (C.D. Cal.) ($3,000,000 settlement); *Kelly v. Phiten USA, Inc.*, Case No. 11-67 (S.D. Iowa) ($3,200,000 settlement plus injunctive relief); (*Shin et al., v. BMW of North America*, 2009 WL 2163509 (C.D. Cal. July 16, 2009) (after defeating a motion to dismiss, the case settled on very favorable terms for class members including free replacement of cracked wheels); *Payday Advance Plus, Inc. v. MIVA, Inc.*, Case No. 06-1923 (S.D.N.Y.) ($3,936,812 settlement); *Esslinger, et al. v. HSBC Bank Nevada, N.A.*, Case No. 10-03213 (E.D. Pa.) ($23,500,000 settlement); *In re Discover Payment Protection Plan Marketing and Sales Practices Litigation*, Case No. 10-06994 ($10,500,000 settlement); *In Re: Bank of America Credit Protection Marketing and Sales Practices Litigation,* Case No. 11-md-02269 (N.D. Cal.) ($20,000,000 settlement).

Mr. Godino was also the principal attorney in the following published decisions: *In re Zappos.com, Inc., Customer Data Sec. Breach Litigation*, 714 Fed Appx. 761 (9th Cir. 2018) (reversing order dismissing class action complaint); *Small et al., v. University Medical Center of Southern Nevada, et al.*, 2017 WL 3461364 (D. Nev. Aug. 10, 2017) (denying motion to dismiss); *Sciortino v. Pepsico, Inc.*, 108 F.Supp. 3d 780 (N.D. Cal.. June 5, 2015) (motion to dismiss denied); *Peterson v. CJ America, Inc.*, 2015 WL 11582832 (S.D. Cal. May 15, 2015) (motion to dismiss denied); *Lilly v. Jamba Juice Company*, 2014 WL 4652283 (N. D. Cal. Sep 18, 2014) (class certification granted in part); *Kramer v. Toyota Motor Corp.,* 705 F. 3d 1122 (9th Cir. 2013) (affirming denial of Defendant's motion to compel arbitration); *Sateriale, et al. v. R.J. Reynolds Tobacco Co.*, 697 F. 3d 777 (9th Cir. 2012) (reversing order dismissing class action complaint); *Shin v. BMW of North America*, 2009 WL 2163509 (C.D. Cal. July 16, 2009) (motion to dismiss denied); *In re 2TheMart.com Securities Litigation*, 114 F. Supp. 2d 955 (C.D. Cal. 2002) (motion to dismiss denied); *In re Irvine Sensors Securities Litigation*, 2003 U.S. Dist. LEXIS 18397 (C.D. Cal. 2003) (motion to dismiss denied).

The following represent just a few of the cases Mr. Godino is currently litigating in a leadership position: *Small v. University Medical Center of Southern Nevada*, Case No. 13-00298 (D. Nev.); *Courtright, et al., v. O'Reilly Automotive Stores, Inc., et al.*, Case No. 14-334 (W.D. Mo); *Keskinen v. Edgewell Personal Care Co., et al.*, Case No. 17-07721 (C.D. CA); *Ryan v. Rodan & Fields, LLC*, Case No. 18-02505 (N.D. Cal)

MATTHEW M. HOUSTON, a partner in the firm's New York office, graduated from Boston University School of Law in 1988. Mr. Houston is an active member of the Bar of the State of New York and an inactive member of the bar for the Commonwealth of Massachusetts. Mr. Houston is also admitted to the United States District Courts for the Southern and Eastern Districts of New York and the District of Massachusetts, and the

Second, Seventh, Ninth, and Eleventh Circuit Court of Appeals of the United States. Mr. Houston repeatedly has been selected as a New York Metro Super Lawyer.

Mr. Houston has substantial courtroom experience involving complex actions in federal and state courts throughout the country. Mr. Houston was co-lead trial counsel in one the few ERISA class action cases taken to trial asserting breach of fiduciary duty claims against plan fiduciaries, *Brieger et al. v. Tellabs, Inc.*, No. 06-CV-01882 (N.D. Ill.), and has successfully prosecuted many ERISA actions, including *In re Royal Ahold N.V. Securities and ERISA Litigation*, Civil Action No. 1:03-md-01539. Mr. Houston has been one of the principal attorneys litigating claims in multi-district litigation concerning employment classification of pickup and delivery drivers and primarily responsible for prosecuting ERISA class claims resulting in a $242,000,000 settlement; *In re FedEx Ground Package Inc. Employment Practices Litigation*, No. 3:05-MD-527 (MDL 1700). Mr. Houston recently presented argument before the Eleventh Circuit Court of Appeals on behalf of a class of Florida pickup and delivery drivers obtaining a reversal of the lower court's grant of summary judgment. Mr. Houston represented the interests of Nevada and Arkansas drivers employed by FedEx Ground obtaining significant recoveries on their behalf. Mr. Houston also served as lead counsel in multi-district class litigation seeking to modify insurance claims handling practices; *In re UnumProvident Corp. ERISA Benefits Denial Actions*, No. 1:03-cv-1000 (MDL 1552).

Mr. Houston has played a principal role in numerous derivative and class actions wherein substantial benefits were conferred upon plaintiffs*: In re: Groupon Derivative Litigation*, No. 12-cv-5300 (N.D. Ill. 2012) (settlement of consolidated derivative action resulting in sweeping corporate governance reform estimated at $159 million) *Bangari v. Lesnik, et al.*, No. 11 CH 41973 (Illinois Circuit Court, County of Cook) (settlement of claim resulting in payment of $20 million to Career Education Corporation and implementation of extensive corporate governance reform); *In re Diamond Foods, Inc. Shareholder Litigation*, No. CGC-11-515895 (California Superior Court, County of San Francisco) ($10.4 million in monetary relief including a $5.4 million clawback of executive compensation and significant corporate governance reform); *Pace American Shareholder Litigation*, 94-92 TUC-RMB (securities fraud class action settlement resulting in a recovery of $3.75 million); *In re Bay Financial Securities Litigation*, Master File No. 89-2377-DPW, (D. Mass.) (J. Woodlock) (settlement of action based upon federal securities law claims resulting in class recovery in excess of $3.9 million); *Goldsmith v. Technology Solutions Company*, 92 C 4374 (N.D. Ill. 1992) (J. Manning) (recovery of $4.6 million as a result of action alleging false and misleading statements regarding revenue recognition).

In addition to numerous employment and derivative cases, Mr. Houston has litigated actions asserting breach of fiduciary duty in the context of mergers and acquisitions. Mr. Houston has been responsible for securing millions of dollars in additional compensation and structural benefits for shareholders of target companies: *In re Instinet Group, Inc. Shareholders Litigation*, C.A. No. 1289 (Delaware Court of Chancery); *Jasinover v. The Rouse Company*, Case No. 13-C-04-59594 (Maryland Circuit Court); *McLaughlin v. Household International, Inc.*, Case No. 02 CH 20683 (Illinois Circuit Court); *Sebesta v. The Quizno's Corporation*, Case No. 2001 CV 6281 (Colorado

District Court); *Crandon Capital Partners v. Sanford M. Kimmel*, C.A. No. 14998 (Del. Ch.); and *Crandon Capital Partners v. Kimmel*, C.A. No. 14998 (Del. Ch. 1996) (J. Chandler) (settlement of an action on behalf of shareholders of Transnational Reinsurance Co. whereby acquiring company provided an additional $10.4 million in merger consideration).

JASON L. KRAJCER is a partner in the firm's Los Angeles office. He specializes in complex securities cases and has extensive experience in all phases of litigation (fact investigation, pre-trial motion practice, discovery, trial, appeal).

Prior to joining Glancy Prongay & Murray LLP, Mr. Krajcer was an Associate at Goodwin Procter LLP where he represented issuers, officers and directors in multi-hundred million and billion dollar securities cases. He began his legal career at Orrick, Herrington & Sutcliffe LLP, where he represented issuers, officers and directors in securities class actions, shareholder derivative actions, and matters before the U.S. Securities & Exchange Commission.

Mr. Krajcer is admitted to the State Bar of California, the Bar of the District of Columbia, the United States Supreme Court, the Ninth Circuit Court of Appeals, and the United States District Courts for the Central and Southern Districts of California.

SUSAN G. KUPFER is the founding partner of the Firm's Berkeley office. Ms Kupfer joined the Firm in 2003. She is a native of New York City, and received her A.B. degree from Mount Holyoke College in 1969 and her Juris Doctor degree from Boston University School of Law in 1973. She did graduate work at Harvard Law School and, in 1977, was named Assistant Dean and Director of Clinical Programs at Harvard, supervising and teaching in that program of legal practice and related academic components.

For much of her legal career, Ms. Kupfer has been a professor of law. Her areas of academic expertise are Civil Procedure, Federal Courts, Conflict of Laws, Constitutional Law, Legal Ethics, and Jurisprudence. She has taught at Harvard Law School, Hastings College of the Law, Boston University School of Law, Golden Gate University School of Law, and Northeastern University School of Law. From 1991 through 2002, she was a lecturer on law at the University of California, Berkeley, Boalt Hall, teaching Civil Procedure and Conflict of Laws. Her publications include articles on federal civil rights litigation, legal ethics, and jurisprudence. She has also taught various aspects of practical legal and ethical training, including trial advocacy, negotiation and legal ethics, to both law students and practicing attorneys.

Ms. Kupfer previously served as corporate counsel to The Architects Collaborative in Cambridge and San Francisco, and was the Executive Director of the Massachusetts Commission on Judicial Conduct. She returned to the practice of law in San Francisco with Morgenstein & Jubelirer and Berman DeValerio LLP before joining the Firm.

Ms. Kupfer's practice is concentrated in complex antitrust litigation. She currently serves, or has served, as Co-Lead Counsel in several multidistrict antitrust cases: *In re*

Photochromic Lens Antitrust Litig. (MDL 2173, M.D. Fla. 2010); *In re Fresh and Process Potatoes Antitrust Litig.* (D. ID. 2011); *In re Korean Air Lines Antitrust Litig.* (MDL No. 1891, C.D. Cal. 2007); *In re Urethane Antitrust Litigation* (MDL 1616, D. Kan. 2004); *In re Western States Wholesale Natural Gas Litigation* (MDL 1566, D. Nev. 2005); and *Sullivan et al v. DB Investments et al* (D. N.J. 2004). She has been a member of the lead counsel teams that achieved significant settlements in: *In re Sorbates Antitrust Litigation* ($96.5 million settlement); *In re Pillar Point Partners Antitrust Litigation* ($50 million settlement); and *In re Critical Path Securities Litigation* ($17.5 million settlement).

Ms. Kupfer is a member of the bar of Massachusetts and California, and is admitted to practice before the United States District Courts for the Northern, Central, Eastern and Southern Districts of California, the District of Massachusetts, the Courts of Appeals for the First and Ninth Circuits, and the U.S. Supreme Court.

GREGORY B. LINKH works out of the New York office, where he litigates antitrust, securities, shareholder derivative, and consumer cases. Greg graduated from the State University of New York at Binghamton in 1996 and from the University of Michigan Law School in 1999. While in law school, Greg externed with United States District Judge Gerald E. Rosen of the Eastern District of Michigan. Greg was previously associated with the law firms Dewey Ballantine LLP, Pomerantz Haudek Block Grossman & Gross LLP, and Murray Frank LLP.

Previously, Greg had significant roles in *In re Merrill Lynch & Co., Inc. Research Reports Securities Litigation* (settled for $125 million); *In re Crompton Corp. Securities Litigation* (settled $11 million); *Lowry v. Andrx Corp.* (settled for $8 million); *In re Xybernaut Corp. Securities MDL Litigation* (settled for $6.3 million); and *In re EIS Int'l Inc. Securities Litigation* (settled for $3.8 million). Greg also represented the West Virginia Investment Management Board ("WVIMB") in *WVIMB v. Residential Accredited Loans, Inc., et al*., relating to the WVIMB's investment in residential mortgage-backed securities.

Currently, Greg is litigating various antitrust and securities cases, including *In re Korean Ramen Antitrust Litigation*, *In re Automotive Parts Antitrust Litigation*, and *In re Horsehead Holding Corp. Securities Litigation*.

Greg is the co-author of Inherent Risk In Securities Cases In The Second Circuit, NEW YORK LAW JOURNAL (Aug. 26, 2004); and Staying Derivative Action Pursuant to PSLRA and SLUSA, NEW YORK LAW JOURNAL, P. 4, COL. 4 (Oct. 21, 2005).

BRIAN MURRAY is the managing partner of the Firm's New York Park Avenue office and the head of the Firm's Antitrust Practice Group. He received Bachelor of Arts and Master of Arts degrees from the University of Notre Dame in 1983 and 1986, respectively. He received a Juris Doctor degree, *cum laude,* from St. John's University School of Law in 1990. At St. John's, he was the Articles Editor of the ST. JOHN'S LAW REVIEW. Mr. Murray co-wrote: *Jurisdição Estrangeira Tem Papel Relevante Na De Fiesa De Investidores Brasileiros,* ESPAÇA JURÍDICO BOVESPA (August 2008); *The Proportionate Trading Model: Real Science or Junk Science?,* 52 CLEVELAND ST. L. REV. 391 (2004-05); *The Accident of Efficiency: Foreign Exchanges, American*

Depository Receipts, and Space Arbitrage, 51 BUFFALO L. REV. 383 (2003); *You Shouldn't Be Required To Plead More Than You Have To Prove,* 53 BAYLOR L. REV. 783 (2001); *He Lies, You Die: Criminal Trials, Truth, Perjury, and Fairness,* 27 NEW ENGLAND J. ON CIVIL AND CRIMINAL CONFINEMENT 1 (2001); *Subject Matter Jurisdiction Under the Federal Securities Laws: The State of Affairs After Itoba,* 20 MARYLAND J. OF INT'L L. AND TRADE 235 (1996); *Determining Excessive Trading in Option Accounts: A Synthetic Valuation Approach,* 23 U. DAYTON L. REV. 316 (1997); *Loss Causation Pleading Standard,* NEW YORK LAW JOURNAL (Feb. 25, 2005); *The PSLRA 'Automatic Stay' of Discovery,* NEW YORK LAW JOURNAL (March 3, 2003); and *Inherent Risk In Securities Cases In The Second Circuit,* NEW YORK LAW JOURNAL (Aug. 26, 2004). He also authored *Protecting The Rights of International Clients in U.S. Securities Class Action Litigation,* INTERNATIONAL LITIGATION NEWS (Sept. 2007); Lifting the PSLRA "Automatic Stay" of Discovery, 80 N. DAK. L. REV. 405 (2004); *Aftermarket Purchaser Standing Under § 11 of the Securities Act of 1933,* 73 ST. JOHN'S L. REV.633 (1999); *Recent Rulings Allow Section 11 Suits By Aftermarket Securities Purchasers,* NEW YORK LAW JOURNAL (Sept. 24, 1998); and *Comment, Weissmann v. Freeman: The Second Circuit Errs in its Analysis of Derivative Copyrights by Joint Authors,* 63 ST. JOHN'S L. REV. 771 (1989).

Mr. Murray was on the trial team that prosecuted a securities fraud case under Section 10(b) of the Securities Exchange Act of 1934 against Microdyne Corporation in the Eastern District of Virginia and he was also on the trial team that presented a claim under Section 14 of the Securities Exchange Act of 1934 against Artek Systems Corporation and Dynatach Group which settled midway through the trial.

Mr. Murray's major cases include *In re Horsehead Holding Corp. Sec. Litig*., No. 16-cv-292, 2018 WL 4838234 (D. Del. Oct. 4, 2018) (recommending denial of motion to dismiss securities fraud claims where company's generic cautionary statements failed to adequately warn of known problems); *In re Deutsche Bank Sec. Litig*., --- F.R.D. ---, 2018 WL 4771525 (S.D.N.Y. Oct. 2, 2018) (granting class certification for Securities Act claims and rejecting defendants' argument that class representatives' trading profits made them atypical class members); *Robb v. Fitbit Inc.*, 216 F. Supp. 3d 1017 (N.D. Cal. 2016) (denying motion to dismiss securities fraud claims where confidential witness statements sufficiently established scienter); *In re Eagle Bldg. Tech. Sec. Litig.,* 221 F.R.D. 582 (S.D. Fla. 2004), 319 F. Supp. 2d 1318 (S.D. Fla. 2004) (complaint against auditor sustained due to magnitude and nature of fraud; no allegations of a "tip-off" were necessary); *In re Turkcell Iletisim A.S. Sec. Litig.,* 209 F.R.D. 353 (S.D.N.Y. 2002) (defining standards by which investment advisors have standing to sue); *In re Turkcell Iletisim A.S. Sec. Litig*., 202 F. Supp. 2d 8 (S.D.N.Y. 2001) (liability found for false statements in prospectus concerning churn rates); *Feiner v. SS&C Tech., Inc.,* 11 F. Supp. 2d 204 (D. Conn. 1998) (qualified independent underwriters held liable for pricing of offering); *Malone v. Microdyne Corp.*, 26 F.3d 471 (4th Cir. 1994) (reversal of directed verdict for defendants); and *Adair v. Bristol Tech. Systems, Inc.,* 179 F.R.D. 126 (S.D.N.Y. 1998) (aftermarket purchasers have standing under section 11 of the Securities Act of 1933). Mr. Murray also prevailed on an issue of first impression in the Superior Court of Massachusetts, in Cambridge Biotech Corp. v. Deloitte and Touche LLP, in which the court applied the doctrine of continuous representation for statute of

limitations purposes to accountants for the first time in Massachusetts. 6 Mass. L. Rptr. 367 (Mass. Super. Jan. 28, 1997). In addition, in *Adair v. Microfield Graphics, Inc.* (D. Or.), Mr. Murray settled the case for 47% of estimated damages. *In the Qiao Xing Universal Telephone* case, claimants received 120% of their recognized losses.

Among his current cases, Mr. Murray represents a class of investors in a securities litigation involving preferred shares of Deutsche Bank and is lead counsel in a securities class action against Horsehead Holdings, Inc. in the District of Delaware.

Mr. Murray served as a Trustee of the Incorporated Village of Garden City (2000-2002); Commissioner of Police for Garden City (2000-2001); Co-Chairman, Derivative Suits Subcommittee, American Bar Association Class Action and Derivative Suits Committee, (2007-2010); Member, Sports Law Committee, Association of the Bar for the City of New York, 1994-1997; Member, Litigation Committee, Association of the Bar for the City of New York, 2003-2007; Member, New York State Bar Association Committee on Federal Constitution and Legislation, 2005-2008; Member, Federal Bar Council, Second Circuit Committee, 2007-present.

Mr. Murray has been a panelist at CLEs sponsored by the Federal Bar Council and the Institute for Law and Economic Policy, at the German-American Lawyers Association Annual Meeting in Frankfurt, Germany, and is a frequent lecturer before institutional investors in Europe and South America on the topic of class actions.

LESLEY F. PORTNOY represents domestic and international clients in securities litigation and class actions. Mr. Portnoy focuses his practice on recovering losses suffered by investors resulting corporate fraud and other wrongdoing.

Mr. Portnoy has extensive experience litigating complex cases in state and federal courts nationwide, and previously served as counsel to investors in the Bernard L. Madoff securities, assisting the SIPC trustee Irving Picard in recovering assets on behalf of defrauded investors. During law school, he worked in the New York Supreme Court Commercial Division, the Second Circuit Court of Appeals, and the New York City Law Department. Mr. Portnoy has represented pro bono clients in New York and California.

ROBERT V. PRONGAY is a partner in the Firm's Los Angeles office where he focuses on the investigation, initiation, and prosecution of complex securities cases on behalf of institutional and individual investors. Mr. Prongay's practice concentrates on 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.

Mr. Prongay has extensive experience litigating complex cases in state and federal courts nationwide. Since joining the Firm, Mr. Prongay has successfully recovered millions of dollars for investors victimized by securities fraud and has negotiated the implementation of significant corporate governance reforms aimed at preventing the recurrence of corporate wrongdoing.

Mr. Prongay was recently recognized as one of thirty lawyers included in the Daily Journal's list of Top Plaintiffs Lawyers in California for 2017. Several of Mr. Prongay's cases have received national and regional press coverage. Mr. Prongay has been interviewed by journalists and writers for national and industry publications, ranging from *The Wall Street Journal* to the *Los Angeles Daily Journal*. Mr. Prongay has appeared as a guest on Bloomberg Television where he was interviewed about the securities litigation stemming from the high-profile initial public offering of Facebook, Inc.

Mr. Prongay received his Bachelor of Arts degree in Economics from the University of Southern California and his Juris Doctor degree from Seton Hall University School of Law. Mr. Prongay is also an alumnus of the Lawrenceville School.

DANIELLA QUITT, a partner in the firm's New York office, graduated from Fordham University School of Law in 1988, is a member of the Bar of the State of New York, and is also admitted to the United States District Courts for the Southern and Eastern Districts of New York and the United States Court of Appeals for the Second, Fifth, and Ninth Circuits.

Ms. Quitt has extensive experience in successfully litigating complex class actions from inception to trial and has played a significant role in numerous actions wherein substantial benefits were conferred upon plaintiff shareholders, such as *In re Safety-Kleen Corp. Stockholders Litigation*, (D.S.C.) (settlement fund of $44.5 million); *In re Laidlaw Stockholders Litigation*, (D.S.C.) (settlement fund of $24 million); *In re UNUMProvident Corp. Securities Litigation*, (D. Me.) (settlement fund of $45 million); *In re Harnischfeger Industries* (E.D. Wisc.) (settlement fund of $10.1 million); *In re Oxford Health Plans, Inc. Derivative Litigation*, (S.D.N.Y.) (settlement benefit of $13.7 million and corporate therapeutics); *In re JWP Inc. Securities Litigation*, (S.D.N.Y.) (settlement fund of $37 million); *In re Home Shopping Network, Inc., Derivative Litigation*, (S.D. Fla.) (settlement benefit in excess of $20 million); *In re Graham-Field Health Products, Inc. Securities* Litigation, (S.D.N.Y.) (settlement fund of $5.65 million); *Benjamin v. Carusona*, (E.D.N.Y.) (prosecuted action on behalf of minority shareholders which resulted in a change of control from majority-controlled management at Gurney's Inn Resort & Spa Ltd.); *In re Rexel Shareholder Litigation*, (Sup. Ct. N.Y. County) (settlement benefit in excess of $38 million); and *Croyden Assoc. v. Tesoro Petroleum Corp., et al.*, (Del. Ch.) (settlement benefit of $19.2 million).

In connection with the settlement of *Alessi v. Beracha*, (Del. Ch.), a class action brought on behalf of the former minority shareholders of Earthgrains, Chancellor Chandler commented: "I give credit where credit is due, Ms. Quitt. You did a good job and got a good result, and you should be proud of it.""

Ms. Quitt has focused her practice on shareholder rights and ERISA class actions but also handles general commercial and consumer litigation. Ms. Quitt serves as a member of the S.D.N.Y. ADR Panel and has been consistently selected as a New York Metro Super Lawyer.

JONATHAN M. ROTTER leads the Firm's intellectual property litigation practice. He recently served for three years as the first Patent Pilot Program Law Clerk at the United States District Court for the Central District of California, both in Los Angeles and Orange County. There, he assisted the Honorable S. James Otero, Andrew J. Guilford, George H. Wu, John A. Kronstadt, and Beverly Reid O'Connell with hundreds of patent cases in every major field of technology, from complaint to post-trial motions. Mr. Rotter also served as a law clerk for the Honorable Milan D. Smith, Jr. on the United States Court of Appeals for the Ninth Circuit.

Before his service to the court, Mr. Rotter practiced at an international law firm, where he argued appeals at the Federal Circuit, Ninth Circuit, and California Court of Appeal, tried cases, argued motions, and managed all aspects of complex litigation. He also served as a volunteer criminal prosecutor for the Los Angeles City Attorney's Office. His cases have involved diverse technologies in both "wet" and "dry" disciplines, and he excels at the critical skill of translating complex subject matter into a coherent story that can be digested by judges and juries.

In addition to intellectual property matters, Mr. Rotter litigates consumer protection, healthcare, antitrust, and securities class actions. Mr. Rotter handles cases on contingency, partial contingency, and hourly bases. He works collaboratively with other lawyers and law firms across the country.

Mr. Rotter graduated with honors from Harvard Law School in 2004. He served as an editor of the Harvard Journal of Law & Technology, and was a Fellow in Law and Economics at the John M. Olin Center for Law, Economics, and Business, and a Fellow in Justice, Welfare, and Economics at the Weatherhead Center For International Affairs. He graduated with honors from the University of California, San Diego in 2000 with a B.S. in molecular biology and a B.A. in music.

Mr. Rotter serves on the Merit Selection Panel for Magistrate Judges in the Central District of California, and the Model Patent Jury Instructions and Model Patent Local Rules subcommittees of the American Intellectual Property Law Association. He has written extensively on intellectual property issues, and has been honored for his work with legal service organizations. He is admitted to practice before the United States Patent & Trademark Office, the United States Courts of Appeals for the Second, Ninth and Federal Circuits, and the United States District Courts for the Northern, Central, and Southern Districts of California.

KEVIN F. RUF graduated from the University of California at Berkeley with a Bachelor of Arts in Economics and earned his Juris Doctor degree from the University of Michigan. He was an associate at the Los Angeles firm Manatt Phelps and Phillips from 1988 until 1992, where he specialized in commercial litigation. In 1993, he joined the firm Corbin & Fitzgerald (with future federal district court Judge Michael Fitzgerald) specializing in white collar criminal defense work. Kevin joined the Glancy firm in 2001 and is the head of the firm's Labor practice.

Kevin has successfully argued a number of important appeals, including in the 9th Circuit Court of Appeals. He has twice argued cases before the California Supreme Court – winning both. In *Smith v. L'Oreal* (2006), the California Supreme Court established a fundamental right of all California workers to immediate payment of all earnings at the conclusion of their employment. The second California Supreme Court case, *Lee v. Dynamex* (2018), has been called a "blockbuster" and "bombshell" as it altered 30 years of California law and established a new definition of employment that brings more workers within the protections of California's Labor Code.

Kevin has been named one of California's "Top 75 Employment Lawyers" by the Daily Journal. He has consistently been named a "Super Lawyer."

Since 2014, Kevin has been an elected member of the Ojai Unified School District School Board. Kevin was also a Main Company Member of the world-famous Groundlings improvisional and sketch comedy troupe – "where everyone else got famous."

BENJAMIN I. SACHS-MICHAELS, a partner in the firm's New York office, graduated from Benjamin N. Cardozo School of Law in 2011. His practice focuses on shareholder derivative litigation and class actions on behalf of shareholders and consumers.

While in law school, Mr. Sachs-Michaels served as a judicial intern to Senior United States District Judge Thomas J. McAvoy in the United States District Court for the Northern District of New York and was a member of the Cardozo Journal of Conflict Resolution.

Mr. Sachs-Michaels is a member of the Bar of the State of New York. He is also admitted to the United States District Courts for the Southern and Eastern Districts of New York and the United States Court of Appeals for the Second Circuit.

CASEY E. SADLER is a native of New York, New York. After graduating from the University of Southern California, Gould School of Law, Mr. Sadler joined the Firm in 2010. While attending law school, Mr. Sadler externed for the Enforcement Division of the Securities and Exchange Commission, spent a summer working for P.H. Parekh & Co. – one of the leading appellate law firms in New Delhi, India – and was a member of USC's Hale Moot Court Honors Program.

Mr. Sadler's practice focuses on securities and consumer litigation. A partner in the Firm's Los Angeles office, Mr. Sadler is admitted to the State Bar of California and the United States District Courts for the Northern, Southern, and Central Districts of California.

EX KANO S. SAMS II earned his Bachelor of Arts degree in Political Science from the University of California Los Angeles. Mr. Sams earned his Juris Doctor degree from the University of California Los Angeles School of Law, where he served as a member of the *UCLA Law Review*. After law school, Mr. Sams practiced class action civil rights litigation on behalf of plaintiffs. Subsequently, Mr. Sams was a partner at Coughlin

Stoia Geller Rudman & Robbins LLP (currently Robbins Geller Rudman & Dowd LLP), where his practice focused on securities and consumer class actions on behalf of investors and consumers.

During his career, Mr. Sams has served as lead counsel in dozens of securities class actions and complex-litigation cases throughout the United States. Mr. Sams was one of the counsel for respondents in *Cyan, Inc. v. Beaver Cty. Employees Ret. Fund*, No. 15-1439, 2018 WL 1384564 (U.S. Mar. 20, 2018), 583 U.S. ___ (2018), in which the United States Supreme Court ruled unanimously in favor of respondents, holding that: (1) the Securities Litigation Uniform Standards Act of 1998 ("SLUSA") does not strip state courts of jurisdiction over class actions alleging violations of only the Securities Act of 1933; and (2) SLUSA does not empower defendants to remove such actions from state to federal court. Mr. Sams also participated in a successful appeal before a Fifth Circuit panel that included former United States Supreme Court Justice Sandra Day O'Connor sitting by designation, in which the court unanimously vacated the lower court's denial of class certification, reversed the lower court's grant of summary judgment, and issued an important decision on the issue of loss causation in securities litigation: *Alaska Electrical Pension Fund v. Flowserve Corp*., 572 F.3d 221 (5th Cir. 2009). The case settled for $55 million.

Mr. Sams has also obtained other significant results. Notable examples include: *In re King Digital Entm't plc S'holder Litig*., No. CGC-15-544770 (San Francisco Superior Court) (case settled for $18.5 million); *In re Castlight Health, Inc. S'holder Litig.*, Lead Case No. CIV533203 (California Superior Court, County of San Mateo) (case settled for $9.5 million); *Wiley v. Envivio, Inc*., Master File No. CIV517185 (California Superior Court, County of San Mateo) (case settled for $8.5 million); *In re CafePress Inc. S'holder Litig.*, Master File No. CIV522744 (California Superior Court, County of San Mateo) (case settled for $8 million); *Robinson v. Audience, Inc*., Case No. 1:12-cv-232227 (California Superior Court, County of Santa Clara) (case settled for $6,050,000); *Estate of Gardner v. Continental Casualty Co.*, No. 3:13-cv-1918 (JBA), 2016 WL 806823 (D. Conn. Mar. 1, 2016) (granting class certification); *Forbush v. Goodale*, No. 33538/2011, 2013 WL 582255 (N.Y. Sup. Feb. 4, 2013) (denying motions to dismiss in a shareholder derivative action); *Curry v. Hansen Med., Inc*., No. C 09-5094 CW, 2012 WL 3242447 (N.D. Cal. Aug. 10, 2012) (upholding securities fraud complaint; case settled for $8.5 million); *Wilkof v. Caraco Pharm. Labs., Ltd*., 280 F.R.D. 332 (E.D. Mich. 2012) (granting class certification); *Puskala v. Koss Corp*., 799 F. Supp. 2d 941 (E.D. Wis. 2011) (upholding securities fraud complaint); *Mishkin v. Zynex Inc*., Civil Action No. 09-cv-00780-REB-KLM, 2011 WL 1158715 (D. Colo. Mar. 30, 2011) (denying defendants' motion to dismiss securities fraud complaint); and *Tsirekidze v. Syntax-Brillian Corp*., No. CV-07-02204-PHX-FJM, 2009 WL 2151838 (D. Ariz. July 17, 2009) (granting class certification; case settled for $10 million).

Additionally, Mr. Sams has successfully represented consumers in class action litigation. Mr. Sams worked on nationwide litigation and a trial against major tobacco companies, and in statewide tobacco litigation that resulted in a $12.5 billion recovery for California cities and counties in a landmark settlement. He also was a principal attorney in a consumer class action against one of the largest banks in the country that

resulted in a substantial recovery and a change in the company's business practices. Mr. Sams also participated in settlement negotiations on behalf of environmental organizations along with the United States Department of Justice and the Ohio Attorney General's Office that resulted in a consent decree requiring a company to perform remediation measures to address the effects of air and water pollution. Additionally, Mr. Sams has been an author or co-author of several articles in major legal publications, including "9th Circuit Decision Clarifies Securities Fraud Loss Causation Rule" published in the February 8, 2018 issue of the *Daily Journal*, and "Market Efficiency in the World of High-Frequency Trading" published in the December 26, 2017 issue of the *Daily Journal*.

KARA M. WOLKE is a partner in the firm's Los Angeles office. Ms. Wolke specializes in complex litigation, including the prosecution of securities fraud, derivative, consumer, and wage and hour class actions. She has extensive experience in written appellate advocacy in both State and Federal Circuit Courts of Appeals, and has successfully argued before the Court of Appeals for the State of California.

With over a decade of experience in financial class action litigation, Ms. Wolke has helped to recover hundreds of millions of dollars for injured investors, consumers, and employees. Notable cases include: *Farmington Hills Employees' Retirement System v. Wells Fargo Bank*, Case No. 10-4372 (D. Minn.) ($62.5 million settlement on behalf of participants in Wells Fargo's securities lending program. The settlement was reached on the eve of trial and ranked among the largest recoveries achieved in a securities lending class action stemming from the 2008 financial crisis.); *Schleicher, et al. v. Wendt, et al.* (Conseco), Case No. 02-cv-1332 (S.D. Ind.) ($41.5 million securities class action settlement); *Lapin v. Goldman Sachs*, Case No. 03-850 (S.D.N.Y.) ($29 million securities class action settlement); *In Re: Mannkind Corporation Securities Litigation*, Case No. 11-929 (C.D. Cal) (approximately $22 million settlement - $16 million in cash plus stock); *Jenson v. First Trust Corp.*, Case No. 05-3124 (C.D. Cal.) ($8.5 million settlement of action alleging breach of fiduciary duty and breach of contract against trust company on behalf of a class of elderly investors); and *Pappas v. Naked Juice Co.*, Case No. 11-08276 (C.D. Cal.) ($9 million settlement in consumer class action alleging misleading labeling of juice products as "All Natural").

With a background in intellectual property, Ms. Wolke was a part of the team of lawyers who successfully challenged the claim of copyright ownership to the song "Happy Birthday to You" on behalf of artists and filmmakers who had been forced to pay hefty licensing fees to publicly sing the world's most famous song. In the resolution of that action, the defendant music publishing company funded a settlement of $14 million and, significantly, agreed to relinquish the song to the public domain. Previously, Ms. Wolke penned an article regarding the failure of U.S. Copyright Law to provide an important public performance right in sound recordings, 7 Vand. J. Ent. L. & Prac. 411, which was nationally recognized and received an award by the American Bar Association and the Grammy® Foundation.

Committed to the provision of legal services to the poor, disadvantaged, and other vulnerable or disenfranchised individuals and groups, Ms. Wolke also oversees the

Firm's pro bono practice. Ms. Wolke currently serves as a volunteer attorney for KIND (Kids In Need of Defense), representing unaccompanied immigrant and refugee children in custody and deportation proceedings, and helping them to secure legal permanent residency status in the U.S.

Ms. Wolke graduated summa cum laude with a Bachelor of Science in Economics from The Ohio State University in 2001. She subsequently earned her J.D. (with honors) from Ohio State, where she was active in Moot Court and received the Dean's Award for Excellence during each of her three years.

Ms. Wolke is admitted to the State Bar of California, the Ninth Circuit Court of Appeals, as well as the United States District Courts for the Northern, Southern, and Central Districts of California. She lives with her husband and two sons in Los Angeles.

OF COUNSEL

PETER A. BINKOW has prosecuted lawsuits on behalf of consumers and investors in state and federal courts throughout the United States. He served as Lead or Co-Lead Counsel in many class action cases, including: *In re Mercury Interactive Securities Litigation* ($117.5 million recovery); *The City of Farmington Hills Retirement System v Wells Fargo* ($62.5 million recovery); *Schleicher v Wendt* (Conseco Securities litigation - $41.5 million recovery); *Lapin v Goldman Sach*s ($29 million recovery); *In re Heritage Bond Litigation* ($28 million recovery); *In re National Techteam Securities Litigation* ($11 million recovery for investors); *In re Lason Inc. Securities Litigation* ($12.68 million recovery), *In re ESC Medical Systems, Ltd. Securities Litigation* ($17 million recovery); and many others. In *Schleicher v Wendt*, Mr. Binkow successfully argued the seminal Seventh Circuit case on class certification, in an opinion authored by Chief Judge Frank Easterbrook. He has argued and/or prepared appeals before the Ninth Circuit, Seventh Circuit, Sixth Circuit and Second Circuit Courts of Appeals.

Mr. Binkow joined the Firm in 1994. He was born on August 16, 1965 in Detroit, Michigan. Mr. Binkow obtained a Bachelor of Arts degree from the University of Michigan in 1988 and a Juris Doctor degree from the University of Southern California in 1994.

MARK S. GREENSTONE specializes in consumer, financial fraud and employment-related class actions. Possessing significant law and motion and trial experience, Mr. Greenstone has represented clients in multi-million dollar disputes in California state and federal courts, as well as the Court of Federal Claims in Washington, D.C.

Mr. Greenstone received his training as an associate at Sheppard, Mullin, Richter & Hampton LLP where he specialized in complex business litigation relating to investment management, government contracts and real estate. Upon leaving Sheppard Mullin, Mr. Greenstone founded an internet-based company offering retail items on multiple platforms nationwide. He thereafter returned to law bringing a combination of business and legal skills to his practice.

Mr. Greenstone graduated Order of the Coif from the UCLA School of Law. He also received his undergraduate degree in Political Science from UCLA, where he graduated Magna Cum Laude and was inducted into the Phi Beta Kappa honor society.

Mr. Greenstone is a member of the Consumer Attorneys Association of Los Angeles, the Santa Monica Bar Association and the Beverly Hills Bar Association. He is admitted to practice in state and federal courts throughout California.

ROBERT I. HARWOOD, Of Counsel to the firm, graduated from William and Mary Law School in 1971, and has specialized in securities law and securities litigation since beginning his career in 1972 at the Enforcement Division of the New York Stock Exchange. Mr. Harwood was a founding member of Harwood Feffer LLP. He has prosecuted numerous securities, class, derivative, and ERISA actions. He is a member of the Trial Lawyers' Section of the New York State Bar Association and has served as a guest lecturer at trial advocacy programs sponsored by the Practicing Law Institute. In a statewide survey of his legal peers published by Super Lawyers Magazine, Mr. Harwood has been consistently selected as a "New York Metro Super Lawyer." Super Lawyers are the top five percent of attorneys in New York, as chosen by their peers and through the independent research. He is also a Member of the Board of Directors of the MFY Legal Services Inc., which provides free legal representation in civil matters to the poor and the mentally ill in New York City. Since 1999, Mr. Harwood has also served as a Village Justice for the Village of Dobbs Ferry, New York.

Commenting on Mr. Harwood's abilities, in *In re Royal Dutch/Shell Transport ERISA Litigation*, (D.N.J.), Judge Bissell stated:

> the Court knows the attorneys in the firms involved in this matter and they are highly experienced and highly skilled in matters of this kind. Moreover, in this case it showed. Those efforts were vigorous, imaginative and prompt in reaching the settlement of this matter with a minimal amount of discovery . . . . So both skill and efficiency were brought to the table here by counsel, no doubt about that.

Likewise, Judge Hurley stated in connection with *In re Olsten Corporation Securities Litigation*, No. 97 CV-5056 (E.D.N.Y. Aug. 31, 2001), wherein a settlement fund of $24.1 million was created: "The quality of representation here I think has been excellent." Mr. Harwood was lead attorney in *Meritt v. Eckerd*, No. 86 Civ. 1222 (E.D.N.Y. May 30, 1986), where then Chief Judge Weinstein observed that counsel conducted the litigation with "speed and skill" resulting in a settlement having a value "in the order of $20 Million Dollars." Mr. Harwood prosecuted the *Hoeniger v. Aylsworth* class action litigation in the United States District Court for the Western District of Texas (No. SA-86-CA-939), which resulted in a settlement fund of $18 million and received favorable comment in the August 14, 1989 edition of *The Wall Street Journal* ("*Prospector Fund Finds Golden Touch in Class Action Suit" p*. 18, col. 1). Mr. Harwood served as co-lead counsel in *In Re Interco Incorporated Shareholders Litigation*, Consolidated C.A. No. 10111 (Delaware Chancery Court) (May 25, 1990), resulting in a settlement of $18.5 million,

where V.C. Berger found, "This is a case that has an extensive record that establishes it was very hard fought. There were intense efforts made by plaintiffs' attorneys and those efforts bore very significant fruit in the face of serious questions as to ultimate success on the merits."

Mr. Harwood served as lead counsel in *Morse v. McWhorter* (Columbia/HCA Healthcare Securities Litigation), (M.D. Tenn.), in which a settlement fund of $49.5 million was created for the benefit of the Class, as well as *In re Bank One Securities Litigation*, (N.D. Ill.), which resulted in the creation of a $45 million settlement fund. Mr. Harwood also served as co-lead counsel in *In re Safety-Kleen Corp. Stockholders Litigation*, (D.S.C.), which resulted in a settlement fund of $44.5 million; *In re Laidlaw Stockholders Litigation*, (D.S.C.), which resulted in a settlement fund of $24 million; *In re AIG ERISA Litigation*, (S.D.N.Y.), which resulted in a settlement fund of $24.2 million*; In re JWP Inc. Securities Litigation*, (S.D.N.Y.), which resulted in a $37 million settlement fund; *In re Oxford Health Plans, Inc. Derivative Litigation*, (S.D.N.Y.), which resulted in a settlement benefit of $13.7 million and corporate therapeutics; and *In re UNUMProvident Corp. Securities Litigation*, (D. Me.), which resulted in the creation of settlement fund of $45 million. Mr. Harwood has also been one of the lead attorneys in litigating claims in *In re FedEx Ground Package Inc. Employment Practices Litigation*, No. 3:05-MD-527 (MDL 1700), a multi-district litigation concerning employment classification of pickup and delivery drivers which resulted in a $242,000,000 settlement.

STAN KARAS of counsel in the Los Angeles office, is an experienced class action attorney, who works on every stage of such cases from pleading challenges to class certification proceedings to trial and appeal. He is also an experienced trial lawyer, including as first chair. Among other successes, he obtained a $3 million jury verdict for a client, along with a finding that the defendant was liable for punitive damages. In another trial, the court granted non-suit in favor of Stan's client after he delivered the opening argument.

Mr. Karas started his legal career at Paul Hastings Janofsky and Walker, where he handled complex commercial and real estate litigation. Subsequently, he joined Quinn Emanuel Urquhart & Sullivan, where he specialized in class actions, both on the plaintiff and the defense side, as well as intellectual property litigation. Mr. Karas then worked at a plaintiff-side class action firm where he obtained tens of millions of dollars in settlements on behalf of his clients.

Mr. Karas is a graduate of Stanford University, where he received a degree in History and Literature and was elected to Phi Beta Kappa. He graduated from Boalt Hall School of Law at UC Berkeley. In law school, Mr. Karas served as Articles Editor of the *California Law Review* and Notes and Comments Editor of the *Berkeley Technology Law Journal*. Mr. Karas has published on class action and privacy law issues including *Privacy, Identity, Databases*, 52 Am. U. L. Rev. 393 (2002) and *The Role of Fluid Recovery in Consumer Protection Litigation*, 90 Cal. L. Rev. 959 (2002).

ASSOCIATES

GRAHAM CLEGG received his LLB in 1988 from the Manchester University School of Law in England, with Honors. He was admitted to the New York State Bar in 2002. Mr. Clegg has significant experience in the prosecution of class claims, including *In re Bristol-Myers Squibb Securities Litigation,* which settled for $185 million.

CHRISTOPHER FALLON focuses on securities, consumer, and anti-trust litigation. Prior to joining the firm, Mr. Fallon was a contract attorney with O'Melveny & Myers LLP working on anti-trust and business litigation disputes. He is a Certified E-Discovery Specialist through the Association of Certified E-Discovery Specialists (ACEDS).

Mr. Fallon earned his J.D. and a Certificate in Dispute Resolution from Pepperdine Law School in 2004. While attending law school, Christopher worked at the Pepperdine Special Education Advocacy Clinic and interned with the Rhode Island Office of the Attorney General. Prior to attending law school, he graduated from Boston College with a Bachelor of Arts in Economics and a minor in Irish Studies, then served as Deputy Campaign Finance Director on a U.S. Senate campaign.

MEHRDAUD JAFARNIA received his J.D. in 2001 from Southwestern University School of Law, having earlier earned a B.A. in Political Science/International Relations from the University of California at Los Angeles (UC Regents Merit Scholarship Award and the Vance Burch Scholarship). Mr. Jafarnia served as a Staff Attorney for the 9th Circuit Court of Appeals and has represented financial institutions in adversary and evidentiary proceedings in the Bankruptcy Courts.

THOMAS J. KENNEDY works out of the New York office, where he focuses on securities, antitrust, mass torts, and consumer litigation. He received a Juris Doctor degree from St. John's University School of Law in 1995. At St. John's, he was a member of the ST. JOHN'S JOURNAL OF LEGAL COMMENTARY. Mr. Kennedy graduated from Miami University in 1992 with a Bachelor of Science degree in Accounting and has passed the CPA exam. Mr. Kennedy was previously associated with the law firm Murray Frank LLP.

JENNIFER M. LEINBACH served for nearly five years as a judicial law clerk for a number of judges in the Central District of California. As a judicial law clerk, Ms. Leinbach was responsible for assisting these judges with case management, preparing for hearings and trial, and drafting rulings. Ms. Leinbach worked on a variety of different cases, including cases involving financial fraud, insolvency and complex civil litigation. Ms. Leinbach was also responsible for assisting those judges, sitting by designation, on appellate cases.

Ms. Leinbach graduated magna cum laude from Vermont Law School and was a member of Vermont Law Review, where she focused on environmental law issues. During law school, Ms. Leinbach served as a judicial extern in the District of Vermont. She obtained her undergraduate degree cum laude from Pepperdine University.

CHARLES H. LINEHAN graduated summa cum laude from the University of California, Los Angeles with a Bachelor of Arts degree in Philosophy and a minor in Mathematics. Mr. Linehan received his Juris Doctor degree from the UCLA School of Law, where he was a member of the UCLA Moot Court Honors Board. While attending law school, Mr. Linehan participated in the school's First Amendment Amicus Brief Clinic (now the Scott & Cyan Banister First Amendment Clinic) where he worked with nationally recognized scholars and civil rights organizations to draft amicus briefs on various Free Speech issues.

DANIELLE L. MANNING is a litigation associate in the firm's Los Angeles office. Ms. Manning specializes in prosecuting complex class action lawsuits, including securities fraud and consumer class actions. Ms. Manning has experience in all phases of pre-trial litigation, including conducting fact investigation, drafting pleadings, researching and drafting briefs in the context of law and motion practice, drafting and responding to discovery requests, assisting with deposition preparation, and preparing for and negotiating settlements. Ms. Manning is admitted to the State Bar of California, the Ninth Circuit Court of Appeals, and the United States District Courts for the Central and Northern Districts of California.

Ms. Manning received her Juris Doctor degree from the University of California Los Angeles School of Law, where she served as Chief Managing Editor of the *Journal of Environmental Law and Policy*. While attending law school, Ms. Manning externed for the Honorable Laurie D. Zelon in the California Court of Appeal and interned for the California Department of Justice, Office of the Attorney General. Ms. Manning received her Bachelor of Arts degree with honors in Environmental Analysis from Claremont McKenna College.

VAHE MESROPYAN joined the firm in 2018 and focuses his practice on litigating securities class actions. Immediately prior to joining the firm, Mr. Mesropyan served as a judicial law clerk for multiple judges in the U.S. District Court for the Central District of California. Prior to his clerkship, Mr. Mesropyan was an associate at Crowell & Moring LLP, where he represented Fortune 500 companies in complex antitrust matters.

Mr. Mesropyan received his J.D. from the University of California, Irvine School of Law as a Dean's Merit Scholarship recipient. While in law school, he clerked for the Federal Trade Commission, Consumer Protection Unit and served as an extern for the Internal Revenue Service, Office of Chief Counsel.

JARED F. PITT focuses on securities, consumer, and anti-trust litigation. Prior to joining the firm, Mr. Pitt was an associate at Willoughby Doyle LLP and was a senior financial statement auditor for KMPG LLP where he earned his CPA license.

Mr. Pitt earned his J.D. from Loyola Law School in 2010. Prior to attending law school he graduated with honors from both the University of Michigan's Ross School of Business and USC's Marshall School of Business where he received a Masters of Accounting.

PAVITHRA RAJESH is an associate in the firm's Los Angeles office. Ms. Rajesh graduated from University of California, Santa Barbara with a Bachelor of Science degree in Mathematics and a Bachelor of Arts degree in Psychology. She received her Juris Doctor degree from UCLA School of Law. Ms. Rajesh has unique writing experience from her judicial externship for the Patent Pilot Program in the United States District Court for the Central District of California, where she worked closely with the Clerk and judges in the program on patent cases. While in law school, Ms. Rajesh was an Associate Editor for the UCLA Law Review.

NOREEN R. SCOTT received her J.D. in 2002 from Tulane Law School and earned a B.A. in Economics from Emory University in 1999. She served as a law clerk to the Hon. Charles R. Jones on the Louisiana State Court of Appeal, and has extensive experience prosecuting complex class action cases.

LEANNE HEINE SOLISH is an associate in GPM's Los Angeles office. Her practice focuses on complex securities litigation.

Ms. Solish has extensive experience litigating complex cases in federal courts nationwide. Since joining GPM in 2012, Ms. Solish has helped secure several large class action settlements for injured investors, including: *The City of Farmington Hills Employees Retirement System v. Wells Fargo Bank*, Case No. 10-4372--DWF/JJG (D. Minn.) ($62.5 million settlement on behalf of participants in Wells Fargo's securities lending program. The settlement was reached on the eve of trial and ranked among the largest recoveries achieved in a securities lending class action stemming from the 2008 financial crisis.); *In re Penn West Petroleum Ltd. Securities Litigation*, Case No. 1:14-cv-06046-JGK (S.D.N.Y.) ($19 million settlement for the U.S. shareholder class as part of a $39 million global settlement); *In re ITT Educational Services, Inc. Securities Litigation (Indiana)*, Case No. 1:14-cv-01599-TWP-DML ($12.5375 million settlement); *In re Doral Financial Corporation Securities Litigation*, Case No. 3:14-cv-01393-GAG (D.P.R.) ($7 million settlement); *Larson v. Insys Therapeutics Incorporated, et al.*, Lead Case No. 14-cv-01043-PHX-GMS (D. Ariz.) ($6.125 million settlement); *In re Unilife Corporation Securities Litigation*, Case No. 1:16-cv-03976-RA ($4.4 million settlement); and *In re Provectus Biopharmaceuticals, Inc. Securities Litigation*, Case No. 3:14-cv-00338-PLR-HBG (E.D. Tenn.) ($3.5 million settlement).

Super Lawyers Magazine has selected Ms. Solish as a "Rising Star" in the area of Securities Litigation for the past three consecutive years, 2016 through 2018.

Ms. Solish is admitted to the State Bar of California, the Ninth Circuit Court of Appeals, and the United States District Courts for the Central, Northern, and Southern Districts of California. Ms. Solish is also a Registered Certified Public Accountant in Illinois.

Ms. Solish received her J.D. from the University of Texas School of Law in 2011, where she was an editor of the Texas International Law Journal, represented clients in both the Immigration and Worker Rights student clinics, and interned with MALDEF and the Texas Civil Rights Project. Ms. Solish graduated *summa cum laude* from Tulane University with a B.S.M. in Accounting and Finance in 2007, where she was a member

of the Beta Alpha Psi honors accounting organization and was inducted into the Beta Gamma Sigma Business Honors Society.

GARTH A. SPENCER is based in the New York office. His work includes securities, antitrust, and consumer litigation. Mr. Spencer also works on whistleblower matters.

Mr. Spencer received his B.A. in Mathematics from Grinnell College in 2006. He received his J.D. in 2011 from Duke University School of Law, where he was a staff editor on the Duke Law Journal. From 2011 until 2014 he worked in the tax group of a large, international law firm. Since 2014 he has worked on tax whistleblower matters. Mr. Spencer received his LL.M. in Taxation from New York University in 2016 immediately prior to joining the firm.

DANA K. VINCENT received her J.D. in 2002 from Georgetown University Law Center in Washington D.C. and her B.A. cum laude from Spellman College in 1995. Dana also earned an M.A. in Economics from the New School in 1999, where she was the Aaron Diamond Fellow. Ms. Vincent has served as a Law Clerk to the Hon. Sterling Johnson, Jr. of Brooklyn, NY, and has significant experience in the New York Office of the Attorney General where she served as an Assistant Attorney General from 2003-2006. She was a consultant to the Marshall Project, an online journalism organization focusing on U.S. Criminal Justice issues.

MELISSA WRIGHT is a litigation associate in the firm's Los Angeles office. Ms. Wright specializes in complex litigation, including the prosecution of securities fraud and consumer class actions. She has particular expertise in all aspects of the discovery phase of litigation, including drafting and responding to discovery requests, negotiating protocols for the production of Electronically Stored Information (ESI) and all facets of ESI discovery, and assisting in deposition preparation. She has managed multiple document production and review projects, including the development of ESI search terms, overseeing numerous attorneys reviewing large document productions, drafting meet and confer correspondence and motions to compel where necessary, and coordinating the analysis of information procured during the discovery phase for utilization in substantive motions or settlement negotiations.

Ms. Wright received her J.D. from the UC Davis School of Law in 2012, where she was a board member of Tax Law Society and externed for the California Board of Equalization's Tax Appeals Assistance Program focusing on consumer use tax issues. Ms. Wright also graduated from NYU School of Law, where she received her LL.M. in Taxation in 2013.

EXHIBIT 9

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE CHINA MEDIAEXPRESS HOLDINGS, INC. SHAREHOLDER LITIGATION	Civil Action No. 11-CV-0804 (VM)
This Document Relates To: ALL ACTIONS	CLASS ACTION

ORDER ON CLASS COUNSEL'S MOTION FOR AN AWARD OF ATTORNEYS' FEES AND REIMBURSEMENT OF LITIGATION EXPENSES

Class Counsel's Motion for an Award of Attorneys' Fees and Reimbursement of Litigation Expenses (the "Fee Application") duly came before the Court for a hearing on September 18, 2015. The Court has considered the Fee Application and all supporting and related materials, including the matters presented at the September 18, 2015 hearing. Due and adequate notice having been given to the Class as required by the Court's May 7, 2015 Order Preliminarily Approving the Settlement and Providing for Notice ("Preliminary Approval Order," ECF No. 241), and the Court having considered all papers and proceedings had herein and otherwise being fully informed in the proceedings and good cause appearing therefor:

NOW, THEREFORE, THE COURT FINDS, CONCLUDES AND ORDERS AS FOLLOWS:

1. This Order incorporates by reference the definitions in the Stipulation and Agreement of Settlement (the "Stipulation of Settlement"), and all capitalized terms used, and not defined herein, have the same meanings as in the Stipulation of Settlement.

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. Notice of the Fee Application was directed to Class Members in a reasonable manner and complies with Rule 23(h)(1) of the Federal Rules of Civil Procedure, due process, and Section 21D(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.

4. Class Members have been given the opportunity to object to the Fee Application in compliance with Rule 23(h)(2) of the Federal Rules of Civil Procedure.

5. The Fee Application is hereby GRANTED.

6. Lead Counsel are hereby awarded attorneys' fees in the amount of 33.33% (or $4,000,000.00) of the Settlement Fund and $400,000.00 in reimbursement of Class Counsel's litigation expenses (which fees and expenses shall be paid to Class Counsel from the Settlement Fund), which sums the Court finds to be fair and reasonable.

7. In making this award of attorneys' fees and reimbursement of expenses to be paid from the Global Settlement Fund, the Court has considered and found that:

a. DTT will create a Settlement Fund of $12 million in cash within ten days of Final Approval of the Settlement pursuant to the terms of the Stipulation of Settlement (ECF No. 240-1), and that Members of the Class who submit acceptable Proof of Claim Forms will benefit from the Settlement that occurred because of the efforts of Class Counsel;

b. Copies of the Notice were mailed to 32,573 potential Class Members or their nominees stating that Class Counsel would apply for attorneys' fees in an amount not to exceed 33.33% of the Settlement Fund and reimbursement of Litigation Expenses in an amount not to exceed $400,000.00.

c. Class Counsel has conducted the litigation and achieved the Settlement with skill, perseverance and diligent advocacy;

d. The Action involved complex factual and legal issues and was actively prosecuted for more than four years;

e. Class Counsel devoted over 4,600 hours, with a lodestar value of $2,543,107.75 to achieve the Settlement;

f. Class Counsel incurred $406,948.45 in reasonable Litigation Expenses in pursuing the Settlement; and

g. 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.

8. Any appeal or any challenge affecting this Court's approval regarding any attorneys' fees or expenses shall in no way disturb or affect the finality of the Order and Final Judgment entered in this Action.

9. 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 and this Order.

10. The awarded fees and reimbursement of expenses shall be paid to Class Counsel from the Settlement Fund within ten calendar days of the entry of Final Judgment in this Action, or within ten calendar days of the date of this Order, if later. Class Counsel are obligated to refund to the Settlement Fund for the Repayment Obligation, if and when, as a result of any appeal or further proceeding on remand, or successful collateral attack, the attorneys' fee or expense award is reduced or reversed, if the attorneys' fees or expense award does not become

final, if the Settlement itself is voided by any party as provided herein, the Settlement is terminated or canceled for any reason, or if the Settlement is reversed or modified by any court.

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 Stipulation and shall be vacated in accordance with the terms of the Stipulation.

IT IS SO ORDERED.

Dated: 15 September 2011

The Honorable Victor Marrero
United States District Judge

EXHIBIT 10

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE VAN DER MOOLEN HOLDING N.V. SECURITIES LITIGATION	)	Civil Action No. 1:03-CV-8284 (RWS)

~~[PROPOSED]~~ ORDER AWARDING ATTORNEYS' FEES AND REIMBURSEMENT OF EXPENSES

This matter came before the Court for hearing pursuant to an Order of this Court, dated October 6, 2006, on the application of the Parties for approval of the settlement (the "Settlement") set forth in the Stipulation of Settlement, dated as of October 3, 2006 (the "Stipulation"). Due and adequate notice having been given of the Settlement as required in said Order, and the Court having considered all papers filed and proceedings held herein 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 Stipulation, and all terms used herein shall have the same meanings set forth in the Stipulation.

2. This Court has jurisdiction over the subject matter of the Action and over all parties to the Action, including all Settlement Class Members.

3. The Court finds that Co-Lead Counsels' request for attorneys' fees is fair and reasonable, and that the request is supported by the relevant factors, which have been considered by this Court. The Court finds that the fee request is supported by, *inter alia*, the following:

(a) the Settlement provides for an $8 million cash fund, plus interest, (the "Gross Settlement Fund"); and that Settlement Class Members who file timely and valid claims will benefit from the Settlement created by Co-Lead Counsel;

(b) the Summary Notice was published over the *Primezone Media Network* newswire; and over 4,800 copies of the Notice were disseminated to putative Settlement Class Members indicating that at the December 6, 2006 hearing, Plaintiffs' Counsel intended to seek up to 33⅓% of the $8 million Gross Settlement Fund in attorneys' fees and to seek reimbursement of their expenses in an amount not to exceed $180,000, plus interest, and no objection was filed against either the terms of the proposed Settlement or the fees and expenses to be requested by Plaintiffs' Counsel;

(c) Plaintiffs' Counsel have devoted 3,965 hours, with a lodestar value of $1,493,003.66, to achieve the Settlement;

(d) Co-Lead Plaintiffs faced complex factual and legal issues in this Action, which they have actively prosecuted for almost three years, and in the absence of a Settlement, would be required to overcome many complex factual and legal issues;

(e) if Co-Lead Counsel had not achieved the Settlement, there was a risk of either nonpayment or of achieving a smaller recovery;

(f) Co-Lead Counsel have conducted this litigation and achieved the Settlement with skill and efficiency;

(g) the amount of attorneys' fees awarded and expenses reimbursed from the Gross Settlement Fund are consistent with the awards in similar cases; and

(h) public policy considerations support encouraging the legal community to continue to undertake similar litigations.

4. Plaintiffs' Counsel are hereby awarded 33 1/3% of the Gross Settlement Fund as and for their attorneys' fees, which sum the Court finds to be fair and reasonable. Plaintiffs' Counsel are also hereby awarded $ 125,657.66 in reimbursement of their reasonable expenses, incurred in the course of prosecuting this action, from the Gross Settlement Fund, together with interest from the date the Settlement Fund was funded to the date of payment at the same net rate that the

Settlement Fund earns. The above amounts shall be paid to Co-Lead Counsel pursuant to the terms of the Stipulation, from the Gross Settlement Fund. The award of attorneys' fees shall be allocated among Plaintiffs' Counsel in a fashion which, in the opinion and sole discretion of Co-Lead Counsel, fairly compensates Plaintiffs' Counsel for their respective contributions to the prosecution of the Action.

5. In the event that the Settlement does not become effective in accordance with the terms of the Stipulation or the Settlement Effective Date does not occur, then this Order shall be rendered null and void to the extent provided by and in accordance with the Stipulation and shall be vacated and, in such event, all orders entered and releases delivered in connection herewith shall be null and void to the extent provided by and in accordance with the Stipulation and the Parties shall be returned to the *status quo ante*.

Dated: New York, New York, December 6 2006

THE HONORABLE ROBERT W. SWEET
UNITED STATES DISTRICT JUDGE

Submitted by:

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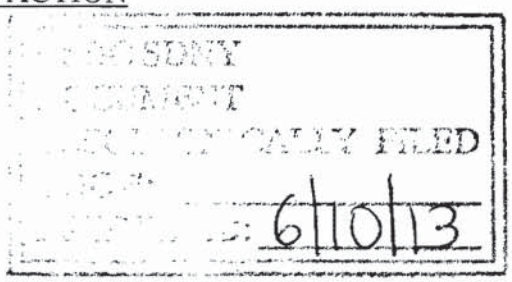
EXHIBIT 11

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

EXHIBIT 12

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

HOWARD LEVINE, Individually and On Behalf of All Others Similarly Situated, Plaintiff, vs. ATRICURE, INC., et al., Defendants.	Civil Action No. 1:06-cv-14324-RJH CLASS ACTION ~~[PROPOSED]~~ ORDER AWARDING ATTORNEYS' FEES AND EXPENSES

THIS MATTER having come before the Court on May 27, 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 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 Stipulation of Settlement dated October 22, 2010 (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. Counsel for the Lead Plaintiffs are entitled to a fee paid out of the common fund created for the benefit of the 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. Co-Lead Counsel have moved for an award of attorneys' fees of 33-1/3% 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 33-1/3% 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 33-1/3% 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 $37,662.70, 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 a legally and factually complex motion to dismiss. The parties also engaged in settlement negotiations that lasted several months. The services provided by Co-Lead Counsel were efficient and highly successful, resulting in an outstanding recovery for the 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). This case was made more difficult by the lack of criminal convictions and no insider trading. Despite the novelty and difficulty of the issues raised, Co-Lead Counsel secured a very good result for the Class.

(c) The recovery obtained and the backgrounds of the lawyers involved in the lawsuit are the best evidence that the quality of Co-Lead Counsel's representation of the Class supports the requested fee. Co-Lead Counsel demonstrated that notwithstanding the barriers erected by the PSLRA, they would develop evidence to support a convincing case. Based upon Co-Lead Counsel's diligent efforts on behalf of the Class, as well as their skill and reputations, Co-Lead Counsel were able to negotiate a very favorable result for the Class. Co-Lead 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 prominent firms. 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 Co-Lead Counsel to obtain such a favorable settlement for the 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 33-1/3% 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*, 2007 U.S. Dist. LEXIS 9144, at *33 (citation omitted).

(f) Co-Lead Counsel's total lodestar is $422,016.25. A 33-1/3% fee represents a modest multiplier of 1.58. 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 Stipulation and in particular ¶6.1 thereof, which terms, conditions, and obligations are incorporated herein.

IT IS SO ORDERED.

DATED: May 22, 2019

THE HONORABLE RICHARD J. HOLWELL
UNITED STATES DISTRICT JUDGE