UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE MF GLOBAL HOLDINGS LIMITED SECURITIES LITIGATION	:	Civil Action No. 1:11-CV-07866-VM
THIS DOCUMENT RELATES TO:	:	
All Securities Actions (*DeAngelis v. Corzine*)	:	ECF CASE

MEMORANDUM OF LAW IN SUPPORT OF CO-LEAD COUNSEL'S MOTION FOR AN AWARD OF ATTORNEYS' FEES AND REIMBURSEMENT OF LITIGATION EXPENSES

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Dated: October 9, 2015

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Court-appointed Co-Lead Counsel, Bernstein Litowitz Berger & Grossmann LLP ("BLBG") and Bleichmar Fonti Tountas & Auld LLP ("BFTA"), respectfully submit this memorandum of law in support of their motion, pursuant to Rule 23(h) of the Federal Rules of Civil Procedure, for an award of attorneys' fees on behalf of all Plaintiffs' Counsel in the amount of 19% of each of the Settlements.[1] Co-Lead Counsel also seek reimbursement of $3,131,337.34 in litigation expenses that Plaintiffs' Counsel reasonably and necessarily incurred in prosecuting and resolving the Action, and reimbursement of $143,921.50 in costs and expenses incurred by Plaintiffs directly related to their representation of the Settlement Classes.

PRELIMINARY STATEMENT

The $74 million Underwriter Settlement and $932,828 Commerz Settlement that were previously approved by the Court, and the $65 million settlement with PwC and $64.5 million settlement with the Individual Defendants currently presented to the Court for final approval, provide an aggregate total of $204.4 million in cash for injured investors in MF Global and represent very favorable results for each of the respective Settlement Classes.[2] These significant monetary recoveries were obtained through the skill, tenacity and effective advocacy of Plaintiffs' Counsel, who have litigated this Action on a fully contingent fee basis against highly

[1] Unless otherwise noted, capitalized terms have the meanings ascribed to them in the Stipulation and Agreement of Settlement with Defendant PricewaterhouseCoopers LLP dated as of April 3, 2015 (ECF No. 899-1), the Stipulation and Agreement of Settlement with Individual Defendants dated as of July 2, 2015 (ECF No. 969-1) or in the Joint Declaration of Salvatore J. Graziano and Javier Bleichmar in Support of: (I) Lead Plaintiffs' Motion for Final Approval of Class Action Settlements and Plan of Allocation, and (II) Co-Lead Counsel's Motion for an Award of Attorneys' Fees and Reimbursement of Litigation Expenses (the "Joint Declaration" or "Joint Decl."), filed herewith. Citations to "¶" in this memorandum refer to paragraphs in the Joint Declaration.

[2] Plaintiffs' Counsel are continuing to litigate the Action against the non-settling Underwriter Defendants.

skilled defense counsel for over three and a half years. In undertaking this litigation, Plaintiffs' Counsel faced numerous challenges in proving liability, establishing loss causation and damages, and, in light of MF Global's bankruptcy, recovering on any successful verdict, all of which posed the serious risk of no recovery, or a substantially lesser recovery than the Settlements.

As detailed in the accompanying Joint Declaration,[3] Plaintiffs' Counsel vigorously pursued this litigation from its outset by, among other things: (i) conducting an extensive factual investigation, including interviews with numerous former employees of MF Global, consultation with experts, and a detailed review and analysis of the voluminous amounts of public information relating to the collapse of MF Global, such as SEC filings, press releases and other public statements, media and news reports, analyst reports, documents from MF Global's Chapter 11 bankruptcy proceeding and MF Global Inc.'s SIPA liquidation proceeding, and materials and transcripts from Congressional hearings; (ii) researching the law relevant to the claims against each Defendant and the potential defenses available; (iii) drafting and filing a detailed Amended Securities Class Action Complaint and, later, a Consolidated Second Amended Securities Class Action Complaint (the "Complaint"), which added claims against PwC; (iv) preparing extensive briefing in opposition to seven separate motions to dismiss filed

[3] The Joint Declaration is an integral part of this submission and, for the sake of brevity in this memorandum, the Court is respectfully referred to it for a detailed description of, *inter alia*: the history of the Action; the nature of the claims asserted; the negotiations leading to the PwC and Individual Defendant Settlements; the risks and uncertainties of continued litigation against PwC and the Individual Defendants; and a description of the services Plaintiffs' Counsel provided for the benefit of the Settlement Classes. The Joint Declaration of Salvatore J. Graziano and Javier Bleichmar in Support of Lead Plaintiffs' Motion for Final Approval of Underwriter Settlement and Settling Plaintiffs' Motion for Final Approval of Commerz Settlement (ECF No. 933) submitted to the Court on May 15, 2015 (the "May 15 Joint Declaration") provides a history of the Action through that date, the details of the negotiations leading to the Underwriter and Commerz Settlements and a description of the risks of continued litigation against the Settling Underwriter Defendants and Commerz, and is also incorporated by reference.

by the Individual Defendants, Underwriter Defendants and PwC; (v) conducting a targeted review and analysis of the approximately 46 million pages of documents produced to Lead Plaintiffs by Defendants and third parties, including James W. Giddens, as Trustee for the liquidation of MF Global Inc. pursuant to SIPA, and Nader Tavakoli, the Litigation Trustee presiding over the entity formerly known as MF Global Holdings Limited; (vi) taking, defending or actively participating in 31 depositions through May 8, 2015 (the date of the agreement in principal to settle with the Individual Defendants), which included three depositions of PwC employees and numerous depositions of senior MF Global officers, including Individual Defendant Jon Corzine (MF Global's former CEO), who was deposed over three days, Individual Defendant John R. MacDonald (MF Global's former CFO), and other key MF Global employees; (vii) retaining and consulting with experts regarding damages, liquidity, and accounting and with counsel specializing in bankruptcy matters; (viii) drafting and filing a motion for class certification and an accompanying expert report on market efficiency and classwide damages; and (ix) participating in extensive arm's-length settlement negotiations with several sets of Defendants. ¶¶ 5, 13-48.

The Settlements achieved through Plaintiffs' Counsel's efforts are particularly favorable results when considered in light of the significant risks of proving the Defendants' liability and establishing loss causation and damages. Among other things, Lead Plaintiffs faced substantial challenges in proving that the statements in MF Global's SEC filings and other public statements about MF Global's deferred tax assets ("DTA"), repurchase-to-maturity ("RTM") transactions and internal controls were materially false or misleading. ¶¶ 7, 50-51, 56. Defendants contended that many of the alleged misstatements were inactionable puffery, or were not false or misleading in light of other statements that allegedly disclosed the truth. ¶¶ 17, 50, 56.

Defendants also maintained that certain of the allegedly false statements were opinions and, thus, could not be found to be false or misleading unless they were shown to be disbelieved when made. ¶¶ 7, 17, 50-51. With respect to the Exchange Act claims asserted against the Officer Defendants and PwC – which provided the only means for recovery for open-market purchasers of MF Global's common stock and purchasers of MF Global's 9% Convertible Senior Notes – Lead Plaintiffs also faced the additional, significant hurdle of proving that that these Defendants acted with *scienter*. ¶¶ 6, 17, 36, 53.

Even if Lead Plaintiffs were successful in establishing liability, proving damages and loss causation would also have posed substantial challenges. Defendants had contended, and would continue to argue at summary judgment and trial, that MF Global's collapse in October 2011 was the result of factors separate from the alleged misstatements. Finally, with respect to the Individual Defendants in particular, Lead Plaintiff faced a risk of non-recovery of a substantial judgment in light of MF Global's bankruptcy and the rapidly dwindling insurance available, which was being exhausted by multiple litigations brought against MF Global's former officers and directors. Given these risks, Co-Lead Counsel respectfully submit that the Settlements are a testament to Plaintiffs' Counsel's hard work and the quality of the representation.

In light of the recoveries obtained, the time and effort devoted to the Action by Plaintiffs' Counsel, the skill and expertise required, and the risks that counsel undertook, Co-Lead Counsel believe that the requested fee award and the reimbursement of incurred expenses are fair and reasonable. As discussed below, the 19% fee requested is well within the range of percentage fees that courts in this Circuit have awarded in securities class actions with comparable recoveries. Further, the requested fee represents a fractional multiplier of 0.8 on Plaintiffs' Counsel's total lodestar, which is well within the range of multipliers typically awarded in class

actions with substantial contingency risks such as this one.[4] In addition, the expenses for which Plaintiffs' Counsel seek reimbursement were reasonable and necessary for the successful prosecution of the Action.

Lead Plaintiffs, which are sophisticated institutional investors that have closely supervised and monitored the prosecution of the Action, have reviewed the request for fees and expenses and endorsed them as reasonable. *See* Goodman Decl., attached to Joint Decl. as Exhibit 1, at ¶¶ 7-8; Baccus Decl., attached to Joint Decl. as Exhibit 2, at ¶¶ 8-9.

In addition, pursuant to the Preliminary Approval Orders, 77,965 copies of the Notice have been mailed to potential members of the Settlement Classes and their nominees through October 8, 2015, and the Summary Notice was published in the *Wall Street Journal* and *Investor's Business Daily* and transmitted over the *PR Newswire*. *See* Fraga Decl., attached to Joint Decl. as Exhibit 4, at ¶¶ 7-8. The Notice advised members of the Settlement Classes that Co-Lead Counsel would apply for an award of attorneys' fees in the amount of 19% of each of the Settlements and reimbursement of litigation expenses (including reimbursement of the reasonable costs and expenses of Plaintiffs) in an amount not to exceed $5,200,000. *See* Fraga Decl., Ex. A at ¶¶ 5, 41. The fees and expenses sought by Co-Lead Counsel do not exceed the amounts set forth in the notice. While the deadline set by the Court for Settlement Class

[4] Plaintiffs' Counsel are: (i) Co-Lead Counsel BLBG and BFTA; (ii) former Co-Lead Counsel Labaton Sucharow LLP; (iii) counsel for additional named plaintiffs Motley Rice LLC, Robbins Geller Rudman & Dowd LLP, Zamansky LLC, and Girard Gibbs LLP; and (iv) Cole Schotz P.C., counsel specializing in bankruptcy litigation that was retained to monitor MF Global's bankruptcy proceedings and assist Co-Lead Counsel in protecting the interests of class members in light of MF Global's complex bankruptcy.

Members to object to the requested attorneys' fees and expenses has not yet passed, to date, no objections to the requests for fees and expenses have been received. ¶ 91.[5]

ARGUMENT

I. COUNSEL ARE ENTITLED TO AN AWARD OF ATTORNEYS' FEES FROM THE COMMON FUND

The Supreme Court has long recognized that "a litigant or a lawyer who recovers a common fund for the benefit of persons other than himself or his client is entitled to a reasonable attorney's fee from the fund as a whole." *Boeing Co. v. Van Gemert*, 444 U.S. 472, 478 (1980); *see Goldberger v. Integrated Res., Inc.*, 209 F.3d 43, 47 (2d Cir. 2000). Courts recognize that awards of fair attorneys' fees from a common fund "serve to encourage skilled counsel to represent those who seek redress for damages inflicted on entire classes of persons," and therefore "to discourage future misconduct of a similar nature." *In re FLAG Telecom Holdings, Ltd. Sec. Litig.*, No. 02-CV-3400 (CM) (PED), 2010 WL 4537550, at *23 (S.D.N.Y. Nov. 8, 2010); *see In re Veeco Instruments Inc. Sec. Litig.*, No. 05 MDL 01695 (CM), 2007 WL 4115808, at *2 (S.D.N.Y. Nov. 7, 2007) (same).

Indeed, the Supreme Court has emphasized that private securities actions, such as the instant Action, are "an essential supplement to criminal prosecutions and civil enforcement actions" brought by the SEC. *Tellabs, Inc. v. Makor Issues & Rights, Ltd.*, 551 U.S. 308, 313 (2007); *accord Bateman Eichler, Hill Richards, Inc. v. Berner*, 472 U.S. 299, 310 (1985) (private securities actions provide "'a most effective weapon in the enforcement' of the securities laws and are 'a necessary supplement to [SEC] action.'"). Compensating plaintiffs' counsel for the

[5] The deadline for the submission of objections is October 23, 2015. Should any objections be received, Lead Counsel will address them in reply papers, which will be filed with the Court on or before November 13, 2015.

risks they take in bringing these actions is essential, because "[s]uch actions could not be sustained if plaintiffs' counsel were not to receive remuneration from the settlement fund for their efforts on behalf of the class." *Hicks v. Morgan Stanley*, No. 01 Civ. 10071 (RJH), 2005 WL 2757792, at *9 (S.D.N.Y. Oct. 24, 2005).

II. THE COURT SHOULD AWARD A REASONABLE PERCENTAGE OF THE COMMON FUND

Co-Lead Counsel respectfully submit that the Court should award a fee based on a percentage of the common fund obtained. The Second Circuit has expressly approved the percentage method, recognizing that "the lodestar method proved vexing" and had resulted in "an inevitable waste of judicial resources." *Goldberger*, 209 F.3d at 48-50 (holding that either the percentage of fund method or lodestar method may be used to determine appropriate attorneys' fees); *Savoie v. Merchs. Bank*, 166 F.3d 456, 460 (2d Cir. 1999) (stating that the "percentage-of-the-fund method has been deemed a solution to certain problems that may arise when the lodestar method is used in common fund cases"). More recently, the Second Circuit has reiterated its approval of the percentage method, stating that it "directly aligns the interests of the class and its counsel and provides a powerful incentive for the efficient prosecution and early resolution of litigation," and has noted that the "trend in this Circuit is toward the percentage method." *Wal-Mart Stores, Inc. v. Visa U.S.A. Inc.*, 396 F.3d 96, 121 (2d Cir. 2005); *see also In re Comverse Tech., Inc. Sec. Litig.*, No. 06-CV-1825 (NGG) (RER), 2010 WL 2653354, at *2 (E.D.N.Y. June 24, 2010); *In re Marsh ERISA Litig.*, 265 F.R.D. 128, 146 (S.D.N.Y. 2010).

III. THE REQUESTED ATTORNEYS' FEES ARE REASONABLE UNDER EITHER THE PERCENTAGE-OF-THE-FUND METHOD OR THE LODESTAR METHOD

A. The Requested Attorneys' Fees Are Reasonable Under the Percentage-of-the-Fund Method

The Supreme Court has recognized that an appropriate court-awarded fee is intended to approximate what counsel would receive if they were bargaining for the services in the marketplace. *See Missouri v. Jenkins*, 491 U.S. 274, 285-86 (1989). If this were a non-representative action, the customary fee arrangement would be contingent, on a percentage basis, and typically in the range of 30% to 33% of the recovery. *See Blum v. Stenson*, 465 U.S. 886, 903 (1984) ("In tort suits, an attorney might receive one-third of whatever amount the plaintiff recovers. In those cases, therefore, the fee is directly proportional to the recovery.") (Brennan, J., concurring).

The 19% fee requested by Co-Lead Counsel and approved by Lead Plaintiffs is well within the range of percentage fees that have been awarded in comparable securities class actions in the Second Circuit and across the nation. The 19% fee requested is a reasonable percentage with respect to either the individual settlements of $0.9 million, $64.5 million, $65 million and $74 million, or with respect to the aggregate recovery to date of $204.4 million. *See, e.g.*, *Bd. of Trustees of AFTRA Ret. Fund v. JPMorgan Chase Bank, N.A.*, No. 09 CIV. 686 SAS, 2012 WL 2064907, at *2 (S.D.N.Y. June 7, 2012) (awarding 25% of $150 million settlement fund); *Comverse*, 2010 WL 2653354, at *6 (awarding 25% of $225 million settlement fund); *In re Freddie Mac Sec. Litig.*, No. 03-CV-4261 (JES), 2006 U.S. Dist. LEXIS 98380, at *4 (S.D.N.Y. Oct. 27, 2006) (awarding 20% of $410 million settlement); *In re Oxford Health Plans, Inc. Sec. Litig.*, MDL No. 1222 (CLB), 2003 U.S. Dist. LEXIS 26795, at *13 (S.D.N.Y. June 12, 2003) (awarding 28% of $300 million settlement fund); *In re Merck & Co., Inc. Vytorin/Zetia Sec.*

Litig., No. 08-2177 (DMC)(JAD), 2013 WL 5505744, at *3, *46 (D.N.J. Oct. 1, 2013) (awarding 28% of $215 million settlement fund); *Silverman v. Motorola, Inc.,* No. 07 C 4507, 2012 WL 1597388, at *4 (N.D. Ill. May 7, 2012) (awarding 27.5% of $200 million settlement fund), *aff'd*, 739 F.3d 956, 958-59 (7th Cir. 2013); *In re Washington Mut., Inc. Sec. Litig.*, No. 2:08-md-1919 MJP, 2011 WL 8190466, at *1 (W.D. Wash. Nov. 4, 2011) (awarding 21% of $208.5 million total settlement fund); *In re CMS Energy Sec. Litig.*, Case No. 02-CV-72004 (GCS), 2007 U.S. Dist. LEXIS 96786, at *14-*15 (E.D. Mich. Sept. 6, 2007) (awarding 22.5% of $200 million settlement); *In re Bristol-Myers Squibb Sec. Litig.*, No. 00-1990 (SRC), slip op. at 2 (D.N.J. May 11, 2006) (awarding 19.77% of $185 million settlement), *aff'd,* No. 06-2964, 2007 WL 2153284 (3d Cir. July 27, 2007); *In re DaimlerChrysler AG Sec. Litig.*, No. 00-0993 (KAJ), slip op. at 1-2 (D. Del. Feb. 5, 2004) (awarding 22.5% of $300 million settlement fund, net of expenses) (Joint Decl. Ex. 11); *In re AremisSoft Corp. Sec. Litig.*, 210 F.R.D. 109, 130-35 (D.N.J. 2002) (awarding 21.6% of $194 million settlement fund), *In re Rite Aid Corp. Sec. Litig.*, 146 F. Supp. 2d 706, 734-36 (E.D. Pa. 2001) (awarding 25% of $193 million settlement fund).[6] In sum, the 19% fee requested here is well within the range of fees awarded on a percentage basis in comparable actions.

[6] *See also, e.g.*, *Alaska Elec. Pension Fund v. Pharmacia Corp.,* No. 03-1519 (AET), slip op. at 4 (D.N.J. Jan. 30, 2013), ECF No. 405 (awarding 27.5% of $164 million settlement fund) (Joint Decl. Ex. 12); *In re Schering-Plough Corp. Sec. Litig.*, No. 01-CV-0829 (KSH/MF), 2009 WL 5218066, at *5-*6 (D.N.J. Dec. 31, 2009) (awarding 23% of $165 million settlement fund); *In re Brocade Sec. Litig*., No. 05-CV-2042-CRB, slip op. at 13 (N.D. Cal. Jan. 26, 2009), ECF No. 496-1 (awarding 25% of $160 million settlement fund, net of expenses) (Joint Decl. Ex. 13); *In re Broadcom Corp. Sec. Litig.,* No. 01-275, 2005 U.S. Dist. LEXIS 41993, at *14 (C.D. Cal. Sept. 12, 2005) (awarding 25% of $150 million settlement fund).

B. The Requested Attorneys' Fees Are Reasonable Under the Lodestar Method

To ensure the reasonableness of a fee awarded under the percentage-of-the-fund method, the Second Circuit encourages district courts to cross-check the proposed award against counsel's lodestar. *See Goldberger*, 209 F.3d at 50.

Here, Plaintiffs' Counsel spent a total of 109,038.45 hours of attorney and other professional support time prosecuting the Action for the benefit of the Settlement Classes from the inception of the case through May 8, 2015. ¶ 82.[7] Plaintiffs' Counsel's lodestar, derived by multiplying the hours spent by each attorney and paraprofessional by their current hourly rates, is $47,959,894.75.[8] *See id*. The hourly rates for Plaintiffs' Counsel's attorneys and staff are the same as the regular rates charged for their services in non-contingent matters or which have been accepted in other securities or shareholder litigation, and those rates are reasonable for this type of sophisticated securities litigation in New York City.[9] The requested 19% fee, which amounts

[7] For Co-Lead Counsel BLBG and BFTA the hours and lodestar also include time from May 9, 2015 through September 30, 2015 that was spent preparing settlement documentation or was incurred specifically in connection with obtaining preliminary and final approval of the Settlements. It does not, however, include any time related to this fee and expense application.

[8] The Supreme Court and courts in this Circuit have approved the use of current hourly rates to calculate the base lodestar figure as a means of compensating for the delay in receiving payment, inflationary losses, and the loss of interest. *See Missouri v. Jenkins*, 491 U.S. at 284; *In re Hi-Crush Partners L.P. Sec. Litig.*, No. 12-CIV-8557 CM, 2014 WL 7323417, at *15 (S.D.N.Y. Dec. 19, 2014); *Veeco*, 2007 WL 4115808 at *9; *In re Union Carbide Corp. Consumer Prods. Bus. Sec. Litig.*, 724 F. Supp. 160, 163 (S.D.N.Y. 1989).

[9] *See, e.g., In re Platinum & Palladium Commodities Litig.,* No. 10CV3617, 2015 WL 4560206, at *4 (S.D.N.Y. July 7, 2015) (approving hourly rates for attorneys and staff ranging from $250 to $950 as reasonable in light of "the attorneys' legal experience, and the nature and caliber of the work performed"); *City of Providence v. Aeropostale, Inc.*, No. 11 CIV. 7132 CM GWG, 2014 WL 1883494, at *13 (S.D.N.Y. May 9, 2014) (approving billing rates in 2014 securities class action ranging from "$640 to $875 for partners, $550 to $725 for of counsels, and $335 to $665 for other attorneys"); *aff'd*, 607 F. App'x 73 (2d Cir. 2015); *Comverse*, 2010 WL 2653354, at *4 (finding in 2010, that hourly rates of up to $880 were "not extraordinary for top New York law firms").

to $38,842,237.32 (before interest) if all Settlements are approved, therefore represents a "negative" or fractional multiplier of 0.8 on Plaintiffs' Counsel's lodestar.

The requested 0.8 multiplier is well below the range of multipliers commonly awarded in securities class actions and other comparable litigation. In cases of this nature, fees representing multiples above the lodestar are regularly awarded to reflect contingency fee risk and other relevant factors. *See FLAG Telecom,* 2010 WL 4537550, at *26 ("a positive multiplier is typically applied to the lodestar in recognition of the risk of the litigation, the complexity of the issues, the contingent nature of the engagement, the skill of the attorneys, and other factors"); *Comverse*, 2010 WL 2653354, at *5 ("Where, as here, counsel has litigated a complex case under a contingency fee arrangement, they are entitled to a fee in excess of the lodestar."). Indeed, in complex contingent litigation, lodestar multipliers between 1 and 4 are commonly awarded. *See, e.g., Anwar v. Fairfield Greenwich Ltd.*, No. 09-CV-118 VM, 2012 WL 1981505, at *3 (S.D.N.Y. June 1, 2012) ("A multiplier of 2.42 is well within the range of lodestar multipliers approved by courts in the Second Circuit"); *Merck*, 2013 WL 5505744, at *48 (awarding 28% of $215 million settlement fund representing a 1.3 multiplier).[10]

Courts have further recognized that where, as here, the requested attorneys' fees are at or below class counsel's lodestar despite the existence of substantial litigation risks, that fact provides strong support for the reasonableness of the requested fee. *See Marsh ERISA*, 265

[10] *See also AFTRA*, 2012 WL 2064907, at *3 (awarding 25% fee of $150 settlement representing a 2.86 multiplier); *Comverse*, 2010 WL 2653354, at *5 (awarding 25% of $225 million settlement representing a 2.78 multiplier and noting that "[t]his multiplier is well within the range awarded in comparable settlements"); *Cornwell v. Credit Suisse Grp.*, No. 08-cv-03758 (VM), slip op. at 4 (S.D.N.Y. July 18, 2011), ECF No. 117 (awarding fee representing a 4.7 multiplier) (Joint Decl. Ex. 14); *Maley v. Del Global Techs.*, 186 F. Supp. 2d 358, 369 (S.D.N.Y. 2002) (awarding fee equal to a 4.65 multiplier, which was "well within the range awarded by courts in this Circuit and courts throughout the country").

F.R.D. at 146 (that counsel only sought 87.6% of their lodestar "strongly suggests that the requested fee is reasonable"); *In re Initial Pub. Offering Sec. Litig.*, 671 F. Supp. 2d 467, 515 (S.D.N.Y. 2009) (finding that there was "no real danger of overcompensation" given that the requested fee represented a discount to counsel's lodestar).

In sum, Co-Lead Counsel's requested fee award is well within the range of what courts in this Circuit regularly award in class actions such as this one, whether calculated as a percentage of the recoveries for the Settlement Classes or in relation to Plaintiffs' Counsel's lodestar. Moreover, as discussed below, each of the factors established for the review of attorneys' fee awards by the Second Circuit in *Goldberger* also strongly supports a finding that the requested fee is reasonable.

IV. OTHER FACTORS CONSIDERED BY COURTS IN THE SECOND CIRCUIT CONFIRM THAT THE REQUESTED FEE IS FAIR AND REASONABLE

The Second Circuit has set forth the following criteria that courts should consider when reviewing a request for attorneys' fees in a common fund case:

> (1) the time and labor expended by counsel; (2) the magnitude and complexities of the litigation; (3) the risk of the litigation; (4) the quality of representation; (5) the requested fee in relation to the settlement; and (6) public policy considerations.

Goldberger, 209 F.3d at 50 (internal quotation marks omitted). Consideration of these factors, together with the analyses above, demonstrates that the fee requested by Co-Lead Counsel is reasonable.

A. The Time and Labor Expended Support the Requested Fee

The substantial time and effort expended by Plaintiffs' Counsel in prosecuting the Action and achieving the Settlements strongly support the requested fee. The Joint Declaration details the efforts of Plaintiffs' Counsel in prosecuting Plaintiffs' claims over the course of the litigation. Among other things, Plaintiffs' Counsel:

- conducted an extensive factual investigation, including interviews with numerous former employees of MF Global, consultation with experts, and a detailed review and analysis of the voluminous amounts of public information relating to the collapse of MF Global, such as SEC filings, press releases and other public statements, media and news reports, analyst reports, documents from MF Global's Chapter 11 bankruptcy proceeding and MF Global Inc.'s SIPA liquidation proceeding, and materials and transcripts from Congressional hearings (¶¶ 5, 22);

- researched the law relevant to the claims and the potential defenses and drafted a detailed Amended Complaint (¶¶ 5, 15-16, 24, 38);

- successfully opposed six separate motions to dismiss the Amended Complaint filed by the Individual Defendants and Underwriter Defendants through extensive briefing (¶¶ 5, 18, 20, 36);

- prepared the Complaint, which added claims against PwC, and prepared briefing in opposition to PwC's motion to dismiss the Exchange Act claims asserted against it (¶¶ 5, 35);

- engaged in extensive document discovery resulting in the production of approximately 46 million pages of documents to Lead Plaintiffs by Defendants and third parties, including James W. Giddens, the SIPA Trustee, and Nader Tavakoli, the MF Global Litigation Trustee, and conducted extensive review and analysis of these documents (¶¶ 5, 25, 27-32);

- took, defended or actively participated in 31 depositions through May 8, 2015, including three depositions of PwC employees and numerous depositions of former senior MF Global officers, including Individual Defendant Jon Corzine (MF Global's former CEO), who was deposed over three days, Individual Defendant John R. MacDonald (MF Global's former CFO), and other former key MF Global employees (¶¶ 5, 37);

- engaged in class certification discovery, including preparing for and defending 11 depositions of Plaintiffs or Plaintiffs' investment managers and responding to requests for production of documents and interrogatories directed at Plaintiffs (¶¶ 5, 34);

- consulted extensively with experts regarding due diligence, liquidity, accounting, damages and market efficiency, and with bankruptcy counsel (¶¶ 5, 38);

- drafted and filed a motion for class certification and an accompanying expert report on market efficiency and classwide damages (¶¶ 5, 34);

- engaged in extensive efforts to monitor the numerous related litigations arising out of the collapse of MF Global, including actions brought by the Commodity Futures Trading Commission, MF Global's Litigation Trustee, MF Global's

customers, and MF Global as Plan Administrator, and assisted in coordinating discovery with counsel in these other actions (¶¶ 24, 25, 80); and

- participated in extensive arm's-length settlement negotiations and mediations with several different sets of Defendants (¶¶ 5, 39-48)

As noted above, Plaintiffs' Counsel expended more than 109,000 hours prosecuting this Action through May 8, 2015 with a total lodestar value of $47,959,894.75. ¶ 82. The vast majority of the lodestar – 88% – was incurred by Co-Lead Counsel or by former Co-Lead Counsel Labaton Sucharow LLP. ¶ 81.[11] Each of the additional Plaintiffs' Counsel performed work at the direction of, and under the supervision of, Co-Lead Counsel. Among other things, these counsel assisted in the drafting and review of pleadings and motion papers, the production of documents by Plaintiffs, preparing the Plaintiffs they represent for deposition, and the review and analysis of documentary evidence. They also conferred with their respective clients and Co-Lead Counsel about the status of the litigation and settlement negotiations. *Id*. Cole Schotz, as bankruptcy counsel, actively monitored MF Global's bankruptcy cases to protect the class members' interests, including reviewing MF Global's Chapter 11 plan of liquidation and disclosure statement and objecting to the terms of the disclosure statement to assure that the third-party releases it contained did not affect the rights of class members in this Action. *Id*. Throughout the litigation, Co-Lead Counsel staffed the matter as efficiently as possible and avoided any unnecessary duplication of effort. *Id*. The time and effort devoted to this case by Plaintiffs' Counsel was critical to obtaining such favorable Settlements, and confirms that the fee request here is reasonable.

[11] By Order dated August 13, 2014, the Court substituted previously appointed Co-Lead Counsel Labaton Sucharow LLP with BFTA. The lodestar of Labaton Sucharow LLP includes time only from the inception of the Action through August 13, 2014. The lodestar of BFTA includes time only from August 13, 2014 through May 8, 2015, plus time spent on the preliminary and final approval of the Settlements from May 9, 2015 through September 30, 2015.

B. The Risks of the Litigation Support the Requested Fee

The risk of the litigation is one of the most important *Goldberger* factors. *See Goldberger*, 209 F.3d at 54; *Comverse*, 2010 WL 2653354, at *5. The Second Circuit has recognized that the risks associated with a case undertaken on a contingent fee basis is an important factor in determining an appropriate fee award:

> No one expects a lawyer whose compensation is contingent upon his success to charge, when successful, as little as he would charge a client who in advance had agreed to pay for his services, regardless of success. Nor, particularly in complicated cases producing large recoveries, is it just to make a fee depend solely on the reasonable amount of time expended.

City of Detroit v. Grinnell Corp., 495 F.2d 448, 470 (2d Cir. 1974). "Little about litigation is risk-free, and class actions confront even more substantial risks than other forms of litigation." *Comverse*, 2010 WL 2653354, at *5; *see also In re Am. Bank Note Holographics, Inc. Sec. Litig.*, 127 F. Supp. 2d 418, 433 (S.D.N.Y. 2001) (it is "appropriate to take this [contingent-fee] risk into account in determining the appropriate fee to award").

While Co-Lead Counsel believe that the claims that Lead Plaintiffs asserted against the Settling Underwriter Defendants, Commerz, PwC and the Individual Defendants are meritorious, Co-Lead Counsel recognize that there were a number of significant risks presented by the litigation against each of these sets of Defendants from the outset of the case and that Lead Plaintiffs' ability to succeed at trial and obtain a substantial judgment against these Defendants was never certain.

First, as discussed in the May 15 Joint Declaration (ECF No. 933 at 17) and the Memorandum of Law in Support of Lead Plaintiffs' Motion for Final Approval of Underwriter Settlement and Settling Plaintiffs' Motion for Final Approval of Commerz Settlement (ECF No. 932 at 14-15), there were substantial risks in proving liability and damages against the Settling Underwriter Defendants and Commerz, including: (i) risks associated with proving that there

were material misstatements and omissions in the MF Global offering documents at issue; (ii) risks that these Underwriter Defendants would be able to establish due diligence or related defenses; and (iii) risks related to establishing and calculating the amount of classwide damages. These Defendants also contended that at least one set of allegations, those relating to DTA, were based on statements of opinion that were believed when made and that these statements were predicated on representations in the financial statements that had been certified by PwC, and that they were entitled to rely on that expertised portion of the offering materials.

As discussed in the accompanying Joint Declaration and in the memorandum of law in support of the PwC and the Individual Defendant Settlements, there were also substantial risks with respect to establishing both liability and damages against PwC and the Individual Defendants. Regarding PwC, Lead Plaintiffs would have had to establish that the MF Global financial statements audited by PwC did, in fact, materially misstate MF Global's DTA and materially misstate or omit facts related to MF Global's internal controls and it was not certain they would be able to do so. Moreover, PwC argued and would have continued to argue that its audit opinions and the DTA in MF Global's financials were statements of opinion and that Lead Plaintiffs would therefore have been required to establish that either the opinions were not subjectively believed by PwC, or that facts showing that PwC lacked a reasonable basis for making those statements were omitted. *See Omnicare, Inc. v. Laborers Dist. Council Constr. Indus. Pension Fund*, 135 S. Ct. 1318 (2015). PwC also would have argued that it had conducted extensive audits of MF Global in compliance with the applicable auditing standards and would have asserted a due-diligence defense to the claims based on its audit work. Further, with respect to the Section 10(b) claims against PwC, Lead Plaintiffs faced the substantial hurdle of showing that PwC had actual knowledge of the alleged fraud or acted with sufficient recklessness to

establish *scienter*, a particularly challenging task in light of case law holding that proving an auditor's recklessness requires proof of conduct approximating an actual intent to aid in the fraud or an audit so deficient that it was effectively no audit at all. Finally, establishing loss causation against PwC would have been difficult because PwC would have maintained that the collapse of MF Global was caused by MF Global's RTM trades and liquidity crisis, rather than by the alleged misstatement of MF Global's DTA.

The litigation against the Individual Defendants also posed substantial risks. The risks involved establishing that the Individual Defendants made materially false statements and that the Officer Defendants had acted with *scienter*. Proving loss causation would also have been a hurdle for the claims against the Individual Defendants. Moreover, these risks would have been heightened by a possible inability to collect a meaningful judgment if one was obtained against the Individual Defendants. MF Global itself was in bankruptcy and the available officers' and directors' insurance was being rapidly depleted by the costs of litigation of numerous related actions brought against the Individual Defendants by MF Global's customers, the MF Global bankruptcy trustee and the government and would likely have been exhausted by the time a litigated verdict could be obtained.

In the face of the many uncertainties regarding the outcome of the case, Co-Lead Counsel undertook this case on a wholly contingent basis, knowing that the litigation could last for years and would require the devotion of a substantial amount of time and a significant expenditure of litigation expenses with no guarantee of compensation. ¶¶ 77, 88-89. Counsel's assumption of this contingency fee risk supports the reasonableness of the requested fee. *See FLAG Telecom*, 2010 WL 4537550, at *27 ("Courts in the Second Circuit have recognized that the risk associated with a case undertaken on a contingent fee basis is an important factor in determining

an appropriate fee award."); *Marsh ERISA*, 265 F.R.D. at 148 ("There was significant risk of non-payment in this case, and Plaintiffs' Counsel should be rewarded for having borne and successfully overcome that risk.").

C. The Magnitude and Complexity of the Action Support the Requested Fee

The magnitude and complexity of the Action also support the requested fee. Courts have long recognized that securities class action litigation is "notably difficult and notoriously uncertain." *FLAG Telecom*, 2010 WL 4537550, at *27. This case was no exception. Indeed, the complexity of the case was greater than normal in light of MF Global's dual bankruptcy proceedings and the other related litigation against MF Global's former officers that was coordinated for discovery. Moreover, as discussed in the Joint Declaration, the litigation raised a number of complex questions concerning liability and loss causation that would have required extensive efforts by Plaintiffs' Counsel and consultation with experts on accounting, liquidity and damages to bring to resolution. To build the case, Plaintiffs' Counsel had to conduct a thorough factual investigation and engage in extensive document and deposition discovery. To obtain verdicts against the settling defendants would have required further expert discovery; additional motion practice; a trial; post-trial motion practice; and mostly likely appeals. Accordingly, the magnitude and complexity of the Action supports the conclusion that the requested fee is fair and reasonable.

D. The Quality of Plaintiffs' Counsel's Representation Supports the Requested Fee

The quality of the representation by Plaintiffs' Counsel is another important factor that supports the reasonableness of the requested fee. Co-Lead Counsel submit that the quality of Plaintiffs' Counsel's representation is best evidenced by the quality of the results achieved. *See, e.g.*, *Veeco*, 2007 WL 4115808, at *7; *In re Global Crossing Sec. & ERISA Litig.*, 225 F.R.D.

436, 467 (S.D.N.Y. 2004). Here, each of the Settlements provides a very favorable result for the respective Settlement Class in light of MF Global's bankruptcy and the serious risks of continued litigation. ¶¶ 3, 49-60, 82-83. Co-Lead Counsel submit that the quality of their efforts (and those of the other Plaintiffs' Counsel) in the litigation to date, together with their substantial experience in securities class actions and commitment to this litigation, provided it with the leverage necessary to negotiate the Settlements in the face of strong opposition by defense counsel.

Courts have also recognized that the quality of the opposition faced by plaintiffs' counsel should also be taken into consideration in assessing the quality of the counsel's performance. *See, e.g., In re Adelphia Commc'ns Corp. Sec. & Derivative Litig.*, No. 03 MDL 1529 LMM, 2006 WL 3378705, at *3 (S.D.N.Y. Nov. 16, 2006) ("The fact that the settlements were obtained from defendants represented by 'formidable opposing counsel from some of the best defense firms in the country' also evidences the high quality of lead counsels' work"), *aff'd*, 272 F. App'x 9 (2d Cir. 2008); *Anwar*, 2012 WL 1981505 at *2 (same). Here, Defendants were represented by some of the country's most capable and renowned law firms, including Gibson, Dunn & Crutcher LLP, Shearman & Sterling LLP, Davis Polk & Wardwell LLP, Dechert, LLP, Akin Gump Strauss Hauer & Feld LLP, Binder & Schwartz LLP, and King & Spalding LLP, which vigorously represented their clients throughout this Action. ¶ 87. Notwithstanding this formidable opposition, Co-Lead Counsel's thorough investigation and extensive discovery efforts, successful opposition of Defendants' motions to dismiss, and demonstrated willingness to prosecute the Action to trial if necessary, enabled them to achieve the favorable Settlements.

E. The Requested Fee in Relation to the Settlements

Courts have interpreted this factor as requiring the review of the fee requested in terms of the percentage it represents of the recovery. "When determining whether a fee request is

reasonable in relation to a settlement amount, 'the court compares the fee application to fees awarded in similar securities class-action settlements of comparable value.'" *Comverse*, 2010 WL 2653354, at *3. As discussed in detail in Part III *supra*, the requested 19% fee is well within the range of percentage fees that courts in the Second Circuit and elsewhere have awarded in cases with comparable total recoveries. The requested fee is, therefore, reasonable in relation to the Settlements.

F. Public Policy Considerations Support the Requested Fee

A strong public policy concern exists for rewarding firms for bringing successful securities litigation. *See FLAG Telecom*, 2010 WL 4537550, at *29 (if the "important public policy [of enforcing the securities laws] is to be carried out, the courts should award fees which will adequately compensate Lead Counsel for the value of their efforts, taking into account the enormous risks they undertook"); *Maley*, 186 F. Supp. 2d at 373 ("In considering an award of attorney's fees, the public policy of vigorously enforcing the federal securities laws must be considered."); *Hicks*, 2005 WL 2757792, at *9 ("To make certain that the public is represented by talented and experienced trial counsel, the remuneration should be both fair and rewarding."). Accordingly, public policy favors granting Co-Lead Counsel's fee and expense application.

G. The Approval of Lead Plaintiffs and the Reaction of the Settlement Classes to Date Support the Requested Fee

Lead Plaintiffs Virginia Retirement System ("VRS") and Her Majesty the Queen in Right of Alberta ("Alberta"), which closely supervised and monitored the prosecution of the Action, have approved and endorsed the requested fee. *See* Goodman Decl. ¶¶ 7, 12; Baccus Decl. ¶¶ 8, 13. VRS and Alberta are paradigmatic examples of the type of sophisticated and financially interested investor that Congress envisioned serving as a fiduciary for the class when it enacted the PSLRA. The PSLRA was intended to encourage institutional investors like VRS and Alberta

to assume control of securities class actions in order to "increase the likelihood that parties with significant holdings in issuers, whose interests are more strongly aligned with the class of shareholders, will participate in the litigation and exercise control over the selection and actions of plaintiff's counsel." H.R. Conf. Rep. No. 104-369, at *32 (1995), reprinted in 1995 U.S.C.C.A.N. 730, 731. Congress believed that these institutions, which have a substantial financial stake in the action, would be in the best position to monitor the ongoing prosecution of the litigation and to assess the reasonableness of counsel's fee request.

Here, the Court-appointed Lead Plaintiffs took a very active role in the litigation and closely supervised the work of Co-Lead Counsel. *See* Goodman Decl. ¶¶ 4-6, 12; Baccus Decl. ¶¶ 4-6, 13. Accordingly, Lead Plaintiffs' endorsement of the requested fee as fair and reasonable supports its approval. *See In re Marsh & McLennan Cos. Sec. Litig.*, No. 04 Civ. 8144 (CM), 2009 WL 5178546, at *16 (S.D.N.Y. Dec. 23, 2009) ("public policy considerations support fee awards where, as here, large public pension funds, serving as lead plaintiffs, conscientiously supervised the work of lead counsel, and gave their endorsement to lead counsel's fee request"); *Veeco*, 2007 WL 4115808, at *8 ("public policy considerations support the award in this case because the Lead Plaintiff . . . – a large public pension fund – conscientiously supervised the work of lead counsel and has approved the fee request").

The reaction of the class to date also supports the requested fee. Through October 8, 2015, the Claims Administrator has disseminated the Notice to 77,965 potential Settlement Class Members and nominees informing them, among other things, that Co-Lead Counsel intended to apply to the Court for an award of attorneys' fees in the amount of 19% of each of the Settlements and up to $5,200,000 in expenses. While the time to object to the Fee and Expense Application does not expire until October 23, 2015, to date, not a single objection has been

received. ¶¶ 66, 91. Should any objections be received, Co-Lead Counsel will address them in their reply papers.

V. PLAINTIFFS' COUNSEL'S EXPENSES ARE REASONABLE AND WERE NECESSARILY INCURRED TO ACHIEVE THE BENEFIT OBTAINED

Co-Lead Counsel's fee application includes a request for reimbursement of Plaintiffs' Counsel's litigation expenses, which were reasonably incurred and necessary to the prosecution of the Action. ¶¶ 11, 93-101. These expenses are properly recovered by counsel. *See In re China Sunergy Sec. Litig.,* No. 07 Civ. 7895 (DAB), 2011 WL 1899715, at *6 (S.D.N.Y. May 13, 2011) (in a class action, attorneys should be compensated "for reasonable out-of-pocket expenses incurred and customarily charged to their clients, as long as they were 'incidental and necessary to the representation'"); *FLAG Telecom*, 2010 WL 4537550, at *30 ("It is well accepted that counsel who create a common fund are entitled to the reimbursement of expenses that they advanced to a class"). As set forth in detail in the Joint Declaration, Plaintiffs' Counsel incurred $3,131,337.34 in litigation expenses in the prosecution of the Action through April 30, 2015. ¶ 95. Reimbursement of these expenses is fair and reasonable.

The expenses for which Plaintiffs' Counsel seek 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, expert fees, on-line research, court reporting and transcripts, photocopying, and postage expenses. The largest expense is for retention of Lead Plaintiffs' experts and consultants, in the amount of $1,360,209.40, or 43% of the total litigation expenses incurred. ¶ 96. Additional expenses included the costs of establishing and maintaining an on-line database for the review of approximately 46 million pages of documents produced in the amount of $1,044,041.22, or 33% of the total amount of expenses, and for the combined costs of on-line legal and factual research in the amount of $153,469.47, or 5% of the total.

¶¶ 97-98. Plaintiffs' Counsel also paid $215,382.54 for Plaintiffs' portion of the mediation fees charged by Judge Weinstein and Judge Phillips. ¶ 99. A complete breakdown by category of the expenses incurred by Plaintiffs' Counsel is set forth in Exhibit 6 to the Joint Declaration. These expense items are billed separately by Plaintiffs' Counsel, and such charges are not duplicated in the firms' hourly billing rates.

The Notice informed potential Settlement Class Members that Co-Lead Counsel would apply for reimbursement of litigation expenses in an amount not to exceed $5,200,000, which may include the reasonable costs and expenses of Plaintiffs directly related to their representation of the Settlement Classes. The total amount of expenses requested is $3,275,258.84, which includes $3,131,337.34 in reimbursement of litigation expenses incurred by Plaintiffs' Counsel and $143,921.50 in reimbursement of costs and expenses incurred by Plaintiffs (discussed below), an amount well below the amount listed in the notice. To date, there has been no objection to the request for expenses.

VI. PLAINTIFFS SHOULD BE AWARDED THEIR REASONABLE COSTS AND EXPENSES UNDER 15 U.S.C. §§ 77z-1(a)(4), 78u-4(a)(4)

In connection with their request for reimbursement of Litigation Expenses, Co-Lead Counsel also seek reimbursement of a total of $143,921.50 in costs and expenses incurred directly by Plaintiffs relating to their representation of the Settlement Classes. The PSLRA specifically provides that an "award of reasonable costs and expenses (including lost wages) directly relating to the representation of the class" may be made to "any representative party serving on behalf of a class." 15 U.S.C. §§ 77z-1(a)(4), 78u-4(a)(4). Here, Plaintiffs seek awards for time dedicated by their employees and by Plaintiff Jerome Vrabel in furthering and supervising the Action. Specifically: (i) VRS seeks reimbursement of $43,272.50 in expenses; (ii) Alberta seeks reimbursement of $45,650 in expenses; (iii) Government of Guam Retirement

Fund ("GGRF") seeks reimbursement of $9,700 in expenses; (iv) West Virginia Laborers' Pension Trust Fund ("WVL") seeks reimbursement of $18,100 in expenses; (v) LRI Invest S.A. seeks reimbursement of $6,825 in expenses; and (vi) Mr. Vrabel seeks reimbursement of $20,374.00 in expenses. *See* Goodman Decl. ¶ 11; Baccus Decl. ¶ 12; Cruz Decl., attached to the Joint Decl. as Exhibit 7, at ¶ 7; Smith Decl., attached to the Joint Decl. as Exhibit 8, at ¶ 7; de Boer Decl., attached to the Joint Decl. as Ex 9, at ¶ 7; Vrabel Decl., attached to the Joint Decl. as Ex 10, at ¶ 5.

Lead Plaintiffs VRS and Alberta and Plaintiffs GGRF, WVL, LR Invest S.A. and Mr. Vrabel each took active roles in the litigation. All of the Plaintiffs reviewed significant pleadings and briefs in the Action, communicated regularly with Plaintiffs' Counsel regarding developments in the Action, searched for and gathered internal documents for production in response to Defendants' document requests, prepared for, traveled to and sat for deposition, and monitored the progress of settlement negotiations. *See* Goodman Decl. ¶¶ 4-5, 11; Baccus Decl. ¶¶ 4-6, 12; Cruz Decl. ¶¶ 5, 7; Smith Decl. ¶¶ 5, 7; de Boer Decl. ¶¶ 5, 7; Vrabel Decl. ¶¶ 3, 5. The requested reimbursement amounts are based on the number of hours that Plaintiffs' employees and Mr. Vrabel committed to these activities, multiplied by a reasonable hourly rate for their time. *See* Goodman Decl. ¶¶ 11; Baccus Decl. ¶ 12; Cruz Decl. ¶ 7; Smith Decl. ¶ 7; de Boer Decl. ¶ 7; Vrabel Decl. ¶ 5.

Numerous courts have approved reasonable awards to compensate lead plaintiffs for the time and effort they spent on behalf of a class. In *In re Bank of America Corp. Securities, Derivative & ERISA Litigation*, the Second Circuit affirmed total awards of $453,000 to five representative plaintiffs under the PSLRA based on the time that their employees had dedicated to that action. 772 F.3d 125, 132-33 (2d Cir. 2014). In *Marsh & McLennan*, the district court

awarded $144,657 to the New Jersey Attorney General's Office and $70,000 to certain Ohio pension funds to compensate them "for their reasonable costs and expenses incurred in managing this litigation and representing the Class." 2009 WL 5178546, at *21. As the court noted, their efforts were "precisely the types of activities that support awarding reimbursement of expenses to class representatives." *Id*. Similarly, in *In re American International Group, Inc. Securities Litigation*, Judge Batts found that "the request of [lead plaintiffs] for reimbursement of $71,910.00 in lost wages related to their active participation in this action is reasonable," No. 04 Civ. 8141 (DAB), 2012 WL 345509, at *6 (S.D.N.Y. Feb. 2, 2012); *see also In re Gilat Satellite Networks, Ltd.,* No. CV-02-1510 (CPS) (SMG), 2007 WL 2743675, at *19 (E.D.N.Y. Sept. 18, 2007) (granting PSLRA awards where, as here, "the tasks undertaken by employees of Lead Plaintiffs reduced the amount of time those employees would have spent on other work and these tasks and rates appear reasonable to the furtherance of the litigation").

The awards sought by Plaintiffs are reasonable and justified under the PSLRA based on their involvement in the Action, and should be granted.

CONCLUSION

For the foregoing reasons, Co-Lead Counsel respectfully request that the Court award attorneys' fees in the amount of 19% of the Settlement Funds, or $38,842,237.32, plus interest at the same rate as earned by the Settlement Funds; $3,131,337.34 in reimbursement of the reasonable litigation expenses that Plaintiffs' Counsel incurred in connection with the prosecution of the Action; and $143,921.50 in reimbursement of Plaintiffs' costs and expenses.

Dated: October 9, 2015
New York, New York

Respectfully submitted,

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