UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

PLUMBERS' & PIPEFITTERS' LOCAL #562 SUPPLEMENTAL PLAN & TRUST and PLUMBERS' & PIPEFITTERS' LOCAL #562 PENSION FUND, On Behalf of Themselves and All Others Similarly Situated, Plaintiffs, v. J.P. MORGAN ACCEPTANCE CORP. I, *et al.*, Defendants.	No. 08-cv-1713 (PKC) (WDW) ECF CASE

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

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Court-appointed Lead Counsel, Bernstein Litowitz Berger & Grossmann LLP ("Bernstein Litowitz") and Wolf Popper LLP ("Wolf Popper," collectively, "Lead Counsel"), having achieved a recovery of $280 million in cash for the benefit of the Class, respectfully submit this memorandum of law in support of their motion, pursuant to Fed. R. Civ. P. 23(h), for an award of attorneys' fees in the amount of 17% of the Settlement Fund (*i.e.*, 17% of the Settlement Amount with interest on such amount at the same rate as earned by the Settlement Fund).[1] Lead Counsel also seek reimbursement of $1,378,340.20 in litigation expenses that Plaintiffs' Counsel reasonably and necessarily incurred to prosecute and resolve the Action, as well as reimbursement pursuant to the Private Securities Litigation Reform Act of 1995 ("PSLRA"), 15 U.S.C. § 77z-1(a)(4), of $19,572.50 in Lead Plaintiff's costs and expenses.[2]

I. INTRODUCTION

The $280 million proposed Settlement of the Action represents an excellent recovery for the Class. This substantial monetary recovery was achieved through the skill, tenacity and effective advocacy of Lead Counsel, who litigated this Action on a purely contingent fee basis against highly skilled defense counsel. The Settlement was achieved in the face of numerous hurdles and risks that, from the outset of the litigation, threatened no recovery (or a substantially lesser recovery) for the Class.

As detailed in the accompanying Lead Counsel Declaration, Lead Counsel vigorously

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[1] Lead Counsel respectfully refer the Court to the accompanying Joint Declaration of David R. Stickney and Marian P. Rosner in Support of Motion for Final Approval of Settlement and Plan of Allocation, and Motion for Approval of Attorneys' Fees and Expenses ("Lead Counsel Decl.") for a detailed description of the case and the Settlement. Unless otherwise noted, capitalized terms have the meanings set forth in the Stipulation and Agreement of Settlement dated March 7, 2014. ECF No. 211.

[2] "Plaintiffs' Counsel" refers to Co-Lead Counsel for the Class; additional counsel for Lead Plaintiff, Pond Gadow & Tyler; and counsel for plaintiffs who filed motions to intervene Cohen Milstein Sellers & Toll PLLC and Zwerling, Schachter & Zwerling, LLP ("Intervenors' Counsel"). *See* Lead Counsel Decl. ¶¶44-50 and Exs. 4A to 4E thereto.

pursued this litigation for more than five years while committing the extensive resources necessary to prosecute this complex action to a successful result. Among other things, Lead Counsel conducted an extensive investigation; prepared a detailed complaint; opposed motions to dismiss; moved for class certification with supporting evidence including an expert report; analyzed over one million documents produced by Defendants and multiple third parties; obtained testimony through six depositions; engaged and conferred with experts and consultants; researched the applicable law; and engaged in intense settlement negotiations, including a mediation process overseen by the Honorable Daniel Weinstein (Ret.). *See* Lead Counsel Decl., Sections II and III.A.

The Settlement achieved as a result of Lead Counsel's efforts is a very favorable outcome for the Class when considered in light of the significant risks confronted in this case. From the outset of the case, Lead Counsel faced issues of first impression and complex factual and legal questions surrounding class litigation over mortgage-backed securities. There was no favorable precedent of successful Securities Act claims arising from the sale of mortgage-backed securities on behalf of a class; likewise, no court had then accepted Lead Plaintiff's theory of damages or certified a class in the context of such litigation. Lead Counsel undertook this representation with no guarantee of payment and faced substantial risks with respect to establishing liability, defeating affirmative defenses, proving damages (and overcoming defenses to damages), and establishing that a class action was appropriate. Indeed, a number of other putative class actions arising from the sale of mortgage-backed securities have been dismissed or materially narrowed. Here, through the efforts of Lead Counsel, the Class' claims were largely sustained; Lead Counsel developed a strong record through discovery and, ultimately, negotiated the beneficial Settlement.

Given the substantial recovery obtained for the benefit of the Class, the complexity and amount of work involved, the skill and expertise required, and the significant risks that counsel undertook, Lead Counsel submit that the requested award of 17% of the Settlement Fund is fair and reasonable. Federal courts in this District and throughout the nation have awarded the same or substantially greater fees in other similarly-complex class litigation, including such actions arising from the sale of mortgage-backed securities. Moreover, a lodestar cross-check reflects that the requested fee, which represents a multiplier of less than 2, is reasonable.

The Court-appointed Lead Plaintiff has reviewed and endorsed the fee and expense request as fair and reasonable. *See* Declaration of George W. Neville, Special Assistant Attorney General, Legal Counsel to Lead Plaintiff the Public Employees' Retirement System of Mississippi, in Support of (A) Lead Plaintiff's Motion for Approval of Settlement and Plan of Allocation; (B) Lead Counsel's Motion for an Award of Attorneys' Fees and Reimbursement of Litigation Expenses; and (C) Lead Plaintiff's Request for Reimbursement of Costs and Expenses, attached as Exhibit ("Ex.") 1 to the Lead Counsel Declaration ("Neville Decl."), ¶¶9-10.

In addition, pursuant to the Court's May 2, 2014 Order Preliminarily Approving Settlement and Providing for Notice (ECF No. 219) (the "Preliminary Approval Order"), copies of the Notice have been mailed to more than 7,454 potential Class Members, and a Summary Notice was published in *Investor's Business Daily*. *See* Declaration of Jennifer M. Keough Re Notice Dissemination and Publication, attached as Ex. 2 to the Lead Counsel Decl. ("Keough Decl."), ¶¶2-9. The Notice advised potential Class Members that Lead Counsel would seek fees of up to 17% of the Settlement Fund and reimbursement of litigation expenses – including the expenses of Lead Plaintiff in accordance with the PSLRA – in an amount not to exceed $1.5 million. *See* Keough Decl. Ex. A, ¶¶5, 45. While the deadline for Class Members to object to the requested attorneys' fees and expenses has not yet passed, to date no objection to Lead

Counsel's application for fees and expenses has been received.[3]

For the reasons set forth below, Lead Counsel respectfully request that the Court approve their application for an award of attorneys' fees and reimbursement of expenses.

II. ARGUMENT

A. Lead 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 alleged misconduct of a similar nature.[4] 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.[5] Compensating plaintiffs' counsel for the 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).

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[3] The deadline for the receipt and filing of objections is July 3, 2014. Should any objections be received, Lead Counsel will address them in reply papers to be filed on or before July 17, 2014.

[4] *In re Telik, Inc. Sec. Litig.*, 576 F. Supp. 2d 570, 585 (S.D.N.Y. 2008); *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); *see also In re Giant Interactive Grp., Inc. Sec. Litig.*, 279 F.R.D. 151, 156 (S.D.N.Y. 2011) (an award of appropriate attorneys' fees should "provid[e] lawyers with sufficient incentive to bring common fund cases that serve the public interest" and "attract well-qualified plaintiffs' counsel who are able to take a case to trial, and who defendants understand are able and willing to do so") (citations omitted).

[5] *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.'") (quoting *J.I. Case Co. v. Borak*, 377 U.S. 426, 432 (1964)).

B. The Court Should Award A Reasonable Percentage Of The Common Fund

Most courts find that the percentage-of-the-fund method, where counsel is awarded a percentage of the fund that they created, is the preferred means to determine a fee because 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." *Wal-Mart Stores, Inc. v. Visa U.S.A.*, 396 F.3d 96, 121 (2d Cir. 2005); *see also Hayes v. Harmony Gold Min. Co. Ltd.*, 509 Fed. Appx. 21, 24 (2d Cir. 2013) (unpubl.) ("[A]s the district court recognized, the prospect of a percentage fee award from a common settlement fund, as here, aligns the interests of class counsel with those of the class.").[6] The percentage approach also recognizes that the quality of counsel's services is measured best by the results achieved and is most consistent with the system typically used in the marketplace to compensate attorneys in non-class contingency cases. *See, e.g., In re Payment Card Interchange Fee & Merchant Discount Antitrust Litig.*, No. 05-MD-1720 (JG) (JO), 2014 WL 92465, at *1 (E.D.N.Y. Jan. 10, 2014) ("The percentage method better aligns the incentives of plaintiffs' counsel with those of the class members because it bases the attorneys' fees on the results they achieve for their clients, rather than on the number of motions they file, documents they review, or hours they work. The percentage method also accords with the overwhelming prevalence of contingency fees in the market for plaintiffs' counsel . . . .") (citation omitted); *Davis v. J.P. Morgan Chase & Co.*, 827 F. Supp. 2d 172, 184 (W.D.N.Y. 2011) (the "advantages of the percentage method . . . are that it provides an incentive to attorneys to resolve the case efficiently and to create the largest common fund out of which payments to the class can be made, and that it is consistent with the system typically used by individual clients to compensate their attorneys"). The Supreme Court has indicated that attorneys' fees in common fund cases

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[6] Courts have also historically used the lodestar method for awarding plaintiffs' counsel attorneys' fees, where counsel are awarded the product of their number of hours, multiplied by their reasonable rate, and enhanced by a "multiplier." Specifically, under the lodestar method, a court first multiplies the number of hours each attorney or paraprofessional spent on the case by each attorney's and paraprofessional's reasonable hourly rate; and second, the court adjusts that lodestar figure (by applying a multiplier) to reflect such factors as the risk and contingent nature of the litigation, the result obtained and the quality of the attorney's work. A lodestar cross-check on the requested percentage-of-the-fund fee request is addressed below in Section II.E.

should generally be based on a percentage of the fund. *See Blum v. Stenson*, 465 U.S. 886, 900 n.16 (1984) ("under the 'common fund doctrine,' . . . a reasonable fee is based on a percentage of the fund bestowed on the class").

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-the-fund method or lodestar method may be used to determine appropriate attorneys' fees); *see also Savoie v. Merchs. Bank*, 166 F.3d 456, 460 (2d Cir. 1999) (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."). The Second Circuit has also acknowledged that the "trend in this Circuit is toward the percentage method." *Wal-Mart*, 396 F.3d at 121; *see also Davis*, 827 F. Supp. 2d at 183-85; *Payment Card Interchange Fee*, 2014 WL 92465, at *1 ("The trend in this Circuit, and the method I adopt here, is a percentage of the fund."); *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). All federal Courts of Appeal to consider the matter have approved of the percentage method, with two circuits requiring its use in common fund cases.[7]

The text of the PSLRA also supports awarding attorneys' fees using the percentage-of-the-fund method, as it provides that "[t]otal attorneys' fees and expenses awarded by the court to counsel for the plaintiff class shall not exceed a *reasonable percentage* of the amount" recovered for the class. 15 U.S.C. § 77z-1(a)(6) (emphasis added). Several courts have concluded that, in using this language, Congress expressed a preference for the percentage method when

[7] *See In re Thirteen Appeals Arising Out of the San Juan Dupont Plaza Hotel Fire Litig.*, 56 F.3d 295, 305-07 (1st Cir. 1995); *In re AT&T Corp. Sec. Litig.*, 455 F.3d 160, 164 (3d Cir. 2006); *Union Asset Mgmt. Holding A.G. v. Dell, Inc.*, 669 F.3d 632, 642-43 (5th Cir. 2012); *Rawlings v. Prudential-Bache Props., Inc.*, 9 F.3d 513, 515-17 (6th Cir. 1993); *Harman v. Lyphomed, Inc.*, 945 F.2d 969, 975 (7th Cir. 1991); *Petrovic v. Amoco Oil Co.*, 200 F.3d 1140, 1157 (8th Cir. 1999); *Vizcaino v. Microsoft Corp.*, 290 F.3d 1043, 1047 (9th Cir. 2002); *Gottlieb v. Barry*, 43 F.3d 474, 483 (10th Cir. 1994); *Camden I Condo. Ass'n v. Dunkle*, 946 F.2d 768, 774 (11th Cir. 1991); *Swedish Hosp. Corp. v. Shalala*, 1 F.3d 1261, 1269-71 (D.C. Cir. 1993). The Eleventh and District of Columbia Circuits have required the use of the percentage method in common fund cases. *See Camden*, 946 F.2d at 774; *Swedish Hosp.*, 1 F.3d at 1271.

determining attorneys' fees in securities class actions. *See, e.g., Telik*, 576 F. Supp. 2d at 586; *In re WorldCom, Inc. Sec. Litig.*, 388 F. Supp. 2d 319, 355 (S.D.N.Y. 2005); *Maley v. Del Global Techs. Corp.*, 186 F. Supp. 2d 358, 370 (S.D.N.Y. 2002).

C. 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 in the range of 30% to 33% of the recovery. *See Blum*, 465 U.S. at 904 ("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).

Lead Plaintiff endorses the requested fee. At 17%, the request is well within the range of percentage fees awarded within the Second Circuit in comparable cases, as demonstrated below:

Case/Fee Order	Percentage of the Fund	Settlement Amount
Comverse Tech., Inc. Sec. Litig., No. 06-CV-1825 (NGG) (RER), 2010 WL 2653354, at *2 (E.D.N.Y. June 24, 2010)	25%	$225 million
In re Initial Pub. Offering Sec. Litig., 671 F. Supp. 2d 467, 516 (S.D.N.Y. 2009)	33 1/3%	$510 million
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), *aff'd*, 272 Fed. Appx. 9 (2d Cir. 2008)	21.4%	$455 million
Ohio Pub. Emps. Ret. Sys. v. Freddie Mac, No. 03-CV-4261 (JES), 2006 U.S. Dist. LEXIS 98380, at *4 (S.D.N.Y. Oct. 26, 2006)	20%	$410 million
In re Deutsche Telekom AG Sec. Litig., No. 00-CV-9475 (NRB), 2005 U.S. Dist. LEXIS 45798, at *12-13 (S.D.N.Y. June 9, 2005)	28%	$120 million
In re Global Crossing Sec. & ERISA Litig., 225 F.R.D.	18.7%	$205 million[8]

[8] Subsequent settlements in the *Global Crossing* securities litigation brought the total settlement amount to an aggregate $408 million from which total fees of 17.8% were awarded. *See In re Global Crossing Sec. Litig.*, No. 02 Civ. 910 (GEL), 2005 WL 1668532, at *5 (S.D.N.Y. July 12, 2005); ECF No. 655 (Nov. 4, 2005); ECF No. 722 (Oct. 30, 2006); and ECF No. 773 (Oct. 1, 2007).

436, 464-68 (S.D.N.Y. 2004)		
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)	28%	$300 million
In re Buspirone Antitrust Litig., MDL No. 1413 (JGK), 2003 U.S. Dist. LEXIS 26538, at *11 (S.D.N.Y. Apr. 11, 2003)	33 1/3%	$220 million
Kurzweil v. Philip Morris Cos., No. 94 Civ. 2373 (MBM), 1999 WL 1076105, at *11 (S.D.N.Y. Nov. 30, 1999)	30%	$123.8 million

Indeed, the Honorable John Gleeson of this District recently reviewed the fee awards in class actions where "the requested fee in relation to the settlement fund is large class cases with court set fees." *Payment Card Interchange Fee*, 2014 WL 92465, at *4. Judge Gleeson concluded that, applying a graduated fee schedule, settlements of this magnitude would receive fees of approximately 23%; courts generally awarded 33% of the first $10 million, and decreased the marginal percentage of recovery to 20% of the settlement value between $100 million and $500 million.[9]

[9] *Id.* at *6-7 (applied, here: 33% of the first $10 million; 30% of the next $40 million; $25% of the next $50 million; and 20% of the remaining $180 million, equals $63.8 million, or approximately 23% of the $280 million settlement amount). A review of fee awards in other securities cases and other complex class actions from other jurisdictions further confirms the reasonableness of the requested 17% award. *See, e.g., Sullivan v. DB Invs., Inc.*, 667 F.3d 273, 332-33 (3d Cir. 2011) (*en banc*) (affirming award of 25% of a $295 million settlement fund in an antitrust case); *In re Checking Account Overdraft Litig.*, 830 F. Supp. 2d 1330, 1359-60 (S.D. Fla. 2011) (awarding 30% of $410 million settlement fund, net of expenses); *In re HealthSouth Corp. Sec. Litig.*, No. CV-03-BE-1500-S, 2008 U.S. Dist. LEXIS 123364, at *8 (N.D. Ala. Feb. 12, 2008) (awarding 17.5% of settlement fund valued at approximately $311.5 million); *In re Cardinal Health Inc. Sec. Litig.*, 528 F. Supp. 2d 752, 770-71 (S.D. Ohio 2007) (awarding 18% of $600 million settlement fund, net of expenses); *In re Williams Sec. Litig.*, No. 02-CV-72-SPF (FHM), ECF No. 1638 (N.D. Okla. Feb. 12, 2007) (awarding 25% of $311 million settlement fund, net of expenses); *In re Lucent Techs., Inc. Sec. Litig.*, 327 F. Supp. 2d 426, 442 (D.N.J. 2004) (awarding 17% of $517 million settlement fund); *In re Rite Aid Corp. Sec. Litig.*, 362 F. Supp. 2d 587, 590-91 (E.D. Pa. 2005) and 146 F. Supp. 2d 706, 736 (E.D. Pa. 2001) (awarding 25% of $319.6 million in combined settlement funds); *In re DaimlerChrysler AG Sec. Litig.*, No. 00-0993 (KAJ), ECF No. 973 (D. Del. Feb. 5, 2004) (awarding 22.5% of $300 million settlement fund, net of expenses); *In re BankAmerica Corp. Sec. Litig.*, 228 F. Supp. 2d 1061, 1070 (E.D. Mo. 2002) (awarding 18% of $490 million settlement fund, net of expenses); *In re Vitamins Antitrust Litig.*, No. 99-197 (THF), 2001 WL 34312839, at *9-10 (D.D.C. July 16, 2001) (awarding 33.7% of $365 million common fund); *In re 3Com Corp. Sec. Litig.*, No. C-97-21083 (JW), ECF No. 167 (N.D. Cal. Mar. 9, 2001) (awarding 18% of $259 million settlement fund); *see also, e.g., In re The Mills Corp. Sec. Litig.*, 265 F.R.D. 246, 266 (E.D. Va. 2009) (awarding 18% of $202.75 million settlement fund); *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 CMS Energy Sec. Litig.*, 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 fund); *In re Bristol-Myers Squibb Sec. Litig.*, No. 00-1990 (SRC), ECF No. 367 (D.N.J. May 11, 2006) (awarding 19.77% of $185 million settlement fund), *aff'd* 2007 WL 2153284 (3d Cir. July 27, 2007) (unpubl.); *In re Linerboard Antitrust Litig.*, MDL No. 1261, 2004 WL 1221350, at *5, *19 (E.D. Pa. June 2, 2004) (awarding 30% of $202 million settlement fund); *In re AremisSoft Corp. Sec. Litig.*, 210 F.R.D. 109,

The requested 17% fee is also consistent with or less than the fee awards granted in other mortgage-backed securities class actions:

Case/Fee Order	**Percentage of the Fund**	**Settlement Amount**
Mass. Bricklayers & Masons Trust Funds v. Deutsche Alt-A Sec., Inc., No. 08-cv-3178-LDW-ARL (E.D.N.Y.), ECF No. 147, Order Awarding Lead Counsel Attorneys' Fees and Litigation Expenses dated July 11, 2012	26.5%	$32.5 million
MissPERS v. Goldman Sachs Grp., Inc., No. 09-cv-1110-HB (S.D.N.Y.), ECF No. 150, Order Awarding Attorneys' Fees and Expenses dated Nov. 8, 2012	17%	$26,612,500
MissPERS v. Merrill Lynch & Co. Inc., No. 08-cv-10841-JSR-JLC (S.D.N.Y.), ECF No. 186, Order Awarding Attorneys' Fees and Expenses dated May 8, 2012	17%	$315 million
In re Wells Fargo Mortgage-Backed Certificates Litig., No. 09-CV-1376-LHK (PSG) (N.D. Cal.), ECF No. 475, Order Awarding Attorneys' Fees and Reimbursement of Litigation Expenses dated Nov. 14, 2011	19.75%	$125 million

D. A Review Of The *Goldberger* Factors Confirms That The Requested 17% 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 quotes and citation omitted). Consideration of these factors, together with the analyses above, demonstrates that the fee requested by Lead Counsel is reasonable.

1. The Time And Labor Expended By Plaintiffs' Counsel Support The Requested Fee

Lead Counsel necessarily dedicated a substantial amount of resources – in both time and payment of expenses – towards the successful resolution of this case. Lead Counsel's efforts

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130-35 (D.N.J. 2002) (awarding 28% of $194 million settlement fund); *In re Waste Mgmt., Inc. Sec. Litig.*, No. 97 C 7709, 1999 WL 967012, at *3 (N.D. Ill. Oct. 18, 1999) (awarding 20% of $220 million settlement fund).

began with a substantial investigation of the facts underlying the claims, including interviews with numerous witnesses and a comprehensive review of publicly available information about the Certificates at issue and the underlying mortgage pools, and the preparation of the amended complaint. Lead Counsel Decl. ¶¶23-25. Lead Counsel also opposed motions to dismiss, which required substantial briefing and numerous supplemental submissions, on a number of complex issues. *Id.* ¶¶26-29, 32-35. Thereafter, Lead Counsel prepared and negotiated proposed scheduling orders and briefed motions for interlocutory appeal. Lead Counsel also drafted and served a detailed class certification motion, supported by an expert declaration. The parties also engaged in extensive discovery, including service of requests and responses to multiple written discovery requests, the production and review of over one million documents, and six depositions. *Id*. ¶¶30-31, 36-43, 51-68.

In total, Plaintiffs' Counsel expended 61,373.55 hours prosecuting this Action. *Id.* ¶102. The significant amount of time and effort devoted to this case by Lead Counsel and the other Plaintiffs' Counsel confirms that the fee request here is reasonable.

2. 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." *In re FLAG Telecom Holdings, Ltd. Sec. Litig.*, No. 02-CV-3400, 2010 WL 4537550, at *27 (S.D.N.Y. Nov. 8, 2010) (quoting *In re Sumitomo Copper Litig.*, 189 F.R.D. 274, 281 (S.D.N.Y. 1999)). This case raised novel and complex issues surrounding structured securities and the nationwide economic downturn.

As discussed in the Lead Counsel Declaration, the case involved an enormous volume of facts, including over 94,000 mortgages acquired by JPMorgan in approximately 1,100 discrete transactions, from dozens of different originating banks. Lead Counsel Decl. ¶53. The litigation also raised a number of complex questions that required extensive efforts by Lead Counsel. Given the subject matter of the Action, the over one million documents obtained by Lead

Counsel presented complex material. *Id.* ¶61. Lead Counsel's consultation with experts was also extensive given the complex nature of the subject matter underlying the Class' claims and the structured nature of the securities. Lead Counsel consulted with experts to prepare the mediation briefs, analyze estimated damages, review Defendants' affirmative defenses, and prepare for trial. Experts were consulted in the complex and specialized areas of the MBS industry, class certification issues, and damages. Lead Counsel Decl. Section II.G.3.

Many of the arguments raised in Defendants' motion to dismiss, the substantial supplemental briefing, and Defendants' Answer raised complex and novel legal issues, including issues of standing, cognizable damages, whether certain origination allegations are sufficiently linked to the Certificates, whether certain risk disclosures are sufficient to prevent liability, the statute-of-limitations defense, and others. Lead Counsel Decl. ¶¶75-80; *see also* ECF No. 66. If the Action had not been settled, there would have been further fact discovery; expert discovery that would have been critical to the case; contested motions for summary judgment; and a trial that would certainly require substantial factual and expert testimony. Accordingly, the magnitude and complexity of this Action support the conclusion that the requested fee is reasonable and fair.

3. The Risks Of The Litigation Support The Requested Fee

The risk of the litigation is often considered the most important *Goldberger* factor. *See Goldberger*, 209 F.3d at 54; *Comverse*, 2010 WL 2653354, at *5; *Telik*, 576 F. Supp. 2d at 592. The Second Circuit has recognized that the risk 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) (citation omitted), *abrogated on other grounds by Goldberger*, 209 F.3d 43. When considering the reasonableness of attorneys' fees in a contingency action, the Court should consider the risks of the litigation at the

time the suit was brought. *See Goldberger*, 209 F.3d at 55; *Parker v. Time Warner Entm't Co.*, 631 F. Supp. 2d 242, 276 (E.D.N.Y. 2009) (the court should consider "the contingent nature of the expected compensation" and the "risk of non-payment viewed as of the time of the filing of the suit"). The Court should bear in mind that "[l]ittle about litigation is risk-free, and class actions confront even more substantial risks than other forms of litigation." *Comverse*, 2010 WL 2653354, at *5.

While Lead Counsel believe that the claims of Lead Plaintiff and the Class have merit, they recognized that this case presented substantial risks and uncertainties from the outset, which made it far from certain that any recovery, let alone a substantial settlement of $280 million in cash, would ultimately be obtained for the Class. As discussed in the Lead Counsel Declaration and in the memorandum of law in support of the Settlement, there were substantial risks here with respect to the ability to sustain the action and prove that Defendants had made material misstatements or omissions and to establish that the alleged misstatements, rather than other factors (such as the overall economic downturn, housing price declines or reduced liquidity in the market for mortgage-backed securities), were the cause of the Class' losses. Lead Counsel Decl. ¶¶75-80. If Defendants were to prevail, the Class – and therefore counsel – would receive nothing.

These risks were enhanced in this Action because many of the legal and factual issues were issues of first impression at commencement of the case, or for which there was no controlling authority, in the context of mortgage-backed securities litigation. *Id*. ¶75. As demonstrated by the briefing and orders in this case, the jurisprudence on standing of representative plaintiffs was evolving during this litigation. *See* ECF Nos. 73-85, 90, 93, 97, 108, 112, 115-116 (letters of supplemental authority); ECF Nos. 118 and 153 (Court orders sustaining in part the Complaint and dismissing for lack of standing claims related to tranches from which Lead Plaintiff did not purchase MBS directly); ECF Nos. 127, 137, 142, 146, 154-157 (post-order motions); ECF Nos. 159-162 (order amending prior dismissal order, resulting in Lead Plaintiff's standing to assert claims of purchasers of Certificates from 26 of the Offerings).

Accordingly, the risks faced by Lead Counsel from the outset of the Action were very real. In the face of these uncertainties, 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 attorney time and a significant expenditure of litigation expenses with no guarantee of compensation. Lead Counsel Decl. ¶104. "There are numerous class actions in which counsel expended thousands of hours and yet received no remuneration whatsoever despite their diligence and expertise." *Veeco*, 2007 WL 4115808, at *6. Plaintiffs' Counsel's assumption of this contingency fee risk strongly supports the reasonableness of the requested fee. *See FLAG Telecom*, 2010 WL 4537550, at *27 ("the risk associated with a case undertaken on a contingent fee basis is an important factor in determining an appropriate fee award"); *In re Marsh ERISA Litig.*, 265 F.R.D. 128, 148 (S.D.N.Y. 2010) ("There was significant risk of non-payment in this case, and Plaintiffs' Counsel should be rewarded for having borne and successfully overcome that risk.").

4. The Quality Of Lead Counsel's Representation Supports The Requested Fee

The quality of the representation is another important factor that supports the reasonableness of the requested fee. Lead Counsel believe that the quality of the representation here is best evidenced by the quality of the result achieved. *See Goldberger*, 209 F.3d at 55; *Veeco*, 2007 WL 4115808, at *7; *Global Crossing*, 225 F.R.D. at 467. Lead Counsel developed a strong record over the course of years of litigation. Lead Counsel respectfully submit that the quality of Lead Counsel's efforts in the litigation to date, together with their substantial experience in securities class actions and their commitment to the litigation, provided Lead Counsel with the leverage necessary to negotiate the significant $280 million Settlement.

The skill and substantial experience of counsel in the specialized field of shareholder securities litigation also support the reasonableness of the requested fee. *See Teachers' Ret. Sys. of La. v. A.C.L.N., Ltd.*, No. 01-CV-11814 (MP), 2004 WL 1087261, at *6 (S.D.N.Y. May 14, 2004) (the skill and prior experience of counsel in the field is relevant to determining

fair compensation). Lead Counsel specialize in complex securities litigation, including litigation involving mortgage-backed securities, and are highly-experienced in such litigation, with a successful track record in securities cases throughout the country. *See* Lead Counsel Decl. ¶105 and Lead Counsel's firm resumes attached thereto as Exs. 4A-4 and 4B-3.

Finally, courts repeatedly recognize that the quality of the opposition faced by plaintiffs' counsel should also be taken into consideration in assessing the quality of counsel's performance. *See, e.g., Marsh*, 265 F.R.D. at 148 ("The high quality of defense counsel opposing Plaintiffs' efforts further proves the caliber of representation that was necessary to achieve the Settlement"); *Veeco*, 2007 WL 4115808, at *7 (among the factors supporting a 30% award of attorneys' fees was that defendants were represented by "one of the country's largest law firms"); *Adelphia*, 2006 WL 3378705, at *3 ("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"). Here, Defendants were represented by Sidley Austin LLP, a highly-respected law firm whose individual attorneys presented a very skilled defense, and spared no effort in the representation of their clients. *See* Lead Counsel Decl. ¶106. Notwithstanding this formidable opposition, Lead Counsel's ability to present a strong case and to demonstrate their willingness to continue to vigorously prosecute the Action enabled Lead Counsel to achieve a favorable settlement for the benefit of the Class.

5. Second Circuit Precedent Supports The 17% Fee As A Reasonable Percentage Of The Total Recovery

Courts have interpreted the next factor – the requested fee in relation to the settlement – as requiring the review of the fee requested in terms of the percentage it represents of the total 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 II.C. above, the requested 17% fee is well within the range of percentage fees that courts in the Second Circuit and around the country have awarded in comparable cases, and in other

mortgage-backed securities class actions in particular. Accordingly, the 17% fee requested is reasonable in relation to the size of the Settlement.

6. 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 Lead Counsel's fee and expense application here.

7. The Approval Of Lead Plaintiff And The Reaction Of The Class To Date Support The Requested Fee

Lead Plaintiff was actively involved in the prosecution and settlement of this Action and has approved the requested fee. *See* Neville Decl., attached as Ex. 1 to the Lead Counsel Decl., ¶¶5, 7, 9, 10. MissPERS is precisely 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 MissPERS 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 *27 (1995), reprinted in 1995 U.S.C.C.A.N. 730, 731. Congress believed that these institutions would be in the best position to monitor the prosecution and to assess the reasonableness of counsel's fee requests. In this Action, representatives of Lead Plaintiff played an active role in the litigation and closely supervised the work of Lead Counsel. *See* Neville Decl. ¶¶5, 7. Accordingly, Lead Plaintiff's endorsement of the fee request

supports its approval as fair and reasonable. *See, e.g., 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"); *Lucent*, 327 F. Supp. 2d at 442 ("[s]ignificantly, the Lead Plaintiffs, both of whom are institutional investors with great financial stakes in the outcome of the litigation, have reviewed and approved Lead Counsel's fees and expenses request") (approving fee of 17% of $517 million recovery).

The reaction of the Class to date also supports the requested fee. As of June 12, 2014, the Claims Administrator had disseminated the Notice to 7,454 potential Class Members and their nominees (Keough Decl. ¶9), which informed them, among other things, that Lead Counsel intended to apply to the Court for an award of attorneys' fees in an amount not to exceed 17% of the Settlement Fund. Keough Decl. Ex. A, ¶¶5, 45. While the time to object to the fee and expenses application does not expire until July 3, 2014, to date, not a single objection has been received. Lead Counsel Decl. ¶112. Should any objections be received, Lead Counsel will address them in their reply papers.

E. A Lodestar Cross-Check Confirms The Reasonableness Of The Fee Request

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; *Payment Card Interchange Fee*, 2014 WL 92465, at *7-8. In cases of this nature, fees representing multiples above the lodestar are regularly awarded to reflect the contingency fee risk and other relevant factors. *See, e.g.*, *FLAG Telecom*, 2010 WL 4537550, at *26 ("Under the lodestar method, 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 … counsel has litigated a complex case under a contingency fee arrangement, they are entitled to a fee in excess of the lodestar"); *Cardinal*

Health, 528 F. Supp. 2d at 761 ("the Court rewards [] lead counsel that takes on more risk, demonstrates superior quality, or achieves a greater settlement with a larger lodestar multiplier").

Accordingly, in complex contingent litigation, lodestar multipliers between 2 and 5 are commonly awarded. *See Wal-Mart*, 396 F.3d at 123 (upholding multiplier of 3.5 as reasonable on appeal); *Payment Card Interchange Fee*, 2014 WL 92465, at *8 (awarding fee representing a multiplier of 3.41, which was "comparable to multipliers in other large, complex cases"); *Davis*, 827 F. Supp. 2d at 185 (awarding fee representing a multiplier of 5.3, which was "not atypical" in similar cases); *Cornwell v. Credit Suisse Grp.*, No. 08-cv-03758 (VM), ECF No. 117 (S.D.N.Y. July 18, 2011) (awarding fee representing a multiplier of 4.7); *Comverse*, 2010 WL 2653354, at *5 (awarding fee representing a 2.78 multiplier); *Telik*, 576 F. Supp. 2d at 590 ("In contingent litigation, lodestar multiples of over 4 are routinely awarded by courts, including this Court."); *In re Bisys Sec. Litig.*, No. 04 Civ. 3840 (JSR), 2007 WL 2049726, at *3 (S.D.N.Y. July 16, 2007) (awarding 30% fee representing a 2.99 multiplier and finding that the multiplier "falls well within the parameters set in this district and elsewhere"); *Deutsche Telekom*, 2005 U.S. Dist. LEXIS 45798, at *13-14 (awarding fee representing a 3.96 multiplier); *AremisSoft*, 210 F.R.D. at 135 (a 4.3 multiplier was appropriate in light of the contingency risk and the quality of the result achieved); *Maley*, 186 F. Supp. 2d at 369 (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").

Here, lodestar cross-check fully supports the requested percentage fee. In this entirely contingent action that raised myriad complex and novel issues, Lead Counsel and additional Plaintiffs' Counsel Pond Gadow & Tyler collectively devoted nearly 60,000 hours of attorney and other professional support time in the prosecution and investigation of the Action, and Intervenors' Counsel devoted over 1,400 hours.[10] Plaintiffs' Counsel's total lodestar, derived by multiplying the hours spent by each attorney and paraprofessional by their current hourly rates, is

[10] As noted above, "Plaintiffs' Counsel" consist of the Court-appointed Co-Lead Counsel for the Class, as well as the two Intervenors' Counsel. *See* Lead Counsel Decl. ¶¶44-50 and Exs. 4A to 4E thereto.

$25,886,738.00.[11] The requested fee of 17% of the Settlement Fund will amount to $47,600,000 (before interest), which represents a multiplier of less than 2 on Plaintiffs' Counsel's lodestar amount. Thus, the 17% fee requested is well within the range awarded in cases of this type.[12]

In sum, Lead Counsel's requested 17% fee award is well within the range of what courts in this Circuit and throughout the country commonly award in complex class actions such as this one, including in other mortgage-backed securities class actions, when calculated as a percentage of the fund, and pursuant to a lodestar cross-check.

F. Plaintiffs' Counsel's Expenses Are Reasonable And Should Be Approved For Reimbursement

Lead Counsel's fee application includes a request for reimbursement of litigation expenses that were reasonably incurred in furtherance of the claims on behalf of the Class. These expenses are properly recovered by counsel. *See, e.g., 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.").

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[11] Lead Counsel Decl. ¶102. Lead Counsel's hourly rates are the same as the regular current rates charged for their services in non-contingent matters and/or which have been accepted in other securities or shareholder litigation, including within this Circuit. *Id.* ¶103. *See, e.g., In re The Reserve Primary Fund Sec. & Derivative Class Action Litig.*, 08-cv-8060-PGG (S.D.N.Y.) (ECF No. 101-4, utilizing comparable 2013 rates); *Goldman Sachs*, *supra* (ECF No. 147-2, utilizing comparable 2012 rates); *Merrill Lynch*, *supra* (ECF No. 181-6) (same). Both the Supreme Court and courts in this Circuit have long approved the use of current hourly rates to calculate the base lodestar figure as a means of compensating for the delay in receiving payment that is inherent in class actions, inflationary losses, and the loss of access to legal and monetary capital that could otherwise have been employed had class counsel been paid on a current basis during the pendency of the litigation. *See In re Union Carbide Corp. Consumer Prods. Bus. Sec. Litig.*, 724 F. Supp. 160, 163 (S.D.N.Y. 1989); *Veeco*, 2007 WL 4115808, at *9; *Missouri*, 491 U.S. at 284, 109 S. Ct. at 2469.

[12] *See Merrill Lynch*, *supra* (awarding fees representing 2.3 multiplier); *Wells Fargo*, *supra* (awarding fees representing 2.82 multiplier). Moreover, it should be emphasized that the lodestar "crosscheck" is exactly that – a rough crosscheck that is not intended to supplement the primacy of the percentage-based method. If higher multipliers are not allowed in cases involving large dollar recoveries, then the lodestar approach "begins to dominate and supersede the percentage of the recovery formula," *Rite Aid*, 146 F. Supp. 2d at 736 n.44, eroding the many advantages of the percentage-of-the-fund method.

As set forth in detail in the Plaintiffs' Counsel's Declarations (Exs. 4A-4E), and summarized at Exs. 4 and 4F, Plaintiffs' Counsel incurred $1,378,340.20 in litigation expenses in prosecution of the claims on behalf of the Class. 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, document management/litigation support, computerized research, mediation costs, travel expenses, photocopying, long distance telephone and facsimile charges, postage and delivery expenses, and filing fees. *See* Ex. 4F, Schedule of Expenses by Category.

The Notice informed potential Class Members that Lead Counsel would apply for reimbursement of litigation expenses in an amount not to exceed $1.5 million, including expenses of Lead Plaintiff directly related to its representation of the Class. Keough Decl. Ex. A ¶¶5, 45. To date, there has been no objection to the request for expenses. Lead Counsel Decl. ¶123.

G. Lead Plaintiff Should Be Awarded Its Reasonable Costs And Expenses Under 15 U.S.C. § 77z-1(a)(4)

As part of the request for reimbursement of litigation expenses, Lead Counsel also seek approval for reimbursement of $19,572.50 in costs and expenses incurred by Lead Plaintiff directly relating to its representation of the Class. 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). Numerous courts have approved such awards under the PSLRA to compensate class representatives for the time and effort they spent on behalf of the class. *See Hicks*, 2005 WL 2757792, at *10 ("Courts in this Circuit routinely award such costs and expenses both to reimburse the named plaintiffs for expenses incurred through their involvement with the action and lost wages, as well as to provide an incentive for such plaintiffs to remain involved in the litigation and to incur such expenses in the first place."); *In re Monster*

Worldwide, Inc. Sec. Litig., No. 07-cv-02237-JSR (S.D.N.Y.), ECF No. 139, Order Approving Class Counsel's Motion for an Award of Attorneys' Fees and Reimbursement of Expenses and Class Representative's Request for Reimbursement of Expenses, dated Nov. 24, 2008; *see also Goldman Sachs*, *supra* (awarding Lead Plaintiff reimbursement of costs totaling $25,230); *Wells Fargo*, *supra* (awarding Lead Plaintiffs reimbursement of costs totaling $17,700).

As set forth in the Neville Declaration, Lead Plaintiff MissPERS took an active role in the prosecution of the Action through its own employees and those of the Office of the Attorney General of Mississippi ("OAG"), including communicating extensively with Lead Counsel regarding issues and developments in the Action, reviewing all significant pleadings and briefs filed in the Action, supervising the production of discovery by MissPERS, and consulting with Lead Counsel concerning the settlement negotiations as they progressed. Neville Decl. ¶5. Pursuant to the PSLRA, MissPERS requests reimbursement of $19,572.50 based on the value of the 106 hours that MissPERS and OAG employees expended participating in and managing this litigation on behalf of the Class.

These are precisely the types of activities that courts have found to support reimbursement to class representatives. *See, e.g., In re Am. Int'l Grp., Inc. Sec. Litig.*, No. 04 Civ. 8141 (DAB), 2010 WL 5060697, at *3 (S.D.N.Y. Dec. 2, 2010) (granting PSLRA award of $30,000 to institutional lead plaintiffs "to compensate them for the time and effort they devoted on behalf of a class"); *FLAG Telecom*, 2010 WL 4537550, at *31 (approving award of $100,000 to Lead Plaintiff for time spent on the litigation); *Veeco*, 2007 WL 4115808, at *12 (characterizing such awards as "routine" in this Circuit); *see also In re Xcel Energy, Inc. Sec., Derivative & ERISA Litig.*, 364 F. Supp. 2d 980, 1000 (D. Minn. 2005) (awarding $100,000 collectively to lead plaintiffs who "fully discharged their PSLRA obligations and have been actively involved throughout the litigation [including] . . . communicat[ing] with counsel . . . [and] review[ing] counsels' submissions"). The reimbursement sought by Lead Plaintiff is reasonable and fully justified under the PSLRA and should be granted.

III. CONCLUSION

For the foregoing reasons, Lead Counsel respectfully request that the Court award attorneys' fees of 17% of the Settlement Fund, $1,378,340.20 in reimbursement of the reasonable litigation expenses Plaintiffs' Counsel incurred in connection with the prosecution of the claims on behalf of the Class, and $19,572.50 in reimbursement of Lead Plaintiff's costs and expenses.

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