

UNITED STATES DISTRICT COURT  
FOR THE MIDDLE DISTRICT OF FLORIDA  
TAMPA DIVISION

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| EASTWOOD ENTERPRISES, LLC                | : |                                |
| Individually and on Behalf of All Others | : | Case No.: 8:07-cv-1940-VMC-EAJ |
| Similarly Situated,                      | : |                                |
|  | : |                                |
|  | : |                                |
| Plaintiffs,                              | : |                                |
|  | : |                                |
| vs.                                      | : |                                |
|  | : |                                |
|  | : |                                |
| TODD S. FARHA, PAUL L. BEHRENS,          | : |                                |
| THADDEUS BEREDAY, and                    | : |                                |
| WELLCARE HEALTH PLANS, INC.,             | : |                                |
|  | : |                                |
|  | : |                                |
| Defendants.                              | : |                                |

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**DECLARATION OF STEVEN B. SINGER AND THOMAS A. DUBBS  
IN SUPPORT OF LEAD PLAINTIFFS' MOTION FOR FINAL  
APPROVAL OF CLASS ACTION SETTLEMENT AND LEAD COUNSEL'S  
APPLICATION FOR AN AWARD OF ATTORNEYS'  
FEEES AND REIMBURSEMENT OF LITIGATION EXPENSES**

STEVEN B. SINGER and THOMAS A. DUBBS, under penalties of perjury, declare as follows:

1. We are members of the law firms of Bernstein Litowitz Berger & Grossmann LLP (“BLB&G”) and Labaton Sucharow LLP (“Labaton”), respectively. We are counsel for the lead plaintiffs, the New Mexico State Investment Council, the Public Employees Retirement Association of New Mexico (collectively the “New Mexico Funds”), Teachers’ Retirement System of Louisiana (“Louisiana Teachers”), Policemen’s Annuity and Benefit Fund of Chicago (“Chicago Police”), and Public School Teachers’ Pension & Retirement Fund of Chicago (“Chicago Teachers”) (collectively, “the Public Pension Funds” or “Lead Plaintiffs”), and are the Court-appointed co-lead counsel (“Lead Counsel”) for the Class in the above-captioned consolidated securities class action. We have personal knowledge of the matters set forth herein based on our participation in the prosecution and settlement of this action.<sup>1</sup>

2. We respectfully submit this Joint Declaration in support of Lead Plaintiffs’ motion for final approval of the proposed settlement that will resolve the claims asserted in this action on behalf of a class of all persons and entities who purchased or otherwise acquired WellCare common stock during the period between February 14, 2005, through 10:59 a.m. Eastern Standard Time on October 24, 2007, inclusive, and were damaged thereby (the “Class”). The Court preliminarily certified the Class and preliminarily approved the settlement by its Preliminary Approval Order dated February 9, 2011 (ECF No. 268).

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<sup>1</sup> Unless otherwise indicated herein, capitalized terms shall have those meanings contained in the Stipulation of Settlement dated December 17, 2010, and filed with the Court on January 7, 2011 (ECF No. 265-1).

3. We also respectfully submit this Joint Declaration in support of Lead Counsel's application for an award of attorneys' fees and reimbursement of litigation expenses.

**I. TERMS OF THE SETTLEMENT AND NOTICE**

4. Lead Plaintiffs have succeeded in obtaining an excellent recovery for the Class of at least \$200 million, including: (i) \$52.5 million in cash, plus interest as it accrues, which was deposited into an interest bearing escrow account on March 23, 2011; (ii) a \$35 million promissory note due and payable in cash no later than July 31, 2011; and (iii) \$112.5 million in freely tradable registration-exempt bonds with a maturity date of December 31, 2016, with a fixed coupon of 6% (the "WellCare Bonds").<sup>2</sup> As set forth in the Stipulation, the settlement would completely resolve all Settled Claims against all Defendants and their related Released Parties.<sup>3</sup>

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<sup>2</sup> Three events would increase the amount of the settlement, including: (a) if WellCare recovers any sums from the Individual Defendants or their estates based on claims that could have been asserted by WellCare prior to August 6, 2010, or for contribution arising under the settlement, WellCare shall pay the Class 25% of those net proceeds; (b) if WellCare receives any sums from the United States government as a consequence of any recovery that the United States government obtains from the Individual Defendants or their estates, WellCare shall pay the Class 25% of those net proceeds; and (c) in the event that within 3 years WellCare experiences a change in control at a share price of \$30.00 or its equivalent, WellCare shall pay the Class an additional \$25 million in cash.

<sup>3</sup> "Defendants" includes WellCare and the Individual Defendants (Todd S. Farha, Paul L. Behrens and Thaddeus Bereday). "Released Parties" includes Defendants and their past and present subsidiaries, parents, successors and predecessors, legal representatives, heirs, executors, administrators, trustees, beneficiaries, family members, assigns, partners, members, managers, officers, directors, agents, employees, attorneys, independent auditors, affiliates, controlled persons, controlling persons, insurers, advisors, and investment advisors.

5. The settlement represents an outstanding result for Lead Plaintiffs and the Class. The settlement is the largest federal securities class action settlement in Florida history, and the second largest federal securities class action settlement in the history of the Eleventh Circuit.<sup>4</sup>

6. As discussed further below, Lead Plaintiffs obtained this excellent result despite facing significant risks in prosecuting this action. Most significantly, WellCare likely would not have been able to satisfy a judgment obtained at trial given its financial condition and limited available cash. As a result, the parties necessarily creatively addressed alternative means of resolving the action, including through a combination of payments of immediate cash, cash over time, and WellCare securities.

7. As detailed below, the settlement was reached only after extensive litigation, fact discovery, and negotiations – including three in-person mediation sessions and additional negotiations – facilitated by former United States District Court Judge Layn R. Phillips (Ret.), an experienced and highly respected mediator.<sup>5</sup> By the time the settlement was reached, Lead Counsel had: (1) filed a comprehensive consolidated Complaint after conducting an extensive factual investigation which included, among

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<sup>4</sup> Source: Securities Class Action Services, Top 100 Settlements Quarterly Report for Q4 2010, at 3-4.

<sup>5</sup> Judge Phillips is a former Assistant United States Attorney in the Central District of California and then United States Attorney in the District of Oklahoma. Judge Phillips was then appointed and served as a United States District Judge in the District of Oklahoma for four years. In 1991, he resigned from the federal bench and joined Irell & Manella LLP, where he specializes in complex civil litigation and mediations. Judge Phillips is one of the most experienced and respected mediators in the United States in securities class actions, and has been nationally recognized as a mediator by the Center for Public Resources Institute for Dispute Resolution (“CPR”), serving on CPR’s National Panel of Distinguished Neutrals.

other things, identifying and interviewing numerous former WellCare employees; (2) successfully opposed Defendants' motions to dismiss; (3) filed a motion for class certification, including an expert report, which resulted in WellCare stipulating to class certification; (4) conducted extensive fact discovery, which included obtaining and reviewing over four million documents and nearly three Terabytes of data produced by Defendants and third parties, and the taking of numerous depositions; (5) worked with both accounting and damages experts in preparation for expert reports; and (6) engaged in protracted and arduous settlement discussions over the course of many months.

8. The terms of the settlement are set forth in the Stipulation of Settlement filed with the Court on January 7, 2011, and in the Notice of Pendency of Class Action and Proposed Settlement, Settlement Fairness Hearing, and Motion for Attorneys' Fees and Reimbursement of Litigation Expenses (the "Notice"), which was mailed, beginning on February 24, 2011, to over 90,000 potential Class Members pursuant to the Court's Preliminary Approval Order. *See* Declaration of Jose C. Fraga Regarding (A) Mailing of the Notice and Proof of Claim; (B) Publication of the Summary Notice; and (C) Report on Requests for Exclusion ("Fraga Decl."), attached hereto as Exhibit B ¶¶2-6. In addition, on March 3, 2011, the Summary Notice of Pendency of Class Action and Proposed Settlement, Settlement Fairness Hearing, and Motion for Attorneys' Fees and Reimbursement of Litigation Expenses ("Summary Notice") was published once in *Investor's Business Daily* and on PR Newswire. *See id.* ¶7. Lead Counsel also caused information regarding the settlement to be posted on the website specifically established for this settlement, [www.wellcaresecuritieslitigation.com](http://www.wellcaresecuritieslitigation.com), and their respective firm websites, which provide access to, among other documents, downloadable copies of the Notice and Proof of Claim.

9. The Notice advised all recipients of, *inter alia*: (i) their right to exclude themselves from the Class; (ii) their right to object to any aspect of the settlement; and (iii) the manner for submitting a Proof of Claim in order to be potentially eligible for a payment from the proceeds of the settlement.

10. The Class' reaction thus far to the settlement has been positive. As of the filing of this Joint Declaration, Lead Plaintiffs have received no written objections or exclusion requests.

11. In the event the settlement is approved, the claims in the action will be dismissed with prejudice, subject to the terms of the Stipulation. For the reasons set forth below, Lead Plaintiffs respectfully submit that the terms of the settlement are fair, reasonable and adequate in all respects and, pursuant to Rule 23(e) of the Federal Rules of Civil Procedure, should be approved by the Court.

12. For creating this substantial benefit for the Class, Lead Counsel seek a fee of 17% of the Settlement Fund, plus reimbursement of litigation expenses in the amount of \$1,698,959.56. As explained in the accompanying application for attorneys' fees, Lead Counsel's request is at the low end of the range of fees typically awarded in securities class actions in this and other Circuits, and has been approved by the Lead Plaintiffs.

## **II. OVERVIEW OF THE COMPLAINT'S ALLEGATIONS**

13. WellCare is a private manager of Medicaid insurance plans. The Complaint alleges that Defendants misappropriated Medicaid funds in order to artificially inflate the Company's publicly-reported income. As alleged in the Complaint, throughout the Class Period, WellCare was legally required either to spend a certain percentage of its government Medicaid revenue on direct medical services, or, if it failed to do so, to refund the unspent money to the states with which it contracted. The Complaint alleges that, rather than comply with those requirements, WellCare retained

the unspent Medicaid premiums that it was legally required to return to the states, and booked those unspent premiums as profits. The fraud alleged in the Complaint has two components: (i) the aforementioned accounting scheme, involving a WellCare reinsurance subsidiary, in which WellCare's reported earnings were allegedly overstated; and (ii) Defendants' alleged deceit of investors concerning WellCare's compliance with applicable Medicaid and Medicare regulations governing the marketing of health plans and the delivery of health care, which exposed WellCare to substantial sanctions.

14. The Complaint alleges that the truth was revealed on October 24, 2007, when federal and state agents raided WellCare's Tampa headquarters. The Company eventually restated its financial results for 2004 through the first two quarters of 2007.

### **III. HISTORY OF THE ACTION**

#### **A. Commencement Of The Action, Lead Counsel's Investigation And The Consolidated Complaint**

15. Beginning on October 26, 2007, class action complaints were filed in the United States District Court for the Middle District of Florida (the "Court"), alleging violations of Federal securities laws against WellCare and certain Individual Defendants.

16. On March 11, 2008, the Court consolidated those actions and appointed the Public Pension Funds as Lead Plaintiffs for the action, and approved their selection of BLB&G and Labaton as Lead Counsel for the Class.

17. Upon their appointment as Lead Counsel, BLB&G and Labaton undertook a hard-fought prosecution that lasted more than two years until the settlement was reached. As described more fully below, Lead Counsel vigorously litigated this action by, among other things: (1) conducting an extensive investigation into Defendants' alleged wrongful conduct; (2) drafting a detailed, particularized Complaint; (3) contesting Defendants' motions to dismiss; (4) engaging in extensive discovery, including obtaining and reviewing more than four million pages and nearly three Terabytes of data; (5) taking

six depositions and extensively preparing for numerous additionally scheduled depositions; (6) filing a motion for class certification; (7) consulting with various experts; and (8) participating in hard fought, arm's-length settlement negotiations, including three in-person mediation sessions before an experienced mediator.

**B. Lead Plaintiffs' Investigation, Filing Of The Consolidated Complaint, And Briefing On Defendants' Motions To Dismiss**

18. In preparation for the filing of the Consolidated Class Action Complaint for Violations of Federal Securities Laws (the "Complaint"), Lead Counsel engaged in an intensive investigation to satisfy the requirements of Rule 9(b) of the Federal Rules of Civil Procedure and the heightened pleading standards imposed by the Private Securities Litigation Reform Act of 1995 ("PSLRA"). Among other things, Lead Counsel thoroughly reviewed and analyzed publicly available relevant information regarding WellCare (including, but not limited to, its SEC filings and financial statements, press releases, reports about the Company in the media, and analyst reports), consulted with various experts, and located and interviewed numerous confidential witnesses.

19. Following Lead Counsel's investigation, on October 31, 2008, Lead Plaintiffs filed the detailed Complaint asserting claims under §§ 10(b), 20(a), and 20A of the Securities Exchange Act of 1934 ("Exchange Act") and Rule 10b-5 promulgated thereunder against Defendants (ECF No. 96).

20. On January 23, 2009, Defendants moved to dismiss the Complaint. Defendants argued, *inter alia*, that Lead Plaintiffs failed to allege that Defendants engaged in an accounting scheme; Lead Plaintiffs failed to allege that Defendants fraudulently misrepresented WellCare's compliance with government program requirements; Lead Plaintiffs failed to sufficiently allege facts raising a strong inference of scienter; and Lead Plaintiffs failed to allege any loss proximately caused by



Defendants' alleged misstatements. On March 13, 2009, Lead Plaintiffs filed their opposition to Defendants' motions to dismiss, arguing, *inter alia*, that Lead Plaintiffs adequately alleged the existence of a fraudulent scheme; Lead Plaintiffs' allegations established a strong inference of scienter; Defendants' statements and omissions were materially misleading; and Lead Plaintiffs had adequately pled loss causation. On April 24, 2009, Defendants filed their reply briefs.

21. While Defendants' motions to dismiss were *sub judice*, Defendant WellCare entered into a Deferred Prosecution Agreement ("DPA") with the U.S. Attorney. Accordingly, on May 6, 2009, Lead Plaintiffs filed a notice of supplemental authority, attaching the DPA, which argued that the DPA provided further reason for why the Court should deny Defendants' motions to dismiss.

22. On September 28, 2009, the Court issued an opinion in which the Court denied Defendants' motions to dismiss in their entirety, holding that the Complaint fully satisfied the requirements of the PSLRA. (ECF No. 138). In its opinion, the Court specifically credited the allegations that were based on Lead Plaintiffs' investigation and the confidential witnesses cited in the Complaint, holding that "[t]he Complaint includes sufficiently detailed confidential witness accounts that substantiate Plaintiffs' allegations regarding Defendants' direct involvement in, control over and knowledge of, the WellCare fraudulent accounting scheme." Order (ECF No. 138), at p. 9. Thereafter, on November 30, 2009, Defendants filed their Answers to the Complaint, denying all liability.

**C. Discovery**

23. Once the Court entered its Order sustaining the Complaint, the PSLRA discovery stay was lifted. Thus, on October 30, 2009, the parties filed a joint Case Management Report, setting forth proposed dates for certain litigation events. Thereafter,

on December 3, 2009, the Court filed a Case Management and Scheduling Order (“CMSO”). Among other things, the CMSO set a fact and expert discovery deadline and dispositive motion cut-off of October 20, 2010, set a deadline of April 30, 2010, for Lead Plaintiffs to file their motion for class certification, and set trial for the Court’s February 2011 trial term. Shortly thereafter, on January 6, 2010, the Court held a Status Conference in which counsel for all parties participated in person.

24. Beginning on November 2, 2009, Lead Plaintiffs served discovery requests on WellCare and the Individual Defendants, and twenty subpoenas on third-parties, including WellCare’s auditors and the pertinent state agencies.

25. In January 2010, the parties negotiated a proposed Order for the protection of confidential and privileged information (“Protective Order”), which WellCare submitted to the Court for approval on January 22, 2010. By Order dated January 25, 2010, the Court approved of entry of a modified Protective Order. The Court later approved of a similar negotiated protective order with respect to information Lead Plaintiffs sought from WellCare’s outside auditor, Deloitte & Touche LLP.

26. In February and March 2010, certain third-parties filed motions seeking to modify or quash subpoenas issued upon them. By Order entered April 13, 2010, the Court adopted a stipulation resolving the motion to quash by one of the third-parties; by Order entered April 23, 2010, the Court granted another third-party’s motion to quash the subpoena issued by Defendant Bereday; and by Order entered April 26, 2010, the Court directed certain other third-parties to produce responsive documents.

27. On April 16, 2010, the parties submitted a Stipulation Regarding Expert Discovery, which the Court approved on April 22, 2010.

28. In total, Lead Plaintiffs obtained in excess of four million documents and nearly three Terabytes of data in response to Lead Plaintiffs’ subpoenas and requests for

documents. Due to the large volume of information, Lead Plaintiffs retained Epiq Systems to assist in managing and organizing the information in an effective and efficient manner. Lead Plaintiffs diligently reviewed documents and data, and prepared issue and deponent folders in preparation for numerous depositions.

29. Beginning in March 2010, Lead Plaintiffs began to discuss with Defendants a protocol to govern depositions in this case, including the timing and number of depositions that would be allowed. Those discussions culminated in a Stipulation Regarding Depositions filed on May 4, 2010.

30. Beginning on April 29, 2010, Lead Plaintiffs noticed the depositions of at least thirty-two fact witnesses. Prior to the settlement being reached, Plaintiffs took and/or participated in the following six depositions throughout Massachusetts and Florida, and prepared for many additional depositions that were then scheduled:

| Name of Deponent  | Date of Deposition | Position  |
|-------------------|--------------------|---|
| Gary Clarke       | 6/29/10 & 6/30/10  | WellCare's Outside Counsel  |
| Regina Herzlinger | 6/24/10            | Former WellCare Director  |
| Charles Marini    | 6/28/10            | Consultant for Florida Agency for Health Care Administration ("AHCA") |
| Ralph Quinn       | 7/14/10            | Senior Database Analyst for AHCA                                      |
| Jack Shi          | 6/11/10            | Database Administrator for AHCA                                       |
| Tom Warring       | 6/9/10 & 6/10/10   | Bureau Chief for AHCA   |

**D. Class Certification**

31. Pursuant to the Court's December 3, 2009 Case Management and Scheduling Order, on April 30, 2010, Lead Plaintiffs filed a motion for class certification, which included Declarations by the Lead Plaintiffs and a detailed expert report establishing that WellCare's stock traded in an efficient market during the Class Period. On June 21, 2010, the Individual Defendants filed a notice of non-opposition to class

certification, and on June 23, 2010, Lead Plaintiffs and WellCare entered into and filed a Stipulated Order under Federal Rule of Civil Procedure 23, certifying the Class.

**E. Experts**

32. Lead Counsel worked extensively with experts and consultants at different stages of the case to prepare the Complaint, analyze documents, prepare for class certification, prepare for depositions and trial, and prepare for and attend mediation sessions and additional settlement negotiations.

33. Lead Counsel negotiated competitive fee rates for these experts, each of whom played a significant part in the prosecution of this action.

34. For example, Lead Counsel retained John D. Finnerty, Ph.D. (“Dr. Finnerty”), a well-recognized expert on market efficiency, loss causation and damages. Dr. Finnerty analyzed and opined on the efficiency of the market for WellCare’s common stock and the statistical significance of the stock price drop following the alleged disclosure of the fraud. Dr. Finnerty also submitted a detailed expert report in support of Lead Plaintiffs’ motion for class certification. Lead Plaintiffs also retained Dr. Finnerty to consult regarding development of the Plan of Allocation.

35. Lead Counsel also retained Shechtman Marks Devor PC and Marks Paneth & Shron LLP to assist them in analyzing the numerous accounting issues present in the case. Shechtman Marks Devor also worked closely with Lead Counsel to review and analyze the large volume of documents that Lead Plaintiffs obtained from WellCare and WellCare’s outside auditor, as well as to prepare for the accounting-related depositions.

36. Finally, Lead Counsel retained John Whiddon, a former Chief of Program Integrity for Florida Medicaid, to assist them in analyzing the applicable Medicaid

regulations and Florida statutes. Mr. Whiddon also travelled to Tampa, Florida to meet with former Medicaid staff to gather pertinent information for Lead Plaintiffs' claims.

37. Pursuant to the Court-ordered schedule, Lead Plaintiffs were prepared to proceed with expert reports and expert discovery when the parties agreed to settle the action.

**F. The United States' Motions To Stay**

38. On May 12, 2010, the United States Government filed motions to intervene and immediately stay all further action in this case for a period of 120 days, pending the completion of the Government's investigation of WellCare. The following day, the Court ordered a hearing on the Government's Motion for May 25, 2010, and held that "[g]ood cause exists to stay all discovery in this case pending the hearing." Defendant WellCare consented to the Government's Motion, but the Individual Defendants opposed the Motion. Lead Plaintiffs filed a response to the Government's Motion, informing the Court that in an effort to cooperate with the Government, Lead Plaintiffs did not oppose the Government's Motion in light of the fact that it sought only a temporary stay of discovery. Magistrate Judge Jenkins held a hearing on the matter on May 25, 2010, and by Order entered June 3, 2010, generally denied the Government's Motion to stay discovery, but included provisions that addressed some of the Government's concerns.

39. On June 18, 2010, the Government filed a motion for adjustment of case scheduling order and temporary stay of proceedings. The Individual Defendants opposed the motion, and Lead Plaintiffs filed a response in order to correct the record in response to the Individual Defendants' opposition brief.

40. On July 19, 2010, the Court granted the Government's application for a temporary stay of the action in light of the federal criminal prosecution. By the terms of

the Order, the stay remained in effect until December 17, 2010. On December 20, 2010, the stay was extended until January 31, 2011, and the Court thereafter granted the Government's unopposed motion to extend the stay through March 17, 2011.

**G. The Risks Faced By Plaintiffs**

41. First and foremost, Lead Plaintiffs faced the very significant risk that, even if Lead Plaintiffs prevailed at trial, the Company would not be able to satisfy a judgment in light of its financial condition. Indeed, there was a material risk that, even if Lead Plaintiffs succeeded at trial, they would ultimately recover an amount less than the settlement amount. At the time the settlement was reached, WellCare only had approximately \$150 million in unregulated (available) cash, most of which it needed to fund its business. Moreover, any available directors and officers ("D&O") insurance would have been exhausted had the litigation continued. In contrast, the settlement provides for the certainty of a recovery of at least \$200 million now, including a substantial cash payment of \$87.5 million, and \$112.5 million of freely transferable, registered bonds with a maturity date of December 31, 2016 and a substantial coupon of 6%. While the \$200 million itself provides for a substantial recovery, this amount could even increase if WellCare experiences a change in control in the next three years, or if WellCare ultimately obtains a recovery from the three Individual Defendants.

42. That the settlement represents an excellent result is also supported by the fact that extremely sophisticated market participants expected this case to settle for a fraction of what it did, based on a detailed analysis of securities class action settlements in other significant cases. For example, on the day of first mediation, May 20, 2009 (more fully described below), Goldman Sachs published an analyst report in which Goldman concluded that the settlement eventually reached in this case would range from \$48 million to \$120 million, and that the most likely result based on historical norms

would be a \$75 million settlement. In particular, the Goldman Sachs report considered a sample of 15 substantial settlements in securities litigations involving such well-known companies as Oxford Health Plans, HealthSouth and Nortel, and analyzed those settlements as a percentage of the company's market cap at the time of the settlement. Goldman Sachs determined that the median and average settlement as a percentage of the issuer's market cap was 6.3% and 9.1%, respectively, which implied a settlement in this case of \$48-\$70 million. In contrast, the settlement here consisted of approximately 20% of WellCare's market cap at the time the settlement was announced, or approximately 3-4 times greater than historical norms. A copy of excerpts from the analyst report is attached hereto as Exhibit C, at p. 12.

43. Further, at the time the agreement in principle to settle the action was reached, Lead Plaintiffs and Lead Counsel had a thorough understanding of the strengths and weaknesses of the case. While Lead Plaintiffs and Lead Counsel believe that the claims asserted against Defendants have merit, they also recognize that there were risks as to whether Lead Plaintiffs would ultimately prevail on the merits, including as a result of WellCare's argument that Lead Plaintiffs could not establish scienter.

44. Defendants vehemently disputed liability in this action on a number of grounds that posed litigation risk to Lead Plaintiffs and the Class. With respect to scienter – typically the most difficult element to prove in a securities fraud action – WellCare argued that any accounting errors were the product of innocent mistakes, rather than intentional fraud. For example, Defendants would have argued that the regulations they are accused of violating were unclear, and did not prohibit their conduct. Defendants would have further argued that the small size of the alleged accounting fraud buttressed their scienter arguments. Indeed, the Company's restatement amounted to only \$46 million over three and a half years – or less than 1% of WellCare's revenue during

the periods covered by the restatement. Accordingly, Defendants would have argued that, even if accounting errors were made, they were not made intentionally. *See, e.g., Rosenberg v. Gould*, 554 F.3d 962, 966 (11th Cir. 2009) (restatement of less than 1% of revenue was “*de minimis*” and insufficient to raise an inference of scienter).

45. Defendants further argued that Lead Plaintiffs would be unable to establish that Defendants fraudulently misrepresented WellCare’s compliance with government program requirements. Specifically, Lead Plaintiffs expected Defendants to argue that Florida’s Agency for Health Care Administration (“AHCA”) was aware of and had approved the very transactions at issue in this case, namely, the payments that WellCare made to its wholly-owned subsidiary, Harmony Behavioral Health (“Harmony”). Defendants would also have argued that the language in AHCA’s contracts was ambiguous and could be construed to permit an HMO (such as WellCare) to validly record the entire payment to its subsidiary (such as Harmony) as medical expense, and that other HMOs in Florida engaged in the same practices. Although Lead Plaintiffs were prepared to demonstrate that these arguments were incorrect, Defendants were prepared to put forward a substantial defense that they did not act with scienter.<sup>6</sup>

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<sup>6</sup> Although WellCare’s Deferred Prosecution Agreement and the accompanying Statement of Facts are potentially evidence of WellCare’s scienter, Lead Plaintiffs faced the risk that these documents would be held inadmissible at trial, and that the jury would not be able to consider this key evidence at all. In the DPA, WellCare reserved its right to argue “in any proceeding other than a proceeding brought by the” Government that the DPA and the Statement of Facts were not admissible against it. Thus, for example, WellCare could have asserted in this Action that the DPA and Statement of Facts were barred from evidence by Federal Rule of Evidence 410, which generally renders inadmissible “any statement made in the course of plea discussions . . . which do not result in a plea of guilty,” as is the case here. Fed. R. Evid. 410(4).



46. Moreover, as a practical matter, although Lead Plaintiffs and Lead Counsel believe their case to be strong, their ability to construct a case would be hampered by the fact that the case had been stayed (and could be stayed again) in light of the criminal investigation and indictments.<sup>7</sup> Indeed, given the stay of discovery ordered by the Court at the request of the U.S. Attorney during the pendency of the later part of its investigation, Lead Counsel believed that there was a material risk that the case would have been stayed through the conclusion of the criminal trials of Defendants Farha, Bereday and Behrens.

47. In addition to the risks that Lead Plaintiffs might not be able to pursue their claims for years, and might not succeed on the merits before a jury, there was a very substantial risk that, even if Lead Plaintiffs were to prevail, the Class might not be awarded as much as the Settlement Amount on a judgment, much less more. Indeed, the parties highly disputed the amount of potential damages in this action.

48. Lead Plaintiffs' damages expert calculated that the Class' total damages could be as much as \$1 billion, assuming Lead Plaintiffs prevailed on all of the claims and the jury determined that the entire decline in the price of WellCare common stock was attributable to the actual fraud. However, Defendants had plausible and compelling arguments that the vast majority of the decline following the October 24, 2007 raid was not due to the alleged fraud, but was instead due in large part to the market's over-

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<sup>7</sup> On March 2, 2011, after a lengthy and extensive four-year investigation and very public raid of WellCare's headquarters, Defendants Farha, Bereday and Behrens were indicted and charged with conspiracy to commit Medicaid fraud. The length of the Government's investigation prior to indictment is indicative of the complexity and difficulty of the factual and legal questions at issue in this case, and underscores the fact that Lead Plaintiffs faced significant hurdles in proving their claims.

reaction to erroneous news reports regarding the size and scope of the government raid. In support of this argument, Defendants would have argued that the actual dollar amounts of the restatement on WellCare's revenue, net income and earnings per share were very small in relation to the total market cap loss following the disclosure of the government raid. They also would have pointed out that when the restatement was announced, WellCare's share price actually *rose* from \$29.23 to \$38.40, or \$9.17, a reaction which led certain market participants to observe that the accounting impact of the alleged fraud was much smaller than the market had originally feared.

49. Had a jury (or a court) credited Defendants' argument that damages should appropriately reflect the actual financial impact of the alleged fraud on the Company's financial results, Lead Plaintiffs' expert determined that the potential recoverable damages might be only approximately \$250 million (or less). Accordingly, Defendants had strong arguments that, even if they were found liable, Lead Plaintiffs might not obtain a judgment much in excess (if at all) of the settlement amount.

#### **H. The Negotiation Of The Settlement**

50. The settlement is the result of intensive, arm's-length and substantive negotiations – including at least three separate in-person mediation sessions and numerous negotiations that took place over the course of more than one year. These settlement discussions were conducted under the auspices of a highly respected and experienced mediator, the Honorable Layn Phillips (Ret.), and included the active participation of the Court-appointed Lead Plaintiffs, who participated in the mediation sessions.

51. The mediation sessions occurred on May 20, 2009, October 20, 2009, and July 14, 2010. During these mediations, Lead Counsel and counsel for WellCare presented, among other things, their respective views regarding the merits of the

litigation, including the evidence adduced, Defendants' defenses, and issues relating to damages. The parties also extensively discussed and analyzed WellCare's financial condition and ability to satisfy a judgment. To that end, Lead Counsel retained an experienced financial consultant, Hugh Lamle, President of MD Sass Investors Services Inc., an investment firm located in New York City, to assist in the settlement negotiations. Mr. Lamle assisted Lead Counsel by reviewing extensive financial information and data evaluating WellCare's financial condition, and preparing complex analyses. He also attended the mediation sessions and was instrumental in structuring the WellCare Bonds that serve as part of the consideration for the settlement.

52. Ultimately, following the three separate in-person mediation sessions and extensive additional negotiations, on August 6, 2010, Lead Plaintiffs and WellCare reached an agreement in principle to settle the action. Even after the parties reached an agreement in principle, however, for the next several months the parties diligently negotiated and prepared the comprehensive documentation necessitated by the settlement. The documentation process was particularly complex in this case due to the nature of the consideration – cash, Promissory Note, and WellCare Bonds. For example, the parties engaged in numerous complex discussions with the claims administrator, the escrow agents, and Mr. Lamle regarding potential issues that could arise related to the issuance and potential distribution of the WellCare Bonds.

53. On January 7, 2011, Lead Plaintiffs moved for preliminary approval of the settlement, and on February 9, 2011, the Court entered the Preliminary Approval Order. Thereafter, on March 23, 2011, the \$52.5 million initial cash payment was deposited into an interest-bearing escrow account.

**IV. CLASS NOTICE**

54. The Court's Preliminary Approval Order granted preliminary approval of the settlement, preliminarily certified the Class, approved the appointment of The Garden City Group, Inc. ("GCG") as the Claims Administrator, ordered that notice be disseminated to the Class, and set April 13, 2011, as the deadline to submit any objections to the settlement, the Plan of Allocation and/or the request for attorneys' fees and reimbursement of expenses, or any requests for exclusion. The Court also set a final approval hearing date of May 4, 2011.

55. Pursuant to the Preliminary Approval Order, Lead Counsel instructed GCG to begin disseminating copies of the Notice by mail, to publish the Summary Notice in accordance with the Preliminary Approval Order, and to set up the P.O. Box, toll-free telephone number and system, and website specifically created for this settlement.

56. The Notice contains a thorough description of the settlement, the Plan of Allocation and Class Members' rights to: (i) participate in the settlement; (ii) object to the settlement, Plan of Allocation or request for attorneys' fees and reimbursement of expenses; or (iii) exclude themselves from the Class. The Notice informs Class Members of Lead Counsel's intent to apply for an award of attorneys' fees in an amount equal to 17% of the Settlement Fund, and for reimbursement of litigation expenses in an amount not to exceed \$2 million. To disseminate the Notice, GCG obtained the names and addresses of potential Class Members from listings provided by WellCare and its transfer agent and from banks, brokers and other nominees pursuant to the Preliminary Approval Order. *See* Fraga Decl., Ex. B, ¶¶3-4.

57. Beginning on February 24, 2011, GCG has disseminated over 90,000 copies of the Notice and Proof of Claim (the "Notice Packet") by first-class mail. *Id.* ¶¶2-6.

58. On March 3, 2011, in accordance with the Preliminary Approval Order, GCG caused the publication of the Summary Notice in *Investor's Business Daily* and over the PR Newswire. *See id.* ¶7.

59. Lead Counsel also caused information regarding the settlement to be posted on their respective firm websites and the website specifically established for this settlement, [www.wellcaresecuritieslitigation.com](http://www.wellcaresecuritieslitigation.com), which provides access to, among other documents, downloadable copies of the Notice and Proof of Claim.

60. As ordered by the Court and stated in the Notice, any objections to the settlement, the Plan of Allocation or the request for attorneys' fees and reimbursement of litigation expenses, or requests for exclusion from the Class, are due to be received no later than April 13, 2011.

61. To date, no Class Member has filed any objection to the settlement, the Plan of Allocation, or request for attorneys' fees and reimbursement of expenses, or any request for exclusion from the Class.

## **V. PLAN OF ALLOCATION**

62. Pursuant to the Preliminary Approval Order, and as set forth in the Notice, all Class Members who wish to be potentially eligible to participate in the distribution of the Settlement Fund must submit a Claim Form no later than June 4, 2011. As provided in the Notice, after deducting all appropriate taxes, administrative costs, attorneys' fees and reimbursement of litigation expenses, the balance of the Settlement Fund (the "Net Settlement Fund") will be distributed according to the Plan of Allocation.

63. If approved, the Plan of Allocation will govern how the proceeds of the Net Settlement Fund will be distributed among Class Members who timely submit valid Claim Forms ("Authorized Claimants"). The Plan of Allocation is designed to achieve an equitable and rational distribution of the Net Settlement Fund.

64. Lead Counsel developed the Plan of Allocation in consultation with Lead Plaintiffs' damages expert, who approved the Plan of Allocation. Indeed, Lead Counsel worked closely with their expert in developing the Plan of Allocation, and believe that the Plan of Allocation provides a fair and reasonable method to equitably distribute the Net Settlement Fund among Class Members. The expert analysis performed to develop the Plan of Allocation entailed studying the market reaction to the public disclosure of the FBI raid, and calculating the reasonable dollar amount of artificial inflation present in WellCare stock throughout the Class Period that was allegedly attributable to the wrongdoing.

65. GCG, as the Claims Administrator, will determine each Authorized Claimant's *pro rata* share of the Net Settlement Fund based upon each Authorized Claimant's "Recognized Loss" calculated in accordance with the Plan of Allocation. Calculation of the Recognized Loss will depend upon several factors, including when the shares were purchased during the Class Period, and whether they were retained or sold after the Class Period, and if so, when.

66. Pursuant to the Stipulation and as explained in the Notice, in this settlement, there are potentially two components of the Settlement Fund to be distributed to Authorized Claimants pursuant to each Authorized Claimant's Recognized Loss: (i) settlement cash; and (ii) the WellCare Bonds. Lead Counsel may seek to sell the WellCare Bonds prior to distribution of the Settlement Fund, in which event all distributions of settlement proceeds to Authorized Claimants will be in cash. In the event, however, that Lead Counsel does not sell all of the WellCare Bonds prior to distribution, the WellCare Bonds will be distributed to Authorized Claimants as set forth in the Plan of Allocation.

67. In sum, the Plan of Allocation, developed in consultation with and approved by Lead Plaintiffs' damages expert, was designed to fairly and rationally allocate the proceeds of the Net Settlement Fund among Class Members based on the amount of damages allegedly suffered as a result of the fraud. Accordingly, Lead Counsel respectfully submit that the Plan of Allocation is fair and reasonable and should be approved.

**VI. THE FEE APPLICATION**

68. Lead Counsel are collectively making an application on behalf of themselves and other Plaintiffs' Counsel for a fee award of 17% of the Settlement Fund.<sup>8</sup> Lead Counsel also request reimbursement of expenses incurred in connection with the prosecution of this action in the amount of \$1,698,959.56.

69. Lead Plaintiffs, five sophisticated institutional investors with extensive experience in negotiating fees with counsel and in evaluating the results of securities fraud class action settlements, have evaluated the fee request and believe it to be fair and reasonable. In coming to this conclusion, Lead Plaintiffs – which were substantially involved in all aspects of the prosecution of the action and negotiation of the settlement, including reviewing pleadings, responding to discovery requests, and attending mediation sessions with Judge Phillips – considered, among other things, the outstanding recovery obtained, particularly in light of the risks of litigation. Accordingly, Lead Plaintiffs

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<sup>8</sup> Plaintiffs' Counsel includes Lead Counsel and other counsel who, at the direction and under the supervision of Lead Counsel, performed work on behalf of the Class Members in the action. Plaintiffs' Counsel's lodestar and expense declarations are attached hereto as Exhibits D through G.

endorse Lead Counsel's application for an award of attorneys' fees constituting 17% of the Settlement Fund. *See* Lead Plaintiffs' Declaration, attached hereto as Exhibit A, ¶5.

70. Consistent with Lead Plaintiffs' endorsement, the Notice informed Class Members of Lead Counsel's intent to apply for an award of attorneys' fees in an amount equal to 17% of the Settlement Fund, and for reimbursement of litigation expenses in an amount not to exceed \$2 million. To date, Lead Plaintiffs have received no written objections to the fee and expense application.

71. As discussed in further detail in Lead Counsel's accompanying application for attorneys' fees, the 17% fee request made here is lower than the percentage typically awarded in securities class actions within this and other Circuits.

72. The fee requested is also fair, adequate and reasonable because of the significant risks faced by Lead Counsel in pursuing this action. Most obviously, this litigation was undertaken by Lead Counsel on a wholly contingent basis. Lead Counsel understood that they were embarking on a complex, lengthy, and expensive litigation with no guarantee of ever being compensated for their investment of time and money in the prosecution of this matter. Nevertheless, Lead Counsel understood that they were obligated to ensure that sufficient attorney resources were dedicated to the prosecution of this case and that sufficient funds were available to cover the significant expenses required to litigate this matter. As discussed above, liability here was far from assured and there were significant risks concerning the damages recoverable even if liability were established. Importantly, there were serious doubts about the ability of WellCare to pay a substantial damages judgment.

73. The experience, reputation, and ability of the attorneys is another important factor in setting a fair fee. Lead Counsel are among the most experienced and skilled practitioners in the securities litigation field, and have long and successful track



records in such cases. The challenges posed by this case were enormous. The settlement of at least \$200 million was in large part the result of Lead Counsel's specialized skills, their hard work, and their persistence. Moreover, the fact that Lead Counsel have demonstrated a willingness and ability to prosecute through trial complex cases such as this was undoubtedly a factor that encouraged Defendants to engage in settlement discussions and to settle this matter. Copies of our firm's respective biographies are attached hereto as Ex. I.

74. The quality of the work performed by Plaintiffs' Counsel in attaining the settlement should also be evaluated in light of the quality of opposing counsel. Counsel for Defendants consisted of top-tier national firms, each of which mounted a formidable defense. In the face of this knowledgeable and formidable defense, Lead Counsel were nonetheless able to develop a case that was sufficiently strong to persuade WellCare to settle the litigation on terms that are favorable to the Class.

75. Additionally, this action required Plaintiffs' Counsel to spend over three years intensively litigating this matter, requiring the attorneys to forego work on other matters and requiring Plaintiffs' Counsel to incur significant expenses.

76. The fee is also fair, adequate and reasonable when measured based on a lodestar multiplier. Plaintiffs' Counsel expended a total of more than 37,989.10 hours over more than three years litigating this case, resulting in a multiplier of only approximately 2.12397. Specifically, as detailed above, Plaintiffs' Counsel engaged in extensive investigation, drafted the detailed consolidated Complaint, successfully opposed Defendants' motions to dismiss, served discovery requests and subpoenas resulting in Lead Plaintiffs obtaining over four million documents and nearly three Terabytes of data, took numerous depositions and prepared for numerous additional depositions, briefed discovery motions, filed a class certification including an expert

report, consulted with experts, and participated in protracted settlement negotiations. It was only through these efforts that Lead Plaintiffs were able to secure the significant recovery obtained through the settlement.

77. Attached hereto as Exhibits D through G are declarations of Plaintiffs' Counsel in support of the request for an award of attorneys' fees and reimbursement of litigation expenses. Included with each declaration is a schedule that details the lodestar of each firm, as well as the expenses incurred by category. The schedules and declarations indicate the amount of time spent by each attorney and paraprofessional employed by Plaintiffs' Counsel, and the lodestar calculations based on their current billing rates. As sworn in each declaration, each declaration was prepared from contemporaneous daily time records regularly prepared and maintained by the respective firm. The hourly rates for attorneys and paraprofessionals included in these schedules are commensurate with the hourly rates charged by attorneys and paraprofessionals which have been accepted by courts within and outside of this Circuit. For attorneys and paraprofessionals who are no longer employed by Plaintiffs' Counsel, the lodestar calculations are based upon the billing rates for such person in his or her final year of employment.

78. During the three and a half years this case has been pending, Plaintiffs' Counsel expended over a total of 37,989.10 hours in litigating this action for the benefit of the Class. The resulting lodestar is \$16,007,773.75.

**VII. REIMBURSEMENT OF THE REQUESTED LITIGATION EXPENSES**

79. Lead Counsel seeks reimbursement of \$1,698,959.56 in litigation expenses (not including Lead Plaintiffs' expenses as discussed below) reasonably and actually incurred by Plaintiffs' Counsel in connection with commencing and prosecuting the claims against the Defendants, with interest accrued at the same rate and beginning at

the same time as earned by the Settlement Fund. *See* Exhibits D through G. A summary of all combined Plaintiffs' Counsel expenses requested for reimbursement is attached hereto as Exhibit H.

80. From the beginning of the case, Lead Counsel were aware that they might not recover any of their expenses, and, at the very least, would not recover anything until the action was successfully resolved. Lead Counsel also understood that, even assuming that the case was ultimately successful, reimbursement of expenses would not compensate them for the lost use of the funds advanced by them to prosecute this action. Therefore, Lead Counsel were motivated to, and did, take significant steps to minimize expenses whenever practicable without jeopardizing the vigorous and efficient prosecution of the case.

81. The expenses of Plaintiffs' Counsel for which reimbursement is sought are set forth in detail in the respective firms' fee declarations attached hereto as Exhibits D through G, and summarized in Exhibit H, which identify the specific category of expense, *e.g.*, experts' fees, travel costs, document and litigation management support, photocopying, telephone, fax, and postage expenses, and other costs actually incurred. As set forth in the fee declarations, these expenses are reflected on the books and records maintained by Plaintiffs' Counsel and are prepared from expense vouchers, check records, and other source materials, and are an accurate record of the expenses incurred.

82. A large portion of the litigation expenses for which reimbursement is sought were incurred for document management and litigation support. Of the total expenses, \$699,916.72, or over 40%, was incurred for document and litigation management support in order to effectively and efficiently manage the over four million documents and nearly three Terabytes of data obtained in response to Lead Plaintiffs' subpoenas and requests for documents.

83. In addition, \$667,528.31, or nearly 40%, was incurred for professional experts in the areas of accounting, market efficiency, damages, financial consultation, and to assist with the Plan of Allocation, as described above. The expertise and assistance provided by these experts was critical to the prosecution and successful resolution of this action.

84. The expenses also include the costs of online legal and factual research in the amount of \$68,919.71. These are for charges for computerized factual and legal research services such as Lexis-Nexis and Westlaw. It is standard practice for attorneys to use Lexis-Nexis and Westlaw to assist them in researching legal and factual issues, and, indeed, courts recognize that these tools create efficiencies in litigation and, ultimately, save clients and the class money.

85. In addition, Plaintiffs' Counsel were required to travel in connection with prosecuting this matter, including for court hearings, depositions, and mediations, and, thus, incurred the related costs of travel tickets, meals, and lodging. Included in the expense request is \$40,593.98 for out-of-town travel expenses necessarily incurred for the prosecution of this litigation.

86. The other expenses for which reimbursement is sought 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, long distance telephone and facsimile charges, postage and delivery expenses, filing fees, and photocopying.

87. All of Plaintiffs' Counsel's litigation expenses for which reimbursement is being sought were necessary to the successful prosecution and resolution of the claims against Defendants. Lead Plaintiffs have approved Lead Counsel's request for reimbursement of expenses. In addition, the Notice apprised potential Class Members that Lead Counsel would seek reimbursement of expenses in an amount not to exceed \$2

million. The amount now sought – \$1,698,959.56 – is less than the amount stated in the Notice. To date, there have been no objections to the request for reimbursement of expenses.

88. As stated in the Notice, Lead Plaintiffs also seek reimbursement of their expenses in accordance with 15 U.S.C. § 78u-4(a)(4). In support of their application, Lead Plaintiffs have submitted a declaration detailing their service and time spent in the action, which totals \$35,600.25. *See* Lead Plaintiffs Decl., attached hereto as Ex. A. Under the PSLRA, the Court has discretion to grant an “award of reasonable costs and expenses (including lost wages) directly relating to the representation of the class to any representative party serving on behalf of a class.” 15 U.S.C. § 78u-4(a)(4). The Notice explained that reimbursement of Lead Plaintiffs’ expenses would be sought. To date, there have been no objections to Lead Plaintiffs’ request for reimbursement of expenses.

89. In view of the complex nature of the action, the litigation expenses incurred were reasonable and necessary to pursue the interests of the Class. Accordingly, Lead Counsel respectfully submit that the expenses are reasonable in amount and should be reimbursed in full.

### **VIII. CONCLUSION**

90. In view of the substantial recovery to the Class, the risks of the action, the enormous efforts of Lead Plaintiffs and Lead Counsel, the quality of work performed, the contingent nature of the fee, the complexity of the case, and the standing and experience of Lead Counsel, Lead Counsel respectfully submit that the settlement of at least \$200 million should be approved as fair, reasonable and adequate; that the Plan of Allocation should be approved as fair and reasonable; that a fee in the amount of 17% of the Settlement Fund, with interest thereon at the same rate as earned by the Settlement Amount, and Plaintiffs’ Counsel’s expenses in the amount of \$1,698,959.56, with interest

thereon at the same rate as earned by the Settlement Amount, should be awarded to Lead Counsel; and that Lead Plaintiffs should be granted \$35,600.25 as reimbursement for expenses in connection with their prosecution of this action.

We declare under penalty of perjury that the foregoing is true and correct, and that this declaration was executed on this 30th day of March, 2011.

  
STEVEN B. SINGER

  
THOMAS A. DUBBS

**EXHIBIT A**

**UNITED STATES DISTRICT COURT  
FOR THE MIDDLE DISTRICT OF FLORIDA  
TAMPA DIVISION**

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EASTWOOD ENTERPRISES, LLC  
Individually and on Behalf of All Others  
Similarly Situated,

Plaintiffs,

v.

TODD S. FARHA, PAUL L. BEHRENS,  
THADDEUS BEREDAY, and  
WELLCARE HEALTH PLANS, INC.,

Defendants.

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Case No.: 8:07-cv-1940-VMC-EAJ

**JOINT DECLARATION OF LEAD PLAINTIFFS IN SUPPORT OF FINAL  
APPROVAL OF SETTLEMENT AND REQUEST FOR ATTORNEYS' FEES  
AND REIMBURSEMENT OF LITIGATION EXPENSES**



We, Gary King (the duly elected Attorney General of the State of New Mexico, on behalf of the New Mexico State Investment Council (“SIC”) and the Public Employees Retirement Association of New Mexico (“PERA,” collectively, the “New Mexico Funds”)), Maureen Westgard (Director of the Teachers’ Retirement System of Louisiana (“Louisiana Teachers”)), John J. Gallagher, Jr. (Executive Director of Policemen’s Annuity and Benefit Fund of Chicago (“Chicago Police”)), and Kevin Huber (Executive Director of Public School Teachers’ Pension & Retirement Fund of Chicago (“Chicago Teachers”)), declare as follows:

1. We are duly authorized representatives of the New Mexico Funds, Louisiana Teachers, Chicago Police, and Chicago Teachers, respectively, the Court-appointed Lead Plaintiffs (“Lead Plaintiffs”) in this securities class action. We submit this declaration in support of approval of the proposed settlement reached with Defendants in this action. We also submit this declaration in support of Lead Counsel’s application for: (a) an award of attorneys’ fees and reimbursement of litigation expenses by the Court-appointed Lead Counsel; and (b) reimbursement of the reasonable costs and expenses incurred by Lead Plaintiffs in the prosecution of this litigation.<sup>1</sup> We have personal knowledge of matters related to the New Mexico Funds, Louisiana Teachers, Chicago Police, and Chicago Teachers, respectively, and we could and would testify competently thereto. Representatives of each of our funds were directly involved in the prosecution, mediation and settlement of this action.

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<sup>1</sup> Unless otherwise indicated herein, capitalized terms shall have those meanings contained in the Stipulation of Settlement dated December 17, 2010, and filed with the Court on January 7, 2011 (ECF No. 265-1).

2. On March 11, 2008, the Court appointed our funds as Lead Plaintiffs in the above-captioned action. The Court also approved our selection of Labaton Sucharow LLP (“Labaton Sucharow”) and Bernstein Litowitz Berger & Grossmann LLP (“Bernstein Litowitz”) as Lead Counsel for the Class.

3. We have supervised all of Lead Counsel’s work, and have been informed, involved, and active at every stage of the litigation, from deciding to move for appointment as Lead Plaintiffs, to approving the terms of the settlement and the request for an award of attorneys’ fees and reimbursement of expenses. We conferred with Lead Counsel on a regular basis, reviewing all significant pleadings prior to their filing, participating in discovery including responding to discovery requests, and monitoring all significant matters throughout the action. In addition, we were actively involved in the negotiations leading to the settlement, and personally participated in mediation sessions before the Hon. Layn R. Phillips (Ret.).

4. We have approved the decision to enter into the settlement, understanding the strengths and weaknesses of the claims against Defendants, and the logic and benefit in resolving these claims now rather than continuing to litigate. Based on our understanding of the facts and law as they pertain to this litigation, we believe the settlement is a substantial recovery for the Class, particularly in light of the substantial risks in this case, including the risk that WellCare would not be able to satisfy a judgment obtained at trial given its financial position. We strongly recommend approval of the settlement by the Court.

5. Although the ultimate determination of Lead Counsel’s request for attorneys’ fees and expenses rests with the Court, we believe that Lead Counsel’s requested fee is fair and reasonable in light of the work they performed on behalf of the Lead Plaintiffs and the Class. We have evaluated that fee request by considering the

work performed by Lead Counsel and the excellent result obtained for the Class. We have also been advised by the Mediator that the fee request is reasonable and appropriate. We further believe that the litigation expenses being requested for reimbursement to Plaintiffs' Counsel are reasonable, and represent costs and expenses necessary for the prosecution and resolution of this securities fraud action. As a result, we support approval of the request for reimbursement of expenses submitted by Lead Counsel.

6. We understand that reimbursement of a lead plaintiff's reasonable costs and expenses is authorized under the Private Securities Litigation Reform Act of 1995 ("PSLRA"). For this reason, in connection with Lead Counsel's request for reimbursement of litigation expenses, we each determined the costs and expenses that our respective fund incurred in connection with the litigation.<sup>2</sup> Such costs and expenses total \$35,600.25, as set forth below:

7. As set forth below, personnel of each of Lead Plaintiffs have spent time and incurred expenses in prosecuting this case on behalf of the Class, for which we seek reimbursement pursuant to the Private Securities Litigation Reform Act of 1995, 15 U.S.C. § 78u-4(a)(4).

**A. New Mexico Funds**

8. The SIC is a non-cabinet level state agency, organized under the constitution and statutes of the State of New Mexico for the benefit of the citizens of New Mexico, charged with investing and managing state and local government funds. As of December 31, 2010, the SIC had total assets of approximately \$13.8 billion under management.

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<sup>2</sup> Lead Plaintiffs Chicago Police and Louisiana Teachers are not seeking reimbursement for any of its expenses incurred in connection with the litigation.

9. PERA is a non-cabinet level state agency, organized under the statutes of the State of New Mexico for the benefit of state, county, and municipal employees, police, firefighters, judges, magistrates and legislators. As of June 30, 2010, PERA had total assets of approximately \$10.2 billion under management.

10. The Attorney General is the chief legal officer for the State of New Mexico, and by state law has the discretion to initiate or participate in litigation on behalf of the State and its agencies. The Attorney General is authorized to enter into contracts with outside counsel to represent the State of New Mexico in matters that are deemed necessary to have the assistance of counsel with particular experience and expertise. When outside counsel is retained, the Attorney General and/or his designee is responsible for monitoring the litigation and consulting with counsel. In the instant action involving WellCare, I retained Labaton Sucharow to represent the SIC and PERA in this action. I designated then-Deputy Attorney General David Thomson and subsequently Assistant Attorney General Nan Erdman me to monitor and consult with Labaton Sucharow in this action. Following this agreement in principle to settle this action, I designated Assistant Attorney General Scott Fuqua to monitor and consult with Labaton Sucharow in this action.

11. As large institutional investors, the SIC and PERA investment portfolios include shareholder positions in a multitude of publicly traded companies. Although SIC and PERA have suffered investment losses on the stock of a number of publicly traded companies, since the enactment of the PSLRA, they have been very selective in choosing the cases in which they have sought to participate as appointed Lead Plaintiffs and did so in the above-captioned action only after determining that this case merited institutional representation and participation. In seeking appointment as Lead Plaintiffs, the SIC and PERA understood their responsibilities to serve the best interests of the class by

participating in the supervision of the effective prosecution of this litigation and actively sought to do so at all times.

12. In fulfillment of their responsibilities as Lead Plaintiffs and on behalf of all class members, the SIC and PERA performed their role as Lead Plaintiffs in pursuit of a favorable result in this action. To that end, my office and I have, to date:

- (a) communicated regularly with Lead Counsel about the status of the case;
- (b) participated in discussions with Lead Counsel concerning significant developments in the litigation, including case strategy;
- (c) worked cooperatively and communicated with the other Lead Plaintiffs;
- (d) reviewed and commented on pleadings submitted in this litigation;
- (e) reviewed and responded to discovery requests;
- (f) participated in person at mediation sessions presided over by the Hon. Layn R. Phillips (Ret.); and
- (g) communicated with Lead Counsel and the other Lead Plaintiffs with respect to the settlement discussions that occurred outside of the mediation sessions.

13. Based on a review of the work done by these individuals in connection with the litigation of this action and negotiating the settlement, Mr. Thomson and Ms. Erdman spent at least 108 hours working on this case for a total cost to New Mexico of \$18,900 in lost working time. New Mexico is not seeking reimbursement for my time or the time of Assistant Attorney General Fuqua, and time connected to the appointment of Lead Counsel.

14. This request is based on an hourly rate of \$175 for a deputy attorney general. This rate was recently used by the Attorney General's office in *In re Broadcom*

*Corp. Class Action Litig.*, Lead Case No. CV-06-5036-R (CWX) (C.D. Cal. 2010), in our application for reimbursement of time and expenses, which was approved by that court.<sup>3</sup>

15. The total hours spent by Mr. Thompson and Ms. Erdman, and the specific tasks performed for the benefit of the Class, are set forth in the table below:

| <b>Tasks</b>   | <b>Amount of Hours</b> |
|--|------------------------|
| Communications with Lead Counsel concerning case strategy                            | 20.5 hours             |
| Review, analysis and editing of pleadings and motions                                | 17.5 hours             |
| Responding to discovery requests   | 8 hours                |
| Preparation for, and attendance at, mediation and subsequent settlement negotiations | 62 hours               |
| <b>Total Hours</b>   | <b>108 hours</b>       |

16. The time that the above personnel spent on this litigation was time that they otherwise would have spent on other work for the Attorney General's office.

**B. Louisiana Teachers**

17. As attested to by Director Maureen Westgard, Louisiana Teachers, through the active and continuous involvement of its Director, Maureen Westgard, its General Counsel, Roy A. Mongrue, Jr. and others, supervised and monitored the progress of this

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<sup>3</sup> This same hourly rate was also used by the Office of the New Jersey Attorney General in its application for reimbursement of expenses in connection with the settlement in its application for reimbursement of expenses in connection with the settlement of *In re Marsh & McLennan Companies Inc. Sec. Litig.*, No. 04-cv-08144, 2009 WL 5178546 (S.D.N.Y. Dec. 23, 2009), which was approved by that court. See Declaration of Carol G. Jacobson, Esquire, in Support of Final Approval of the Settlement, an Award of Attorneys' Fees and Reimbursement of Expenses, and an Award to the New Jersey Plaintiffs of Reimbursement of Reasonable Costs and Expenses Incurred in Representation of the Class, *Marsh & McLennan*, No. 04-cv-08144 (S.D.N.Y.) (ECF No. 321).

litigation and actively participated in its prosecution and settlement. In doing so, Louisiana Teachers:

- (a) communicated regularly with Co-Lead Counsel Bernstein Litowitz, who it retained to represent it in this case, about the status of the case;
- (b) participated in discussions with Bernstein Litowitz concerning significant developments in the litigation, including case strategy;
- (c) worked cooperatively and communicated with the other Lead Plaintiffs;
- (d) reviewed and commented on pleadings submitted in this litigation;
- (e) reviewed and responded to discovery requests;
- (f) participated in person at mediation sessions presided over by the Hon. Layn R. Phillips (Ret.); and
- (g) communicated with Bernstein Litowitz and the other Lead Plaintiffs with respect to the settlement discussions that occurred outside of the mediation sessions.

**C. Chicago Teachers**

18. As attested to by Executive Director Kevin Huber, Chicago Teachers, through the active and continuous involvement of Executive Director Kevin Huber and others, supervised and monitored the progress of this litigation and actively participated in its prosecution and settlement. In doing so, Chicago Teachers:

- (a) communicated regularly with Co-Lead Counsel Bernstein Litowitz, who it retained to represent it in this case, about the status of the case;
- (b) participated in discussions with Bernstein Litowitz concerning significant developments in the litigation, including case strategy;
- (c) worked cooperatively and communicated with the other Lead Plaintiffs;
- (d) reviewed and commented on pleadings submitted in this litigation;

- (e) reviewed and responded to discovery requests;
- (f) participated in mediation sessions presided over by the Hon. Layn R. Phillips (Ret.); and
- (g) communicated with Bernstein Litowitz and the other Lead Plaintiffs with respect to the settlement discussions that occurred outside of the mediation sessions.

19. In total, personnel at or retained by Chicago Teachers spent 35 hours supervising and participating in this litigation as set forth below. Kevin Huber is the Executive Director of Chicago Teachers. He spent 35 hours supervising and participating in this litigation as set forth in the chart below. His normal hourly rate is \$140 per hour, for a total of \$4,900.

| <b>Tasks</b>  | <b>Amount of Hours</b> |
|---|------------------------|
| Communications with Bernstein Litowitz and other Lead Plaintiffs                | 10 hours               |
| Review, analysis and editing of pleadings and motions                           | 5 hours                |
| Responding to discovery requests  | 10 hours               |
| Preparation for and participation by phone prior to, during and after mediation | 10 hours               |
| <b>Total Hours</b>  | <b>35 hours</b>        |

20. The time that Kevin Huber spent on this litigation was time that he otherwise would have spent on other work for Chicago Teachers.

21. Chicago Teachers also incurred expenses in connection with its service as Lead Plaintiff, specifically through the work performed by its outside counsel, Joseph Burns, to assist it in overseeing this matter. Mr. Burns reviewed pleadings prepared by Lead Counsel, advised Chicago Teachers' staff and Trustees and participated in settlement negotiations on behalf of Chicago Teachers. Mr. Burns spent a total of 47.6



hours, and incurred a total of \$1,328.25 in expenses in this litigation on behalf of Chicago Teachers. These hours were expended separate and apart from other legal work performed by Mr. Burns and his firm on behalf of Chicago Teachers, and the expense of compensating Mr. Burns for that work would not have been incurred but for Chicago Teachers' service as Lead Plaintiff. His normal hourly rate is \$220.00. Chicago Teachers therefore seeks reimbursement for a total of \$16,700.25.

**D. Chicago Police**

22. As attested to by Executive Director John J. Gallagher, Jr., Chicago Police, through the active and continuous involvement of Executive Director John J. Gallagher, Jr. and others, supervised and monitored the progress of this litigation and actively participated in its prosecution and settlement. In doing so, Chicago Police:

- (a) communicated regularly with Co-Lead Counsel Bernstein Litowitz, who it retained to represent it in this case, about the status of the case;
- (b) participated in discussions with Bernstein Litowitz concerning significant developments in the litigation, including case strategy;
- (c) worked cooperatively and communicated with the other Lead Plaintiffs;
- (d) reviewed and commented on pleadings submitted in this litigation;
- (e) reviewed and responded to discovery requests;
- (f) participated in person at mediation sessions presided over by the Hon. Layn R. Phillips (Ret.); and
- (g) communicated with Bernstein Litowitz and the other Lead Plaintiffs with respect to the settlement discussions that occurred outside of the mediation sessions.

23. The expenses pertaining to this case are reflected in the books and records of each of the Lead Plaintiffs as set forth above. These books and records are prepared

from expense vouchers, check records and other documents and are an accurate record of the expenses.

24. In conclusion, as authorized representatives of the Court-appointed Lead Plaintiffs, which were intimately involved throughout the commencement, prosecution, mediation and settlement of this action, we strongly support the settlement obtained for the Class as fair, reasonable and adequate, and believe it represents an outstanding recovery. We further support the attorneys' fee and litigation expense reimbursement application of Lead Counsel, and believe that it represents fair and reasonable compensation for counsel in light of the outstanding recovery for the Class and the litigation risks, and that it is consistent with, or less than, the fees applied for and awarded in other substantial class actions. And finally, we request reimbursement for Lead Plaintiffs' expenses as set forth above. Accordingly, we respectfully request that the Court approve the settlement and the litigation expense reimbursement application.

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

Executed this 24<sup>th</sup> day of March, 2011

  
On behalf of the New Mexico Funds

Executed this \_\_\_\_ day of March, 2011

\_\_\_\_\_  
On behalf of Louisiana Teachers

Executed this \_\_\_\_ day of March, 2011

\_\_\_\_\_  
On behalf of Chicago Police

from expense vouchers, check records and other documents and are an accurate record of the expenses.

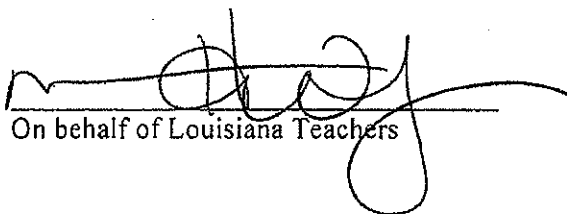
24. In conclusion, as authorized representatives of the Court-appointed Lead Plaintiffs, which were intimately involved throughout the commencement, prosecution, mediation and settlement of this action, we strongly support the settlement obtained for the Class as fair, reasonable and adequate, and believe it represents an outstanding recovery. We further support the attorneys' fee and litigation expense reimbursement application of Lead Counsel, and believe that it represents fair and reasonable compensation for counsel in light of the outstanding recovery for the Class and the litigation risks, and that it is consistent with, or less than, the fees applied for and awarded in other substantial class actions. And finally, we request reimbursement for Lead Plaintiffs' expenses as set forth above. Accordingly, we respectfully request that the Court approve the settlement and the litigation expense reimbursement application.

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

Executed this \_\_\_\_ day of March, 2011

\_\_\_\_\_  
On behalf of the New Mexico Funds

Executed this 20<sup>th</sup> day of March, 2011

  
\_\_\_\_\_  
On behalf of Louisiana Teachers

Executed this \_\_\_\_ day of March, 2011

\_\_\_\_\_  
On behalf of Chicago Police

from expense vouchers, check records and other documents and are an accurate record of the expenses.

24. In conclusion, as authorized representatives of the Court-appointed Lead Plaintiffs, which were intimately involved throughout the commencement, prosecution, mediation and settlement of this action, we strongly support the settlement obtained for the Class as fair, reasonable and adequate, and believe it represents an outstanding recovery. We further support the attorneys' fee and litigation expense reimbursement application of Lead Counsel, and believe that it represents fair and reasonable compensation for counsel in light of the outstanding recovery for the Class and the litigation risks, and that it is consistent with, or less than, the fees applied for and awarded in other substantial class actions. And finally, we request reimbursement for Lead Plaintiffs' expenses as set forth above. Accordingly, we respectfully request that the Court approve the settlement and the litigation expense reimbursement application.

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

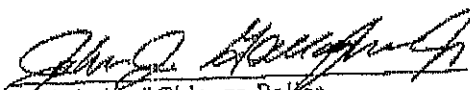
Executed this \_\_\_\_ day of March, 2011

\_\_\_\_\_  
On behalf of the New Mexico Funds

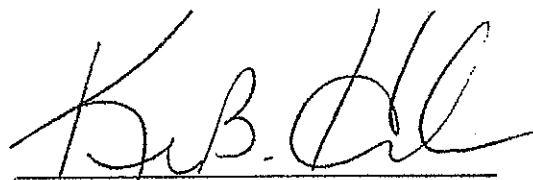
Executed this \_\_\_\_ day of March, 2011

\_\_\_\_\_  
On behalf of Louisiana Teachers

Executed this 25 day of March, 2011

  
\_\_\_\_\_  
On behalf of Chicago Police

Executed this 24 day of March, 2011

  
On behalf of Chicago Teachers

**EXHIBIT B**

UNITED STATES DISTRICT COURT  
FOR THE MIDDLE DISTRICT OF FLORIDA  
TAMPA DIVISION

EASTWOOD ENTERPRISES, LLC  
Individually and on Behalf of All Others  
Similarly Situated,

Plaintiffs,

vs.

TODD S. FARHA, PAUL L. BEHRENS,  
THADDEUS BEREDAY, and  
WELLCARE HEALTH PLANS, INC.

Defendants.

Case No.: 8:07-cv-1940-VMC-EAJ

**DECLARATION OF JOSE C. FRAGA REGARDING (A) MAILING OF  
THE NOTICE AND PROOF OF CLAIM; (B) PUBLICATION OF THE  
SUMMARY NOTICE; AND (C) REPORT ON REQUESTS FOR EXCLUSION**

I, JOSE C. FRAGA, being duly sworn, deposes and says:

1. I am a Senior Director of Operations for GCG, Inc. ("GCG"). Pursuant to the Court's February 9, 2011 Preliminary Approval Order (the "Preliminary Approval Order"), GCG was authorized to act as the Claims Administrator in connection with the settlement of the above-captioned action.

**MAILING OF THE NOTICE AND PROOF OF CLAIM**

2. Pursuant to the Preliminary Approval Order, GCG has been responsible for disseminating the Notice of Pendency of Class Action and Proposed Settlement, Settlement Fairness Hearing, and Motion for Attorneys' Fees and Reimbursement of Litigation Expenses (the "Notice") and the Proof of Claim (the "Proof of Claim" and, collectively with the Notice,

the “Claim Packet”) to potential Class Members. A copy of the Claim Packet is attached hereto as Exhibit A.

3. Toward that end, on December 13, 2010, GCG received a list forwarded from Class Counsel, that set forth the names and addresses of 182 record holders that purchased or otherwise acquired the common stock of Wellcare Health Plans, Inc. (“WellCare”) during the period from February 14, 2005 through 10:59 A.M. Eastern Standard on October 24, 2007, inclusive. Claim Packets were disseminated by first-class mail on February 24, 2011, to those 182 potential Class Members.

4. As in most securities class actions, the large majority of the Class Members are beneficial purchasers of WellCare common stock who are not known to the parties to the litigation. Most securities are held in “street name” – *i.e.*, the security is purchased by banks, brokers, and other third-party nominees (“Nominees”) in the name of the nominee, on behalf of the beneficial purchaser. During its 25-year history of performing class action settlement administration, GCG has built and maintains a proprietary database with the names and addresses of brokerage firms, banks, institutions, and other nominee purchasers (“Nominee Database”). On February 24, 2010, GCG caused Claim Packets to be mailed to the 2,399 names and addresses in the Nominee Database.

5. As of March 14, 2011, GCG has received an additional 87,823 names and addresses of potential Class Members from individuals or from brokerage firms, banks, institutions and other Nominees requesting Claim Packets to be mailed. Also, GCG has received requests from brokers and other Nominees for 2,498 Claim Packets to be forwarded by them to their customers. All such requests have been complied within a timely manner.



6. In the aggregate, 92,972 Claim Packets were promptly disseminated to potential Class Members by first-class mail as of March 14, 2011.<sup>1</sup>

#### **PUBLICATION OF THE SUMMARY NOTICE**

7. Pursuant to the Preliminary Approval Order, GCG Communications, the media division of GCG, caused the Summary Notice of Pendency and Proposed Settlement, Settlement Hearing, and Motion for Attorneys' Fees and Reimbursement of Litigation Expenses (the "Summary Notice") to be published on March 3, 2011 in *Investor's Business Daily*; attached hereto as Exhibit B is the affidavit of Kathy Murray, attesting to that publication for the publisher of *Investor's Business Daily*. The publication was also issued over PR Newswire and submitted to Bloomberg News Service on March 3, 2011. Attached hereto as Exhibit C and D respectively is a letter from Leif Clarke, Account Manager, attesting to the PR Newswire release and proof of submission to Bloomberg News Service.

#### **TELEPHONE HOTLINE**

8. GCG established a toll-free Interactive Voice Response ("IVR") system to accommodate potential Claimants. This system became operational on or about February 24, 2011. As of March 14, 2011, GCG has received a total of 75 calls, out of which 22 potential Claimants left messages and/or requests to speak with GCG administrators for assistance. All of the requests for a return phone call have been responded to in a timely manner.

#### **WEBSITE**

9. GCG established a website, [www.WellcareSecuritiesLitigation.com](http://www.WellcareSecuritiesLitigation.com), to assist potential Claimants. The website lists the exclusion, objection and claim filing deadlines, as well as the date and time of the Court's Settlement Fairness Hearing. In addition, the website

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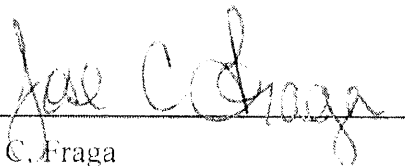
<sup>1</sup> In addition, GCG mailed 70 Claim Packets to updated addresses provided to GCG by the U.S. Postal Service.

contains a link to a document that contains detailed instructions for institutions submitting their claims electronically. The Settlement Agreement, Summary Notice, Notice and the Proof of Claim were posted on the website and may be downloaded by potential Claimants.

**REPORT ON EXCLUSION REQUESTS RECEIVED**

10. Paragraph 13 of the Notice informed potential Class Members that any written requests for exclusion were to be mailed addressed to Wellcare Securities Litigation – Exclusions, c/o GCG, Inc., P.O. Box 9640, Dublin, OH 43017-4940, such that they were received no later than April 13, 2011. The Notice also sets forth the information that must be included in each request for exclusion from the Class. GCG has been monitoring all mail delivered to that Post Office Box. To date, GCG has not received any requests for exclusion from the Class.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct. Executed in Lake Success, New York on March 15, 2011.

  
\_\_\_\_\_  
Jose C. Fraga

# **EXHIBIT A**

UNITED STATES DISTRICT COURT  
FOR THE MIDDLE DISTRICT OF FLORIDA  
TAMPA DIVISION

EASTWOOD ENTERPRISES, LLC  
Individually and on Behalf of All Others  
Similarly Situated,

Plaintiffs,  
vs.

TODD S. FARHA, PAUL L. BEHRENS,  
THADDEUS BEREDAY, and  
WELLCARE HEALTH PLANS, INC.

Defendants.

Case No.: 8:07-cv-1940-VMC-EAJ

**NOTICE OF PENDENCY OF CLASS ACTION  
AND PROPOSED SETTLEMENT,  
SETTLEMENT FAIRNESS HEARING, AND  
MOTION FOR ATTORNEYS' FEES AND  
REIMBURSEMENT OF LITIGATION  
EXPENSES**

**TO: ALL PERSONS AND ENTITIES THAT PURCHASED OR OTHERWISE ACQUIRED THE COMMON STOCK OF WELLCARE HEALTH PLANS, INC. DURING THE PERIOD FROM FEBRUARY 14, 2005 THROUGH 10:59 A.M. EASTERN STANDARD TIME ON OCTOBER 24, 2007, INCLUSIVE, (THE "CLASS PERIOD") AND WHO WERE DAMAGED THEREBY (THE "CLASS").**

**YOU MAY BE ENTITLED TO A PAYMENT FROM THIS  
PROPOSED SETTLEMENT.**

*A federal court authorized this Notice. This is not a solicitation from a lawyer.*

- If approved by the Court,<sup>1</sup> the proposed Settlement will create a settlement fund (the "Settlement Fund") in the face amount of at least \$200,000,000 for the benefit of eligible investors who purchased or otherwise acquired the common stock of WellCare Health Plans, Inc. ("WellCare" or the "Company") during the Class Period.
- The Settlement will resolve claims in a class action lawsuit alleging that WellCare, certain of its senior officers and one of its directors misled investors by improperly inflating WellCare's stock price during the Class Period (the "Action"). The Class is represented in the Action by court-appointed lead plaintiffs the New Mexico State Investment Council ("SIC"), the Public Employees Retirement Association of New Mexico ("PERA"), the Teachers' Retirement System of Louisiana ("Louisiana Teachers"), the Policemen's Annuity and Benefit Fund of Chicago ("Chicago Police"), and the Public School Teachers' Pension and Retirement Fund of Chicago ("Chicago Teachers") (collectively, "Lead Plaintiffs", and, with WellCare, the "Parties").
- The Court will review the Settlement at the Settlement Hearing to be held on May 4, 2011 at 10:00 a.m.
- **Your legal rights are affected whether you act or do not act. Read this Notice carefully.**

**YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT**

|  |   |
|--|---|
| <b>SUBMIT A CLAIM FORM BY JUNE 4, 2011</b> | The <i>only</i> way to get a payment.   |
| <b>EXCLUDE YOURSELF BY APRIL 13, 2011</b>  | Get no payment. This is the <i>only</i> option that allows you to ever bring or be part of any <i>other</i> lawsuit against WellCare and the other "Released Parties" about the "Settled Claims." This is the <i>only</i> option that removes you from the Class. |
| <b>OBJECT BY APRIL 13, 2011</b>            | Write to the Court about why you do not like the Settlement. This will not exclude you from the Class.  |
| <b>GO TO A HEARING ON MAY 4, 2011</b>      | Ask to speak in Court about the Settlement at the Settlement Hearing.   |
| <b>DO NOTHING</b>                          | Get no payment. Give up rights.   |

<sup>1</sup> All capitalized terms not otherwise defined in this document shall have the meaning provided in the Stipulation and Agreement of Settlement with WellCare Health Plans, Inc., dated December 17, 2010 (the "Stipulation").

**I. SUMMARY OF THIS NOTICE****Statement of Plaintiffs' Recovery**

This proposed Settlement will create a Settlement Fund totaling a face amount of at least \$200,000,000, consisting of (a) \$52,500,000 in cash, plus interest as it accrues, (b) a \$35,000,000 non-interest bearing promissory note due and payable in cash no later than July 31, 2011 ("WellCare Note"), and (c) \$112,500,000 in freely tradable, registration-exempt bonds with a maturity date of December 31, 2016, and with a fixed coupon of 6% (the "Bonds"). If WellCare recovers any sums from the Individual Defendants Todd S. Farha, Paul L. Behrens, and Thaddeus Bereday (the "Individual Defendants") or their estates, based on claims that were asserted or could have been asserted by WellCare prior to August 6, 2010, or for contribution arising under the Settlement and Stipulation, or if WellCare receives any sums from the United States government as a consequence of any recovery that the United States government obtains from any or all of the Individual Defendants or their estates, WellCare shall pay 25% of those proceeds in cash, less certain reasonable expenses and fees incurred by WellCare for outside services, into an escrow account for the benefit of the Class. In the event that within three (3) years from the execution of the Stipulation the Company experiences a change in control at a share price of \$30.00 or its equivalent or more after adjustments for common stock dividends, stock splits or reverse stock splits, WellCare (or its successor(s)) shall pay an additional \$25 million in cash into an escrow account for the benefit of the Class.

Based on Lead Plaintiffs' estimate of the number of shares of common stock that may have been damaged by the alleged fraud, and assuming that all those shares participate in the Settlement, Lead Plaintiffs estimate that the average recovery would be approximately \$8.03 per damaged share. This estimate is before deduction of any court-awarded expenses, such as attorneys' fees and litigation expenses, Lead Plaintiffs' costs and expenses, and the cost of sending this Notice and administering the distribution of the Settlement. The amount an eligible Class Member will actually recover will depend on numerous factors. These factors are fully explained in the Plan of Allocation beginning on page 11. Please refer to the Plan of Allocation for more information on your potential "Recognized Loss" (defined below).

**Statement of Potential Outcome if the Claims Continued to Be Litigated**

The Parties disagree about whether WellCare is liable for the claims asserted against it and whether WellCare caused any damages. The issues on which the Parties disagree include: (1) whether WellCare made any false or material misstatements or omissions; (2) whether WellCare acted with the required state of mind; (3) the amount by which the prices of WellCare common stock were artificially inflated (if at all) during the Class Period as a result of the alleged fraud; (4) the extent that the alleged fraud influenced (if at all) the trading price of WellCare's common stock during the Class Period; (5) whether any purchasers of WellCare common stock suffered damages as a result of the alleged misstatements and omissions in the Company's public statements; and (6) the amount of such damages, assuming they exist.

WellCare denies that it is liable to the Class and denies that the Class has suffered any damages attributable to its actions. While Lead Plaintiffs believe that they and the Class have meritorious claims, they recognize that there are significant obstacles to be overcome before there could be any recovery.

**Statement of Attorneys' Fees and Costs Sought**

Lead Plaintiffs and the Class are represented by the law firms of Bernstein Litowitz Berger & Grossmann LLP and Labaton Sucharow LLP (collectively, "Lead Counsel"). Lead Counsel have not received any payment for their services in litigating the Action, nor have they been reimbursed for their litigation expenses. No later than 35 days prior to the Settlement Hearing, Lead Counsel will file a motion asking the Court to award them attorneys' fees of 17% of the Settlement Fund (including any accrued interest), and reimbursement from the Settlement Fund of expenses incurred during the litigation, in an amount not to exceed \$2 million, plus interest. Lead Counsel's motion will be promptly posted on the Claims Administrator's website for this case, [www.WellCareSecuritiesLitigation.com](http://www.WellCareSecuritiesLitigation.com). Pursuant to the Private Securities Litigation Reform Act of 1995 ("PSLRA"), and included in the request for reimbursement of expenses, Lead Plaintiffs may also ask the Court to reimburse them for costs and expenses they incurred in representing the Class. Lead Counsel will seek any fees in cash and Bonds in the same proportion as the Settlement Fund, to be paid upon award by the Court or upon funding of the Settlement Amount with respect to those portions of the Settlement Amount not funded prior to the Court's award of attorneys' fees, whichever is later. Lead Counsel will request that the amount awarded as reimbursement of expenses be paid in cash only. If the Court approves the fee and expense applications in full, the average amount of fees and expenses per damaged share of common stock will be approximately \$1.45. This amount will vary depending on the number of eligible claims submitted.

**Further Information**

Further information regarding the Settlement and this Notice may be obtained by contacting the Claims Administrator: WellCare Securities Litigation, c/o GCG, Inc., P.O. Box 9640, Dublin, OH 43017-4940, (888) 345-0869, [www.WellCareSecuritiesLitigation.com](http://www.WellCareSecuritiesLitigation.com); or Lead Counsel: Bernstein Litowitz Berger & Grossmann LLP, 1285 Avenue of the Americas, New York, NY 10019, 866-648-2524 or Labaton Sucharow LLP, 140 Broadway, New York, NY 10005, 888-219-6877. **Please Do Not Call the Court or WellCare With Questions About the Settlement.**

**Reasons for the Settlement**

For Lead Plaintiffs, the principal reason for the Settlement is the immediate benefit of a substantial cash recovery for the Class. This benefit must be compared to the risk that no recovery or a smaller recovery might be achieved after fact and expert discovery is complete, summary judgment motions are made, a contested trial and likely appeals, possibly years into the future. For WellCare, which denies all allegations of wrongdoing, the principal reason for the Settlement is to eliminate the burden, expense, uncertainty and risk of further litigation in this case.

**II. BASIC INFORMATION**

1. Why did I get this Notice package?

You or someone in your family may have purchased or acquired WellCare common stock during the period from February 14, 2005 through 10:59 a.m. Eastern Standard Time on October 24, 2007, inclusive, and may be a Class Member in this Action. This package explains the lawsuit, the Settlement, Class Members' legal rights, what benefits are available, who is eligible for them and how to get them.

The Court directed that this Notice be sent to Class Members because they have a right to know about a proposed settlement of this class action lawsuit, and about all of their options, before the Court decides whether to approve the Settlement. If approved, the Settlement will end all of the Class's claims against WellCare and the Individual Defendants and will release the Settled Claims against all the Released Parties. The Court will review the Settlement at a Settlement Hearing on May 4, 2011 at 10:00 a.m. If the Court approves the Settlement, and after any objections and appeals are resolved, the Claims Administrator approved by the Court and the Bond Escrow Agent, if applicable, will distribute the payments that the Settlement allows.

The Court in charge of the case is the United States District Court for the Middle District of Florida (Tampa Division), and the case is known as *Eastwood Enterprises, LLC v. Todd S. Farha, et al.*, No. 8:07-CV-1940-VMC-EAJ. This case is assigned to United States District Judge Virginia M. Hernandez Covington. The persons bringing the case are called the lead plaintiffs, and the company and the persons being sued are called defendants.

2. What is this lawsuit about and what has happened so far?

WellCare is a corporation that provides managed care services exclusively for government-sponsored healthcare programs and offers members a range of Medicaid and Medicare medical services and prescription drug plans. It is incorporated in Delaware and its principal place of business and chief executive office is in Tampa, Florida.

By Order dated March 11, 2008, the Court appointed SIC, PERA, Louisiana Teachers, Chicago Police, and Chicago Teachers to serve as Lead Plaintiffs for the proposed class. The defendants in the Action are: Todd S. Farha; Paul L. Behrens; Thaddeus Bereday; and WellCare.

The operative complaint in the Action is the Consolidated Class Action Complaint (the "Complaint"), filed on October 31, 2008. The Complaint alleges, among other things, that the Defendants violated one or all of Sections 10(b), 20(a) and 20A of the Securities Exchange Act of 1934 (the "Exchange Act") and Rule 10b-5 promulgated thereunder by engaging in a fraudulent scheme to artificially inflate WellCare's net income and stock price by booking as profit certain funds that WellCare was legally required to return to the Medicaid program, and issuing allegedly false and misleading statements to investors during the Class Period.

Lead Plaintiffs filed the Complaint after an extensive investigation that included, among other things, review and analysis of: (a) documents filed publicly by WellCare with the United States Securities and Exchange Commission ("SEC"); (b) press releases, newspaper articles, and other public statements issued by or concerning WellCare and the Individual Defendants; (c) research reports issued by financial analysts concerning WellCare's securities and business; (d) other publicly-available information and data concerning WellCare and its securities, including information concerning investigations of WellCare by, among others, the Federal Bureau of Investigation (the "FBI"), the United States

Department of Justice, the United States Department of Health and Human Services, the SEC, and the States of Florida and Connecticut; and (e) interviews of former WellCare employees.

The Complaint alleges that WellCare's fraud was revealed to investors on October 24, 2007, when federal and state agents raided WellCare's Tampa headquarters. The Complaint alleges that, in direct response to the raid, WellCare's stock fell \$80 per share, from \$122 to \$42, in a single trading day.

The Complaint alleges that Lead Plaintiffs and other Class Members purchased WellCare common stock during the Class Period at artificially inflated prices and were allegedly damaged when the truth about WellCare's alleged fraudulent scheme was disclosed and the stock price dropped. The Action seeks money damages against WellCare for violations of these federal securities laws.

WellCare has restated its financial results from 2004 through the first two quarters of 2007.

Lead Plaintiffs and Defendants have been litigating the Action since Lead Plaintiffs were appointed in March 2008 and have raised and litigated a number of disputes.

Each of the defendants moved to dismiss the Complaint on January 23, 2009. On September 28, 2009, the Court denied the motions to dismiss. On November 30, 2009, Defendants filed their Answers to the Complaint.

On December 3, 2009, the Court issued a Case Management And Scheduling Order, including an October 20, 2010 deadline for completion of fact discovery and a February 2011 trial date.

Beginning in December 2009, the Parties conducted fact discovery consisting of requests for documents, interrogatories, and depositions. Lead Plaintiffs served document requests and interrogatories on Defendants, and issued 20 subpoenas to nonparties. Lead Plaintiffs received over four million documents and nearly three Terabytes of data in response to these subpoenas and requests for documents. Lead Plaintiffs have conducted an extensive review and analysis of the documents produced. Defendant WellCare also served requests for documents on Lead Plaintiffs, and Lead Plaintiffs produced approximately 3,000 pages of documents in response to these requests. In addition, Lead Plaintiffs took and participated in numerous depositions in Massachusetts and Florida.

On April 30, 2010, Lead Plaintiffs filed a motion for class certification under Rule 23 of the Federal Rules of Civil Procedure. Defendants did not oppose the motion, and on June 23, 2010, the Parties entered into and filed a proposed Stipulated Order certifying a class of all persons and entities who purchased or otherwise acquired the common stock of WellCare between February 14, 2005, and 10:59 a.m. Eastern Standard Time on October 24, 2007, when trading of WellCare's common stock on the New York Stock Exchange was halted.

On July 19, 2010, the Court granted the United States' application for a 150-day stay of the Action in light of the federal criminal investigation of events and circumstances which are purportedly related to certain factual allegations in the Action.

On May 20, 2009, October 20, 2009, and July 14, 2010, Lead Plaintiffs and certain of the Defendants, through their counsel, participated in mediation sessions before the Hon. Layn R. Phillips (Ret.). Although no settlement was reached at the conclusion of those sessions, after additional discussions, and with the continued assistance of Judge Phillips, on August 6, 2010, Lead Plaintiffs and WellCare reached an agreement in principle to settle this Action on the terms set forth in the Stipulation. The Settlement has been approved by the Company's Board of Directors and by Lead Plaintiffs. The Court has granted preliminary approval of the Settlement, and scheduled a hearing to consider final approval of the Settlement for May 4, 2011.

WellCare denies all allegations of wrongdoing contained in the Complaint and denies that it is liable. The Settlement should not be seen as an admission or concession on the part of any Defendant about any of the claims, their fault or liability for damages.

Lead Counsel have analyzed the evidence adduced through discovery and have researched the applicable law with respect to the claims of Lead Plaintiffs and the other members of the Class against the Defendants and the potential defenses thereto. Based upon their investigation and discovery as set forth above, Lead Plaintiffs and Lead Counsel have concluded that the terms and conditions of the Settlement are fair, reasonable and adequate to Lead Plaintiffs and the other members of the Class, and in their best interests, and have agreed to settle the claims raised in the Action pursuant to the terms and provisions of the Settlement, after considering: (1) the monetary and other benefits that the Class will receive from settlement of the Action; (2) the attendant risks of litigation; and (3) the desirability of permitting the Settlement to be consummated.

## 3. Why is this a class action?

In a class action, one or more people called class representatives (in this case Lead Plaintiffs) sue on behalf of people or entities, known as "class members," who have similar claims. A class action allows one court to resolve in a single case many similar claims that, if brought separately, might be economically so small that they would never be brought. One court resolves the issues for all class members, except for those who exclude themselves, or "opt out," from the class (discussed below).

## 4. Why is there a settlement?

The Court did not finally decide in favor of Lead Plaintiffs or WellCare. The Settlement will end all the claims against Defendants in the Action and avoid the uncertainties and costs of further litigation and any future trial. The Class will get compensation immediately, rather than after the time it would take to conduct additional litigation and discovery, have a trial and exhaust all appeals. The Settlement was reached after Lead Plaintiffs conducted a thorough investigation, briefed motions to dismiss the claims filed by each Defendant, received more than four million documents produced during the course of the Action, consulted with experts in the fields of accounting and damages, and engaged in arm's-length negotiations about a settlement. Lead Plaintiffs and Lead Counsel believe the Settlement is in the best interest of the Class.

### III. WHO IS IN THE SETTLEMENT

## 5. How do I know if I am part of the Settlement?

The Court will be asked to grant final certification of this Action as a class action for the purposes of settlement only and to order that everyone who fits the following description is a Class Member, unless they take steps to exclude themselves:

All persons and entities who purchased or otherwise acquired the common stock of WellCare between February 14, 2005, and 10:59 a.m. Eastern Standard Time on October 24, 2007, when trading of WellCare's common stock on the New York Stock Exchange was halted, and were damaged thereby. Excluded from the Class are: (1) all persons or entities who purchased or otherwise acquired WellCare's common stock during the Class Period and sold or otherwise disposed of such WellCare common stock during the Class Period, to the extent of those shares; (2) Defendants Farha, Behrens and Bereday and members of their immediate families; (3) any entity in which Defendants WellCare, Farha, Behrens or Bereday had a controlling interest during the Class Period; (4) officers and directors of WellCare during the Class Period; and (5) the legal representatives, heirs, successors, or assigns of any of the excluded persons or entities who assert any interest in WellCare common stock through or on behalf of any of the excluded persons or entities. Also excluded from the Class are any persons or entities who exclude themselves by filing a request for exclusion in accordance with the requirements set forth in this Notice.

Receipt of this Notice does not mean that you are a Class Member. Please check your records or contact your broker to see if you purchased or acquired WellCare common stock during the Class Period.

## 6. Are there exceptions to being included in the Class?

There are some people who cannot be in the Class. The excluded persons are: (1) all persons or entities who purchased or otherwise acquired WellCare's common stock during the Class Period and sold or otherwise disposed of such common stock during the Class Period, to the extent of those shares; (2) Defendants Farha, Behrens and Bereday and members of their immediate families; (3) any entity in which Defendants WellCare, Farha, Behrens or Bereday had a controlling interest during the Class Period; (4) officers and directors of WellCare during the Class Period; (5) the legal representatives, heirs, successors, or assigns of any of the excluded persons or entities who assert any interest in WellCare common stock through or on behalf of any of the excluded persons or entities; and (6) any persons or entities who exclude themselves by submitting a request for exclusion in accordance with the requirements set forth in this Notice. If you do not want to be a Class Member, for example if you want to bring your own lawsuit against WellCare for these claims, **you must** exclude yourself by submitting a request for exclusion in accordance with the requirements explained below.

If one of your mutual funds purchased or acquired shares of WellCare common stock during the Class Period, that alone does not make you a Class Member. You are a Class Member only if you (or your broker on your behalf) purchased or acquired WellCare common stock during the Class Period.



7. What if I am still not sure if I am included?

If you are still not sure whether you are included, you can ask for free help from the Claims Administrator: WellCare Securities Litigation, c/o GCG, Inc., P.O. Box 9640, Dublin, OH 43017-4940, (888) 345-0869, [www.WellCareSecuritiesLitigation.com](http://www.WellCareSecuritiesLitigation.com). You can also fill out and return the Proof of Claim and Release form ("Proof of Claim") described in Question 10 below, to see if you qualify.

#### IV. THE SETTLEMENT BENEFITS—WHAT YOU MAY RECEIVE

8. What does the Settlement provide?

In the Settlement, WellCare has agreed to fund an Escrow Account in the face amount of \$200,000,000 (before interest). The Escrow Account is to be divided, after deduction of (i) any Taxes; (ii) any Notice and Administration Costs; (iii) any attorneys' fees and costs and expenses incurred by Lead Plaintiffs in representing the Class that may be awarded by the Court; and (iv) any Litigation Expenses awarded by the Court ("Net Settlement Fund"), among all Class Members who timely submit valid Proofs of Claim pursuant to a Plan of Allocation to be approved by the Court (see Section XII below). This amount may increase in the event that the Company obtains a recovery from any of the Individual Defendants, or if the Company under goes a change in ownership as set forth in the Stipulation.

9. How much will my payment be?

The Plan of Allocation discussed on page 11 explains how claimants' "Recognized Losses" will be calculated. Your share of the Settlement Fund will depend on several things, including: (a) the amount of Recognized Losses of other Class Members; (b) how many shares of WellCare stock you bought; (c) how much you paid for the shares; (d) when you bought them; and (e) whether or when you sold them (and, if so, for how much you sold them).

It is unlikely that you will get a payment for your entire Recognized Loss, given the number of potential Class Members. After the deadline for submitting Proof of Claim forms, the payment you get will be a portion of the Net Settlement Fund. Your share will be your Recognized Loss divided by the total of all Class Members' Recognized Losses and then multiplied by the total amount in the Net Settlement Fund. See the Plan of Allocation beginning on page 11 for more information.

Once all the Proofs of Claim are processed and claims are calculated, Lead Counsel, without further notice to the Class, will apply to the Court for an order distributing the Net Settlement Fund to the members of the Class. Lead Counsel will also ask the Court to approve payment of Notice and Administration Costs incurred in connection with administering the Settlement that have not already been reimbursed.

#### V. HOW YOU GET A PAYMENT—SUBMITTING A PROOF OF CLAIM

10. How can I get a payment?

To qualify for a payment, you must timely send in a validly completed Proof of Claim form with supporting documents (DO NOT SEND ORIGINALS of your supporting documents). A Proof of Claim form is being circulated with this Notice. You may also get a Proof of Claim form on the Internet at the websites for the Claims Administrator: [www.WellCareSecuritiesLitigation.com](http://www.WellCareSecuritiesLitigation.com); or Lead Counsel: [www.blbglaw.com](http://www.blbglaw.com) or [www.labaton.com](http://www.labaton.com). Please read the instructions carefully, fill out the Proof of Claim form, include all the documents the form asks for, sign it, and mail it to the Claims Administrator by First-Class Mail, **postmarked on or before June 4, 2011**. *The Claims Administrator needs all of the information requested in the Proof of Claim in order to determine what you may be entitled to, if anything.*

11. When would I get my payment?

The Court will hold a hearing on May 4, 2011 at 10:00 a.m., to decide whether to approve the Settlement. All Proofs of Claim need to be submitted **postmarked on or before June 4, 2011**. If the Court approves the Settlement, there may still be appeals which would delay payment, perhaps for more than a year. It also takes time for all the Proofs of Claim to be processed. Please be patient.

12. What am I giving up by staying in the Class and getting a payment?

Unless you exclude yourself, you will stay in the Class, which means that once the Settlement becomes effective (the "Effective Date"), you will forever give up and release all "Settled Claims" (as defined below) against the "Released Parties."<sup>2</sup> You will not in the future be able to bring a case asserting any Settled Claims against the Released Parties.

"Settled Claims" in this Settlement means any and all claims, debts, demands, rights or causes of action or liabilities whatsoever (including, but not limited to, any claims for damages, interest, attorneys' fees, expert or consulting fees, and any other costs, expenses or liability whatsoever), whether based on federal, state, local, statutory or common law or any other law, rule or regulation, whether fixed or contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity, matured or unmatured, whether class or individual in nature, including both known claims and Unknown Claims, (i) that have been asserted in this Action by the Class Members or any of them against any of the Released Parties, or (ii) that could have been asserted in any forum by the Class Members or any of them against any of the Released Parties which in any way arise out of, are related to, or are based upon (a) the allegations, transactions, facts, matters or occurrences, representations or omissions involved, set forth, or referred to in the Complaint or (b) the purchase, transfer or acquisition of WellCare common stock during the Class Period, including without limitation all claims arising out of or relating to any disclosures, public filings, registration statements or other statements by any and all of the Defendants.

"Settled Claims" does not include the claims asserted or which may be asserted by or on behalf of WellCare in the Derivative Actions as defined in the Stipulation. Additionally, "Settled Claims" does not include claims relating to the enforcement of the Settlement or the terms of the Stipulation.

"Unknown Claims" in this Settlement means any and all Settled Claims that Lead Plaintiffs or any Class Member does not know or suspect to exist in his, her or its favor at the time of the release of the Released Parties, and any of WellCare's Claims that WellCare does not know or suspect to exist in its favor, which if known by him, her or it might have affected his, her or its decision(s) with respect to the Settlement. With respect to any and all Settled Claims and WellCare's Claims, Lead Plaintiffs and WellCare stipulate and agree that upon the Effective Date, Lead Plaintiffs and WellCare shall each, for themselves and all persons claiming by, through, or on behalf of them, expressly waive, and each Class Member shall be deemed to have waived, and by operation of the Judgment shall have expressly waived, any and all provisions, rights and benefits conferred by any law of any state or territory of the United States, or principle of common law, that is similar, comparable, or equivalent to Cal. Civ. Code § 1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Lead Plaintiffs and WellCare acknowledge, and Class Members and WellCare's successors and assigns and any persons or entities claiming through or on behalf of WellCare shall, by operation of law, be deemed to have acknowledged, that the inclusion of "Unknown Claims" in the definition of Settled Claims and WellCare's Claims was separately bargained for and was a material element of the Settlement and Stipulation.

If you remain a member of the Class, all of the Court's orders will apply to you and legally bind you.

## VI. EXCLUDING YOURSELF FROM THE SETTLEMENT

If you do not want a payment from this Settlement, but you want to keep any right you may have to sue or continue to sue the Released Parties on your own about the Settled Claims, then you must take steps to exclude yourself from the Settlement. Excluding yourself is known as "opting out" of the Class. WellCare may withdraw from and terminate the Settlement if potential Class Members who purchased in excess of a certain amount of WellCare common stock during the Class Period opt out from the Class.

<sup>2</sup> "Released Parties" means any and all of the Defendants and each of their respective past and present subsidiaries, parents, successors and predecessors, legal representatives, heirs, executors, administrators, trustees, beneficiaries, family members, assigns, partners, members, managers, officers, directors, agents, employees, attorneys, independent auditors, affiliates, controlled persons, controlling persons, insurers, advisors and investment advisors.

13. How do I "opt out" (exclude myself) from the proposed Settlement?

To "opt out" (exclude yourself) from the Class, you must send a signed letter stating that you "request exclusion from the Class in *Eastwood Enterprises, LLC v. Farha, et al.*, No. 8:07-CV-1940-VMC-EAJ." Your letter must state the date(s), price(s) and number of shares of all your purchases, acquisitions and sales of WellCare common stock during the Class Period, and whether you owned shares immediately prior to the Class Period, and if so, how many. This information is needed to determine whether you are a Class Member. In addition, you must include your name, address, telephone number, and your signature. If the exclusion request is made by someone other than the Class Member directly, the person or entity submitting the exclusion request must provide documentation evidencing authority to submit the exclusion request on behalf of the Class Member. You must submit your exclusion request so that it is **received on or before April 13, 2011**, to:

WellCare Securities Litigation  
Exclusions  
c/o GCG, Inc.  
P.O. Box 9640  
Dublin, OH 43017-4940

**You cannot exclude yourself or opt out by telephone or by e-mail.** Your exclusion request must comply with these requirements in order to be valid. If you write to request to be excluded, you will not get any settlement payment and you cannot object to the Settlement.

14. If I do not exclude myself, can I sue WellCare and the other Released Parties for the same thing later?

No. Unless you exclude yourself, you give up any rights to sue WellCare and the other Released Parties for all Settled Claims. If you have a pending lawsuit speak to your lawyer in that case **immediately**. You must exclude yourself from *this* Class to continue your own lawsuit. Remember, the exclusion deadline is April 13, 2011.

15. If I exclude myself, can I get money from the proposed Settlement?

No. If you exclude yourself, do not send in a Proof of Claim to ask for any money. But, you may exercise any right you may have to sue, continue to sue or be part of a different lawsuit against WellCare and the other Released Parties.

## VII. THE LAWYERS REPRESENTING YOU

16. Do I have a lawyer in this case?

The law firms of Bernstein Litowitz Berger & Grossmann LLP and Labaton Sucharow LLP were appointed to represent all Class Members. These lawyers are called Lead Counsel. You will not be separately charged for these lawyers. The Court will determine the amount of Lead Counsel's fees and expenses, which will be paid from the Settlement Fund if they are approved. If you want to be represented by your own lawyer, you may hire one at your own expense.

17. How will the lawyers be paid?

Lead Counsel has not received any payment for their services in pursuing the claims against Defendants on behalf of the Class, nor have they been reimbursed for their litigation expenses. At least thirty-five (35) days prior to the Settlement Hearing described below, or at such other time as the Court may order, Lead Counsel on behalf of all Plaintiffs' Counsel, will file a motion asking the Court to award them, from the Settlement Fund, attorneys' fees of 17% of the Settlement Fund (including accrued interest), and to reimburse them for their litigation expenses, such as the cost of experts, that they have incurred in pursuing the Action. The request for reimbursement of expenses will not exceed \$2 million, plus interest on the expenses at the same rate as may be earned by the Settlement Fund. Pursuant to the PSLRA, the Lead Plaintiffs may also ask the Court to reimburse them for costs and expenses (including lost wages) they incurred in representing the Class, which amount will be included in the request for reimbursement of expenses. Lead Counsel will seek any fees in cash and Bonds in the same proportion as the Settlement Fund, to be paid upon award by the Court or upon funding of the Settlement Amount with respect to those portions of the Settlement Amount not funded prior to the Court's award of attorneys' fees, whichever is later. Lead Counsel will request that the amount awarded as reimbursement of expenses be paid in cash only. Lead Counsel's motion for attorneys' fees and reimbursement of litigation expenses will be promptly posted on the website for this case, [www.WellCareSecuritiesLitigation.com](http://www.WellCareSecuritiesLitigation.com). If the applications for attorneys' fees and expenses are approved in full, the average amount of such fees and expenses per damaged share would be approximately \$1.45.

The fee requested by Lead Counsel would compensate them for their efforts in achieving the Settlement for the benefit of the Class and for the risk in undertaking the Action on a contingency basis. A request of 17% may be determined by the Court to be reasonable given: (a) the result achieved; (b) the novelty and difficulty of the claims; (c) the risk that Lead Plaintiffs would not prevail; (d) the quality of counsels' representation; and (e) the fees awarded in similar cases. The Court will determine the amount of the award.

**VIII. OBJECTING TO THE SETTLEMENT**

18. How do I tell the Court that I do not like the proposed Settlement?

If you are a Class Member you can object to any part of the Settlement, the proposed Plan of Allocation, the application by Lead Counsel for attorneys' fees and expenses and the application of Lead Plaintiffs for costs and expenses. You must write to the Court setting out your objection, giving reasons why you think the Court should not approve any part or all of the Settlement.

To object, you must send a signed letter stating that you object to the proposed settlement in the case known as: *Eastwood Enterprises, LLC v. Farha, et al.*, No. 8:07-CV-1940-VMC-EAJ. You must include your name, address, telephone number and your signature; identify the date(s), price(s) and number of shares of all purchases, acquisitions and sales of WellCare stock you made during the Class Period; whether you owned shares immediately prior to the Class Period, and if so, how many; and state the reasons why you object to the Settlement. This information is needed to demonstrate your membership in the Class.

Unless otherwise ordered by the Court, any Class Member who does not object in the manner described in this Notice will be deemed to have waived any objection and will not be able to make any objection to the Settlement in the future.

Your objection must be filed with the Court and delivered or mailed First-Class **for receipt on or before April 13, 2011** to all the following:

**COURT:**

CLERK OF THE COURT  
 United States District Court for the  
 Middle District of Florida –  
 Tampa Division  
 Sam M. Gibbons United States Courthouse  
 801 North Florida Avenue  
 Tampa, Florida 33602

**LEAD COUNSEL:**

BERNSTEIN LITOWITZ  
 BERGER & GROSSMANN LLP  
 Steven B. Singer  
 1285 Avenue of the Americas  
 New York, NY 10019

**WELLCARE'S COUNSEL:**

HOGAN LOVELLS US LLP  
 George H. Mernick, III  
 555 13<sup>th</sup> Street, NW  
 Washington, DC 20004

-- and --

LABATON SUCHAROW LLP  
 James W. Johnson  
 140 Broadway  
 New York, NY 10005

19. What is the difference between objecting and requesting exclusion?

Objecting is simply telling the Court that you do not like something about the proposed Settlement. You may still be eligible to recover from the Settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you do not want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer affects you.

**IX. THE COURT'S SETTLEMENT HEARING**

20. When and where will the Court decide whether to approve the proposed Settlement?

The Court will hold a Settlement Hearing at 10:00 a.m. on May 4, 2011, in Courtroom 14B of the Sam M. Gibbons United States Courthouse, the United States District Court for the Middle District of Florida (Tampa Division), 801 North Florida Avenue, Tampa, Florida 33602. At this hearing, the Court will consider whether the Settlement is fair, reasonable and adequate. The Court also will consider the proposed Plan of Allocation for the proceeds of the Settlement, the application for attorneys' fees and reimbursement of expenses and Lead Plaintiffs' application for recovery of their costs and expenses incurred in representing the Class. The Court will take into consideration any written objections filed in

accordance with the instructions set out above in the answer to Question 18. We do not know how long it will take the Court to make these decisions.

You should also be aware that the Court may change the date and time of the Settlement Hearing without another notice being sent to Class Members. If you want to come to the hearing, you should check with Lead Counsel before coming to be sure that the date and/or time has not changed.

21. Do I have to come to the hearing?

No. Lead Counsel will answer questions the Court may have. But, you are welcome to come at your own expense. If you validly submit an objection, you do not have to come to Court to talk about it.

22. May I speak at the hearing and submit additional evidence?

If you object to the Settlement, you may ask the Court for permission to speak at the Settlement Hearing. To do so, you must include with your objection (see Question 18 above) a statement that it is your "notice of intention to appear in *Eastwood Enterprises, LLC v. Farha, et al.*, No. 8:07-CV-1940-VMC-EAJ." Persons who intend to object and want to present evidence at the Settlement Hearing must also include in their written objection the identity of any witness they may call to testify and exhibits they intend to introduce at the Settlement Hearing. You cannot speak at the hearing if you excluded yourself from the Class or if you have not provided written notice of your intention to speak at the Settlement Hearing according to the procedures described above and in the answer to Question 18.

**X. IF YOU DO NOTHING**

23. What happens if I do nothing at all?

If you do nothing, you will get no money from this Settlement and you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against WellCare and the other Released Parties about the Settled Claims in this case. To be potentially eligible to share in the Net Settlement Fund you must submit a Proof of Claim (see Question 10). To start, continue or be a part of any *other* lawsuit against WellCare and the other Released Parties about the Settled Claims in this case you must exclude yourself from this Class (see Question 13).

**XI. GETTING MORE INFORMATION**

24. Are there more details about the proposed Settlement and the lawsuit?

This Notice summarizes the proposed Settlement. More details are in the Stipulation. You may review the Stipulation filed with the Court and all documents publicly filed in the Action during business hours at the Office of the Clerk of the United States District Court for the Middle District of Florida (Tampa Division), Sam M. Gibbons United States Courthouse, 801 North Florida Avenue, Tampa, Florida 33602.

You also can call the Claims Administrator toll free at 888-345-0869; call Lead Counsel at 866-648-2524 or 888-219-6877; write to WellCare Securities Litigation, c/o GCG, Inc., P.O. Box 9640, Dublin, OH 43017-4940, or visit the websites [www.WellCareSecuritiesLitigation.com](http://www.WellCareSecuritiesLitigation.com), [www.labat.com](http://www.labat.com), or [www.blbglaw.com](http://www.blbglaw.com) where you can find answers to common questions about the Settlement, download copies of the Proof of Claim form, and locate other information to help you determine whether you are a Class Member and whether you are eligible for a payment. **Please Do Not Call the Court or WellCare With Questions About the Settlement.**

**XII. PLAN OF ALLOCATION OF NET SETTLEMENT FUND AMONG CLASS MEMBERS**

The Settlement Amount and any interest it earns is called the Settlement Fund. The Settlement Fund, minus all taxes, costs, fees and expenses (the "Net Settlement Fund"), will be distributed according to the Plan of Allocation described herein or as otherwise ordered by the Court to members of the Class who timely submit valid Proofs of Claim ("Authorized Claimants"). Class Members who do not timely submit valid Proofs of Claim will not share in the Settlement proceeds, but will otherwise be bound by the terms of the Settlement. The Court may approve the Plan of Allocation with or without modifications proposed by Lead Plaintiffs, or another plan of allocation, without further notice to the Class.

The Claims Administrator will determine each Authorized Claimant's *pro rata* share of the Net Settlement Fund based upon each Authorized Claimant's "Recognized Loss," as described herein. The Plan of Allocation is not intended to estimate the amount a Class Member might have been able to recover after a trial, nor is it intended to estimate the amount that will be paid to Authorized Claimants. The Plan of Allocation is the basis upon which the Net Settlement Fund

will be proportionately divided among all the Authorized Claimants. The Court will be asked to approve the Claims Administrator's determinations before the Net Settlement Fund is distributed to Authorized Claimants. No distributions to Authorized Claimants who would receive less than \$10.00 in cash will be made, given the administrative expenses of processing and distributing such payments.

WellCare, its counsel, and all other Released Parties will have no responsibility for or liability whatsoever for the investment of the Settlement Fund, the distribution of the Net Settlement Fund, the Plan of Allocation or the payment of any claim. Lead Plaintiffs and Lead Counsel likewise will have no liability for their reasonable efforts to execute, administer and distribute the Settlement.

There are potentially two components of the Settlement Fund to be distributed to Authorized Claimants: (i) settlement cash; and (ii) WellCare securities, which are bonds for the benefit of the Class as described in the Stipulation. Lead Counsel may seek to sell the WellCare Bonds prior to distribution of the Settlement Fund, in which event all distributions of settlement proceeds to Authorized Claimants will be in cash. In the event, however, that Lead Counsel does not sell all of the WellCare Bonds prior to distribution, the WellCare bonds will be distributed to Authorized Claimants as described below.

The WellCare Bonds will be distributed only to Authorized Claimants whose *pro rata* share of the WellCare Bonds is equal or greater to \$100, and the WellCare Bonds will be distributed in one hundred dollars (\$100) principal amount or integral multiples thereof. For those Authorized Claimants whose *pro rata* share of the WellCare Bonds is less than \$100, and for those amounts not in \$100 increments, the amount will be paid in cash (subject to the \$10 threshold). On this issue, Lead Plaintiffs will seek approval of the appropriate value of the WellCare Bonds to be distributed in cash in connection with its motion for approval of distribution of the Settlement Fund to Authorized Claimants.

The following Plan of Allocation reflects the allegations that the price of WellCare common stock during the Class Period was inflated artificially by reason of a fraudulent scheme to book as profit millions of dollars of Medicaid funds that WellCare was legally required to return to the Medicaid program and the issuance of allegedly false and misleading statements to investors during the Class Period. WellCare's fraudulent scheme was revealed to investors on October 24, 2007, when 200 armed federal and state agents raided WellCare's Tampa headquarters. In direct response to the raid, WellCare stock fell \$80 per share, from \$122 to \$42, in a single trading day. The Plan of Allocation described below was created with the assistance of a damages expert who analyzed the movement of WellCare's common stock before and after the raid.

### **XIII. PLAN OF ALLOCATION**

Each Authorized Claimant will receive his, her or its *pro rata* share of the Net Settlement Fund based on his, her or its Recognized Loss. Each Authorized Claimant will be paid (in cash and potentially in WellCare Bonds if not sold prior to distribution) the percentage of the Net Settlement Fund that each Authorized Claimant's recognized claim bears to the total of the claims of all Authorized Claimants ("*pro rata* share").

For purposes of determining whether a claimant had an out-of-pocket gain from his, her, or its overall transactions in WellCare common stock during the Class Period or suffered a net loss, the Claims Administrator shall determine the difference between (i) the Total Purchase Amount<sup>3</sup> and (ii) the sum of the Sales Proceeds<sup>4</sup> and the Holding Value.<sup>5</sup> This difference will be deemed a claimant's out-of-pocket gain or loss on his, her, or its overall transactions in common stock during the Class Period. Only Authorized Claimants who show a Recognized Loss and who have a net loss on all Class Period transactions of WellCare common stock will be eligible to share in the distribution. In addition, if, during the Class Period, a Class Member had a net loss, and his, her or its net loss is less than his, her or its Recognized Loss, the Class Member's Recognized Loss shall be limited to the net loss.

To calculate the Recognized Loss on WellCare common stock purchased and sold during the Class Period, such sales must be matched against purchases during the Class Period. To do so, the earliest sale will be matched first against those shares in the claimant's opening position on the first day of the Class Period, and then matched chronologically thereafter against each purchase made during the Class Period ("FIFO Matching"). This means that sales

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<sup>3</sup> The "Total Purchase Amount" is the total amount the claimant paid for all WellCare common stock purchased during the Class Period.

<sup>4</sup> The Claims Administrator shall match any sales of WellCare common stock during the Class Period and sales during the PSLRA 90-day look-back period first against the claimant's opening position in WellCare common stock (the proceeds of those sales will not be considered for purposes of calculating gains or losses). The total amount received for sales of the remaining WellCare common stock during the Class Period and sales during the PSLRA 90-day look-back period that may be matched against Class Period purchases is the "Sales Proceeds."

<sup>5</sup> The Claims Administrator shall ascribe a holding price for shares purchased during the Class Period and still held at the end of the PSLRA 90-day look-back period, with such holding price being \$40.62 per share (the "Holding Value").

of WellCare common stock will be first matched with any pre-Class Period holdings and then matched with purchases during the Class Period in chronological order. Sales of pre-Class Period purchases shall have no Recognized Loss.

A purchase or sale of WellCare common stock will be deemed to have occurred on the "contract" or "trade" date as opposed to the "settlement" or "payment" date. All transaction amounts for purchase and sales of WellCare common stock shall exclude commissions, taxes and fees. Any person or entity that sold WellCare common stock "short" will have no Recognized Loss with respect to such purchase during the Class Period to cover said short sale. In the event that there is an opening short position in WellCare common stock, the earliest Class Period purchases shall be matched against such opening short position, and not be entitled to a recovery, until that short position is fully covered. Option contracts are not securities eligible to participate in the Settlement. Accordingly, shares of WellCare common stock purchased during the Class Period through the exercise of a call option or the assignment of a put option shall be treated as a purchase on the date of exercise or assignment for the stated exercise price set forth in the call or put option, and any Recognized Loss arising from such transaction shall be computed as provided for purchases of common stock.

Payment in this manner will be deemed conclusive against all Authorized Claimants. A Recognized Loss will be calculated as defined herein and cannot be less than zero.

For shares of WellCare common stock purchased between February 14, 2005 and 10:59 a.m. Eastern Standard Time on October 24, 2007<sup>6</sup>:

A. For shares sold between October 25, 2007 and January 22, 2008,<sup>7</sup> the Recognized Loss shall be that number of shares multiplied by the amount by which the purchase price per share exceeds the average closing price<sup>8</sup> of WellCare common stock between October 25, 2007 and the date of sale.<sup>9</sup>

B. For shares retained or sold after January 22, 2008, the Recognized Loss shall be the lesser of:

- (1) \$73.90; or
- (2) the amount by which the purchase price per share exceeds \$40.618.<sup>10</sup>

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<sup>6</sup> For purposes of applying this Plan of Allocation, all purchases of Wellcare common stock on October 24, 2007 at a price of \$114.00 or greater will be deemed to have been made on or before 10:59 a.m. Eastern Standard Time, and all purchases of Wellcare common stock on October 24, 2007 at a price of less than \$114.00 will be deemed to have been made after 10:59 a.m. Eastern Standard Time.

<sup>7</sup> Shares that were both purchased and sold within the Class Period are not included in the Class.

<sup>8</sup> Pursuant to Section 21(D)(e)(2) of the PSLRA, "in any private action arising under this title in which the plaintiff seeks to establish damages by reference to the market price of a security, if the plaintiff sells or repurchases the subject security prior to the expiration of the 90-day period described in paragraph (1), the plaintiff's damages shall not exceed the difference between the purchase or sale price paid or received, as appropriate, by the plaintiff for the security and the mean trading price of the security during the period beginning immediately after dissemination of information correcting the misstatement or omission and ending on the date on which the plaintiff sells or repurchases the security."

<sup>9</sup> The Claims Administrator will calculate the average closing price of WellCare common stock between October 25, 2007 and the date of sale using pricing data set forth in Table A, available at [www.yahoo.com](http://www.yahoo.com).

<sup>10</sup> Pursuant to Section 21(D)(e)(1) of the PSLRA, "in any private action arising under this title in which the plaintiff seeks to establish damages by reference to the market price of a security, the award of damages to the plaintiff shall not exceed the difference between the purchase or sale price paid or received, as appropriate, by the plaintiff for the subject security and the mean trading price of that security during the 90-day period beginning on the date on which the information correcting the misstatement or omission that is the basis for the action is disseminated." \$40.618 was the mean closing price of WellCare common stock during the 90-day period beginning on October 25, 2007 and ending on January 22, 2008.

Table A

| Date       | Closing Price <sup>11</sup> | Average Price <sup>11</sup> |
|------------|-----------------------------|-----------------------------|
| 10/25/2007 | 42.670                      | 42.670                      |
| 10/26/2007 | 31.360                      | 37.015                      |
| 10/27/2007 | N/A                         | N/A                         |
| 10/28/2007 | N/A                         | N/A                         |
| 10/29/2007 | 28.620                      | 34.217                      |
| 10/30/2007 | 22.040                      | 31.173                      |
| 10/31/2007 | 24.190                      | 29.776                      |
| 11/1/2007  | 22.870                      | 28.625                      |
| 11/2/2007  | 27.370                      | 28.446                      |
| 11/3/2007  | N/A                         | N/A                         |
| 11/4/2007  | N/A                         | N/A                         |
| 11/5/2007  | 33.300                      | 29.053                      |
| 11/6/2007  | 35.540                      | 29.773                      |
| 11/7/2007  | 31.750                      | 29.971                      |
| 11/8/2007  | 32.000                      | 30.155                      |
| 11/9/2007  | 33.350                      | 30.422                      |
| 11/10/2007 | N/A                         | N/A                         |
| 11/11/2007 | N/A                         | N/A                         |
| 11/12/2007 | 35.300                      | 30.797                      |
| 11/13/2007 | 35.370                      | 31.124                      |
| 11/14/2007 | 34.610                      | 31.356                      |
| 11/15/2007 | 33.750                      | 31.506                      |
| 11/16/2007 | 34.200                      | 31.664                      |
| 11/17/2007 | N/A                         | N/A                         |
| 11/18/2007 | N/A                         | N/A                         |
| 11/19/2007 | 35.010                      | 31.850                      |
| 11/20/2007 | 37.480                      | 32.146                      |
| 11/21/2007 | 37.110                      | 32.395                      |
| 11/22/2007 | N/A                         | N/A                         |
| 11/23/2007 | 38.980                      | 32.708                      |
| 11/24/2007 | N/A                         | N/A                         |
| 11/25/2007 | N/A                         | N/A                         |
| 11/26/2007 | 37.380                      | 32.920                      |
| 11/27/2007 | 36.680                      | 33.084                      |
| 11/28/2007 | 36.570                      | 33.229                      |
| 11/29/2007 | 40.100                      | 33.504                      |
| 11/30/2007 | 38.910                      | 33.712                      |
| 12/1/2007  | N/A                         | N/A                         |
| 12/2/2007  | N/A                         | N/A                         |
| 12/3/2007  | 39.270                      | 33.918                      |
| 12/4/2007  | 40.690                      | 34.160                      |
| 12/5/2007  | 41.720                      | 34.420                      |
| 12/6/2007  | 44.480                      | 34.756                      |
| 12/7/2007  | 43.210                      | 35.028                      |
| 12/8/2007  | N/A                         | N/A                         |
| 12/9/2007  | N/A                         | N/A                         |
| 12/10/2007 | 45.250                      | 35.348                      |

<sup>11</sup> N/A's represent non-trading days, weekends and holidays, in which case no pricing data is available and thus is not included in the average calculation. Source: [www.yahoo.com](http://www.yahoo.com).



| Date       | Closing Price <sup>11</sup> | Average Price <sup>11</sup> |
|------------|-----------------------------|-----------------------------|
| 12/11/2007 | 46.620                      | 35.689                      |
| 12/12/2007 | 47.340                      | 36.032                      |
| 12/13/2007 | 48.290                      | 36.382                      |
| 12/14/2007 | 46.890                      | 36.674                      |
| 12/15/2007 | N/A                         | N/A                         |
| 12/16/2007 | N/A                         | N/A                         |
| 12/17/2007 | 42.800                      | 36.840                      |
| 12/18/2007 | 41.940                      | 36.974                      |
| 12/19/2007 | 42.420                      | 37.114                      |
| 12/20/2007 | 43.100                      | 37.263                      |
| 12/21/2007 | 41.950                      | 37.378                      |
| 12/22/2007 | N/A                         | N/A                         |
| 12/23/2007 | N/A                         | N/A                         |
| 12/24/2007 | 41.950                      | 37.486                      |
| 12/25/2007 | N/A                         | N/A                         |
| 12/26/2007 | 42.390                      | 37.600                      |
| 12/27/2007 | 41.860                      | 37.697                      |
| 12/28/2007 | 42.170                      | 37.797                      |
| 12/29/2007 | N/A                         | N/A                         |
| 12/30/2007 | N/A                         | N/A                         |
| 12/31/2007 | 42.410                      | 37.897                      |
| 1/1/2008   | N/A                         | N/A                         |
| 1/2/2008   | 41.990                      | 37.984                      |
| 1/3/2008   | 46.160                      | 38.154                      |
| 1/4/2008   | 46.410                      | 38.323                      |
| 1/5/2008   | N/A                         | N/A                         |
| 1/6/2008   | N/A                         | N/A                         |
| 1/7/2008   | 46.910                      | 38.495                      |
| 1/8/2008   | 45.600                      | 38.634                      |
| 1/9/2008   | 46.180                      | 38.779                      |
| 1/10/2008  | 47.090                      | 38.936                      |
| 1/11/2008  | 46.990                      | 39.085                      |
| 1/12/2008  | N/A                         | N/A                         |
| 1/13/2008  | N/A                         | N/A                         |
| 1/14/2008  | 56.430                      | 39.400                      |
| 1/15/2008  | 56.130                      | 39.699                      |
| 1/16/2008  | 54.250                      | 39.954                      |
| 1/17/2008  | 53.400                      | 40.186                      |
| 1/18/2008  | 53.860                      | 40.418                      |
| 1/19/2008  | N/A                         | N/A                         |
| 1/20/2008  | N/A                         | N/A                         |
| 1/21/2008  | N/A                         | N/A                         |
| 1/22/2008  | 52.400                      | 40.618                      |

<sup>11</sup> N/A's represent non-trading days, weekends and holidays, in which case no pricing data is available and thus is not included in the average calculation. Source: [www.yahoo.com](http://www.yahoo.com).

As discussed above, Lead Counsel, within their discretion, shall have the sole and exclusive right to sell, on behalf of the Class, all or any portion of the WellCare Bonds to one or more persons or entities (the "Bond Buyers"). To the extent that any sale occurs, the proceeds of such sale, less any associated costs and fees incurred in connection with such sale by Lead Counsel or the Class, shall be deposited with the Escrow Agent designated by Lead Counsel for the benefit of the Class (the "Bond Sale Net Proceeds").

In the event that the WellCare Bonds are not sold prior to distribution to Authorized Claimants, the WellCare Bonds shall be made available to Authorized Claimants, in appropriate amounts, in certificate-less (book entry) form through the Direct Registration System ("DRS") maintained by The Bank of New York. Each Authorized Claimant receiving WellCare Bonds will have a separate account on the DRS, to which the Authorized Claimant's allocable share of the WellCare Bonds will be posted. All interest and principal payments under the WellCare Bonds will be distributed through the DRS, which will also permit Authorized Claimants to transfer their WellCare Bonds from the DRS to their own brokerage account, if they so choose. If the WellCare Bonds are made available to Authorized Claimants through the DRS, each Authorized Claimant will receive a statement of their account on the DRS and instructions describing the operation of the DRS and the resources it provides.

#### **XIV. SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES**

If you purchased or acquired WellCare common stock (NYSE ticker: WCG) during the period from February 14, 2005 through 10:59 a.m. Eastern Standard Time on October 24, 2007, inclusive, for the beneficial interest of a person or organization other than yourself, the Court has directed that, WITHIN SEVEN (7) CALENDAR DAYS OF YOUR RECEIPT OF THIS NOTICE, you either: (a) provide to the Claims Administrator the name and last known address of each person or organization for whom or which you purchased or acquired WellCare common stock during such time period (preferably in an MS Excel data table, setting forth (i) title/registration, (ii) street address, (iii) city/state/zip; or electronically in MS Word or WordPerfect files; or on computer-generated mailing labels) or; (b) request additional copies of this Notice and the Proof of Claim form, which will be provided to you free of charge, and within seven (7) calendar days send by First-Class Mail the Notice and Proof of Claim form directly to the beneficial owners of those WellCare shares.

If you choose to follow alternative procedure (b), the Court has directed that, upon such mailing, you send a statement to the Claims Administrator confirming that the mailing was made as directed. You are entitled to reimbursement from the Settlement Fund of your reasonable expenses actually incurred in connection with the foregoing, including reimbursement of postage expense and the cost of ascertaining the names and addresses of beneficial owners. Those expenses will be paid after request and submission of appropriate supporting documentation. All communications concerning the foregoing should be addressed to the Claims Administrator:

WellCare Securities Litigation  
c/o GCG, Inc.  
P.O. Box 9640  
Dublin, OH 43017-4940  
(888) 345-0869  
[www.WellCareSecuritiesLitigation.com](http://www.WellCareSecuritiesLitigation.com)

DATED: February 24, 2011

BY ORDER OF THE COURT  
UNITED STATES DISTRICT COURT  
MIDDLE DISTRICT OF FLORIDA  
TAMPA DIVISION

#### **BERNSTEIN LITOWITZ BERGER & GROSSMANN LLP**

Steven B. Singer  
Niki L. Mendoza  
Jeremy P. Robinson  
Laura H. Gundersheim  
John Rizio-Hamilton  
1285 Avenue of the Americas  
New York, New York 10019  
Tel: (866) 648-2524  
Fax: (212) 554-1444

*Counsel for Teachers' Retirement System of Louisiana, Public School Teachers' Pension & Retirement Fund of Chicago, and Policemen's Annuity and Benefit Fund of Chicago, and Court-appointed Lead Counsel for the Class*

#### **LABATON SUCHAROW LLP**

Thomas A. Dubbs  
James W. Johnson  
Michael Stocker  
Michael Woolley  
140 Broadway  
New York, New York 10005  
Tel: (888) 219-6877  
Fax: (212) 818-0477

*Counsel for the New Mexico State Investment Council and the Public Employees Retirement Association of New Mexico, and Court-appointed Lead Counsel for the Class*

**THIS PAGE INTENTIONALLY LEFT BLANK.**

Must be Postmarked  
No Later Than  
June 4, 2011

WellCare Securities Litigation

c/o GCG, Inc.

P.O. Box 9640

Dublin, OH 43017-4940

1-888-345-0869

www.WellCareSecuritiesLitigation.com



Claim Number:

Control Number:

## PROOF OF CLAIM

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| SUBMISSION TO JURISDICTION OF COURT AND ACKNOWLEDGMENTS ..... | 6             |

**I. SECURITIES TRANSFER INFORMATION:** The proceeds of this settlement, if approved, may include securities. In order to receive all the securities for which you may be eligible, if any, you must provide information sufficient to post the securities to an account on the Direct Registration System maintained by The Bank of New York. Failure to provide the information requested may lead to forfeiture of any securities to which you might otherwise be eligible.

### **II. GENERAL INSTRUCTIONS**

1. To receive a recovery from the Net Settlement Fund as a Member of the Class in the class action lawsuit entitled *Eastwood Enterprises, LLC v. Farha, et al.*, No. 8:07-CV-1940-VMC-EAJ (the "Action"), you must complete and, on page 6 below, sign this Proof of Claim form. If you fail to submit a timely, properly completed and addressed (as set forth in paragraph 3 below) Proof of Claim, your claim may be rejected and you may be precluded from any recovery from the Net Settlement Fund created in connection with the Settlement of the Action.

2. Submission of this Proof of Claim form, however, does not ensure that you will share in the Net Settlement Fund, even if you are a Class Member.

**3. YOU MUST MAIL YOUR COMPLETED AND SIGNED PROOF OF CLAIM POSTMARKED ON OR BEFORE JUNE 4, 2011, ADDRESSED AS FOLLOWS:**

WellCare Securities Litigation  
c/o GCG, Inc.  
P.O. Box 9640  
Dublin, OH 43017-4940

If you are NOT a Member of the Class (as defined in the Notice of Pendency of Class Action and Proposed Settlement) DO NOT submit this Proof of Claim form. You are not entitled to a recovery.

4. If you are a Member of the Class and you have not timely and validly requested to be excluded from the Class, you will be bound by the terms of the Final Order and Judgment entered by the Court, WHETHER OR NOT YOU SUBMIT A PROOF OF CLAIM.



### III. DEFINITIONS

All capitalized terms not otherwise defined herein shall have the same meaning as set forth in the Notice of Pendency of Class Action and Proposed Settlement ("Notice") that accompanies this Proof of Claim form and in the Stipulation and Agreement of Settlement.

### IV. IDENTIFICATION OF CLAIMANT

1. You are a Class Member if you purchased or otherwise acquired the common stock of WellCare during the period from February 14, 2005 through 10:59 a.m. Eastern Standard Time on October 24, 2007, inclusive (the "Class Period"), and were damaged thereby and are not an excluded person. Excluded from the Class are: (1) all persons or entities who purchased or otherwise acquired WellCare's common stock during the Class Period and sold or otherwise disposed of such WellCare common stock during the Class Period, to the extent of those shares; (2) Defendants Farha, Behrens and Bereday and members of their immediate families; (3) any entity in which Defendants WellCare, Farha, Behrens or Bereday had a controlling interest during the Class Period; (4) officers and directors of WellCare during the Class Period; and (5) the legal representatives, heirs, successors, or assigns of any of the excluded persons or entities who assert any interest in WellCare common stock through or on behalf of any of the excluded persons or entities. Also excluded from the Class are any persons or entities who exclude themselves by filing a request for exclusion in accordance with the requirements set forth in the Notice.

2. If the WellCare common stock you purchased or acquired was held in your name, you are the beneficial purchaser or acquirer as well as the record purchaser or acquirer. If, however, you purchased or otherwise acquired WellCare common stock during the Class Period through a third party, such as a nominee or brokerage firm, and the securities were registered in the name of that third party, you are the beneficial purchaser or acquirer of these securities, but the third party is the record purchaser or acquirer of these securities.

3. Use Part I of this form entitled "Claimant Identification" to identify each beneficial purchaser or acquirer of WellCare common stock that forms the basis of this claim, as well as the purchaser or acquirer of record if different. THIS CLAIM MUST BE SUBMITTED BY THE ACTUAL BENEFICIAL PURCHASER(S), OR AUTHORIZED ACQUIRER(S) OR LEGAL REPRESENTATIVE(S) OF SUCH BENEFICIAL PURCHASER(S) OR ACQUIRER(S), OF THE WELLCARE COMMON STOCK UPON WHICH THIS CLAIM IS BASED.

4. All joint beneficial purchasers or acquirers must sign this claim. Executors, administrators, guardians, conservators and trustees must complete and sign this claim on behalf of Persons represented by them and their authority must accompany this claim and their titles or capacities must be stated. The Social Security (or Employer Identification) Number and telephone number of one of the beneficial owner(s) may be used in verifying this claim. Failure to provide the foregoing information could delay verification of your claim or result in rejection of your claim.

### V. IDENTIFICATION OF TRANSACTION(S)

1. Use Part II of this form entitled "Schedule of Transactions in WellCare Common Stock" to supply all required details of your transaction(s) in WellCare common stock. If you need more space or additional schedules, attach separate sheets providing all of the required information in substantially the same form. Sign and print or type your name and include your Social Security or Employer Identification Number and the full name of the account on each additional sheet.

2. On the schedules, provide all of the requested information with respect to: (i) all of your holdings of WellCare common stock as of the beginning of trading on February 14, 2005; (ii) all of your purchases, acquisitions, and other transactions of WellCare common stock which took place at any time beginning February 14, 2005 through October 24, 2007; (iii) the number of all of your purchases, acquisitions, and other transactions of WellCare common stock which took place through and including October 25, 2007 and January 22, 2008; (iv) sales or other deliveries, including by way of exchange or otherwise which took place on or after February 14, 2005 through and including January 22, 2008, whether such purchases, acquisitions, sales or transactions resulted in a profit or a loss; and (v) proof of your holdings, if any, of WellCare common stock as of January 22, 2008. Failure to report all such transactions may result in the rejection of your claim.

3. List each purchase, acquisition, sale and transaction in the Class Period separately and in chronological order, by trade date, beginning with the earliest. You must accurately provide the month, day and year of each such transaction you list.

4. Copies of broker confirmations or other documentation of your purchases, acquisitions, sales or transactions in WellCare common stock must be attached to your claim. **DO NOT SEND ORIGINALS.** Failure to provide this documentation could delay verification of your claim or result in rejection of your claim. The Parties and the Claims Administrator do not independently have information about your investments in WellCare common stock. The Claims Administrator may also request additional information as needed to efficiently and reliably calculate your losses.



**PART I - CLAIMANT IDENTIFICATION**

Please read this PART I carefully. Please complete this PART I in its entirety. Failure to do so will result in your ineligibility to receive the notes portion of the Settlement Fund that you otherwise may be entitled to.

Beneficial Owner's Name (Name must be written exactly as it appears in your securities brokerage account). You must also complete page 4, Part I - Claimant Identification (Continued).

Account Number

Street Address

City

State and Zip Code

Foreign Province

Foreign Country

Social Security Number or Employer Identification Number

|  |  |  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|--|--|
|  |  |  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|--|--|

Area Code

Telephone Number (Daytime)

Fax Number

Area Code

Telephone Number (Evening)

Email Address *(Email address is not required, but if you provide it you authorize the Claims Administrator to use it in providing you with information relevant to this claim.)*

**Please check the appropriate box that describes your account. (You must check one):**

- |   |   |
|---|---|
| <input type="checkbox"/> A. Individual / Sole Proprietor. | <input type="checkbox"/> E. Custodianships.             |
| <input type="checkbox"/> B. Joint Ownership.              | <input type="checkbox"/> F. Under Trust agreements.     |
| <input type="checkbox"/> C. Retirement accounts.          | <input type="checkbox"/> G. Estate.                     |
| <input type="checkbox"/> D. Private or public entity.     | <input type="checkbox"/> H. Other. Please explain _____ |

**NOTE: YOU MUST COMPLETE THE CORRESPONDING SECTION ON THE NEXT PAGE.**

NOTICE REGARDING ELECTRONIC FILES: Certain claimants with large numbers of transactions may request to, or may be requested to, submit information regarding their transactions in electronic files. To obtain the mandatory electronic filing requirements and file layout, you may visit the website at [www.gcginc.com](http://www.gcginc.com) or you may e-mail the Claims Administrator at [eClaim@gcginc.com](mailto:eClaim@gcginc.com). Any file not in accordance with the required electronic filing format will be subject to rejection. No electronic files will be considered to have been properly submitted unless the Claims Administrator issues an email after processing your file with your claim numbers and respective account information. Do not assume that your file has been received or processed until you receive this email. If you do not receive such an email within 10 days of your submission, you should contact the electronic filing department at [eClaim@gcginc.com](mailto:eClaim@gcginc.com) to inquire about your file and confirm it was received and acceptable.



**PART I - CLAIMANT IDENTIFICATION (CONTINUED)**

Please complete the appropriate section carefully. Failure to complete it in its entirety will result in the forfeiture of your rights to receive the Securities if any are distributed. You may only complete one.

**Section A.** Individual / Sole Proprietor. Use of initials only (e.g. J.G. Doe) is not acceptable.

- Individual.
- Sole Proprietor

Name:

**Section B.** Joint Ownership. Please indicate the type of tenancy.

- Joint Tenants - Jt Ten  
(includes right of survivorship – JTWROS)
- Tenants in Common - Ten Com
- Tenants by Entireties - Ten Ent

Name(s):

**Section C.** Retirement accounts. Please indicate the type of retirement account.

- IRA
- Roth IRA
- Keogh  
(Defined Benefit Plan or Defined Contribution Plan)
- Other (please describe) \_\_\_\_\_

Custodian:

Beneficiary:

**Section D.** Private or public entity. Please indicate the entity type and check one box below.

- Corporation
- Partnership
- Limited Liability Company
- Non-Profit Organization
- Foundation

**Section E.** Custodianships.

- UGMA
- UTMA

Custodian:

State:

Minor:

**Section F.** Under Trust agreements. Please indicate the name of the trustee(s), the name of the Trust and the date of the Trust agreement in the space provide below

Name of trustee(s):

Name of Trust:

Date of Trust Agreement:

**Section G.** Estate. Please indicate the fiduciary capacity and the name of the person or entity authorized to hold such capacity as follows. (e.g. Include the name of the deceased and the executor)

- Executor (EX)
- Personal Representative (Per Rep)
- Administrator (Adm)
- Conservator (Cons)
- Other. Please explain \_\_\_\_\_

Fiduciary Name(s):

Estate of:



**PART II - SCHEDULE OF TRANSACTIONS IN WELLCARE COMMON STOCK**

A. **BEGINNING HOLDINGS:** Number of shares of WellCare common stock held at the beginning of trading on **February 14, 2005**. (Must be documented. If none, write "0" or zero):

B. **PURCHASES/ACQUISITIONS:** Purchases or other acquisitions on or after **February 14, 2005**, through and including **October 24, 2007**, of WellCare common stock: (Must be documented):

| Trade Date(s)<br>(List Chronologically)<br>Month/Day/Year | Number of Shares<br>Purchased/Acquired | Purchase/Acquisition<br>Price Per Share | Total Purchase/Acquisition Price<br>(Excluding taxes, fees<br>and commissions) |
|---|--|---|--|
| / /   |  | \$ .                                    | \$ .   |
| / /   |  | \$ .                                    | \$ .   |
| / /   |  | \$ .                                    | \$ .   |
| / /   |  | \$ .                                    | \$ .   |

C. **PURCHASES/ACQUISITIONS:** Purchases or other acquisitions from **October 25, 2007**, through and including **January 22, 2008**. (Must be documented. If none, write "0" or zero):

D. **SALES:** Sales on or after **February 14, 2005**, through and including **January 22, 2008**, of WellCare common stock: (Must be documented):

| Trade Date(s)<br>(List Chronologically)<br>Month/Day/Year | Number of<br>Shares Sold | Sale Price<br>Per Share | Total Sale Price<br>(Excluding taxes, fees<br>and commissions) |
|---|--------------------------|-------------------------|--|
| / /   |                          | \$ .                    | \$ .   |
| / /   |                          | \$ .                    | \$ .   |
| / /   |                          | \$ .                    | \$ .   |
| / /   |                          | \$ .                    | \$ .   |

E. **UNSOLD HOLDINGS:** Number of shares of WellCare common stock held at the end of trading on **January 22, 2008**: (Must be documented. If none, write "0" or zero):

If you require additional space please check the box and attach extra schedules in the same format as above. Sign and print your name and include your Social Security or employer identification number and full account name on each additional page.

**YOU ARE NOT FINISHED, PLEASE READ THE RELEASE AND SIGN ON PAGE 6 BELOW.  
FAILURE TO SIGN THE RELEASE MAY RESULT IN A DELAY IN PROCESSING OR THE  
REJECTION OF YOUR CLAIM.**





**VI. SUBMISSION TO THE JURISDICTION OF THE COURT AND ACKNOWLEDGMENTS**

I (We) submit this Proof of Claim under the terms of the Stipulation and Agreement of Settlement ("Stipulation") described in the Notice. I (We) also submit to the jurisdiction of the United States District Court for the Middle District of Florida with respect to my (our) claim as a Class Member and for purposes of enforcing the release set forth herein. I (We) further acknowledge that I (we) will be bound by and subject to the terms of any Final Order and Judgment that may be entered in the Action. I (We) agree to furnish additional information to the Claims Administrator to support this claim if requested to do so. I (We) have not submitted any other claim covering the same purchases or acquisitions of WellCare common stock during the Class Period and know of no other Person having done so on my (our) behalf.

**VII. RELEASE**

1. I (We) hereby acknowledge full and complete satisfaction of, and do hereby fully, finally and forever settle, release and discharge from the Settled Claims each and all of the Released Parties as those terms are defined in the accompanying Notice.

2. This release shall be of no force or effect unless and until the Court approves the Stipulation and the Effective Date (as defined in the Stipulation) has occurred.

3. I (We) hereby warrant and represent that I (we) have not assigned or transferred or purported to assign or transfer, voluntarily or involuntarily, any matter released pursuant to this release or any other part or portion thereof.

4. I (We) hereby warrant and represent that I (we) have included information about: (i) all holdings of WellCare common stock as of the beginning of trading on February 14, 2005; (ii) all purchases, acquisitions, and other transactions of WellCare common stock which took place at any time beginning February 14, 2005 through October 24, 2007; (iii) the number of all purchases, acquisitions, and other transactions of WellCare common stock which took place through and including October 25, 2007 and January 22, 2008; (iv) all sales or other deliveries, including by way of exchange or otherwise which took place on or after February 14, 2005 through and including January 22, 2008, whether such purchases, acquisitions, sales or transactions resulted in a profit or a loss; and (v) proof of holdings, if any, of WellCare common stock as of January 22, 2008.

5. I (We) hereby warrant and represent that I am (we are) not excluded from the Class as defined herein and in the Notice.

**CERTIFICATION**

UNDER THE PENALTY OF PERJURY, I (WE) CERTIFY THAT:

- 1. The number shown on this form is my correct TIN or EIN; and
- 2. The foregoing information supplied by the undersigned is true and correct.

**Signature of Claimant (If this claim is being made on behalf of Joint Claimants, then each must sign.)**

Executed this \_\_\_\_\_ day of \_\_\_\_\_, in \_\_\_\_\_, \_\_\_\_\_.

(Month/Year) (City) (State/Country)

\_\_\_\_\_  
(Sign your name here)

\_\_\_\_\_  
(Type or print your name here)

\_\_\_\_\_  
Date

\_\_\_\_\_  
(Capacity of person(s) signing, e.g., Beneficial Purchaser, Executor or Administrator)

## REMINDER CHECKLIST

1. Please sign the Certification Section of the Proof of Claim Form and Release.
2. If this Claim is being made on behalf of Joint Claimants, then both must sign.
3. For an overview of what constitutes adequate supporting documentation please visit [www.gcginc.com/pages/cases/filing-tips.php](http://www.gcginc.com/pages/cases/filing-tips.php).
4. **DO NOT SEND ORIGINALS OF ANY SUPPORTING DOCUMENTS.**
5. Keep a copy of your Proof of Claim Form and Release and all documentation submitted for your records.
6. The Claims Administrator will acknowledge receipt of your Proof of Claim Form and Release by mail, within 60 days. Your claim is not deemed filed until you receive an acknowledgment postcard. If you do not receive an acknowledgment postcard within 60 days, please call the Claims Administrator toll free at **1-888-345-0869**.
7. If you move, please send us your new address to:

**WellCare Securities Litigation  
c/o GCG, Inc.  
P.O. Box 9640  
Dublin, OH 43017-4940**

8. **Do not use highlighter on the Proof of Claim Form and Release or supporting documentation.**

**THIS PROOF OF CLAIM MUST BE POSTMARKED NO LATER THAN  
JUNE 4, 2011 AND MUST BE MAILED TO:**

**WellCare Securities Litigation  
c/o GCG, Inc.  
P.O. Box 9640  
Dublin, OH 43017-4940**

# **EXHIBIT B**

# INVESTOR'S BUSINESS DAILY®

## Affidavit of Publication

Name of Publication: Investor's Business Daily  
 Address: 12655 Beatrice Street  
 City, State, Zip: Los Angeles, CA 90066  
 Phone #: 310.448.6700  
 State of: California  
 County of: Los Angeles

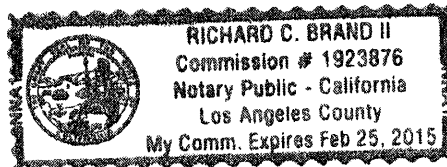
I, Kathy Murray, for the publisher of Investor's Business Daily, published in the city of Los Angeles, state of California, county of Los Angeles hereby certify that the attached notice(s) for The Garden City Group, Inc. was printed in said publication on the following date(s):

March 3rd, 2011: WellCare Securities Litigation

State of California  
 County of Los Angeles

Subscribed and sworn to (or affirmed) before me on this 3rd day of March, 2011, by Kathy Murray, proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Signature Richard C. Brand II (Seal)



UNITED STATES DISTRICT COURT FOR THE MIDDLE DISTRICT OF FLORIDA TAMPA DIVISION

EASTWOOD ENTERPRISES, LLC Individually and on Behalf of All Others Similarly Situated. Plaintiffs,

Case No.: 8:07-cv-1940-VMC-EAJ

vs. TODD S. FARHA, PAUL L. BEHRENS, THADDEUS BEREDAY, and WELLCARE HEALTH PLANS, INC. Defendants.

SUMMARY NOTICE OF PENDENCY OF CLASS ACTION AND PROPOSED SETTLEMENT, SETTLEMENT FAIRNESS HEARING, AND MOTION FOR ATTORNEYS' FEES AND REIMBURSEMENT OF LITIGATION EXPENSES

TO: ALL PERSONS AND ENTITIES THAT PURCHASED OR OTHERWISE ACQUIRED THE COMMON STOCK OF WELLCARE HEALTH PLANS, INC. DURING THE PERIOD FROM FEBRUARY 14, 2005 THROUGH 10:59 A.M. EASTERN STANDARD TIME ON OCTOBER 24, 2007, INCLUSIVE, (THE "CLASS PERIOD") AND WHO WERE DAMAGED THEREBY (THE "CLASS").

YOU ARE HEREBY NOTIFIED, pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the Court, that the above-captioned action has been preliminarily certified as a class action for the purposes of settlement only and that a settlement of the Action in the face amount of at least \$200 million has been proposed by the Parties. A hearing will be held before the Honorable Virginia M. Hernandez Covington of the United States District Court for the Middle District of Florida, Tampa Division in the Sam M. Gibbons United States Courthouse, 801 North Florida Avenue, Tampa, Florida 33602, at 10:00 a.m., on May 4, 2011 to determine: whether the proposed settlement should be approved by the Court as fair, reasonable, and adequate; whether the Class should be certified and class representatives and class counsel be appointed; whether the proposed plan of allocation for distribution of the settlement proceeds should be approved; and to consider the request of Lead Counsel for attorneys' fees and reimbursement of litigation expenses; and the request of Lead Plaintiffs for reimbursement of their reasonable costs and expenses relating to their representation of the Class. The Court may change the date of the hearing without providing another notice.

IF YOU ARE A MEMBER OF THE CLASS DESCRIBED ABOVE, YOUR RIGHTS WILL BE AFFECTED AND YOU MAY BE ENTITLED TO SHARE IN THE NET SETTLEMENT FUND. If you have not yet received the full printed Notice of Pendency of Class Action and Proposed Settlement, Settlement Fairness Hearing, and Motion for Attorneys' Fees and Reimbursement of Litigation Expenses and a Proof of Claim form, you may obtain copies of these documents by contacting the Claims Administrator:

WellCare Securities Litigation Claims Administrator GCG, Inc. P.O. Box 9640 Dublin, OH 43017-4940 888-345-0869 www.WellCareSecuritiesLitigation.com

Inquiries, other than requests for information about the status of a claim, may also be made to Co-Lead Counsel:

Bernstein Litowitz Berger & Grossmann LLP 1285 Avenue of the Americas New York, NY 10019 Attn: Steven B. Singer (866) 648-2524 www.blbgllaw.com

Labaton Sucharow LLP 140 Broadway New York, NY 10005 Attn: James W. Johnson (888) 219-6877 www.labaton.com

To participate in the proposed settlement and be eligible to receive a recovery, you must submit a Proof of Claim form postmarked no later than June 4, 2011. To exclude yourself from the Class, you must submit a request for exclusion for receipt no later than April 13, 2011. If you are a Class Member and do not exclude yourself from the Class, you will be bound by the Court's Order and Judgment. Any objections to the Settlement must be filed with the Court and served on counsel for the parties for receipt on or before April 13, 2011. If you are a Class Member and do not timely submit a valid Proof of Claim form, you will not share in the Settlement, but you nevertheless will be bound by the Order and Judgment of the Court.

DATED: February 24, 2011

BY ORDER OF THE COURT UNITED STATES DISTRICT COURT MIDDLE DISTRICT OF FLORIDA TAMPA DIVISION

BERNSTEIN LITOWITZ BERGER & GROSSMANN LLP

Steven B. Singer Niki L. Mendoza Jeremy P. Robinson Laura H. Gundersheim John Rizio-Hamilton 1285 Avenue of the Americas New York, NY 10019 Tel: (866) 648-2524 Fax: (212) 554-1444

LABATON SUCHAROW LLP

Thomas A. Dubbs James W. Johnson Michael Stocker Michael Woolley 140 Broadway New York, NY 10005 Tel: (888) 219-6877 Fax: (212) 818-0477

Counsel for Teachers' Retirement System of Louisiana, Public School Teachers' Pension & Retirement Fund of Chicago, and Policemen's Annuity and Benefit Fund of Chicago, and Court-appointed Lead Counsel for the Class

Counsel for the New Mexico State Investment Council and the Public Employees Retirement Association of New Mexico, and Court-appointed Lead Counsel for the Class

All capitalized terms not otherwise defined in this document shall have the meaning provided in the Stipulation and Agreement of Settlement with WellCare Health Plans, Inc., dated December 17, 2010



Take Your Investing Education to the Next Level

# **EXHIBIT C**

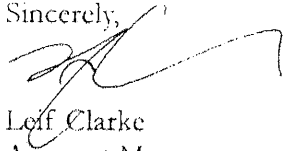
March 11, 2011

Julie Meichsner  
Media Buyer  
GCG Communications  
5335 SW Meadows Rd., Ste. 365  
Lake Oswego, OR 97035

Dear Julie:

This letter confirms that the press releases entitled "Summary Notice of Pendency of Class Action and Proposed Settlement, Settlement Fairness Hearing, and Motion for Attorneys' Fees and Reimbursement of Litigation Expenses" was issued over PR Newswire's US-1 List on Friday, March 3, 2011.

Sincerely,






Leif Clarke  
Account Manager  
PR Newswire//MultiVu

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Featured Video

## Summary Notice of Pendency of Class Action and Proposed Settlement, Settlement Fairness Hearing, and Motion for Attorneys' Fees and Reimbursement of Litigation Expenses

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TAMPA, Fla., March 3, 2011 /PRNewswire/ -- The following statement is being issued by Bernstein Litowitz Berger & Grossmann LLP and Labaton Sucharow LLP regarding the WellCare Securities Litigation.

UNITED STATES DISTRICT COURT FOR THE MIDDLE DISTRICT OF FLORIDA TAMPA DIVISION

EASTWOOD ENTERPRISES, LLC, Individually and on Behalf of All Others Similarly Situated, Plaintiffs, vs. TODD S. FARHA, PAUL L. BEHRENS, THADDEUS BEREDAY, and WELLCARE HEALTH PLANS, INC., Defendants. Case No.: 8:07-cv-1940-VMC-EAJ

### SUMMARY NOTICE OF PENDENCY OF CLASS ACTION AND PROPOSED SETTLEMENT, SETTLEMENT FAIRNESS HEARING, AND MOTION FOR ATTORNEYS' FEES AND REIMBURSEMENT OF LITIGATION EXPENSES

TO: ALL PERSONS AND ENTITIES THAT PURCHASED OR OTHERWISE ACQUIRED THE COMMON STOCK OF WELLCARE HEALTH PLANS, INC. DURING THE PERIOD FROM FEBRUARY 14, 2005 THROUGH 10:59 A.M. EASTERN STANDARD TIME ON OCTOBER 24, 2007, INCLUSIVE, (THE "CLASS PERIOD") AND WHO WERE DAMAGED THEREBY (THE "CLASS").

**YOU ARE HEREBY NOTIFIED**, pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the Court, that the above-captioned action has been preliminarily certified as a class action for the purposes of settlement only and that a settlement of the Action in the face amount of at least \$200 million has been proposed by the Parties. (fn 1) A hearing will be held before the Honorable Virginia M. Hernandez Covington of the United States District Court for the Middle District of Florida, Tampa Division in the Sam M. Gibbons United States Courthouse, 801 North Florida Avenue, Tampa, Florida 33602, at 10:00 a.m., on May 4, 2011 to determine: whether the proposed settlement should be approved by the Court as fair, reasonable, and adequate; whether the Class should be certified and class representatives and class counsel be appointed; whether the proposed plan of allocation for distribution of the settlement proceeds should be approved; and to consider the request of Lead Counsel for attorneys' fees and reimbursement of litigation expenses; and the request of Lead Plaintiffs for reimbursement of their reasonable costs and expenses relating to their representation of the Class. The Court may change the date of the hearing without providing another notice.

**IF YOU ARE A MEMBER OF THE CLASS DESCRIBED ABOVE, YOUR RIGHTS WILL BE AFFECTED AND YOU MAY BE ENTITLED TO SHARE IN THE NET SETTLEMENT FUND.** If you have not yet received the full printed Notice of Pendency of Class Action and Proposed Settlement, Settlement Fairness Hearing, and Motion for Attorneys' Fees and Reimbursement of Litigation Expenses and a Proof of Claim form, you may obtain copies of these documents by contacting the Claims Administrator

*WellCare Securities Litigation*

Claims Administrator

GCG, Inc.

P O Box 9640

Dublin, OH 43017-4940

868-345-0869

[www.WellCareSecuritiesLitigation.com](http://www.WellCareSecuritiesLitigation.com)

Inquiries, other than requests for information about the status of a claim, may also be made to Co-Lead Counsel:

Bernstein Litowitz Berger & Grossmann LLP - or - Labaton Sucharow LLP

1285 Avenue of the Americas

140 Broadway

New York, NY 10019

New York, NY 10005

Attn: Steven B. Singer

Attn: James W. Johnson

(866) 648-2524

(888) 219-6877

[www.blbgllaw.com](http://www.blbgllaw.com)

[www.labatqn.com](http://www.labatqn.com)

To participate in the proposed settlement and be eligible to receive a recovery, you must submit a Proof of Claim form postmarked no later than June 4, 2011. To exclude yourself from the Class, you must submit a request for exclusion for receipt no later than April 13, 2011. If you are a Class Member and do not exclude yourself from the Class, you will be bound by the Court's Order and Judgment. Any objections to the Settlement must be filed with the Court and served on counsel for the parties for receipt on or before April 13, 2011. If you are a Class Member and do not timely submit a valid Proof of Claim form, you will not share in the Settlement, but you nevertheless will be bound by the Order and Judgment of the Court.

DATED: February 24, 2011

BY ORDER OF THE COURT

UNITED STATES DISTRICT COURT MIDDLE DISTRICT OF FLORIDA TAMPA DIVISION

MetroPCS Announces New Collaboration with Icon Snoop Dogg

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#### Other News Releases in Health Care & Hospitals

Leading Health Groups Launch National Campaign for Tobacco-Free Baseball

Interim HealthCare Launches New Caregiver's Coaching Program

Hospira Launches New U.S. Product Website Detailing Entire Portfolio

#### Other News Releases in Legal Issues

Farmworkers, Consumers to March on Downtown Tampa Publix Demanding Fair Labor Standards for Farmworkers

Going Out This Weekend? TxDOT Urges: Line Up a P A S S (Person Appointed to Stay Sober)

McGuireWoods Attorney Admitted to American College of Bankruptcy

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# **EXHIBIT D**

**Julie Meichsner**

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**From:** Microsoft Outlook  
**To:** 'release@bloomberg.net'  
**Sent:** Thursday, March 03, 2011 6:00 AM  
**Subject:** Relayed: Press Release: Summary Notice of Pendency of Class Action and Proposed Settlement, Settlement Fairness Hearing, and Motion for Attorneys' Fees and Reimbursement of Litigation Expenses

**Delivery to these recipients or distribution lists is complete, but delivery notification was not sent by the destination:**

'release@bloomberg.net'

Subject: Press Release: Summary Notice of Pendency of Class Action and Proposed Settlement, Settlement Fairness Hearing, and Motion for Attorneys' Fees and Reimbursement of Litigation Expenses

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Sent by Microsoft Exchange Server 14.07

**EXHIBIT C**

May 20, 2009

**ACTION**  
**Buy**

**WellCare Health Plans, Inc. (WCG)**

**Return Potential: 31%**

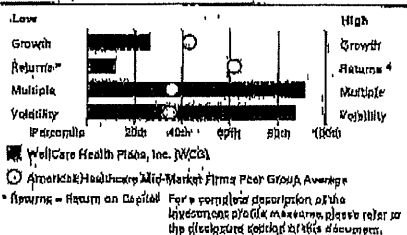


**Reinstate with a Buy rating; add to Conviction Buy List**

**Source of opportunity**

We remove the Not Rated designation on WellCare shares, reinstate with a Buy rating and add it to the Americas Conviction Buy List. Our \$24 price target implies 31% upside potential. WellCare has faced an uncertain outlook since a Federal investigation began in 2007. Despite top management being replaced and the company making significant progress in resolving legal issues, both Street analysts and investors have avoided the stock. However, our analysis indicates WellCare earnings power is significantly under-appreciated by the market, which is reflected in the steep discount in the shares compared to peers.

**Investment Profile**



**Catalyst**

We see four catalysts to drive WellCare shares closer to our price target: (1) the announcement of a complete civil settlement. On May 18 the company announced a portion of the civil settlement (\$10mn with the SEC), and we expect the remainder of the civil settlement to follow shortly; (2) increased access to management and the potential for more detailed financial guidance, which should increase investor interest as the WellCare story is better understood; (3) quarterly earnings to come in much better than expected; and (4) the lifting of Medicare sanctions that CMS placed on WellCare in February 2009.

| Key data                  | Current |
|---------------------------|---------|
| Price (\$)                | 19.50   |
| 6-month price target (\$) | 24.00   |
| Market cap (\$mm)         | 759.3   |
| Dividend yield (%)        | 0.0     |
| Net interest (%)          | 1.8     |
| Debt/capital (%)          | 0.0     |

**Valuation**

Our 6-month \$24 price target is based on an 8.1X P/E multiple applied to our 2010 EPS estimate of \$2.97. WellCare's earning mix is a 60/40 blend between Medicaid and Medicare, and the 8.1X multiple reflects the same mix of Medicaid and Medicare peer multiples.

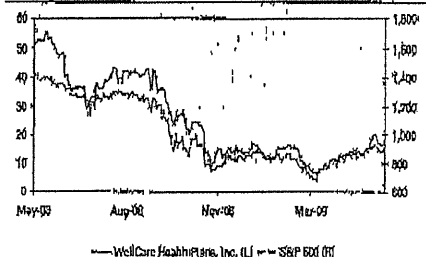
|                  | 12/09   | 12/09E  | 12/10E  | 12/11E  |
|------------------|---------|---------|---------|---------|
| Revenue (\$ mil) | 6,521.3 | 7,097.4 | 6,225.2 | 6,466.7 |
| EPS (\$)         | 2.17    | 2.68    | 2.97    | 3.14    |
| P/E (x)          | 6.0     | 6.9     | 6.6     | 6.2     |
| EV/EBITDA (x)    | 1.8     | NM      | NM      | NM      |
| ROE (%)          | 16.6    | 14.0    | 14.3    | 15.9    |

| EPS (\$) | 9/09 | 6/09E | 9/09E | 12/09E |
|----------|------|-------|-------|--------|
|          | 0.28 | -0.48 | 0.78  | 1.00   |

**Key risks**

Key risks include; legal settlements that are larger than we anticipate, additional litigation, worse than expected Medicaid rates, unfavorable changes to the Medicare program, and worse than expected medical costs.

**Price performance chart**



**INVESTMENT LIST MEMBERSHIP**

Americas Buy List  
Americas Conviction Buy List  
**Coverage View:** Neutral  
United States:  
Healthcare Services

Goldman Sachs is acting as financial advisor to WellCare Health Plans, Inc. in an announced strategic transaction.

| Share price performance (%) | 3-month | 6-month | 12-month |
|-----------------------------|---------|---------|----------|
| Absolute                    | 30.2    | 128.2   | 84.3     |
| Rel. to S&P 500             | 11.7    | 182.7   | 84.7     |

Daryn Miller, CFA  
(917) 343-3219 | daryn.miller@gs.com Goldman, Sachs & Co.  
Matthew Borsch, CFA  
(212) 602-6784 | matthew.borsch@gs.com Goldman, Sachs & Co.

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May 20, 2009

WellCare Health Plans, Inc. (WCG)

## Review of legal matters

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The criminal investigation is largely complete. On May 5, 2009 WellCare and the DOJ announced that they had resolved the United States Attorney Office and the Florida Attorney General's Office investigation that began in October 2007. Under a Deferred Prosecution Agreement (DPA), WellCare will pay a total of \$80 million and has agreed to retain an independent Monitor that will observe WellCare's regulatory compliance for an initial term of 18 months. We believe the \$80 mn settlement is reasonably modest relative to the market's expectation of several hundred million dollars, and importantly, reduces a significant overhang on the shares.

**Wrongdoing is limited in scope relative to aggregate earnings.** The 18 month investigation revealed \$40 mn in wrongdoing (associated with Florida Medicaid behavioral health) between mid-2002 and 2006. Over this 4.5 year period, WellCare generated \$8.5 billion in revenues with \$6.9 billion in medical cost. The wrongdoing represents 0.6% of total medical expense and accounted for an average \$0.14 (9% per year) in EPS. Accounting for the wrongdoing (through restated financial statements), WellCare still generated earnings power of almost \$3 in 2006 and more than \$5 in 2007, suggesting strength in the underlying business model. In addition, the relatively small size of the wrongdoing reduces our concern that similar issues may appear in other states or businesses.

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### Exhibit 12: \$40 million is modest relative to aggregate earnings, in our view in millions

|   |         |
|---|---------|
| Revenue   | 8,544.5 |
| Medical expense   | 6,899.2 |
| Underwriting margin   | 1,645.3 |
| Fraud   | 40.0    |
| as a % of underwriting margin                                   | 2.4%    |
| as a % of medical expense                                       | 0.6%    |
| Average annual benefit to net income that \$40 million provided | 5.5     |
| Average annual benefit to EPS that \$40 million provided        | \$0.14  |
| Average shares over mid-2002 to 2006 period                     | 39.3    |
| Average EPS over mid-2002 to 2006 period                        | \$1.56  |
| \$40 million as a % of EPS                                      | 9.0%    |

Sources: Company data, Goldman Sachs Research estimates.

### \$50 million accrual for civil settlement helps gauge potential liability

WellCare accrued \$50 million as an estimate of settlement with the DOJ Civil Division, the SEC and the OIG. This was based on the current status of resolution discussions, with management stating that resolution of the matter is likely to fall within the \$50-\$70 mn range. Our cash flow estimates assume WellCare pays \$50 million by year-end.

**WellCare announced a \$10 million settlement with the SEC.** The settlement falls within the \$50 million accrual the company established during 1Q2009. WellCare will pay \$2.5 million within 30 days and the remainder within one year. Backing the \$10 million SEC settlement out of the \$50 million civil accrual leaves \$40 million, an amount consistent with the criminal penalty of \$40 million. With respect to the OIG, we believe WellCare is

May 20, 2009

WellCare Health Plans, Inc. (WCG)

more likely to be bound by a corporate integrity agreement rather than face monetary penalties.

**Potential shareholder litigation payments of \$48-\$120mn; we model \$75 million**

Historical securities litigation settlements suggest potential shareholder litigation payments of \$49-\$125mn, based on three models:

1. **Model 1** – examines the settlement as a percentage of damages, and is based on a sample of 15 securities litigation cases (Exhibit 15). The median and average settlement as a percentage of damages is 2.5% and 3.0%, respectively, implying a potential figure of \$100-\$120 million.
2. **Model 2** – examines the settlement as a percentage of market cap at the time of settlement, and is based on a sample of 15 securities litigation cases. The median and average settlement as a percentage of market cap is 6.3% and 9.1%, respectively, implying a potential figure of \$48-\$70 million
3. **Model 3** – is a regression of damages on settlements, and is based on a sample of 15 securities litigation cases. Our regression model implies a settlement of \$70 million (Exhibit 14).

Based on our samples, the average duration of a securities litigation case until settlement is a little over three years. If this timeframe is followed, this suggests WellCare could potentially settle the shareholder litigation in late 2010, or early 2011. In order to model cash, we assume \$75 million will be paid in 2010.

**Exhibit 13: Shareholder settlement could range between \$48mn and \$120mn in millions**

| Model                 | Sample Size | Median % | Avg % | Low | High |
|-----------------------|-------------|----------|-------|-----|------|
| Model 1 (a)           | 4,000       | 2.5%     | 3.0%  | 100 | 120  |
| Model 2 (b)           | 4,000       | 6.3%     | 9.1%  | 48  | 70   |
| Model 3 (c)           | 4,000       | 7.0%     |       | 70  | 70   |
| Low                   |             |          |       | 48  |      |
| High                  |             |          |       |     | 120  |
| Average of models (d) |             |          |       | 75  |      |

(a) Based on our sampling = mean and median percentages settlements of damages  
 (b) Based on our sampling = mean and median percentages settlements of market cap when settled  
 (c) Our regression model based on our sampling of 15 securities litigation settlements  
 (d) We double weight our regression methodology in computing the average

Source: Goldman Sachs Research estimates.

**Exhibit 14: Regression model yields similar outputs Model 3: regression model utilizing litigation settlement data**

|                   |         |           |           |       |
|-------------------|---------|-----------|-----------|-------|
| Multiple R        | 0.982   |           |           |       |
| R Square          | 0.777   |           |           |       |
| Adjusted R Square | 0.760   |           |           |       |
| Standard Error    | 306,841 |           |           |       |
| Observations      | 15      |           |           |       |
| Regression        | 1       | 4,372,059 | 4,322,036 |       |
| Residual          | 13      | 1,239,872 | 63,202    |       |
| Total             | 14      |           | 5,562,011 |       |
| Intercept         | -18,029 | 54,778    | -0.143    | 0.589 |
| X Variable 1      | 0.021   | 0.009     | 6.701     | 0.000 |

Source: Goldman Sachs Research estimates.

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WellCare Health Plans, Inc. (WCG)

**Exhibit 15: Data from 15 securities litigations**  
in millions

| Company              | Case No. | Start Date | End Date | Duration  | Settlement (\$M) | Market Cap (\$M) | Settlement % of Market Cap | Settlement % of Damages |      |       |
|----------------------|----------|------------|----------|-----------|------------------|------------------|----------------------------|-------------------------|------|-------|
| Mediatrix            | MSTR     | 02/11/99   | 03/31/00 | 10/25/00  | 0.9 years        | 1,969            | 15,900                     | 0.5%                    | 4.1% |       |
| Navispart Consulting | NCI      | 01/01/99   | 11/19/99 | 10/26/00  | 0.9 years        | 164              | 766                        | 23                      | 3.0% | 14.0% |
| SCM                  | COM6     | 04/23/97   | 11/05/97 | 11/09/00  | 3.0 years        | 5,674            | 10,145                     | 259                     | 2.6% | 4.6%  |
| Critical Path        | CPFH     | 03/28/99   | 12/06/00 | 06/19/02  | 1.5 years        | 82               | 3,330                      | 10                      | 0.0% | 21.0% |
| Sunbeam              | SOCNQ    | 04/24/97   | 09/30/98 | 09/10/02  | 4.1 years        | 9                | 1,787                      | 141                     | 7.8% | NM*   |
| Oxford               | QHP      | 02/09/96   | 12/09/97 | 03/03/03  | 5.2 years        | 2,394            | 4,600                      | 225                     | 4.8% | 9.4%  |
| Terna                | THC      | 10/02/02   | 11/12/02 | 01/12/06  | 3.2 years        | 3,589            | 17,905                     | 218                     | 1.2% | 6.0%  |
| HealthSouth          | HLS      | 01/14/02   | 08/27/02 | 04/05/06  | 3.9 years        | 1,971            | 7,781                      | 445                     | 5.7% | 22.0% |
| Cisco                | CSGO     | 11/10/99   | 02/03/01 | 08/18/06  | 5.9 years        | 128,391          | 4,877                      | 82                      | 2.0% | 0.1%  |
| Southwest            | SWK      | 11/07/99   | 07/22/02 | 09/20/06  | 4.2 years        | 77,891           | 44,837                     | 35                      | 0.1% | 0.0%  |
| Central Freight      | CENF     | 12/12/03   | 03/17/05 | 10/13/05  | 1.6 years        | 40               | 225                        | 3                       | 1.2% | 6.8%  |
| Krispy Kreme         | KKD      | 09/03/01   | 04/18/05 | 11/08/09  | 1.0 years        | 592              | 879                        | 75                      | 8.5% | 12.7% |
| NorTel Networks      | NT       | 10/24/00   | 02/15/01 | 12/29/09  | 5.9 years        | 11,852           | 97,994                     | 2,450                   | 2.5% | 21.0% |
| Omnivision           | OVTI     | 02/01/02   | 05/09/04 | 12/07/07  | 3.9 years        | 1,002            | 750                        | 14                      | 1.8% | 1.4%  |
| UnitedHealth         | UNH      | 01/20/05   | 05/17/06 | 07/13/09  | 2.1 years        | 30,395           | 29,795                     | 865                     | 3.0% | 2.9%  |
| Median               |          |            |          | 3.2 years |                  |                  |                            | 2.0%                    | 6.3% |       |
| Average              |          |            |          | 3.1 years |                  |                  |                            | 3.0%                    | 6.1% |       |

(\*) Damages are predominantly approximated by change in market cap

Source: Goldman Sachs Research estimates.

**We are not overly concerned about the Connecticut investigation and Leon qui tam (whistleblower lawsuit)**

The State of Connecticut Attorney General's Office is undertaking an investigation of WellCare activities in the state. However, we are less concerned about the implications of this investigation for three reasons, (1) after more than 18 months of investigation by the United States Attorney's Office, the DPA did not mention anything outside the Florida Medicaid behavioral health, (2) WellCare's own internal investigation accurately estimated the extent of the Florida wrongdoing, but does not appear to have uncovered anything with respect to Connecticut, and (3) the Connecticut operations are much smaller than Florida, with annual premiums only 1/10<sup>th</sup> the size of Florida.

In addition, the USAO is investigating a number of qui tam complaints that could potentially be included in the civil settlement (i.e., the settlement relating to WellCare's \$50 million accrual). Furthermore, there was another qui tam action filed in Leon County, Florida, that could potentially be part of the USAO civil settlement. However, we note that the USAO and Florida Attorney General Office did not include it in their investigation.

**EXHIBIT D**



**UNITED STATES DISTRICT COURT  
FOR THE MIDDLE DISTRICT OF FLORIDA  
TAMPA DIVISION**

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EASTWOOD ENTERPRISES, LLC  
Individually and on Behalf of All Others  
Similarly Situated,

Plaintiffs,

vs.

TODD S. FARHA, PAUL L. BEHRENS,  
THADDEUS BEREDAY, and  
WELLCARE HEALTH PLANS, INC.,

Defendants.

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Case No.: 8:07-cv-1940-VMC-EAJ

**DECLARATION OF STEVEN B. SINGER IN SUPPORT OF APPLICATION  
FOR ATTORNEYS' FEES AND REIMBURSEMENT OF EXPENSES FILED ON  
BEHALF OF BERNSTEIN LITOWITZ BERGER & GROSSMANN LLP**

I, STEVEN B. SINGER, under the penalties of perjury, declare as follows:

1. I am a partner in the law firm of Bernstein Litowitz Berger & Grossmann LLP (“BLB&G”), which, along with co-counsel, Labaton Sucharow LLP (“Labaton”), is counsel for the lead plaintiffs, the New Mexico State Investment Council, the Public Employees Retirement Association of New Mexico, Teachers’ Retirement System of Louisiana, Policemen’s Annuity and Benefit Fund of Chicago, and Public School Teachers’ Pension & Retirement Fund of Chicago, and the Court-appointed co-lead counsel (“Lead Counsel”) for the Class in the above-captioned consolidated securities class action. I submit this declaration in support of my firm’s application for an award of attorneys’ fees in connection with services rendered in the above-captioned consolidated class action, as well as for reimbursement of expenses incurred by my firm in connection with the action.<sup>1</sup> I have personal knowledge of the matters set forth herein.

2. In the capacity of Co-Lead Counsel, my firm performed the tasks detailed in the accompanying Declaration of Steven B. Singer and James Johnson in Support of Lead Plaintiffs’ Motion for Final Approval of Class Action Settlement and Lead Counsel’s Application for an Award of Attorneys’ Fees and Reimbursement of Litigation Expenses.

3. The schedule attached hereto as Exhibit 1 is a detailed summary indicating the amount of time spent by each attorney and professional support staff of my firm who was involved in this action, and the lodestar calculation based on my firm’s current billing rates. For personnel who are no longer employed by my firm, the lodestar calculation is based upon the billing rates for such personnel in his or her final year of employment by my firm. The schedule was prepared from contemporaneous daily time records regularly prepared and maintained by my firm, which are available at the request of the Court.

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<sup>1</sup> Unless otherwise indicated herein, capitalized terms shall have those meanings contained in the Stipulation of Settlement dated December 17, 2010, and filed with the Court on January 7, 2011 (ECF No. 265-1).



**EXHIBIT 1**  
**BERNSTEIN LITOWITZ BERGER & GROSSMANN LLP**  
**TIME REPORT**  
**Inception through March 9, 2011**

| NAME                     | HOURS    | HOURLY<br>RATE (\$) | LODESTAR (\$) |
|--------------------------|----------|---------------------|---------------|
| <b>Partners:</b>         |          |                     |               |
| Max Berger               | 181.50   | 975.00              | 176,962.50    |
| Avi Josefson             | 73.50    | 650.00              | 47,775.00     |
| Gerald Silk              | 165.50   | 800.00              | 132,400.00    |
| Steven Singer            | 521.00   | 800.00              | 416,800.00    |
| <b>Senior Counsel:</b>   |          |                     |               |
| Jai Chandrasekhar        | 17.50    | 600.00              | 10,500.00     |
| Rochelle Hansen          | 3.50     | 675.00              | 2,362.50      |
| Niki Mendoza             | 241.00   | 600.00              | 144,600.00    |
| <b>Associates:</b>       |          |                     |               |
| Jerald Bien-Willner      | 4.25     | 465.00              | 1,976.25      |
| Michael Blatchley        | 75.00    | 440.00              | 33,000.00     |
| Ben Galdston             | 114.50   | 550.00              | 62,975.00     |
| Laura Gundersheim        | 1,096.50 | 500.00              | 548,250.00    |
| Noam Mandel              | 102.50   | 465.00              | 47,662.50     |
| John Rizio-Hamilton      | 979.75   | 500.00              | 489,875.00    |
| Jeremy Robinson          | 286.50   | 515.00              | 147,547.50    |
| <b>Staff Associates:</b> |          |                     |               |
| Matthew Berman           | 40.00    | 425.00              | 17,000.00     |
| Dave Duncan              | 4.75     | 425.00              | 2,018.75      |
| <b>Staff Attorneys:</b>  |          |                     |               |
| Joy Amuzie               | 1,330.75 | 395.00              | 525,646.25    |
| Deepan Bajwa             | 58.00    | 375.00              | 21,750.00     |
| David C. Carlet          | 44.25    | 395.00              | 17,478.75     |
| Brian Chau               | 52.00    | 375.00              | 19,500.00     |
| Chris Clarkin            | 61.75    | 375.00              | 23,156.25     |
| Lauren B. Dinner         | 63.50    | 395.00              | 25,082.50     |
| George Dumas             | 178.75   | 395.00              | 70,606.25     |
| Ilana Goldfarb           | 85.75    | 375.00              | 32,156.25     |
| Jennifer Justice         | 197.00   | 375.00              | 73,875.00     |
| Catherine Van Kampen     | 1,437.75 | 395.00              | 567,911.25    |
| Thomas Keevins           | 39.75    | 395.00              | 15,701.25     |
| Paul Knepper             | 338.75   | 395.00              | 133,806.25    |
| Michael Lawrence         | 377.50   | 375.00              | 141,562.50    |

|  |          |        |            |
|--|----------|--------|------------|
| Arthur Lee                             | 89.75    | 375.00 | 33,656.25  |
| Alaina M. Morgan                       | 301.75   | 375.00 | 113,156.25 |
| Ilya Nuzov                             | 97.75    | 375.00 | 36,656.25  |
| Edwin Opoku                            | 81.00    | 375.00 | 30,375.00  |
| Thomas F. Owens                        | 79.00    | 395.00 | 31,205.00  |
| Amanda Philip                          | 9.00     | 395.00 | 3,555.00   |
| Daniel Renehan                         | 1,516.75 | 395.00 | 599,116.25 |
| Robert Stinson                         | 58.00    | 395.00 | 22,910.00  |
| Jason Stowe                            | 351.50   | 375.00 | 131,812.50 |
| Ted J. Swiecichowski                   | 110.75   | 395.00 | 43,746.25  |
| Jens Tobiasson                         | 1,170.50 | 375.00 | 438,937.50 |
| Andrew Tolan                           | 64.00    | 395.00 | 25,280.00  |
| Stacey Toussaint                       | 81.75    | 395.00 | 32,291.25  |
| Erin Zavalkoff-Babej                   | 292.50   | 375.00 | 109,687.50 |
| <b>Project Associate:</b>              |          |        |            |
| Alexandra Hennessy                     | 253.50   | 395.00 | 100,132.50 |
| <b>Summer Associate:</b>               |          |        |            |
| Katherine Celeste                      | 33.00    | 310.00 | 10,230.00  |
| <b>Paralegals and Case Managers:</b>   |          |        |            |
| Ricia Augusty                          | 599.50   | 290.00 | 173,855.00 |
| Dena Bielasz                           | 12.50    | 265.00 | 3,312.50   |
| Martin Braxton                         | 94.50    | 225.00 | 21,262.50  |
| Shirley Chisolm                        | 451.50   | 220.00 | 99,330.00  |
| Alyssa David                           | 5.50     | 220.00 | 1,210.00   |
| Maureen Duncan                         | 11.50    | 290.00 | 3,335.00   |
| Michael Hartling                       | 34.50    | 225.00 | 7,762.50   |
| Dafne Maytorena                        | 10.50    | 220.00 | 2,310.00   |
| Larry Silvestro                        | 4.00     | 290.00 | 1,160.00   |
| Kristina Sousek                        | 100.75   | 245.00 | 24,683.75  |
| Saturina Taylor                        | 15.50    | 190.00 | 2,945.00   |
| Andrew Zimmer                          | 19.25    | 230.00 | 4,427.50   |
| <b>Director of Financial Analysis:</b> |          |        |            |
| Nick DeFilippis                        | 15.00    | 465.00 | 6,975.00   |
| <b>Director of Investor Services:</b>  |          |        |            |
| Adam Weinschel                         | 78.75    | 375.00 | 29,531.25  |
| <b>Financial Analysts:</b>             |          |        |            |
| Amanda Beth Hollis                     | 48.00    | 295.00 | 14,160.00  |
| Rochelle Moses                         | 24.50    | 295.00 | 7,227.50   |
| Sharon Safran                          | 11.50    | 295.00 | 3,392.50   |
| Ryan S. Ting                           | 11.50    | 235.00 | 2,702.50   |

| <b>Investigators:</b>      |                   |        |                       |
|----------------------------|-------------------|--------|-----------------------|
| Amy Bitkower               | 220.25            | 465.00 | 102,416.25            |
| Lisa C. Burr               | 437.50            | 265.00 | 115,937.50            |
| Jaclyn Chall               | 206.50            | 265.00 | 54,722.50             |
| David Kleinbard            | 40.25             | 345.00 | 13,886.25             |
| Joelle (Sfeir) Landino     | 20.75             | 265.00 | 5,498.75              |
| <b>Litigation Support:</b> |                   |        |                       |
| Sheron P. Brathwaite       | 39.75             | 250.00 | 9,937.50              |
| Fred Reyes                 | 5.00              | 260.00 | 1,240.00              |
| <b>TOTAL LODESTAR</b>      | <b>15,282 hrs</b> |        | <b>\$6,425,906.25</b> |

**EXHIBIT 2**  
**BERNSTEIN LITOWITZ BERGER & GROSSMANN LLP**  
**EXPENSE REPORT**  
**Inception through March 25, 2011**

| CATEGORY                                 | AMOUNT (\$)           |
|--|-----------------------|
| Court Fees                               | 15.00                 |
| PSLRA Notice Cost                        | 1,235.00              |
| On-Line Legal Research                   | 27,542.61             |
| On-Line Factual Research                 | 29,945.03             |
| Telephone                                | 1,486.83              |
| Postage and Express Mail                 | 2,345.19              |
| Hand Delivery Charges                    | 240.47                |
| Local Transportation                     | 3,626.91              |
| Internal Copying                         | 23,798.00             |
| Outside Copying                          | 6,946.45              |
| Out of Town Travel                       | 12,919.32             |
| Working Meals                            | 4,861.66              |
| Court Reporters & Transcripts            | 9,368.00              |
| Staff Overtime                           | 1,013.66              |
| Document Storage & Retrieval             | 246.85                |
| Document Management & Litigation Support | 677,345.84            |
| Experts                                  | 613,619.06            |
| Contributions to Litigation Fund         | 108,257.62            |
| <b>TOTAL EXPENSES:</b>                   | <b>\$1,524,813.50</b> |

**EXHIBIT 3**  
**CONTRIBUTIONS TO AND EXPENDITURES**  
**FROM THE LITIGATION FUND**  
**For Expenses Incurred From Inception through March 10, 2011**

**CONTRIBUTIONS:**

| <b>Firm</b>  | <b>AMOUNT (\$)</b>  |
|--|---------------------|
| Bernstein Litowitz Berger & Grossmann LLP <sup>2</sup> | 108,257.62          |
| Labaton Sucharow LLP                                   | 50,000.00           |
| Barrack Rodos & Bacine                                 | 30,000.00           |
| <b>TOTAL CONTRIBUTED:</b>                              | <b>\$188,257.62</b> |

**DISBURSEMENTS:**

| <b>CATEGORY</b>                                     | <b>AMOUNT (\$)</b>  |
|---|---------------------|
| <b>Experts</b>                                      | 47,939.25           |
| <b>Outside Investigators</b>                        | 37,046.14           |
| <b>Outside Copying</b>                              | 16,952.84           |
| <b>Court Reporters &amp; Transcripts</b>            | 10,364.25           |
| <b>Document Management &amp; Litigation Support</b> | 22,570.88           |
| <b>Mediation Fees</b>                               | 53,320.00           |
| <b>On-Line Factual Research</b>                     | 64.26               |
| <b>TOTAL EXPENSES:</b>                              | <b>\$188,257.62</b> |

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<sup>2</sup> Bernstein Litowitz Berger & Grossmann LLP contributed \$120,000.00 during the course of the litigation, but will be refunded the remaining \$13,474.88 balance in the litigation fund upon completion of the litigation. Accordingly, the amount reflected for Bernstein Litowitz Berger & Grossmann's contributions to the litigation fund, in both this chart, and Exhibit 2 above, has been reduced by \$13,474.88.



**EXHIBIT E**

**UNITED STATES DISTRICT COURT  
FOR THE MIDDLE DISTRICT OF FLORIDA  
TAMPA DIVISION**

EASTWOOD ENTERPRISES, LLC  
Individually and on Behalf of All Others  
Similarly Situated,

Plaintiffs,

vs.

TODD S. FARHA, PAUL L. BEHRENS,  
THADDEUS BEREDAY, and  
WELLCARE HEALTH PLANS, INC.,

Defendants.

Case No.: 8:07-cv-1940-VMC-EAJ

I, JAMES W. JOHNSON, declare as follows:

1. I am a partner of the law firm of Labaton Sucharow LLP. I submit this declaration in support of Lead Counsel’s application for an award of attorneys’ fees in connection with services rendered by Plaintiffs’ Counsel in the above-captioned consolidated securities class action (the “Action”), as well as for reimbursement of expenses incurred by my firm in connection with the Action.

2. My firm, together with the law firm of Bernstein Litowitz Berger & Grossmann LLP (“BLB&G”), is counsel of record for the Court-appointed lead plaintiffs, the New Mexico State Investment Council, the Public Employees Retirement Association of New Mexico, Teachers’ Retirement System of Louisiana, Policemen’s Annuity and Benefit Fund of Chicago, and Public School Teachers’ Pension & Retirement Fund of Chicago (collectively, “Lead Plaintiffs”), and we are the Court-appointed co-lead counsel (“Lead Counsel”) for the Class in the Action.

3. As Lead Counsel, my firm was responsible for and participated in all aspects of the Action, as more fully discussed in the accompanying: (i) Declaration of Steven Singer and James Johnson in Support of Lead Plaintiffs' Motion for Final Approval of Class Action Settlement and Lead Counsel's Application for an Award of Attorneys' Fees and Reimbursement of Litigation Expenses; (ii) Lead Counsel's Memorandum in Support of Application for an Award of Attorneys' Fees and Reimbursement of Litigation Expenses; and (iii) Lead Plaintiffs' Memorandum in Support of Its Motion for Final Approval of Settlement.

4. In short, in prosecuting the Action, my firm:

a. engaged in an extensive investigation, which included consultation with accounting, Medicaid and damages experts, the analysis of potential legal claims and the investigation of the underlying facts through, among other things, contacting numerous witnesses across the country;

b. drafted an amended consolidated complaint;

c. defended dispositive motions and moved for class certification;

d. conducted extensive class and fact discovery, including an expert report and depositions, subpoenaing numerous non-parties, engaging in contested motion practice concerning discovery disputes, and reviewing and analyzing approximately four million documents produced by defendants and non-parties; and

e. engaged in months of settlement negotiations, including three in-person mediations.

5. The schedule attached hereto as Exhibit 1 is a detailed summary indicating the amount of time spent by each attorney and professional support staff of my firm who was involved in this Action, and the lodestar calculation based on my firm's current billing rates. For

personnel who are no longer employed by my firm, the lodestar calculation is based upon the billing rates for such personnel in his or her final year of employment by my firm. The schedule was prepared from contemporaneous daily time records regularly prepared and maintained by my firm, which are available at the request of the Court.

6. The hourly rates for the attorneys and professional support staff in my firm included in Exhibit 1 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.

7. The total number of hours expended on this litigation by my firm through March 14, 2011, is 16,981.30. The total lodestar for my firm is \$7,050,830.00.

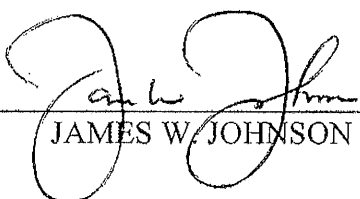
8. My firm's lodestar figures are based upon the firm's billing rates, which rates do not include charges for expense items. Expense items are billed separately and such charges are not duplicated in my firm's billing rates.

9. As detailed in Exhibit 2, my firm has incurred a total of \$126,265.01 in unreimbursed expenses in connection with the prosecution of the Action.

10. The expenses incurred in this action are reflected on the books and records of my firm. These books and records are prepared from expense vouchers, check records and other source materials and are an accurate record of the expenses incurred.

11. I declare, under penalty of perjury, that the foregoing facts are true and correct under the laws of the United States of America

Executed this 16<sup>th</sup> day of March, 2011

  
\_\_\_\_\_  
JAMES W. JOHNSON

**EXHIBIT 1****WELLCARE HEALTH PLANS, INC.****LABATON SUCHAROW LLP****TIME REPORT****Inception – March 14, 2011**

| <b>NAME</b>                                    | <b>HOURS</b> | <b>HOURLY RATE</b> | <b>LODESTAR</b> |
|--|--------------|--------------------|-----------------|
| <b>Partners:</b>                               |              |                    |                 |
| Thomas Dubbs                                   | 123.10       | \$865              | \$106,481.50    |
| Lawrence Sucharow                              | 18.00        | \$865              | \$15,570.00     |
| James Johnson                                  | 1,487.30     | \$765              | \$1,137,784.50  |
| Christopher Keller                             | 100.50       | \$740              | \$74,370.00     |
| Eric Belfi                                     | 28.10        | \$690              | \$19,389.00     |
| Michael Stocker                                | 1,297.60     | \$675              | \$875,880.00    |
| <b>Senior Counsel, Of Counsel, Associates:</b> |              |                    |                 |
| Richard Joffe                                  | 40.00        | \$665              | \$26,600.00     |
| Paul Scarlato                                  | 30.00        | \$615              | \$18,450.00     |
| Mark Goldman                                   | 26.00        | \$615              | \$15,990.00     |
| Nicole Zeiss                                   | 17.10        | \$590              | \$10,089.00     |
| Ethan Wohl                                     | 22.80        | \$575              | \$13,110.00     |
| Joseph Einstein                                | 12.90        | \$550              | \$7,095.00      |
| Brian Penny                                    | 5.70         | \$525              | \$2,992.50      |
| Jason Butler                                   | 19.90        | \$540              | \$10,746.00     |
| Andrei Rado                                    | 97.20        | \$500              | \$48,600.00     |
| Angelina Nguyen                                | 103.70       | \$490              | \$50,813.00     |
| Craig Martin                                   | 97.00        | \$490              | \$47,530.00     |
| Alan Ellman                                    | 13.00        | \$490              | \$6,370.00      |
| Kelso Anderson                                 | 160.60       | \$450              | \$72,270.00     |
| Michael Woolley                                | 706.80       | \$425              | \$300,390.00    |
| Joshua Crowell                                 | 430.40       | \$390              | \$167,856.00    |
| Colin Holmes                                   | 80.60        | \$390              | \$31,434.00     |
| David Erroll                                   | 2,309.50     | \$350              | \$808,325.00    |
| Laura Perrone                                  | 1,895.40     | \$350              | \$663,390.00    |
| Robert Foley                                   | 430.50       | \$350              | \$150,675.00    |
| William McClure                                | 390.40       | \$350              | \$136,640.00    |
| Harold Quadrino                                | 383.00       | \$350              | \$134,050.00    |
| Marc Steier                                    | 366.20       | \$350              | \$128,170.00    |
| Christopher Desantis                           | 264.80       | \$350              | \$92,680.00     |

| <b>NAME</b>                        | <b>HOURS</b>     | <b>HOURLY RATE</b> | <b>LODESTAR</b>       |
|------------------------------------|------------------|--------------------|-----------------------|
| Erin Rump                          | 98.30            | \$350              | \$34,405.00           |
| Martin Bozmarov                    | 7.00             | \$350              | \$2,450.00            |
| Sumeo Oh                           | 2,180.20         | \$325              | \$708,565.00          |
| Kamila Washington                  | 357.60           | \$325              | \$116,220.00          |
| Natalie Noyes                      | 1,709.90         | \$300              | \$512,970.00          |
| Meher Haider                       | 248.40           | \$300              | \$74,520.00           |
| <b>Professional Support Staff:</b> |                  |                    |                       |
| Natalie Ching                      | 21.50            | \$390              | \$8,385.00            |
| Thomas Chianelli                   | 10.10            | \$285              | \$2,878.50            |
| Sara Genua                         | 5.50             | \$260              | \$1,430.00            |
| Alan Gumeny                        | 190.40           | \$440              | \$83,776.00           |
| Stuart Cooper                      | 276.80           | \$365              | \$101,032.00          |
| Ted Polk                           | 16.50            | \$365              | \$6,022.50            |
| Rebecca Warner                     | 9.30             | \$365              | \$3,394.50            |
| Hillary Meador                     | 62.00            | \$250              | \$15,500.00           |
| Robert Tiefenbrun                  | 38.80            | \$250              | \$9,700.00            |
| Jean Bliss                         | 29.30            | \$340              | \$9,962.00            |
| Howard Goldberg                    | 10.20            | \$320              | \$3,264.00            |
| Danette McKenzie                   | 94.40            | \$290              | \$27,376.00           |
| Diana Cordoba-Riera                | 18.20            | \$280              | \$5,096.00            |
| Rachel Messier                     | 14.50            | \$280              | \$4,060.00            |
| Stacy Auer                         | 7.90             | \$280              | \$2,212.00            |
| Cheryl Boria                       | 344.20           | \$265              | \$91,213.00           |
| Cindy Chan                         | 13.40            | \$265              | \$3,551.00            |
| Roy Weisman                        | 27.50            | \$240              | \$6,600.00            |
| Mahiri Buffong                     | 14.20            | \$240              | \$3,408.00            |
| Althea Hewitt                      | 7.50             | \$200              | \$1,500.00            |
| Nick Macri                         | 142.20           | \$190              | \$27,018.00           |
| Anne Christensen                   | 17.00            | \$165              | \$2,805.00            |
| Ngoc Ho                            | 14.40            | \$165              | \$2,376.00            |
| Colin Johnson                      | 36.00            | \$150              | \$5,400.00            |
| <b>TOTAL</b>                       | <b>16,981.30</b> |                    | <b>\$7,050,830.00</b> |

**EXHIBIT 2****LABATON SUCHAROW LLP****EXPENSE REPORT****Inception through March 14, 2011**

| <b>CATEGORY</b>                  | <b>AMOUNT</b>       |
|----------------------------------|---------------------|
| Service of Process               | \$215.00            |
| On-Line Legal Research           | \$6,114.72          |
| On-Line Factual Research         | \$3,524.11          |
| Telephone                        | \$1,264.58          |
| Express Mail                     | \$1,262.46          |
| Hand Delivery Charges            | \$27.50             |
| Internal Copying                 | \$23,550.60         |
| Outside Copying                  | \$137.99            |
| Out of Town Travel               | \$26,649.27         |
| Local Meals/Travel               | \$7,655.25          |
| Experts                          | \$5,425.00          |
| Contributions to Litigation Fund | \$50,000.00         |
| Filing Fees                      | \$180.00            |
| Postage                          | \$258.53            |
| <b>TOTAL</b>                     | <b>\$126,265.01</b> |

**EXHIBIT F**



IN THE UNITED STATES DISTRICT COURT  
FOR THE MIDDLE DISTRICT OF FLORIDA  
TAMPA DIVISION

|  |   |                                |
|--|---|--------------------------------|
| <hr/>                                    |   | )                              |
| EASTWOOD ENTERPRISES, LLC                | ) | )                              |
| Individually and on Behalf of All Others | ) | )                              |
| Similarly Situated,                      | ) | Case No.: 8:07-cv-1940-T-33EAJ |
|  | ) | )                              |
| Plaintiffs,                              | ) | )                              |
|  | ) | )                              |
| vs.                                      | ) | )                              |
|  | ) | )                              |
| TODD S. FARHA, PAUL L. BEHRENS,          | ) | )                              |
| THADDEUS BEREDAY, and WELLCARE           | ) | )                              |
| HEALTH PLANS, INC.                       | ) | )                              |
|  | ) | )                              |
| Defendants.                              | ) | )                              |
| <hr/>                                    |   | )                              |

**DECLARATION OF BARRACK, RODOS & BACINE  
IN SUPPORT OF APPLICATION FOR AWARD OF  
ATTORNEYS' FEES AND REIMBURSEMENT OF EXPENSES**

I, Jeffrey W. Golan, declare as follows:

1. I am a partner of the law firm of Barrack, Rodos & Bacine. I submit this declaration in support of Lead Counsel's application for an award of attorneys' fees in connection with services rendered by Plaintiffs' Counsel in the above-captioned consolidated securities class action (the "Action"), as well as for reimbursement of expenses incurred by my firm in connection with the Action. My firm is counsel of record for The Policeman's Annuity and Benefit Fund of Chicago and the Public School Teachers' Pension and Retirement Fund of Chicago, named plaintiffs in the Action. In this capacity, my firm performed significant services for the Class throughout the litigation, including, *inter alia*: initial case evaluation and prepare report for clients; assist in preparation of motion for consolidation; undertake case investigation in preparation for filing consolidated complaint; draft sections of consolidated complaint, and provide comments on entire complaint; provide comments on proposed case scheduling orders; review and analysis of defendants' motions to dismiss the complaint; research and draft sections

of brief in opposition to dismissal motions, and review and provide comments on entire opposition brief; review indictment, deferred prosecution agreement and exhibits thereto; review whistleblower complaint; draft sections of supplemental submissions to Court regarding dismissal motions, and review and provide comments on entire supplemental submissions; review and analysis of DOJ subpoena materials, and research and draft memo to lead counsel re same; review and provide comments on document requests addressed to defendants; research and draft potential motion to compel investigation materials; consult with lead counsel on stipulation with defendants regarding investigation materials; review and provide comments for document review instructions, issue statements, and coding materials; review and provide comments on mediation statements, and review and analysis of company's mediation statements; review, assist with and provide comments on expert damages and loss causation analyses; attend conference calls with lead counsel regarding document review work; analyze, organize and summarize documents produced by defendants; telephone conferences and memos with client and assist in production of documents by Chicago funds; conduct analysis of potential deponents, and telephone conferences and memos with lead counsel re same; telephone conferences and memos with certain potential witnesses; assist in materials for AHCA witness depositions; work on responses to interrogatories addressed to plaintiffs; participate with lead counsel in telephone conferences and conferences regarding class issues; participate with lead counsel in telephone conferences and conferences regarding depositions and exhibits for depositions; review and provide comments to lead counsel regarding US Attorney motion, and assist in preparation of response to motion; review and provide comments on individual defendants' response to US Attorney motion; review and provide comments on subpoenas issued to investment advisors; prepare for depositions, including Clay, Beerman, Zwang, Deloitte, Marini, and others; conduct certain depositions; review and provide comments on proposed class certification stipulation; provide assistance for mediation positions, and consult with clients re same; review and provide comments on settlement stipulation, notice and other documents; review and provide comments on motion and brief in support of settlement; attend certain Court conferences, and, among other things, numerous conferences, telephone conferences and meetings with lead counsel throughout litigation.

2. The schedule attached hereto as Exhibit 1 is a detailed summary indicating the amount of time spent by each attorney and professional support staff of my firm who was involved in this Action, and the lodestar calculation based on my firm's current billing rates. For personnel who are no longer employed by my firm, the lodestar calculation is based upon the billing rates for such personnel in his or her final year of employment by my firm. The schedule was prepared from contemporaneous daily time records regularly prepared and maintained by my firm, which are available at the request of the Court.

3. The hourly rates for the attorneys and professional support staff in my firm included in Exhibit 1 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.

4. The total number of hours expended on this litigation by my firm through March 8, 2011, is **5,656.75**. The total lodestar for my firm is **\$2,492,863.75**.

5. My firm's lodestar figures are based upon the firm's billing rates, which rates do not include charges for expense items. Expense items are billed separately and such charges are not duplicated in my firm's billing rates.

6. As detailed in Exhibit 2, my firm has incurred a total of **\$36,058.05** in paid unreimbursed expenses in connection with the prosecution of the Action.

7. The expenses incurred in this action are reflected on the books and records of my firm. These books and records are prepared from expense vouchers, check records and other source materials and are an accurate record of the expenses incurred.

8. I declare, under penalty of perjury, that the foregoing facts are true and correct under the laws of the United States of America

Executed this 14<sup>th</sup> day of March, 2011

  
JEFFREY W. GOLAN

Eastwood Enterprises, LLC v Todd S. Farha, et al.

Case NO. 8:07-cv-1940-T-33EAJ

Barrack, Rodos &amp; Bacine

|                              | Hours           | Hourly Rate | Lodestar              |
|------------------------------|-----------------|-------------|-----------------------|
| <b><u>Partners:</u></b>      |                 |             |                       |
| Leonard .. Barrack           | 27.25           | \$740.00    | \$20,165.00           |
| Gerald J. Rodos              | 1.00            | \$730.00    | \$730.00              |
| Daniel E. Bacine             | 18.00           | \$715.00    | \$12,870.00           |
| Jeffrey W. Golan             | 477.25          | \$690.00    | \$329,302.50          |
| Robert A. Hoffman            | 6.00            | \$690.00    | \$4,140.00            |
| Leslie B. Molder             | 21.75           | \$690.00    | \$15,007.50           |
| Jeffrey B. Gittleman         | 113.75          | \$590.00    | \$67,112.50           |
| William J. Ban               | 21.00           | \$560.00    | \$11,760.00           |
| <b>Total for Partners:</b>   | <b>686.00</b>   |             | <b>\$461,087.50</b>   |
| <b><u>Associates:</u></b>    |                 |             |                       |
| Chad A. Carder               | 529.25          | \$455.00    | \$240,808.75          |
| Lisa M. Lamb                 | 299.50          | \$455.00    | \$136,272.50          |
| Beth T. Seltzer              | 0.75            | \$410.00    | \$307.50              |
| Christopher D. Anderson      | 371.50          | \$400.00    | \$148,600.00          |
| Joseph C. Baglini            | 1,132.25        | \$400.00    | \$452,900.00          |
| Robert J. Baker              | 325.50          | \$400.00    | \$130,200.00          |
| Matthew J. Cyr               | 1,103.75        | \$400.00    | \$441,500.00          |
| John B. Herron               | 396.25          | \$400.00    | \$158,500.00          |
| Paul M. Silver               | 40.00           | \$400.00    | \$16,000.00           |
| Erin M. Sine                 | 755.75          | \$400.00    | \$302,300.00          |
| <b>Total for Associates:</b> | <b>4,954.50</b> |             | <b>\$2,027,388.75</b> |
| <b><u>Paralegals:</u></b>    |                 |             |                       |
| Gregory A. Cashel            | 15.25           | \$270.00    | \$4,117.50            |
| Joseph J. Morrison           | 1.00            | \$270.00    | \$270.00              |
| <b>Total for Paralegals:</b> | <b>16.25</b>    |             | <b>\$4,387.50</b>     |
| <b>Grand Totals:</b>         | <b>5,656.75</b> |             | <b>\$2,492,863.75</b> |

Eastwood Enterprises, LLC v. Todd S. Farha, et al.

Expense Report  
Barrack, Rodos & Bacine  
Expense Summary

| <b>Description</b>   | <b>Amount</b>       |
|--|---------------------|
| Commercial Copies  | \$ 305.86           |
| Computer Research & Equipment Fee(s)                       | \$ 1,667.51         |
| Contributions to Plaintiffs' Escrow Fund                   | \$ 30,000.00        |
| Courier & Overnight Delivery Services                      | \$ 195.59           |
| Postage  | \$ 27.97            |
| Internal Copies  | \$ 1,430.75         |
| Telephone  | \$ 796.18           |
| Transcript(s)  | \$ 608.80           |
| Travel Expenses (including hotels, meals & transportation) | \$ 1,025.39         |
| <b>TOTAL:</b>  | <b>\$ 36,058.05</b> |

**EXHIBIT G**

UNITED STATES DISTRICT COURT  
MIDDLE DISTRICT OF FLORIDA  
TAMPA DIVISION

EASTWOOD ENTERPRISES, LLC  
individually and on behalf of all  
others similarly situated,

Case No. 8:07-cv-1940-T-24 MSS

Plaintiff

v.

TODD S. FARHA, ET AL,

Defendants.

DECLARATION OF MARC I. GROSS, ESQ., OF POMERANTZ HAUDEK  
GROSSMAN & GROSS LLP IN SUPPORT OF AN ATTORNEYS' FEES  
AND EXPENSES AWARD

I, Marc I Gross, declare as follows:

1. I am a partner of the law firm of Pomerantz Haudek Grossman & Gross LLP. I submit this declaration in support of Lead Counsel's application for an award of attorneys' fees in connection with services rendered by Plaintiffs' Counsel in the above-captioned consolidated securities class action (the "Action"), as well as for reimbursement of expenses incurred by my firm in connection with the Action.

2. On behalf of several institutional clients, my firm engaged and supervised an outside investigator, Suzanne Clarke, at the investigative stage of this litigation. Ms. Clarke located and interviewed a number of former Wellcare employees, including one at Wellcare's Florida subsidiary, who was present at meetings with defendant CEO Todd Farha ("Farha"). This witness reported several incriminating orders issued by Farha regarding revenue manipulation and the "push of funds." A memo analyzing all the interviews and summarizing the

claims arising therefrom was provided to Lead Counsel upon their appointment, and contributed to the successful litigation of this action.

3. The schedule attached hereto as Exhibit 1 is a detailed summary indicating the amount of time spent by each attorney and professional support staff of my firm who was involved in this Action, and the lodestar calculation based on my firm's current billing rates. For personnel who are no longer employed by my firm, the lodestar calculation is based upon the billing rates for such personnel in his or her final year of employment by my firm. The schedule was prepared from contemporaneous daily time records regularly prepared and maintained by my firm, which are available at the request of the Court.

4. The hourly rates for the attorneys and professional support staff in my firm included in Exhibit 1 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.

5. The total number of hours expended on this litigation by my firm through March 7, 2011, is 69.05. The total lodestar for my firm is \$38,173.75.

6. My firm's lodestar figures are based upon the firm's billing rates, which rates do not include charges for expense items. Expense items are billed separately and such charges are not duplicated in my firm's billing rates.

7. As detailed in Exhibit 2, my firm has incurred a total of \$11,823.00 in unreimbursed expenses in connection with the prosecution of the Action.

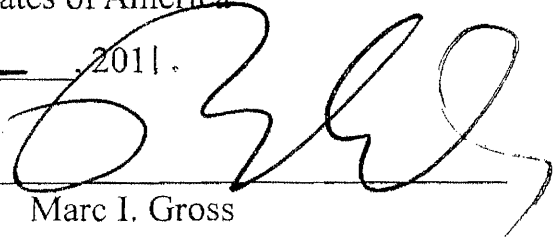
8. The expenses incurred in this action are reflected on the books and records of my firm. These books and records are prepared from expense vouchers, check records and other source materials and are an accurate record of the expenses incurred.

9. Attached as Exhibit 3 is our Firm Biography.



10. I declare, under penalty of perjury, that the foregoing facts are true and correct under the laws of the United States of America

Executed this 7<sup>th</sup> day of March, 2011.



\_\_\_\_\_

Marc I. Gross

**EXHIBIT 1**

**Pomerantz Haudek Grossman & Gross LLP**

**TIME REPORT**

**Inception through March 7, 2011**

| NAME                  | HOURS | HOURLY<br>RATE | LODESTAR           |
|-----------------------|-------|----------------|--------------------|
| <b>Partners:</b>      |       |                |                    |
| Marc I. Gross         | 25.6  | \$825          | \$21,120.00        |
|                       |       |                |                    |
| <b>Associates:</b>    |       |                |                    |
| R. James Hodgson      | 1.7   | \$500          | \$850.00           |
| Fei-Lu Qian           | 2.0   | \$450          | \$900.00           |
| Carol Straw           | 39.75 | \$385          | \$15,303.75        |
|                       |       |                |                    |
|                       |       |                |                    |
|                       |       |                |                    |
|                       |       |                |                    |
| <b>TOTAL LODESTAR</b> |       |                | <b>\$38,173.75</b> |

**EXHIBIT 2****Pomerantz Haudek Grossman & Gross LLP****EXPENSE REPORT****Inception through March 7, 2011**

| <b>CATEGORY</b>                                      | <b>AMOUNT</b>      |
|--|--------------------|
| <b>On-Line Legal Research</b>                        | 61.47              |
| <b>Express Mail and postage<br/>Fedex (\$318.35)</b> | 357.88             |
| <b>Local Travel</b>                                  | 18.00              |
| <b>Experts<br/>Forensic Economics</b>                | 545.00             |
| <b>Investigative Services<br/>Suzanne Clarke</b>     | 10,840.65          |
| <b>TOTAL EXPENSES:</b>                               | <b>\$11,823.00</b> |
|  |                    |
|  |                    |
|  |                    |

EXHIBIT 3

**POMERANTZ**  
HAUDEK GROSSMAN & GROSS LLP

**the Pomerantz Firm**

Pomerantz Haudek Grossman & Gross LLP (“Pomerantz” or “Firm”) is one of the nation’s foremost specialists in corporate, securities, antitrust and ERISA class litigation. The Firm was founded in 1936 by the late Abraham L. Pomerantz, one of the “pioneers who developed the class action/derivative action field.”<sup>1</sup> Mr. Pomerantz rose to national prominence as a “champion of the small investor” and a “battler against corporate skullduggery.”<sup>2</sup> Today, led by Managing Partner Marc I. Gross, the Firm maintains the commitments to excellence and integrity passed down by Mr. Pomerantz. Mr. Gross has over thirty years experience litigating securities fraud and derivative actions and is a Vice President of the Institute of Law and Economic Policy.

For almost 75 years, the Firm has consistently shaped the law, winning landmark decisions that have expanded and protected investor rights, initiated historic corporate governance reforms, and enhanced protection of patients and doctors from abuses of managed care. The Firm’s primary focus is on securities, antitrust and insurance-related litigation.

## **SECURITIES LITIGATION**

### **Courts Have Consistently Acknowledged Firm’s Ability to Successfully Litigate on Behalf of Investors**

Throughout its history, courts time and again have acknowledged the Firm’s ability to vigorously pursue and successfully litigate actions on behalf of investors. In approving the \$225 million settlement in *In re Converse Technology Inc. Sec. Litig.*, No. 06-CV-1825 (E.D.N.Y.) in June 2010, Judge Nicholas G. Garaufis stated:

As outlined above, the recovery in this case is one of the highest ever achieved in this type of securities action. . . . The court also notes that, throughout this litigation, it has been impressed by Lead Counsel’s acumen and diligence. The briefing has been thorough, clear, and convincing, and . . . Lead Counsel has not taken short cuts or relaxed its efforts at any stage of the litigation.

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<sup>1</sup> New York Law Journal (August 1, 1983).

<sup>2</sup> Robert J. Cole, *Class Action Dean*, The National Law Journal, Vol. 1 No. 2 at 1 (Sept. 25, 1978).

In approving a \$146.25 million settlement in *In re Charter Communications Sec. Litig.*, 02 Cv1186 (E.D. Mo. 2005), in which Pomerantz served as sole Lead Counsel, Judge Charles A. Shaw praised the Firm's efforts:

This Court believes Lead Plaintiff achieved an excellent result in a complex action, where the risk of obtaining a significantly smaller recovery, if any, was substantial." In awarding fees to Pomerantz, the Court cited "the vigor with which Lead Counsel . . . investigated claims, briefed the motions to dismiss, and negotiated the settlement . . .

Also, in certifying a class in a securities fraud action against analysts in *DeMarco v. Robertson Stephens*, 2005 U.S. Dist. LEXIS (S.D.N.Y.), Judge Gerard D. Lynch stated that Pomerantz had "ably and zealously represented the interests of the class."

Numerous courts have made similar comments:

- Appointing Pomerantz Lead Counsel in *American Italian Pasta Co. Sec. Litig.*, No 05-CV-0725-W-ODS (W.D. Mo.), a class action that involved a massive fraud and restatements spanning several years, the District Court observed that the Firm ". . . has significant experience (and has been extremely effective) litigating securities class actions, employs highly qualified attorneys, and possesses ample resources to effectively manage the class litigation and protect the class's interests."
- In approving the settlement in *In re Wiring Devices Antitrust Litigation*, MDL Docket No. 331 (E.D.N.Y. Sept. 9, 1980), Chief Judge Jack B. Weinstein stated that "Counsel for the plaintiffs I think did an excellent job. . . . They are outstanding and skillful. The litigation was and is extremely complex. They assumed a great deal of responsibility. They recovered a very large amount given the possibility of no recovery here which was in my opinion substantial."
- In *Snyder v. Nationwide Insurance Co.*, Index No. 97/0633, (N.Y. Supreme Court, Onondaga County), a case where Pomerantz served as Co-Lead Counsel, Judge Tormey stated, "It was a pleasure to work with you. This is a good result. You've got some great attorneys working on it."
- In *Steinberg v. Nationwide Mutual Insurance Co.*, 99 CV 7725 (E.D.N.Y.), Judge Spatt, granting class certification and appointing the Firm as class counsel, observed: "The Pomerantz firm has a strong reputation as class counsel and has demonstrated its competence to serve as class counsel in this motion for class certification." (2004 U.S. Dist. LEXIS 17669 at \*24)
- In *Mercury Savings and Loan*, CV 90-87 LHM (C.D. Cal.), Judge McLaughlin commended the Firm for the "absolutely extraordinary job in this litigation."
- In *Boardwalk Marketplace Securities Litigation*, MDL No. 712 (D. Conn.), Judge Eginton described the Firm's services as "exemplary," praised it for its "usual fine job of lawyering . . . [in] an extremely complex matter," and concluded that the

case was “very well-handled and managed.” (Tr. at 6, 5/20/92; Tr. at 10, 10/10/92)

- In *Nodar v. Weksel*, 84 Civ. 3870 (S.D.N.Y.), Judge Broderick acknowledged “that the services rendered [by Pomerantz] were excellent services from the point of view of the class represented, [and] the result was an excellent result.” (Tr. at 21-22, 12/27/90)
- In *Klein v. A.G. Becker Paribas, Inc.*, 83 Civ. 6456 (S.D.N.Y.), Judge Goettel complimented the Firm for providing “excellent . . . absolutely top-drawer representation for the class, particularly in light of the vigorous defense offered by the defense firm.” (Tr. at 22, 3/6/87)
- In *Digital Sec. Litig.*, 83-3255Y (D. Mass.), Judge Young lauded the Firm for its “[v]ery fine lawyering.” (Tr. at 13, 9/18/86)
- In *Shelter Realty Corp. v. Allied Maintenance Corp.*, 75 F.R.D. 34, 40 (S.D.N.Y.), Judge Frankel, referring to Pomerantz, said: “Their experience in handling class actions of this nature is known to the court and certainly puts to rest any doubt that the absent class members will receive the quality of representation to which they are entitled.”
- In *Rauch v. Bilzerian*, 88 Civ. 15624 (Sup. Ct. N.J.), the court, after trial, referred to Pomerantz partners as “exceptionally competent counsel,” and as having provided “top drawer, topflight [representation], certainly as good as I’ve seen in my stay on this court.”

### **Legacy of Setting Important Precedents**

The Firm has won many landmark decisions that have enhanced shareholders’ rights and improved corporate governance.

- *Ross v. Bernhard*, 396 U.S. 531 (1970) (establishing the right to trial by jury of derivative actions);
- *New Mexico State Inv Council v. Countrywide Fin. Corp., et al.*, No. D-0101-CV-2008-02289, Transcript of Proceedings on March 25, 2009 (N.M. 1<sup>st</sup> Dist. Ct.) (a mortgage-backed securities (“MBS”) holder may bring claims if the MBS price declines even if all payments of principal and interest have been made);
- *EBC I, Inc. v. Goldman Sachs & Co.*, 5 N.Y. 3d (2005) (New York State’s highest court found for the first time that a lead managing underwriter can owe fiduciary duties to an issuer in connection with the issuer’s IPO even where the underwriting contract does not establish any fiduciary relationship);
- *Kronfeld v. TWA*, 832 F.2d 726 (2d Cir. 1987) (holding, *before Basic, Inc. v. Levinson*, 485 U.S. 224 (1988), that a company may have the obligation to disclose to

shareholders its Board's consideration of important corporate transactions, such as the possibility of a spin-off, even before any final decision has been made);

- *In re Summit Medical Systems Secs. Litig.*, 294 F.3d 969 (8th Cir. 2002) (holding that standing existed for aftermarket purchasers who could trace their purchase of shares to a false registration);
- *Gartenberg v. Merrill Lynch Asset Mgmt., Inc.*, 740 F.2d 190 (2d Cir. 1984) (establishing limits on advisory fees charged by investment advisors under the Investment Company Act). Recently, the Supreme Court adopted the stand set by Pomerantz in *Gartenberg*. (See *Jones v. Harris*);
- *Fogel v. Chestnutt*, 533 F.2d 731 (2d Cir. 1975) (private right of action under Investment Advisory Act and duty of fund managers to make full disclosures to outside directors in all areas where there was a possibility of any conflict of interest); *Moses v. Burgin*, 445 F.2d 369 (1st Cir. 1971) (similar);
- *Perrigo*, 2010 U.S. Dist. LEXIS 105185; Fed. Sec. L. Rep. (CCH) P95,927 (Sept. 2010)
- *Medicis*
- *In re Comverse Technology Inc. Sec. Litig.*, 2007 U.S. Dist. LEXIS 14878 (E.D.N.Y. 2007) (clarifying the standards for calculating the "largest financial interest" in the selection of lead plaintiffs in a manner consistent with the Supreme Court's ruling on loss causation in *Dura Pharmaceuticals v. Broudo*, 544 U.S. 336 (2005)).
- See also, *Pearlman v. Feldmann*, 219 F.2d 173 (2d Cir. 1955); *DeMarco v. Robertson Stephens*, 2005 U.S. Dist. LEXIS 2005 (S.D.N.Y. 2005); *Salomon Analyst AT&T Litig.*, 350 F. Supp. 2d 455 (S.D.N.Y. 2004) (GEL); *DeMarco v. Robertson Stephens*, 318 F. Supp. 2d 110 (S.D.N.Y. 2004); *In re Green Tree Fin. Corp. Options Litig.*, No. 97-2679, 2002 U.S. Dist. LEXIS 13986 (D. Minn. July 29, 2002); *Drolet v. Healthsource, Inc.*, 968 F. Supp. 757 (D.N.H. 1997); *In re Texas International Company Sec. Litig.*, [1988-89 Decisions] Fed. Sec. L. Rep. (CCH) ¶ 94,125 (W.D. Okla. 1988); *Fisher v. Kletz*, 266 F. Supp. 180 (S.D.N.Y. 1967).

### **Significant Recoveries Achieved for the Class**

Among the class and shareholder derivative actions in which Pomerantz was Lead or Co-Lead Counsel are:

- *In re Comverse Technology Inc. Sec. Litig.*, No. 06-CV-1825 (E.D.N.Y. 2010) (\$225 million recovery);
- *In re Charter Communications, Inc. Sec. Litig.*, No. 05-CV-1186 (E.D. Mo.



2005) (\$146.25 million recovery);

- *In re Methionine Antitrust Litig.*, Master File No. C-99-3491-CRB, MDL No. 1311 (N.D. Cal. 2002) (\$107 million recovery);
- *In re First Executive Corporation Sec. Litig.*, CV-89-7135 DT (Kx) (C.D. Cal. 1994) (\$102 million recovery);
- *In re Salomon Brothers Treasury Litig.*, 91 Civ. 5471 (RPP) (S.D.N.Y. 1994) (\$100 million recovery);
- *Snyder v. Nationwide Insurance Co.*, Index No. 97/0633 (Supreme Court, N.Y., Onondaga County 1998) (\$100 million recovery);
- *In re Telerate, Inc. Shareholders Litig.*, Civ. 1115 (Del. Ch. 1989) (\$95 million benefit).
- *In re Sorbates Direct Purchaser Antitrust Litig.*, C98-4886 Cal (N.D. Cal. 2000) (over \$82 million recovery);
- *In re Elan Corp. Sec. Litig.*, No. 02-CV-0865(RMB) (S.D.N.Y. 2005) (\$75 million recovery);
- *In re Salomon Analysts AT&T Litig.*, No. 02-CV-865 (S.D.N.Y.) (\$74.75 million recovery);
- *In re Boardwalk Marketplace Sec. Litig.*, M.D.L. Docket No. 712 (D. Conn. 1994) (over \$66 million benefit);
- *In re National Health Laboratories, Inc. Sec. Litig.*, CV-92-1949-H (CM) (S.D. Cal. 1995) (\$64 million recovery);
- *In re Safety-Kleen Corp. Stockholders Litig.*, C.A. No. 3:00-CV-736-17 (D.S.C. 2004) (\$54.5 million recovery);
- *In re Livent, Inc. Noteholders Sec. Litig.* Case No. 98-CV-7161 (S.D.N.Y. 2003) (\$17.25 million aggregate settlements; \$36 million additional judgment (with interest);
- *In re Transkaryotic Sec. Litig.*, No. 03-10165 (D. Mass 2008) (member of Executive Committee) (\$50 million recovery);
- *Mardean Duckworth v. Country Life Insurance Co.*, No. 98 CH 01046 (Ill. Cir. Ct., Cook Cty.) (\$45 million recovery);

- *In re Summit Metals, Inc. v. Gray*, No., 98-2870 (D. Del. 2004) (\$43 million judgment and required turnover of the stock of two corporations);
- *In re Ocean Drilling & Exploration Company Shareholders Litig.*, Civ. No. 11898 (Del. Ch. 1991) (\$38 million cash benefit);
- *In re National Student Marketing Sec. Litig.*, MDL Docket No. 105 (D.D.C. 1983) (\$35 million recovery).
- *Hurley v. FDIC*, Civil Action No. 88-1940-T (D. Mass. 1992) (\$29 million judgment after trial against two former officers of First Service Bank for Savings);
- *In re American Italian Pasta Company Sec. Litig.*, No. 05-CV-0725 (W.D. Mo. 2008) (\$28.5 million settlement)
- *In re Data Point Sec. Litig.*, SA-82-CA-338 (W.D. Tex. 1987) (\$28.4 million recovery);
- *Wallace v. Fox* Docket No. 3:96-CV-00772 (PCD) (D. Conn. 1997) (Northeast Utilities Shareholder Derivative Action) (\$25 million recovery);
- *In re AM International, Inc. Sec. Litig.*, M-21-31, MDL Docket No. 494 (S.D.N.Y. 1987) (\$23 million recovery);
- *Frank v. Paul* (CenTrust Savings Bank Sec. Litig.), 90-0084-CIV (S.D. Fla. 1996) (\$20 million recovery); and
- *In re Woolworth Corporation Sec. Class Action Litig.*, 94 Civ. 2217 (RO) (S.D.N.Y. 1997) (recovery of \$20 million);

## **INSURANCE LITIGATION**

Pomerantz is at the forefront of innovative class actions against health insurance companies to protect both patients and doctors from abuses of managed care. It represents both individuals and large medical associations, including the AMA. In September 2010, the Court granted final approval to an historic \$350 million settlement in *American Medical Assoc. v. United Healthcare*, resolving a nearly decades-long challenge to its practices involving reimbursement for health care services by out-of-network providers. Pomerantz, which served as co-lead counsel in the action from its beginning in 2000, was previously appointed by the Court as Lead Settlement Class Counsel.

Pomerantz Firm's class litigation was a catalyst for New York Attorney General Andrew Cuomo's investigation into the healthcare industry, and, specifically, into United Healthcare's use of its Ingenix database for making benefit determinations. In addition to the monetary component, the *United Healthcare* settlement also includes substantial injunctive relief which will alter how the industry determines usual, customary and reasonable ("UCR") rates for out-of-network health care services. Those injunctive remedies were negotiated in collaboration with the Attorney General's office.

Another precedent-setting health care case is *Wachtel v. Health Net, Inc.*, (D.N.J.), where, as Co-Lead Counsel, Pomerantz reached a \$250 million settlement. In approving the *Health Net* settlement, Judge Faith S. Hochberg observed:

There has been an enormous amount of highly professional time put into what's a very important issue here, and that is to make sure that when people are covered by insurance coverage, that they get what they believed that they are entitled to. This settlement will go a very long way and reverberate far beyond this courtroom in that. And I believe it has already done so.

## **ANTITRUST LITIGATION**

Pomerantz has earned a national reputation for its expertise in antitrust litigation, serving in a leadership role in numerous complex and high profile antitrust class actions, including in *In re Methionine Antitrust Litigation* (N.D. Cal. 2002) (\$107 million recovery) and *In re Sorbates Direct Purchaser Antitrust Litigation* (N.D. Cal. 2000) (over \$82 million recovery). We played a prominent role in *In re NASDAQ Market-Makers Antitrust Litigation*, MDL 1023 (S.D.N.Y.), which resulted in a settlement in excess of \$1 billion for class members.

In granting the fee request in *In re Salomon Brothers Treasury Litigation*, 91 Civ. 5471 (RPP) (S.D.N.Y.), where the firm successfully negotiated a \$100 million settlement for the class in a complex antitrust and securities case, Judge Patterson stated:

I am going to approve the settlement, and I am going to approve the attorneys' fees that you have requested with cost.

As I am doing it so summarily, does not mean I have not considered it at length. But it does not need that much consideration because I've observed the conduct of the attorneys involved here. They get the work done, and it was a tough one.

I think that there were a lot of people who thought there was going to be no recovery at all in this case.

In *In re Wiring Devices Antitrust Litigation*, MDL Docket No. 331 (E.D.N.Y. Sept. 9, 1980), where the firm was again Lead Counsel, Chief Judge Jack B. Weinstein stated:

Counsel for the plaintiffs I think did an excellent job . . . . They are outstanding and skillful. The litigation was and is extremely complex. They assumed a great deal of responsibility. They recovered a very large amount given the possibility of no recovery here which was in my opinion substantial.

Over the past several years, Pomerantz' Antitrust Group has spearheaded an effort to challenge anticompetitive conduct by pharmaceutical companies designed to artificially inflate the price of brand name prescription drugs.

## **MARC I. GROSS**

Marc I. Gross is Managing Partner of Pomerantz. For over three decades, he has focused on securities fraud class actions and derivative actions, while also litigating antitrust and consumer cases. Mr. Gross heads the Firm's Institutional Investor Practice and New Case Groups and is Lead Counsel in many of the Firm's major pending cases.

Mr. Gross's numerous notable achievements include: *In re Charter Communications Inc. Sec. Litig.* (\$146.25 million settlement); *In re Salomon Analyst AT&T Litig.* (\$74.75 million settlement); *In re Elan Corp. Sec. Litig.* (\$75 million settlement); *In re National Health Labs, Inc. Sec. Litig.* (\$64 million recovery); and *Snyder v. Nationwide Insurance Co.* (derivative settlement valued at \$100 million).

Other examples of Mr. Gross' representation as sole or Co-Lead Counsel are: *In re Elan Corp. Sec. Litig.*, No. 02-CV-865 (S.D.N.Y.) (\$75 million settlement); *In re Salomon Analysts AT&T Litig.*, No. 02-CV-865 (\$74.75 million settlement) (S.D.N.Y.); *In re National Health Labs., Inc. Securities*, CV-92-1949-H (S.D. Cal. 1995) (\$64 million recovery); *In re American Italian Pasta Co. Sec. Litig.*, No 05-CV0725-W-ODS (S.D.N.Y.) (\$28.5 million settlement); *Mardean Duckworth v. Country Life Insurance Co*, No. 98 CH 01046 (C.D. Ill. 2000) (\$45 million settlement); and *Frank v. Paul (Centrust Savings Bank Securities Litigation)*, 93 Civ. 1453 (E.D.N.Y. 1996) (over \$20 million recovery). He was a member of the Plaintiffs' Executive Committee in *In re Transkaryotic Therapies Sec. Litig.* 03-cv-10165-RWZ (D. Mass.), which has settled for \$50 million (court approval of settlement has been requested).

Mr. Gross has extensive trial experience, including *In re Zila Inc. Securities Litig.*, (D.C. Ariz. (PHX)) and *In re Zenith Labs Securities Litig.*, (D.C. N.J.)

Courts have been highly complimentary of Mr. Gross's legal representation. For example, in *Snyder v. Nationwide Insurance Co.*, Index No. 97/0633 (N.Y. Supreme Court, Onondaga County), where he was Co-Lead Counsel, the Court, in approving the settlement valued at \$100 million for defrauded life insurance policy customers in New York, stated:

The Court approves the settlement in all respects. It is so ordered, and I compliment you all, not only the manner in which you arrived at this result today, but the time that you -- in which it was done. And I think you all did a very, very good job for all the people. You made attorneys look good. I thank you very much. It was nice working with you all.

Mr. Gross was the attorney-in-charge of *Texas Int'l Co. Sec. Litig.* (W.D. Okla.), where, in granting class certification, the Court observed:

The performance of plaintiffs' counsel thus far leaves the Court with no doubt that plaintiffs' claims will be vigorously and satisfactorily prosecuted

throughout the course of this litigation.

In the course of approving the subsequent settlement of the case, the Court added:

I would like to compliment all the parties and attorneys in this case. . . . You have all worked together better than I think any case I've had that involved these extensive issues and parties and potential problems. And I for one appreciate it. And I think it shows certainly a great deal of professionalism on all your part.

Mr. Gross has been a member of the New York City Bar Association's Federal Courts Committee, an early neutral evaluator for the Eastern District of New York, and a mediator for the Commercial Division of the Supreme Court of the State of New York. He is currently a Vice President of the Institute of Law and Economic Policy ("ILEP"), a not-for-profit organization devoted to promoting academic research and dialogue in securities law issues and litigation, and for many years was an officer of the National Association of Securities and Consumer Trial Attorneys ("NASCAT").

He is a frequent speaker at legal forums on various shareholder-related issues. In April 2010 he headed the panel *Class Actions* at the conference entitled "Protection of Investors in the Wake of the 2008-2009 Financial Crisis," co-sponsored by the University of Pennsylvania School of Law Institute for Law and Economic Policy, and Huntington National Bank. Other speaking engagements include *Risk Management and Due Diligence* (Brooklyn Law School, March 2009); *Say-on-Pay* (Vanderbilt Law School, March 2009); *Basic – 20 Years Later* (Wisconsin Law School/ILEP November 2008/University of Arizona, April 2008); and *The Scott/Paulson "Reform" Proposal* (Duke, 2007). Mr. Gross spoke on excess compensation at the Israeli Pension Fund Conference in October 2009.

Mr. Gross is the author of the journal article "*Loser-Pays - or Whose 'Fault' Is It Anyway: A Response to Hensler-Rowe's 'Beyond 'It Just Ain't Worth It''*", which appeared in 64 *Law & Contemporary Problems* (Duke Law School) (2001) in an issue addressing Complex Litigation at the Millennium.

Mr. Gross is active in civic affairs and served as Chairman of Neighbors Helping Neighbors, a not-for-profit housing group based in Brooklyn, New York.

Mr. Gross graduated from New York University Law School in 1976, and received his undergraduate degree from Columbia University in 1973.

Mr. Gross is admitted to practice in New York, the United States District Courts for the Southern and Eastern Districts of New York, the Western District of Missouri, District of Arizona, the United States Courts of Appeals for the First, Second, Third and Eighth Circuits, and the United States Supreme Court.

### **SHAHEEN RUSHD**

Shaheen Rushd, a senior partner, graduated *summa cum laude* from New York Law School in 1981 and obtained her undergraduate degree from Kalamazoo College in 1977 (*magna cum laude*; elected to Phi Beta Kappa).

Ms. Rushd joined the Firm as an associate in January 1983 and became a partner in July 1991. Previously, Ms. Rushd was a staff attorney at the New York Regional Office of the Federal Trade Commission and served as law clerk to the Honorable Leonard I. Garth, Circuit Court Judge of the United States Court of Appeals for the Third Circuit.

Ms. Rushd specializes in securities and antitrust class actions and is a member of the Firm's Institutional Investor Practice Group. She is and has been involved in the litigation of many of the Firm's major cases, including *Treasurer of New Jersey v. AOL Time Warner Inc.* (Super. Ct. N.J.) (\$50 million settlement in opt out action); *Comverse* (\$225 settlement); *Perrigo co. Sec. Litig.* (upheld adequacy of securities fraud allegations for failure to take timely impairment charges on ARS managed by Lehman Brothers); *EBC I, Inc. v. Goldman Sachs & Co.*; *Comverse Technology, Inc. Sec. Litig.* (New York State's highest court, for the first time, found that lead underwriters of IPOs may owe fiduciary duties to the issuer ; *Kronfeld v. TWA* (non-disclosure of preliminary merger negotiations can be misleading); and *In re Safety-Kleen Corp. Stockholders Litigation*. She was also part of the successful trial teams in *Walsh v. Northrop Grumman, et al.*, CV-94-5105 (E.D.N.Y.) and *Rauch v. Bilzerian*, 88 Civ. 15624 (Super. Ct. N.J.). In *Bilzerian*, the court complimented the Pomerantz team as being "exceptionally competent counsel."

Ms. Rushd was a trustee of Kalamazoo College from 1996 through June 2002. She has served as an Adjunct Instructor at New York Law School and was a member of the New York City Bar Association's Antitrust and Trade Regulation Committee. She is a member of the ABA Section of Business Law.

Ms. Rushd is admitted to practice in New York, the United States District Court for the Southern and Eastern Districts of New York, the United States Courts of Appeals for the Eighth and Eleventh Circuits, and the United States Supreme Court.

### **PATRICK V. DAHLSTROM**

Patrick V. Dahlstrom, a senior partner at Pomerantz, joined the Firm as an associate in the Fall of 1991 and became a partner in January 1996. He is the resident partner in the Firm's Chicago office.

Mr. Dahlstrom is a 1987 graduate of the Washington College of Law at American University in Washington, D.C., where he was a Dean's Fellow, Editor in Chief of the Administrative Law Journal, a member of the Moot Court Board representing Washington College of Law in the New York County Bar Association's Antitrust Moot Court Competition, and a member of the Vietnam Veterans of America Legal Services/Public Interest Law Clinic. Upon graduating, Mr. Dahlstrom served as the Pro Se Staff Attorney for the United States District Court for the Eastern District of New York and was a law clerk to the Honorable Joan M. Azrack, United States Magistrate Judge.

Mr. Dahlstrom is a member of the Firm's Institutional Investor Practice and New Case Groups, and has extensive experience litigating cases under the PSLRA. He was partner-in-charge of *In re Comverse Technology Sec. Litig.*, No. 06-CV-1825 (E.D.N.Y.), in which the Firm, as Lead Counsel, recovered a \$225 million settlement for the Class – the second-highest ever for a case involving the back-dating of options – and obtained an important clarification of how courts calculate the “largest financial interest” in connection with the selection of a lead plaintiff, in a manner consistent with *Dura*, 544 U.S. 336 (2005). In *DeMarco v. Robertson Stephens*, 2005 U.S. Dist. LEXIS (S.D.N.Y. 2005), Mr. Dahlstrom obtained the first class certification in a federal securities case involving fraud by analysts.

Mr. Dahlstrom is the partner-in-charge in many of the Firm's pending securities fraud class actions and has, in addition to *Comverse*, obtained significant settlements. See *In re Sealed Air Corp. Sec. Litig.*, No. 03-CV-4372 (D.N.J.) (\$20 million settlement approved December 2009); *In re Safety-Kleen Stockholders Securities Litigation*, 3:00-736-17 (D. S.C.) (as Co-Lead Counsel, Firm obtained \$54.5 million settlement); *In re Livent, Inc. Noteholders Securities Litigation*, 98 Civ. 7161 (S.D.N.Y.) (Firm, as sole Lead Counsel, obtained \$17 million settlement, plus \$36 million judgment (including interest)); and *In re Woolworth Corporation Securities Class Action Litigation*, 94 Civ. 2217 (S.D.N.Y.) (Firm, as Co-Lead Counsel, secured a \$20 million settlement).

Mr. Dahlstrom was a member of the trial team in *In re ICN/Viratek Securities Litigation*, 87 Civ. 4296 (S.D.N.Y.), which after trial, settled for \$14.5 million. The court praised the trial team stating:

[P]laintiffs' counsel did a superb job here on behalf of the class. . . . This was a very hard fought case. You had very able, superb opponents, and they put you to your task. . . . The trial work was beautifully done and I believe very efficiently done.

In November 2009, Mr. Dahlstrom spoke at the State Association of County Retirement Systems Fall Conference, as the featured speaker at the Board Chair/Vice Chair Session entitled: “Cleaning Up After the 100 Year Storm. How trustees can protect assets and recover losses following the burst of the housing and financial bubbles.”



Mr. Dahlstrom is admitted to practice in New York and Illinois, as well as the United States District Courts for the Southern and Eastern Districts of New York, Northern District of Illinois, Northern District of Indiana, Eastern District of Wisconsin, District of Colorado, Western District of Pennsylvania, the United States Courts of Appeals for the Fourth, Sixth, Seventh and Eight Circuits, and the United States Supreme Court.

#### **D. BRIAN HUFFORD**

D. Brian Hufford, a senior partner at Pomerantz, joined the Firm in April 1993 and became a partner in July 1995. After obtaining a Masters of Urban Affairs from Wichita State University in 1982, Mr. Hufford attended the Yale Law School, where he was Notes and Topics Editor for the *Yale Law and Policy Review* and was awarded the Thomas I. Emerson Prize for the Outstanding Legislative Services Project. After graduating from Yale in 1985, Mr. Hufford spent two years in Washington, D.C. as an Honors Attorney in the United States Department of the Treasury's Honors Law Program. From 1987 until he joined the Firm in 1993, he was a litigation associate at Davis Polk & Wardwell, where he worked primarily on securities and class actions.

Mr. Hufford has prosecuted not only a number of securities and antitrust cases, but is also the attorney-in-charge of the Firm's Insurance Practice Group. Mr. Hufford was Co-Lead Counsel and Lead Settlement Class Counsel in *American Medical Association v. United Healthcare Corp.*, 2002 U.S. Dist. LEXIS 20309 (S.D.N.Y. Oct. 23, 2002) (In September 2010, Court approved historic \$350 million class action settlement. The settlement included substantial injunctive relief which will alter how the industry determines usual, customary and reasonable ("UCR") rates for out-of-network health care services.) As Co-Lead Counsel, Mr. Hufford obtained the \$250 million settlement in *Wachtel v. Health Net, Inc.*, No. 01-CV-4183 (D.N.J.), one of the largest settlements ever reached in a health insurance litigation. Recently Pomerantz was appointed by Judge Faith Hochberg of the District of New Jersey to lead the *Aetna Health Insurance Litigation*. Judge Hochberg specifically acknowledged the work of Mr. Hufford as a critical basis for her decision.

Mr. Hufford's efforts have set numerous important precedents. See, e.g., *Batas v. Prudential*, 281 A.D.2d 260, 724 N.Y.S.2d 3 (1st Dep't 2001), (court upheld the adequacy of pleading of the claim that Prudential relied on improper procedures for the determination of medical necessity in its health insurance contracts); *Drolet v. Healthsource, Inc.*, 968 F. Supp. 757 (D.N.H. 1997) (motion to dismiss denied, with court ruling that plaintiff had adequately alleged that defendant breached fiduciary duties under ERISA by misrepresenting the financial incentives it paid to physicians to reduce medical expenditures) . Mr. Hufford was also the partner-in-charge in *Addison v. American Medical Security*, Case No. CA 001455-AB (Cir. Ct., Palm Beach Cty., Fla.), in which plaintiffs won a two-week bench trial.

Mr. Hufford has written and lectured in the area of healthcare litigation. The court in *Orthopaedic Surgery Associates of San Antonio v. Prudential Health Car Plan, Inc.*, quoted extensively an article written by Mr. Hufford for a PLI Seminar, entitled "Managed Care

*Litigation: The Role of Providers*,” 1216 PLI/Corp. 487 (Nov. 2000), citing it as “instructive.” He served as a panelist for a forum sponsored by the American Corporate Counsel Association entitled “Considerations in Deciding Whether to Mediate, Arbitrate or Litigate Business Disputes.” Further Mr. Hufford was featured in the book *Net Law: How Lawyers Use the Internet*, by Paul Jacobsen (Jan. 1997), which discusses how he has effectively used the Internet to investigate some of the firm’s pending class actions. His article “*Deterring Fraud vs. Avoiding the Strike Suit: Reaching an Appropriate Balance*,” was published in 61 *Brooklyn Law Rev.* 593 (Summer 1995).

Mr. Hufford is admitted to practice in New York and Ohio, the United States District Courts for the Southern and Eastern District of New York, and the United States Courts of Appeals for the Second and Third Circuits.

### **STANLEY M. GROSSMAN**

Stanley M. Grossman, Senior Counsel, was the former Managing Partner of Pomerantz. He is recognized as a leader in the plaintiffs’ securities bar. He was featured in the New York Law Journal (August 1, 1983) article: “*Top Litigators in Securities Field – A Who’s Who of City’s Leading Courtroom Combatants*.” Mr. Grossman has litigated securities (individual and class), derivative and antitrust actions with the Firm for 39 years.

Mr. Grossman has primarily represented plaintiffs in securities and antitrust class actions, including many of those listed in the firm biography. See, e.g., *Ross v. Bernhard*, 396 U.S. 531; *Rosenfeld v. Black*, 445 F.2d 137 (2d Cir. 1971); *Wool v. Tandem*, 818 F.2d 1433 (9th Cir.); *In re Salomon Bros. Treasury Litig.*, 9 F.3d 230 (2d Cir.). In 2008 he appeared before the United States Supreme Court to argue that scheme liability is actionable under Section 10(b) and Rule 10b-5(a) and (c). See *StoneRidge Investment Partners v. Scientific-Atlanta*, No. 06-43 (2007). Other examples of cases where he was the Lead or Co-Lead counsel for plaintiffs and the class include: *In re Salomon Brothers Treasury Litigation*, 91 Civ. 5471 (S.D.N.Y. 1994) (\$100 million cash recovery); *In re First Executive Corporation Securities Litigation*, CV-89-7135 (C.D. Cal. 1994) (\$100 million settlement); *In re Sorbates Direct Purchaser Antitrust Litigation*, C98-4886 (N.D. Cal. 2000) (over \$80 million settlement for the class).

In 1992, Senior Judge Milton Pollack of the Southern District of New York appointed Mr. Grossman to the Executive Committee of counsel charged with allocating to claimants hundreds of millions of dollars obtained in settlements with Drexel Burnham & Co. and Michael Milken.

Many courts have acknowledged the high quality of legal representation provided to investors by Mr. Grossman. In *Gartenberg v. Merrill Lynch Asset Management, Inc.*, 79 Civ. 3123 (S.D.N.Y.), where Mr. Grossman was lead trial counsel for plaintiff, Judge Pollack noted at the completion of the trial:

[I] can fairly say, having remained abreast of the law on the factual and legal matters that have been presented, that I know of no case that has

been better presented so as to give the Court an opportunity to reach a determination, for which the court thanks you.

Mr. Grossman was also the lead trial attorney in *Rauch v. Bilzerian* (Super. Ct. N.J.) (directors owed the same duty of loyalty to preferred shareholders as common shareholders in a corporate takeover), where the court described the Pomerantz team as "exceptionally competent counsel." He headed the six week trial on liability in *Walsh v. Northrop Grumman* (E.D.N.Y.) (a securities and ERISA class action arising from Northrop's takeover of Grumman), after which a substantial settlement was reached.

Mr. Grossman frequently speaks at law schools and professional organizations. In June 2010 he presented *Silence Is Golden – Until It Is Deadly: The Fiduciary's Duty to Disclose*, at the Institute of American and Talmudic Law. In April 2010, he was a panelist on *Securities Law: Primary Liability for Secondary Actors*, sponsored by the Federal Bar Council. In 2009, Mr. Grossman was a featured speaker at the Practising Law Institute's Securities Litigation and Enforcement Institute and a panelist on a Practising Law Institute "Hot Topic Briefing" entitled "StoneRidge- Is There Scheme Liability or Not?" Mr. Grossman is the author of "Commentary: The Social Meaning of Shareholder Suits," 65 *Brooklyn Law Rev.* (1999), among other articles.

Mr. Grossman is a nationally respected authority on the subject of corporate governance. He served on former New York State Comptroller Carl McCall's Advisory Committee for the NYSE Task Force on corporate governance. He is a regular advisor to Congress on legislation to protect investors and is a former president of NASCAT. During his tenure at NASCAT, he represented the organization in meetings with the Chairman of the Securities and Exchange Commission and before members of Congress and of the Executive Branch concerning legislation that became the PSLRA.

Mr. Grossman is recognized for his commitment to ethical practices and the enhanced quality of legal representation. He served for three years on the New York City Bar Association's Committee on Ethics, as well as on the Association's Judiciary Committee. He is also actively involved in civic affairs. He headed a task force on behalf of the Association, which, after a wide-ranging investigation, made recommendations for the future of the City University of New York. He serves on the board of the Appleseed Foundation, a national public advocacy group.

Mr. Grossman is admitted to practice in New York, the United States District Courts for the Southern and Eastern Districts of New York, Central District of California, Eastern District of Wisconsin, District of Arizona, District of Colorado, the United States Courts of Appeals for the First, Second, Third, Ninth and Eleventh Circuits, and the United States Supreme Court.

**ROBERT J. AXELROD**

Robert J. Axelrod, a Pomerantz partner, practices securities, antitrust, and insurance litigation. As a member of the Firm's Insurance Practice Group, he worked jointly with senior partner Brian Hufford in prosecuting *American Medical Ass'n v. United Healthcare Corp.*, in which the Court granted final approval of the \$350 million settlement in September 2010. With Brian Hufford, he continues to litigate cases on behalf of a number of medical associations and subscribers, against such insurers as CIGNA, Aetna, Wellpoint, First American Title Insurance Company, Commonwealth Land Title Insurance Company and Fidelity. Mr. Axelrod was on the successful trial team in the action against American Medical Security. Mr. Axelrod was also part of the Pomerantz Litigation team in *Wachtel v. Health Net Inc.* (\$200 million cash settlement); and *Steinberg v. Nationwide Mutual Ins. Co.* (E.D.N.Y.) (settlement equivalent to 50% of total damages possible had statute of limitation been waived and had additional defendants been joined).

Mr. Axelrod serves as a member of the Class Action Committee of the New York State Bar Association. He is a member of the Temple University College of Liberal Arts Alumni Board, and serves as a trustee and General Counsel of Temple Beth El in Huntington, New York.

Mr. Axelrod is admitted to practice in New York, the United States District Courts for the Southern and Eastern Districts of New York, and the United States Courts of Appeals for the Second and Third Circuits.

**MICHAEL M. BUCHMAN**

Michael M. Buchman, a Pomerantz partner, has litigated complex antitrust and consumer protection class action for over ten years. Mr. Buchman served as an Assistant Attorney General in the Antitrust Bureau of the New York State Attorney General's Office after receiving an LL.M. in international antitrust and trade law from Fordham University School of Law. Mr. Buchman received his J.D. from The John Marshall Law School. Over the past several years, Mr. Buchman has spearheaded an effort to challenge anticompetitive conduct by pharmaceutical companies designed to artificially inflate the price of brand new prescriptions drugs. He has served as Co-Lead counsel in a number of "generic drug" cases, including *In re Buspirone Antitrust Litig.*, MDL 1413 (S.D.N.Y.) (obtaining a \$90m settlement); *In re Relafen Antitrust Litig.*, 01-CV-12222 (D. Mass.) (obtaining a \$75m settlement); and *In re Augmentin Antitrust Litig.*, 02 Civ. 445 (E.D. Va. Norfolk Div.) (obtaining a \$29m settlement). Some of the settlements achieved by Mr. Buchman have resulted in substantial "cy pres" monetary awards for well known charitable organizations. For example, in *Augmentin*, awards exceeding \$100,000 were donated on a "cy pres" basis to St. Jude Children's Research Hospital and Children's Rights of New York.

Mr. Buchman's efforts have been acknowledge by courts. Former Chief Judge William G. Young noted in *Relafen*

[t]his proposed settlement is the result of a great deal of very fine lawyering

Similarly, in *Buspirone*, Judge John G. Koeltl stated:

Let me say that the lawyers in this case have done a stupendous job. They really have.

His "tenacious and skillful" work has also been recognized outside of the "generic drug" cases by Judge Lewis A. Kaplan of the Southern District of New York in an international antitrust class action brought on behalf of foreign purchasers and sellers of works of art sold at auction by Christie's and Sotheby's, which resulted in a \$40 million settlement.

Mr. Buchman was actively involved in *In re NASDAQ Market-Makers Antitrust Litig.*, MDL 1023 (S.D.N.Y.) (resulting in a \$1.027 billion settlement) and *In re Visa Check/Mastermoney Antitrust Litigation*, CV 96-CV-5238 (E.D.N.Y.) (resulting in a \$3 billion settlement), two of the largest antitrust settlements in the over one hundred year history of the Sherman Act.

Mr. Buchman frequently speaks on antitrust and consumer protection class action issues. In 2007, he spoke at the 4th National In-House Counsel Conference on Managing Complex Litigation on class certification issues. In 2002, he was interviewed by and appeared on the CBS Evening News in connection with generic drug litigation. That same year, he presented at the Practising Law Institute's 10<sup>th</sup> Annual Consumer Financial Services Litigation on Recent Developments in State Unfair Deceptive Acts and Practices Statutes and Private Attorney General Litigation.

Mr. Buchman has also authored or co-authored articles on procedure or competition law, including a Task Force on Dealer Terminations for The Association of the Bar of the City of New York, Committee on Antitrust and Trade Regulation entitled *Dealer Termination in New York* dated June 1, 1998, and *What's in a Name — the Diversity Death-Knell for Underwriters of Lloyd's of London and their Names; Humm v. Lombard World Trade, Inc.*, Vol. 4, Issue 10 *International Insurance Law Review* 314 (1996).

Mr. Buchman is admitted to practice in New York and Connecticut, the United States District Courts for the Southern and Eastern Districts of New York, District of Connecticut, and District of Arizona, the United States Court of Appeals for the Second Circuit, the United States Court of International Trade and the United States Supreme Court.

### **JASON S. COWART**

Jason S. Cowart, a Pomerantz partner, graduated *cum laude* from Northwestern University Law School in 1999. While in law school, he won the Moot Court competition and was an editor of the *Journal of International Law and Business*.

After law school, Mr. Cowart served as a law clerk to United States District Court Judge Richard Enslen. Before joining the Pomerantz Firm, Mr. Cowart was a litigation associate at Sidley Austin Brown & Wood LLP for over four years. During that time, Mr. Cowart concentrated his practice on complex commercial litigation including antitrust, contract, fraud, and health care-related matters.

Mr. Cowart is the co-author of *State Immunity, Political Accountability and Alden v. Maine*, 75 Notre Dame L. Rev. 1069 (2000). In January 2010, as a featured speaker at the Public Funds Summit, he presented "Where Are the Corporate Governance Reforms? An up-to-the-minute overview of initiatives designed to increase shareholder power."

Mr. Cowart is admitted to practice in New York and the District of Columbia., the United States District Court for the Southern and Eastern Districts of New York, Western District of Michigan, and the District of Columbia. Mr. Cowart also is admitted to practice before the United States Supreme Court.

### **CHERYL D. HAMER**

Cheryl D. Hamer joined Pomerantz in January 2003, and became a partner in January 2007. She is the resident partner in the Firm's Washington, DC office.

Ms. Hamer is a 1973 graduate of Columbia University and a 1983 graduate of Lincoln University Law School. She studied tax law at Golden Gate University and holds a Certificate in Journalism from New York University

Ms. Hamer has long experience working with Public and Taft-Hartley pension and welfare funds. As a member of the Firm's Institutional Investor Practice Group, she has been involved in a number of securities cases, including *In re American Italian Pasta Co. Sec. Litig.* and *In re Symbol Technologies, Inc. Sec. Litig.*

Before joining Pomerantz, Ms. Hamer served as Of Counsel to nationally known securities class action law firms focusing on plaintiff securities fraud litigation. In private practice for over 20 years, she has litigated, in both state and federal courts, Racketeer Influenced and Corrupt Organizations, Continuing Criminal Enterprise, death penalty and civil rights cases. She has also authored numerous criminal writs and appeals.

Ms. Hamer was an Adjunct Professor at Pace University, Dyson College of Arts and Sciences, Criminal Justice Program and The Graduate School of Public Administration, where she taught Non-Profit Corporate Law, from 1996 to 1998.

Ms. Hamer currently serves as a pro bono attorney for the Mid-Atlantic Innocence Project. She has served as vice-chair of Freeing the Innocent Imprisoned Committee, chair and vice-chair of the Death Penalty Litigation Committee, Liaison to American Bar Association, and a member of the Nominating Committee of the National Association of Criminal Defense Lawyers and as a Liaison to the American Bar Association. She has served on numerous non-profit boards of directors including Shelter From the Storm,

the Native American Preparatory School and the Southern California Coalition on Battered Women for which she received a community service award. She is a member of the Litigation and Individual Rights and Responsibilities Sections of the American Bar Association, the Corporation, Finance & Securities Law and Criminal Law and Individual Rights Sections of the District of Columbia Bar, the litigation and International Law Sections of the California State Bar, and the National Association of Public Pension Attorneys (NAPPA).

Ms. Hamer is admitted to practice in the State of California, the District of Columbia and the State of New Mexico, the United States District Court for the Northern, Southern, Eastern and Central Districts of California, the District of New Mexico, the District of Columbia, the United States Courts of Appeals for the Second, Third, Fourth, Seventh, Ninth, Tenth and Eleventh Circuits, and the United States Supreme Court.

### **JEREMY A. LIEBERMAN**

Jeremy A. Lieberman became associated with the Firm in August 2004 and became a partner in January 2010.

Mr. Lieberman graduated from Fordham University School of Law in 2002. While in law school, Mr. Lieberman served as a staff member of the *Fordham Urban Law Journal*. Upon graduation, Mr. Lieberman began his career at Chadbourne & Parke LLP as a litigation associate, where he specialized in complex commercial litigation.

At Pomerantz, Mr. Lieberman specializes in securities litigation. He has an active role in a number of high-profile securities class and derivative actions, including: *Comverse Technology Sec. Litig.*, *Perrigo Co. Sec. Litig.*, and *In re Mutual Funds Investment Litigation*. In the *Comverse* action, Mr. Lieberman and his partners achieved a historic \$225 million settlement on behalf of the Class, which was the second-largest options backdating settlement to date. Mr. Lieberman regularly consults with Pomerantz' international institutional clients, including pension funds, about their rights under the U.S. securities laws.

He is a member of the New York State Bar Association and the Federal Bar Council. He is admitted to practice in New York and the United States District Courts for the Southern and Eastern Districts of New York, and the United States Court of Appeals for the Second Circuit.

### **H. ADAM PRUSSIN**

H. Adam Prussin, a Pomerantz partner, graduated *cum laude* from Yale College in 1969, and, after obtaining a Masters Degree from the University of Michigan in 1971, received his J.D. from Harvard Law School in 1974.

In addition to securities litigation, Mr. Prussin has extensive experience prosecuting shareholder derivative actions. Mr. Prussin was special litigation counsel in the derivative

actions on behalf of Summit Metals, Inc., which resulted in entry of judgment, after trial, of \$43 million in cash, plus an order transferring the stock of two multi-million-dollar companies to the plaintiff. Mr. Prussin is Co-Lead Counsel in several of the Firm's pending derivative actions.

Mr. Prussin has published several articles on the subject of the standards and procedures for obtaining dismissal of shareholder derivative actions, including "*Termination of Derivative Suits Against Directors on Business Judgment Grounds: From Zapata to Aronson*," 39 *The Business Lawyer* 1503, 1984; "*Dismissal of Derivative Actions Under the Business Judgment Rule: Zapata One Year Later*," 38 *The Business Lawyer* 401, 1983; and "*The Business Judgment Rule and Shareholder Derivative Actions: Viva Zapata?*," 37 *The Business Lawyer* 27, 1981. In June 2009 he spoke at the 6<sup>th</sup> Annual Securities Litigation Conference in New York, participating in the panel discussion, "From Behind Enemy Lines: The Perspective of Two Prominent Plaintiff Attorneys."

Before joining the Firm, Mr. Prussin was a named partner in Silverman, Harnes, Harnes, Prussin & Keller, which specializes in representing plaintiffs in shareholder derivative and class action litigation, particularly those involving self-dealing by corporate officers, directors and controlling shareholders. Mr. Prussin played a key role in several landmark derivative cases in the Delaware courts, and has appeared frequently before the Delaware Supreme Court.

Before joining Silverman, Harnes in 1994, Mr. Prussin was Of Counsel to Weil, Gotshal & Manges. While there, he represented numerous corporate defendants in shareholder derivative actions and class actions, and also in general commercial, bankruptcy and antitrust disputes.

Mr. Prussin is admitted to practice in New York, the United States District Courts for the Southern and Eastern Districts of New York and the United States Court of Appeals for the Second, Ninth and D.C. Circuits.

#### **MURIELLE STEVEN WALSH**

Murielle Steven Walsh, a Pomerantz partner, graduated *cum laude* from New York Law School in 1996, where she was the recipient of the Irving Mariash Scholarship. During law school, Ms. Steven Walsh interned with the Kings County District Attorney's Office and worked within the mergers and acquisitions group of Sullivan & Cromwell.

At Pomerantz, Ms. Steven Walsh specializes in securities and corporate governance-related litigation. Ms. Steven Walsh was part of the trial team in *Lewis v. Beall*, a derivative action in California state court that focused on the duties of corporate directors. More recently, in *In re Livent Noteholders' Securities Litigation*, Ms. Steven Walsh was one of the lead attorneys prosecuting this securities class action against the company's former chief executive officers, and in that case convinced the Second Circuit to uphold the district court's grant of summary judgment on behalf of plaintiffs. She is also part of the team working on the *EBC I v. Goldman Sachs* case.



Ms. Steven Walsh currently serves as a member of the editorial board for Class Action Reports. She previously served as a Solicitor for the Legal Aid Associates Campaign, and has been involved in political asylum work with the Association of the Bar of the City of New York.

Ms. Steven Walsh is admitted to practice in New York and in the United States District Courts for the Southern and Eastern Districts of New York, and the United States Court of Appeals for the Second Circuit.

### **JOSHUA B. SILVERMAN**

Joshua B. Silverman is Of Counsel to Pomerantz. He is a 1993 graduate of the University of Michigan, where he received *Phi Beta Kappa* honors, and a 1996 graduate of the University of Michigan Law School.

Mr. Silverman specializes in securities litigation with an emphasis on litigation involving structured financial instruments. He serves as Co-Lead counsel for three New Mexico public funds in individual litigation related to Countrywide's mortgage-backed securities. Mr. Silverman played a key role in the Firm's representation of investors before the United States Supreme Court in *StoneRidge*, and is engaged in the prosecution of many of the Firm's pending class cases.

Before joining Pomerantz, Mr. Silverman practiced at McGuireWoods LLP and its Chicago predecessor, Ross & Hardies, where he represented one of the largest independent futures commission merchants in commodities fraud and civil RICO cases. Mr. Silverman also spent two years as a securities trader.

Mr. Silverman is admitted to practice in Illinois, the United States District Court for the Northern District of Illinois, the United States Courts of Appeals for the Seventh and Eighth Circuits, and the United States Supreme Court.

### **LEIGH HANDELMAN SMOLLAR**

Leigh Handelman Smollar is Of Counsel to Pomerantz. She is a 1993 graduate of the University of Illinois at Champaign-Urbana, where she graduated from the School of Commerce with high honors, and a 1996 graduate of the Chicago-Kent College of Law. Ms. Smollar spent the next five years specializing in insurance defense litigation.

Ms. Smollar specializes in securities fraud litigation and is a key member of the Pomerantz team in the individual litigation by three New Mexico pension funds related to Countrywide's mortgage-backed securities. Ms. Smollar is involved in many of the Firm's pending securities fraud class actions and has been a member of the Pomerantz litigation team for many of the cases where significant settlements were obtained. See *In re Sealed Air Corp. Sec. Litig.*, No. 03-CV-4372 (D.N.J.)(\$20 million settlement approved

December 2009); *In re Safety-Kleen Stockholders Securities Litigation*, 3:00-736-17 (D. S.C.) (as Co-Lead Counsel, Firm obtained \$54.5 million settlement);

Ms. Handelman Smollar co-authored several articles and updates for the Illinois Institute for Continuing Legal Education (IICLE) including "Shareholder Derivative Suits and Stockholder Litigation in Illinois," published in IICLE Chancery and Special Remedies 2004 Practice Handbook; and "Prosecuting Securities Fraud Class Actions," published in IICLE Chancery and Special Remedies 2009 Practice Handbook.

Ms. Handelman Smollar is admitted to practice in Illinois, the United States District Courts for the Northern District of Illinois, Eastern District of Missouri, and the United States Courts of Appeals for the Seventh and Eighth Circuits.

### **JAY DOUGLAS DEAN**

Jay Douglas Dean graduated in 1988 from Yale Law School. While at Yale, Mr. Dean was Senior Editor of the Yale Journal of International Law. In 2009, he became an associate at Pomerantz, where he focuses on health insurance litigation.

For many years, Mr. Dean served as an Assistant Corporation Counsel in the Office of the Corporation Counsel of the City of New York, most recently in its Pension Division, which represents the Trustees of the City's five pension funds.

Prior to that, Mr. Dean was a litigation associate with the firms of Berlack Israels & Liberman (currently known as Brown Rudnick LLP), Shea & Gould, and Curtis, Mallet-Prevost, Colt & Mosle LLP., where he had extensive involvement in commercial and securities matters. His experience includes criminal defense of junk bond underwriter Drexel Burnham Lambert, the successful jury trial of a bank's claims against its fidelity bond issuer and trial preparation on behalf of institutional plaintiffs in the *Wedtech* securities litigation.

Mr. Dean was co-author of chapters entitled "Criminal Forfeiture" and "Racketeer Influenced and Corrupt Organizations" in the *Criminal Defense Techniques* treatise published by Matthew Bender in 1990.

Mr. Dean is admitted to practice in New York and the United States District Courts for the Southern and Eastern Districts of New York, and the Second Circuit Court of Appeals.

**JESSICA N. DELL**

Jessica N. Dell graduated from CUNY School of Law in 2005. At CUNY Ms. Dell participated in three semesters of the school's award-winning clinical programs where she represented indigent clients in family court and filed comprehensive applications for immigration relief under the Violence Against Women Act.

She also interned at the Urban Justice Center, National Advocates for Pregnant Women, and at Human Rights Watch, where she was the recipient of an Everett fellowship for her work in the HIV/AIDS division.

Ms. Dell focuses on the prosecution of securities fraud litigation.

**DELISHA J. GRANT**

Delisha J. Grant graduated from The George Washington University Law School in 2009. There, she served as the Community Service Chair for the Black Law Students Association and was an active participant in the Domestic Violence Project, exploring social change lawyering issues in the battered women's movement. In addition, she interned at Ayuda Inc., where she represented immigrant victims of domestic violence and sexual assault in both family law and immigration matters. She was selected as one of eight law students nationwide to participate in the Twin Cities Diversity in Practice Program, completing rotational clerkships at both a corporate law firm and the law department of a Fortune 500 company.

Ms. Grant currently serves as a volunteer lawyer for the New York City Bar Association's Foreclosure Defense Project.

Ms. Grant focuses on the prosecution of insurance litigation.

Ms. Grant is admitted to practice in New York.

**R. JAMES HODGSON**

R. James Hodgson graduated from the University of Pennsylvania Law School in 2003. While in law school, he served as a judicial intern to the Honorable John F. Keenan, United States District Judge, Southern District of New York. He also served as a Senior Editor of the University of Pennsylvania Law Review and, upon graduation, was recognized with an award for "Exemplary Public Service while at Penn Law School."

Following law school, Mr. Hodgson was associated with the law firm of Fried, Frank, Harris, Shriver & Jacobson LLP for nearly four years. At Fried, Frank, Mr. Hodgson focused his practice on general commercial and securities litigation, regulatory defense, copyright enforcement, and white-collar criminal defense. In addition, he has tried (on a

pro bono basis) numerous asylum law cases on behalf of refugees seeking asylum protection in the United States.

Mr. Hodgson focuses on the prosecution of securities fraud litigation.

Mr. Hodgson is admitted to practice in New York, the United States District Courts for the Southern and Eastern Districts of New York and the United States Court of Appeals for the Second Circuit. He is a member of the Association of the Bar of The City of New York.

### **ADAM G. KURTZ**

Adam G. Kurtz graduated cum laude from New York Law School in 1988, where he was Book Review Editor of the New York Law School Law Review. In June 2009, Mr. Kurtz received an MBA from the Baruch/Mt. Sinai Graduate Program in Health Care Administration. He is a member of the American Health Lawyers Association.

Following law school, Mr. Kurtz served as a law clerk to the Honorable Juan G. Burciaga, then Chief United States District Judge, District of New Mexico and began his career as a litigation associate at Cravath, Swaine & Moore, where he worked on complex securities fraud and antitrust litigation. He was a solo practitioner in New Mexico where he concentrated on federal criminal defense and civil litigation. In addition, Mr. Kurtz served as an Assistant Corporation Counsel in the General Litigation and Labor and Employment law divisions of the New York City Law Department.

Mr. Kurtz focuses on the prosecution of antitrust litigation.

Mr. Kurtz is admitted to practice in New York and the United States District Courts for the Southern and Eastern Districts of New York.

### **ANTHONY F. MAUL**

Anthony F. Maul, an associate at Pomerantz, focuses on securities fraud, antitrust and insurance/healthcare litigation.

Mr. Maul graduated from New York University School of Law in 2003. While in law school he was Executive Editor of the NYU Journal of Legislation & Public Policy.

After graduating from law school, Mr. Maul was a law clerk for The Honorable Mary C. Jacobson, New Jersey Supreme Court. Before joining Pomerantz, Mr. Maul was an associate at Latham & Watkins LLP, where he specialized in complex commercial and business litigation.

He is the author of "Are the Major Labels Sandbagging Online Music?: An Antitrust Analysis of Strategic Licensing Practices," 7 N.Y.U. J. Legis. & Pub. Pol'y 365 (2004).

Mr. Maul is admitted to practice in New York and the United States District Courts for the Southern and Eastern Districts of New York.

**MARIE L. OLIVER**

Marie L. Oliver graduated *cum laude* from Rutgers University School of Law in 2008. While in law school, she was an articles editor for the *Rutgers Journal of Law and Public Policy* and a Dean's Academic Excellence Scholar. She received the Health Law Award from the American Bar Association and Bureau of National Affairs, and the Pro Bono Award for Significant Service, for her pro bono projects on domestic violence, bankruptcy, and income tax assistance issues. During law school, she interned for the Honorable Petrese B. Tucker of the United States District Court for the Eastern District of Pennsylvania.

Ms. Oliver focuses on the prosecution of securities fraud litigation.

Ms. Oliver is a member of the New York County Lawyers Association and the New York State Bar Association. She is admitted to practice in New York.

**FEI-LU QIAN**

Fei-Lu Qian graduated from Albany Law School of Union University in 2003. Mr. Qian was Associate Editor of the Albany Law Review. While in law school, he interned at the New York State Office of the Attorney General.

Mr. Qian began his legal career as an associate at Lovell Stewart Halebian LLP, where his area of practice was securities litigation.

Mr. Qian focuses on the prosecution of securities fraud litigation.

Mr. Qian is admitted to practice in New York and the United States District Courts for the Southern and Eastern Districts of New York.

**MATTHEW L. TUCCILLO**

Matthew L. Tuccillo graduated from the Georgetown University Law Center in 1999, where he made the Dean's List.

After beginning his career at Brown Rudnick Freed & Gesmer, P.C., where he engaged in corporate litigation, Mr. Tuccillo represented plaintiffs at Lieff Cabraser Heimann & Bernstein, LLP, Shapiro Haber & Urmy LLP, and then Izard Nobel LLP, litigating securities, consumer, and wage and hour class actions.

Mr. Tuccillo's alternate dispute resolution experience includes mediating securities class actions and litigating a complex sale-of-business dispute to settlement on the eve of an arbitration hearing. His pro bono work includes securing Social Security benefits for a veteran suffering from non-service-related disabilities.

Mr. Tuccillo is admitted to practice in the Commonwealth of Massachusetts; State of Connecticut; U.S. District Court for the District of Massachusetts; and U.S. District Court for the District of Connecticut.

### **TAMAR A. WEINRIB**

Tamar A. Weinrib graduated from Fordham University School of Law in 2004 and, while there, participated in and coached Moot Court competitions.

After law school, Ms. Weinrib worked as a litigation associate in the New York office of Clifford Chance US LLP for over three years, where she focused on complex commercial litigation. In addition, she was involved in pro bono cases, including a criminal appeal and a housing dispute filed with the Human Rights Commission.

Ms. Weinrib focuses on the prosecution of securities fraud litigation.

Ms. Weinrib is admitted to practice in New York and the United States District Courts for the Southern and Eastern Districts of New York.

### **SUSAN J. WEISWASSER**

Susan J. Weiswasser graduated from Brooklyn Law School in 2000. While in law school, she served as a law clerk intern to the Honorable Edward R. Korman, Judge of the United States District Court for the Eastern District of New York. She also served as a legal intern with the New York State Capital Defender Office. As an attorney, she has worked with the Monday Night Law and Pro Bono Bankruptcy Clinics of The City Bar.

Ms. Weiswasser's practice focuses on insurance and securities litigation.

Ms. Weiswasser is a member of the New York City Bar Association. She is admitted to practice in New York, the United States District Courts for the Southern and Eastern Districts of New York, and the United States Court of Appeals for the Third Circuit.

**CAROL A. STRAW**

Carol A. Straw joined Pomerantz as an associate in 2007 and focuses on securities fraud class and derivative actions. She is a 1991 graduate of Columbia University School of Law and received her undergraduate degree from Queens College, *cum laude*, with honors in Economics. Before law school, Ms. Straw interned with the NYC Public Development Corporation under the Mayor's Urban Fellows Program. After law school, she had her own private practice for many years.

Ms. Straw has represented indigent clients in divorce and child support proceedings as a participant in the Brooklyn Volunteer Lawyers Association. She is admitted to practice in New York and the District of Columbia.

**EXHIBIT H**



**EXHIBIT H**  
**SUMMARY OF EXPENSES INCURRED BY**  
**PLAINTIFFS' COUNSEL AND LITIGATION FUND<sup>1</sup>**

| CATEGORY                                   | AMOUNT (\$)           |
|--|-----------------------|
| Service of Process                         | 215.00                |
| Court Fees                                 | 195.00                |
| PSLRA Notice Cost                          | 1,235.00              |
| On-Line Legal Research                     | 35,386.31             |
| On-Line Factual Research                   | 33,533.40             |
| Telephone                                  | 3,547.59              |
| Postage and Express Mail                   | 4,447.62              |
| Hand Delivery Charges                      | 267.97                |
| Internal Copying                           | 48,779.35             |
| Outside Copying                            | 24,343.14             |
| Out of Town Travel                         | 40,593.98             |
| Local Meals and Travel                     | 16,161.82             |
| Court Reporters & Transcripts              | 20,341.05             |
| Staff Overtime                             | 1,013.66              |
| Document Storage & Retrieval               | 246.85                |
| Document Management and Litigation Support | 699,916.72            |
| Experts                                    | 667,528.31            |
| Outside Investigators                      | 47,886.79             |
| Mediation                                  | 53,320.00             |
| <b>TOTAL EXPENSES:</b>                     | <b>\$1,698,959.56</b> |

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<sup>1</sup> In order to avoid duplication, the Plaintiffs' Counsel's respective firm contributions to the Litigation Fund are not included in this Exhibit, which summarizes all expenses for which reimbursement are sought by Plaintiffs' Counsel.

## **Exhibit I**

# BERNSTEIN LITOWITZ BERGER & GROSSMANN LLP

ATTORNEYS AT LAW

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## FIRM RESUME

Visit our web site at [www.blbglaw.com](http://www.blbglaw.com) for the most up-to-date information on the firm, its lawyers and practice groups.

Bernstein Litowitz Berger & Grossmann LLP, a firm of over 50 attorneys in offices located in New York, California and Louisiana, prosecutes class and private actions, nationwide, on behalf of individual and institutional clients. The firm's litigation practice areas include securities class and direct actions in federal and state courts; corporate governance and shareholder rights litigation, including claims for breach of fiduciary duty and proxy violations; mergers and acquisitions and transactional litigation; intellectual property; alternative dispute resolution; distressed debt and bankruptcy; civil rights and employment discrimination; consumer class actions and antitrust. We also handle, on behalf of major institutional clients and lenders, more general complex commercial litigation involving allegations of breach of contract, accountants' liability, breach of fiduciary duty, fraud, and negligence.

We are the nation's leading firm in representing institutional investors in securities fraud class action litigation. The firm's institutional client base includes the New York State Common Retirement Fund, the California Public Employees Retirement System (CalPERS), and the Ontario Teachers' Pension Plan, the largest public pension funds in North America, collectively managing over \$300 billion in assets; the Los Angeles County Employees' Retirement Association (LACERA); the Chicago Municipal, Police and Labor Retirement Systems; the State of Wisconsin Investment Board; the Retirement Systems of Alabama; the Connecticut Retirement Plans and Trust Funds; the City of Detroit Pension Systems; the Houston Firefighters' and Municipal Employees' Pension Funds; the Louisiana School, State, Teachers and Municipal Police Retirement Systems; the Public School Teachers' Pension and Retirement Fund of Chicago; the New Jersey Division of Investment of the Department of the Treasury; TIAA-CREF and other private institutions; as well as numerous other public and Taft-Hartley pension entities.

Since its founding in 1983, Bernstein Litowitz Berger & Grossmann LLP has litigated some of the most complex cases in history and has obtained over \$20 billion on behalf of investors. Unique among its peers, the firm has negotiated the largest settlements ever agreed to by public companies related to securities fraud, and obtained four of the ten largest securities recoveries in history.

As Co-Lead Counsel for the Class representing Lead Plaintiff the New York State Common Retirement Fund in *In re WorldCom, Inc. Securities Litigation*, arising from the financial fraud and subsequent bankruptcy at WorldCom, Inc., we obtained unprecedented settlements totaling more than \$6 billion from the investment bank defendants who underwrote WorldCom bonds, the second largest securities recovery in history. Additionally, the former WorldCom Director Defendants agreed to pay over \$60 million to settle the claims against them. An unprecedented first for outside directors, \$24.75 million of that amount is coming out of the pockets of the individuals—20% of their collective net worth. Also, after four weeks of trial, Arthur Andersen, WorldCom's former auditor, settled for \$65 million. In July 2005, settlements were reached with the former executives of WorldCom, bringing the total obtained for the Class to over \$6.15 billion.

The firm was also Co-Lead Counsel in *In re Cendant Corporation Securities Litigation*, which settled for more than \$3 billion in cash. This settlement, the largest sums ever recovered from a public company and a public accounting firm, includes some of the most significant corporate governance changes ever achieved through securities class action litigation. The firm represented Lead Plaintiffs CalPERS, the New York State Common Retirement Fund, and the New York City Pension Funds on behalf of all purchasers of Cendant securities during the class period. The firm also recovered over \$1.3 billion for investors in Nortel Networks, and recent settlements in *In re McKesson HBOC Inc. Securities Litigation* total over \$1 billion in monies recovered for investors. Additionally, the firm was lead counsel in the celebrated *In re Washington Public Power Supply System Litigation*, which, after seven years of litigation and three months of jury trial, resulted in what was then the largest securities fraud recovery ever – over \$750 million.

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A leader in representing institutional shareholders in litigation arising from the widespread stock options backdating scandals of recent years, the firm recovered nearly \$920 million in ill-gotten compensation directly from former officers and directors in the *UnitedHealth Group, Inc. Shareholder Derivative Litigation*. The largest derivative recovery in history, the settlement is notable for holding individual wrongdoers accountable for their role in illegally backdating stock options, as well as for the company's agreement to far-reaching reforms to curb future executive compensation abuses. (Court approval of the recovery is pending.)

The firm's prosecution of Arthur Andersen LLP, for Andersen's role in the 1999 collapse of the Baptist Foundation of Arizona ("BFA"), received intense national and international media attention. As lead trial counsel for the defrauded BFA investors, the firm obtained a cash settlement of \$217 million from Andersen in May 2002, after six days of what was scheduled to be a three month trial. The case was covered in great detail by *The Wall Street Journal*, *The New York Times*, *The Washington Post*, "60 Minutes II," National Public Radio, and the BBC, as well as various other international news outlets.

The firm is also a recognized leader in representing the interests of shareholders in M&A litigation arising from transactions that are structured to unfairly benefit the company's management or directors at the shareholder's expense. For example, in the high-profile *Caremark Takeover Litigation*, the firm obtained a landmark ruling from the Delaware Court of Chancery ordering Caremark's board to disclose previously withheld information, enjoin a shareholder vote on CVS' merger offer, and grant statutory appraisal rights to Caremark shareholders. CVS was ultimately forced to raise its offer by \$7.50 per share, equal to more than \$3 billion in additional consideration to Caremark shareholders.

Equally important, Bernstein Litowitz Berger & Grossmann LLP has successfully advanced novel and socially beneficial principles by developing important new law in the areas in which we litigate.

The firm served as co-lead counsel on behalf of Texaco's African-American employees in *Roberts v. Texaco Inc.*, which similarly resulted in a recovery of \$176 million, the largest settlement ever in a race discrimination case. The creation of a Task Force to oversee Texaco's human resources activities for five years was unprecedented and served as a model for public companies going forward.

On behalf of twelve public pension funds, including the New York State Common Retirement Fund, CalPERS, LACERA, and other institutional investors, the firm successfully prosecuted *McCall v. Scott*, a derivative suit filed against the directors and officers of Columbia/HCA Healthcare Corporation, the subject of the largest health care fraud investigation in history. This settlement included a landmark corporate governance plan which went well beyond all recently enacted regulatory reforms, greatly enhancing the corporate governance structure in place at HCA.

The firm also represents intellectual property holders who are victims of infringement in litigation against some of the largest companies in the world. Our areas of specialty practice include patents, copyrights, trademarks, trade dress, and trade-secret litigation, and our attorneys are recognized by industry observers for their excellence.

In the consumer field, the firm has gained a nationwide reputation for vigorously protecting the rights of individuals and for achieving exceptional settlements. In several instances, the firm has obtained recoveries for consumer classes that represented the entirety of the class' losses – an extraordinary result in consumer class cases.

Our firm is dedicated to litigating with the highest level of professional competence, striving to secure the maximum possible recovery for our clients in the most efficient and professionally responsible manner. In those cases where we have served as either lead counsel or as a member of plaintiffs' executive committee, the firm has recovered billions of dollars for our clients.

## **THE FIRM'S PRACTICE AREAS**

### **Securities Fraud Litigation**

Securities fraud litigation is the cornerstone of the firm's litigation practice. Since its founding, the firm has tried and settled many high profile securities fraud class actions and continues to play a leading role in major securities litigation pending in federal and state courts. Moreover, since passage of the Private Securities Litigation Reform Act of 1995, which sought to encourage institutional investors to become more pro-active in securities fraud class action litigation, the firm has become the nation's leader in representing institutional investors in securities fraud and derivative litigation. The firm has the distinction of having prosecuted many of the most complex and high-profile cases in securities law history, recovering billions of dollars and obtaining unprecedented corporate governance reforms on behalf of our clients.

The firm also pursues direct actions in securities fraud cases when appropriate. By selectively opting-out of certain securities class actions we seek to resolve our clients' claims efficiently and for substantial multiples of what they might otherwise recover from related class action settlements.

The attorneys in the securities fraud litigation practice group have extensive experience in the laws that regulate the securities markets and in the disclosure requirements of corporations that issue publicly traded securities. Many of the attorneys in this practice group also have accounting backgrounds. The group has access to state-of-the-art, online financial wire services and databases, which enables it to instantaneously investigate any potential securities fraud action involving a public company's debt and equity securities.

### **Corporate Governance and Shareholders' Rights**

The corporate governance and shareholders' rights practice group prosecutes derivative actions, claims for breach of fiduciary duty and proxy violations on behalf of individual and institutional investors in state and federal courts throughout the country. The group has prosecuted actions challenging numerous highly publicized corporate transactions which violated fair process and fair price, and the applicability of the business judgment rule. The group has also addressed issues of corporate waste, shareholder voting rights claims, and executive compensation. As a result of the firm's high profile and widely recognized capabilities, the corporate governance practice group is increasingly in demand by institutional investors who are exercising a more assertive voice with corporate boards regarding corporate governance issues and the board's accountability to shareholders.

The firm is actively involved in litigating numerous cases in this area of law, an area that has become increasingly important in light of efforts by various market participants to buy companies from their public shareholders "on the cheap."

### **Employment Discrimination and Civil Rights**

The employment discrimination and civil rights practice group prosecutes class and multi-plaintiff actions, and other high impact litigation against employers and other societal institutions that violate federal or state employment, anti-discrimination, and civil rights laws. The practice group represents diverse clients on a wide range of issues including Title VII actions, race, gender, sexual orientation and age discrimination suits, sexual harassment and "glass ceiling" cases in which otherwise qualified employees are passed over for promotions to managerial or executive positions.

Bernstein Litowitz Berger & Grossmann LLP is committed to effecting positive social change in the workplace and in society. The practice group has the necessary financial and human resources to ensure that the class action approach to discrimination and civil rights issues is successful. This litigation method serves to empower employees and other civil rights victims, who are usually discouraged from pursuing litigation because of personal financial

limitations, and offers the potential for effecting the greatest positive change for the greatest number of people affected by discriminatory practice in the workplace.

### **Intellectual Property**

BLB&G's Intellectual Property Litigation practice group is dedicated to protecting the creativity and innovation of individuals and firms. Patent cases exemplify the type of complex, high-stakes litigation in which we specialize. Our areas of concentration include patent, trademark, false advertising, copyright, and trade-secret litigation. We have successfully prosecuted these actions against infringers in both federal and state courts across the country, in foreign courts and before administrative bodies. The firm is currently prosecuting patent cases on behalf of inventors in a variety of industries including electronics, liquid crystal display ("LCD") panels, and computer technology.

### **General Commercial Litigation and Alternative Dispute Resolution**

The General Commercial Litigation practice group provides contingency fee representation in complex business litigation and has obtained substantial recoveries on behalf of investors, corporations, bankruptcy trustees, creditor committees and other business entities. We have faced down powerful and well-funded law firms and defendants — and consistently prevailed.

However, not every dispute is best resolved through the courts. In such cases, BLB&G Alternative Dispute practitioners offer clients an accomplished team and a creative venue in which to resolve conflicts outside of the litigation process. BLB&G has extensive experience — and a marked record of successes — in ADR practice. For example, in the wake of the credit crisis, we successfully represented numerous former executives of a major financial institution in arbitrations relating to claims for compensation. Our attorneys have led complex business-to-business arbitrations and mediations domestically and abroad representing clients before all the major arbitration tribunals, including the American Arbitration Association (AAA), FINRA, JAMS, International Chamber of Commerce (ICC) and the London Court of International Arbitration.

### **Distressed Debt and Bankruptcy Creditor Negotiation**

BLB&G Distressed Debt and Bankruptcy Creditor Negotiation group has obtained billions of dollars through litigation on behalf of bondholders and creditors of distressed and bankrupt companies, as well as through third party litigation brought by bankruptcy trustees and creditor's committees against auditors, appraisers, lawyers, officers and directors, and others defendant who may have contributed to a clients' losses. As counsel, we advise institutions and individuals nationwide in developing strategies and tactics to recover assets presumed lost as a result of bankruptcy. Our record in this practice area is characterized by extensive trial experience in addition to completion of successful settlements.

### **Consumer Advocacy**

The consumer advocacy practice group at Bernstein Litowitz Berger & Grossmann LLP prosecutes cases across the entire spectrum of consumer rights, consumer fraud, and consumer protection issues. The firm represents victimized consumers in state and federal courts nationwide in individual and class action lawsuits that seek to provide consumers and purchasers of defective products with a means to recover their damages. The attorneys in this group are well versed in the vast array of laws and regulations that govern consumer interests and are aggressive, effective, court-tested litigators. The consumer practice advocacy group has recovered hundreds of millions of dollars for millions of consumers throughout the country. Most notably, in a number of cases, the firm has obtained recoveries for the class that were the entirety of the potential damages suffered by the consumer. For example, in actions against MCI and Empire Blue Cross, the firm recovered all of the damages suffered by the class. The group achieved its successes by advancing innovative claims and theories of liabilities, such as obtaining decisions in Pennsylvania and Illinois appellate courts that adopted a new theory of consumer damages in mass marketing cases. Bernstein Litowitz Berger & Grossmann LLP is, thus, able to lead the way in protecting the rights of consumers.

## THE COURTS SPEAK

Throughout the firm's history, many courts have recognized the professional competence and diligence of the firm and its members. A few examples are set forth below.

Judge Denise Cote (United States District Court for the Southern District of New York) has noted, several times on the record, the quality of BLB&G's representation of the Class in *In re WorldCom, Inc. Securities Litigation*. Judge Cote on December 16, 2003:

"I have the utmost confidence in plaintiffs' counsel . . . they have been doing a superb job. . . . The Class is extraordinarily well represented in this litigation."

In granting final approval of the \$2.575 billion settlement obtained from the Citigroup Defendants, Judge Cote again praised BLB&G's efforts:

"The magnitude of this settlement is attributable in significant part to Lead Counsel's advocacy and energy.... The quality of the representation given by Lead Counsel... has been superb... and is unsurpassed in this Court's experience with plaintiffs' counsel in securities litigation. Lead Counsel has been energetic and creative.... Its negotiations with the Citigroup Defendants have resulted in a settlement of historic proportions."

\* \* \*

In February 2005, at the conclusion of trial of *In re Clarent Corporation Securities Litigation*, The Honorable Charles R. Breyer of the United States District Court for the Northern District of California praised the efforts of counsel: "It was the best tried case I've witnessed in my years on the bench.... [A]n extraordinarily civilized way of presenting the issues to you [the jury].... We've all been treated to great civility and the highest professional ethics in the presentation of the case.... The evidence was carefully presented to you.... They got dry subject matter and made it interesting... [brought] the material alive... good trial lawyers can do that.... I've had fascinating criminal trials that were far less interesting than this case. [I]t's a great thing to be able to see another aspect of life... It keeps you young... vibrant... [and] involved in things... These trial lawyers are some of the best I've ever seen."

\* \* \*

"I do want to make a comment again about the excellent efforts... [these] firms put into this case and achieved. Earlier this year, I wrote a decision in *Revlon* where I actually replaced plaintiff's counsel because they hadn't seemed to do the work, or do a good job... In doing so, what I said and what I meant was that I think class and derivative litigation is important; that I am not at all critical of class and derivative litigation, and that I think it has significant benefits in terms of what it achieves for stockholders, or it can. It doesn't have to act as a general tax for the sale of indulgences for deals. This case, I think, shows precisely the type of benefits that you can achieve for stockholders and how representative litigation can be a very important part of our corporate governance system. So, if you had book ends, you would put the *Revlon* situation on one book end and you'd put this case on the other book end. You'd hold up the one as an example of what not to do, and you hold up this case as an example of what to do."

Vice Chancellor J. Travis Laster, Delaware Court of Chancery praising the firm's work in the *Landry's Restaurants, Inc. Shareholder Litigation* on October 6, 2010

\* \* \*

In granting the Court's approval of the resolution and prosecution of *McCall v. Scott*, a shareholder derivative lawsuit against certain former senior executives of HCA Healthcare (formerly Columbia/HCA), Senior Judge Thomas A. Higgins (United States District Court, Middle District of Tennessee) said that the settlement "confers an

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exceptional benefit upon the company and the shareholders by way of the corporate governance plan. . . . Counsel’s excellent qualifications and reputations are well documented in the record, and they have litigated this complex case adeptly and tenaciously throughout the six years it has been pending. They assumed an enormous risk and have shown great patience by taking this case on a contingent basis, and despite an early setback they have persevered and brought about not only a large cash settlement but sweeping corporate reforms that may be invaluable to the beneficiaries.”

\* \* \*

Judge Walls (District of New Jersey), in approving the \$3.2 billion *Cendant* settlement, said that the recovery from all defendants, which represents a 37% recovery to the Class, “far exceeds recovery rates of any case cited by the parties.” The Court also held that the \$335 million separate recovery from E&Y is “large” when “[v]iewed in light of recoveries against accounting firms for securities damages.” In granting Lead Counsel’s fee request, the Court determined that “there is no other catalyst for the present settlement than the work of Lead Counsel. . . . This Court, and no other judicial officer, has maintained direct supervision over the parties from the outset of litigation to the present time. In addition to necessary motion practice, the parties regularly met with and reported to the Court every five or six weeks during this period about the status of negotiations between them. . . . [T]he Court has no reason to attribute a portion of the *Cendant* settlement to others’ efforts; Lead Counsel were the only relevant material factors for the settlement they directly negotiated.” The Court found that “[t]he quality of result, measured by the size of settlement, is very high. . . . The *Cendant* settlement amount alone is over three times larger than the next largest recovery achieved to date in a class action case for violations of the securities laws, and approximately ten times greater than any recovery in a class action case involving fraudulent financial statements. . . . The E&Y settlement is the largest amount ever paid by an accounting firm in a securities class action.” The Court went on to observe that “the standing, experience and expertise of the counsel, the skill and professionalism with which counsel prosecuted the case and the performance and quality of opposing counsel were high in this action. Lead Counsel are experienced securities litigators who ably prosecuted the action.” The Court concluded that this Action resulted in “excellent settlements of uncommon amount engineered by highly skilled counsel with reasonable cost to the class.”

\* \* \*

After approving the settlement in *Alexander v. Pennzoil Company*, the Honorable Vanessa D. Gilmore of the United States District Court for the Southern District of Texas ended the settlement hearing by praising our firm for the quality of the settlement and our commitment to effectuating change in the workplace. “... the lawyers for the plaintiffs ... did a tremendous, tremendous job. ... not only in the monetary result obtained, but the substantial and very innovative programmatic relief that the plaintiffs have obtained in this case ... treating people fairly and with respect can only inure to the benefit of everybody concerned. I think all these lawyers did an outstanding job trying to make sure that that’s the kind of thing that this case left behind.”

\* \* \*

On February 23, 2001, the United States District Court for the Northern District of California granted final approval of the \$259 million cash settlement in *In re 3Com Securities Litigation*, the largest settlement of a securities class action in the Ninth Circuit since the Private Securities Litigation Reform Act was passed in 1995, and the fourth largest recovery ever obtained in a securities class action. The district court, in an Order entered on March 9, 2001, specifically commented on the quality of counsel’s efforts and the settlement, holding that “counsel’s representation [of the class] was excellent, and ... the results they achieved were substantial and extraordinary.” The Court described our firm as “among the most experienced and well qualified in this country in [securities fraud] litigation.”

\* \* \*

United States District Judge Todd J. Campbell of the Middle District of Tennessee heard arguments on Plaintiffs’ Motion for Preliminary Injunction in *Cason v. Nissan Motor Acceptance Corporation Litigation*, the highly publicized discriminatory lending class action, on September 5, 2001. He exhibited his own brand of candor in commenting on the excellent work of counsel in this matter: “In fact, the lawyering in this case... is as good as I’ve seen in any case. So y’all are to be commended for that.”



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\* \* \*

In approving the \$30 million settlement in the *Assisted Living Concepts, Inc. Securities Litigation*, the Honorable Ann L. Aiken of the Federal District Court in Oregon, praised the recovery and the work of counsel. She stated that, "...without a doubt...this is a...tremendous result as a result of very fine work...by the...attorneys in this case."

\* \* \*

The Honorable Judge Edward A. Infante of the United States District Court for the Northern District of California expressed high praise for the settlement and the expertise of plaintiffs' counsel when he approved the final settlement in the *Wright v. MCI Communications Corporation* consumer class action. "The settlement. . . is a very favorable settlement to the class. . . to get an 85% result was extraordinary, and plaintiffs' counsel should be complimented for it on this record. . . . The recommendations of experienced counsel weigh heavily on the court. The lawyers before me are specialists in class action litigation. They're well known to me, particularly Mr. Berger, and I have confidence that if Mr. Berger and the other plaintiffs' counsel think this is a good, well-negotiated settlement, I find it is." The case was settled for \$14.5 million.

\* \* \*

At the *In re Computron Software, Inc. Securities Litigation* settlement hearing, Judge Alfred J. Lechner, Jr. of the United States District Court for the District of New Jersey approved the final settlement and commended Bernstein Litowitz Berger & Grossmann's efforts on behalf of the Class. "I think the job that was done here was simply outstanding. I think all of you just did a superlative job and I'm appreciat[ive] not only for myself, but the court system and the plaintiffs themselves. The class should be very, very pleased with the way this turned out, how expeditiously it's been moved."

\* \* \*

The *In re Louisiana-Pacific Corporation Securities Litigation*, filed in the United States District Court, District of Oregon, was a securities class action alleging fraud and misrepresentations in connection with the sale of defective building materials. Our firm, together with co-lead counsel, negotiated a settlement of \$65.1 million, the largest securities fraud settlement in Oregon history, which was approved by Judge Robert Jones on February 12, 1997. The Court there recognized that ". . . the work that is involved in this case could only be accomplished through the unique talents of plaintiffs' lawyers . . . which involved a talent that is not just simply available in the mainstream of litigators."

\* \* \*

Judge Kimba M. Wood of the United States District Court for the Southern District of New York, who presided over the six-week securities fraud class action jury trial in *In re ICN/Viratek Securities Litigation*, also recently praised our firm for the quality of the representation afforded to the class and the skill and expertise demonstrated throughout the litigation and trial especially. The Court commented that ". . . plaintiffs' counsel did a superb job here on behalf of the class. . . This was a very hard fought case. You had very able, superb opponents, and they put you to your task. . . The trial work was beautifully done and I believe very efficiently done. . ."

\* \* \*

Similarly, the Court in the *In re Prudential-Bache Energy Income Partnership Securities Litigation*, United States District Court, Eastern District of Louisiana, recognized Bernstein Litowitz Berger & Grossmann LLP's ". . . professional standing among its peers." In this case, which was settled for \$120 million, our firm served as Chair of the Plaintiffs' Executive Committee.

\* \* \*

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In the landmark securities fraud case, *In re Washington Public Power Supply System Litigation* (United States District Court, District of Arizona), the district court called the quality of representation “exceptional,” noting that “[t]his was a case of overwhelmingly unique proportions. . . a rare and exceptional case involving extraordinary services on behalf of Class plaintiffs.” The Court also observed that “[a] number of attorneys dedicated significant portions of their professional careers to this litigation, . . . champion[ing] the cause of Class members in the face of commanding and vastly outnumbering opposition. . . [and] in the face of uncertain victory. . . . [T]hey succeeded admirably.”

\* \* \*

Likewise, in *In re Electro-Catheter Securities Litigation*, where our firm served as co-lead counsel, Judge Nicholas Politan of the United States District Court for New Jersey said, “Counsel in this case are highly competent, very skilled in this very specialized area and were at all times during the course of the litigation...always well prepared, well spoken, and knew their stuff and they were a credit to their profession. They are the top of the line.”

\* \* \*

In our ongoing prosecution of the *In re Bennett Funding Group Securities Litigation*, the largest “Ponzi scheme” fraud in history, partial settlements totaling over \$140 million have been negotiated for the class. While the action continues to be prosecuted against other defendants, the United States District Court for the Southern District of New York has already found our firm to have been “extremely competent” and of “great skill” in representing the class.

\* \* \*

Judge Sarokin of the United States District Court for the District of New Jersey, after approving the \$30 million settlement in *In re First Fidelity Bancorporation Securities Litigation*, a case in which we were lead counsel, praised the “. . . outstanding competence and performance” of the plaintiffs’ counsel and expressed “admiration” for our work in the case.

## RECENT ACTIONS & SIGNIFICANT RECOVERIES

Bernstein Litowitz Berger & Grossmann LLP is counsel in many diverse nationwide class and individual actions and has obtained many of the largest and most significant recoveries in history. Some examples from our practice groups include:

### Securities Class Actions

***In re WorldCom, Inc. Securities Litigation*** -- (United States District Court for the Southern District of New York) The largest securities fraud class action in history. The court appointed BLB&G client the **New York State Common Retirement Fund** as Lead Plaintiff and the firm as Lead Counsel for the class in this securities fraud action arising from the financial fraud and subsequent bankruptcy at WorldCom, Inc. The complaints in this litigation alleged that WorldCom and others disseminated false and misleading statements to the investing public regarding its earnings and financial condition in violation of the federal securities and other laws. As a result, investors suffered tens of billions of dollars in losses. The Complaint further alleged a nefarious relationship between Citigroup subsidiary Salomon Smith Barney and WorldCom, carried out primarily by Salomon employees involved in providing investment banking services to WorldCom (most notably, Jack Grubman, Salomon's star telecommunications analyst), and by WorldCom's former CEO and CFO, Bernard J. Ebbers and Scott Sullivan, respectively. On November 5, 2004, the Court granted final approval of the \$2.575 billion cash settlement to settle all claims against the Citigroup defendants. In mid-March 2005, on the eve of trial, the 13 remaining "underwriter defendants," including J.P. Morgan Chase, Deutsche Bank and Bank of America, agreed to pay settlements totaling nearly \$3.5 billion to resolve all claims against them, bringing the total over \$6 billion. Additionally, by March 21, 2005, the day before trial was scheduled to begin, all of the former WorldCom Director Defendants had agreed to pay over \$60 million to settle the claims against them. An unprecedented first for outside directors, \$24.75 million of that amount came out of the pockets of the individuals— 20% of their collective net worth. The case generated headlines across the country—and across the globe. In the words of Lynn Turner, a former SEC chief accountant, the settlement sent a message to directors "that their own personal wealth is at risk if they're not diligent in their jobs." After four weeks of trial, Arthur Andersen, WorldCom's former auditor, settled for \$65 million. In July 2005, settlements were reached with the former executives of WorldCom, bringing the total obtained for the Class to over \$6.15 billion.

***In re Cendant Corporation Securities Litigation*** -- (United States District Court, District of New Jersey) Securities class action filed against Cendant Corporation, its officers and directors and Ernst & Young, its auditors. Cendant settled the action for \$2.8 billion and Ernst & Young settled for \$335 million. The settlements are the third largest in history in a securities fraud action. Plaintiffs alleged that the company disseminated materially false and misleading financial statements concerning CUC's revenues, earnings and expenses for its 1997 fiscal year. As a result of company-wide accounting irregularities, Cendant restated its financial results for its 1995, 1996 and 1997 fiscal years and all fiscal quarters therein. A major component of the settlement was Cendant's agreement to adopt some of the most extensive corporate governance changes in history. The firm represented Lead Plaintiffs **CaIPERS** - the **California Public Employees Retirement System**, the **New York State Common Retirement Fund** and the **New York City Pension Funds**, the three largest public pension funds in America, in this action.

***Baptist Foundation of Arizona v. Arthur Andersen, LLP*** -- (Superior Court of the State of Arizona in and for the County of Maricopa) Firm client, the **Baptist Foundation of Arizona Liquidation Trust** ("BFA") filed a lawsuit charging its former auditors, the "Big Five" accounting firm of Arthur Andersen LLP, with negligence in conducting its annual audits of BFA's financial statements for a 15-year period beginning in 1984, and culminating in BFA's bankruptcy in late 1999. Investors lost hundreds of millions of dollars as a result of BFA's demise. The lawsuit alleges that Andersen ignored evidence of corruption and mismanagement by BFA's former senior management team and failed to investigate suspicious transactions related to the mismanagement. These oversights of accounting work, which were improper under generally accepted accounting principles, allowed BFA's undisclosed losses to escalate to hundreds of millions of dollars, and ultimately resulted in its demise. On May 6, 2002, after one week of trial, Andersen agreed to pay \$217 million to settle the litigation.

***In re Nortel Networks Corporation Securities Litigation*** -- (“Nortel II”) (United States District Court for the Southern District of New York) Securities fraud class action on behalf of persons and entities who purchased or acquired the common stock of Nortel Networks Corporation. The action charged Nortel, and certain of its officers and directors, with violations of the Securities Exchange Act of 1934, alleging that the defendants knowingly or, at a minimum, recklessly made false and misleading statements with respect to Nortel’s financial results during the relevant period. BLB&G clients the Ontario Teachers’ Pension Plan Board and the Treasury of the State of New Jersey and its Division of Investment were appointed as Co-Lead Plaintiffs for the Class, and BLB&G was appointed Lead Counsel for the Class by the court in July 2004. On February 8, 2006, BLB&G and Lead Plaintiffs announced that they and another plaintiff had reached an historic agreement in principle with Nortel to settle litigation pending against the Company for approximately \$2.4 billion in cash and Nortel common stock (all figures in US dollars). The Nortel II portion of the settlement totaled approximately \$1.2 billion. Nortel later announced that its insurers had agreed to pay \$228.5 million toward the settlement, bringing the total amount of the global settlement to approximately \$2.7 billion, and the total amount of the Nortel II settlement to over \$1.3 billion.

***In re McKesson HBOC, Inc. Securities Litigation*** -- (United States District Court, Northern District of California) Securities fraud litigation filed on behalf of purchasers of HBOC, McKesson and McKesson HBOC securities. On April 28, 1999, the Company issued the first of several press releases which announced that, due to its improper recognition of revenue from contingent software sales, it would have to restate its previously reported financial results. Immediately thereafter, McKesson HBOC common stock lost \$9 billion in market value. On July 14, 1999, the Company announced that it was restating \$327.8 million of revenue improperly recognized in the HBOC segment of its business during the fiscal years ending March 31, 1997, 1998 and 1999. The complaint alleged that, during the Class Period, Defendants issued materially false and misleading statements to the investing public concerning HBOC’s and McKesson HBOC’s financial results, which had the effect of artificially inflating the prices of HBOC’s and the Company’s securities. On September 28, 2005, the court granted preliminary approval of a \$960 million settlement which BLB&G and its client, Lead Plaintiff the **New York State Common Retirement Fund**, obtained from the company. On December 19, 2006, defendant Arthur Andersen agreed to pay \$72.5 million in cash to settle all claims asserted against it. On the eve of trial in September 2007 against remaining defendant Bear Stearns & Co. Inc., Bear Stearns, McKesson and Lead Plaintiff entered into a three-way settlement agreement that resolved the remaining claim against Bear Stearns for a payment to the class of \$10 million, bringing the total recovery to more than \$1.04 billion for the Class.

***HealthSouth Corporation Bondholder Litigation*** -- (United States District Court for the Northern District of Alabama {Southern Division}) On March 19, 2003, the investment community was stunned by the charges filed by the Securities and Exchange Commission against Birmingham, Alabama based HealthSouth Corporation and its former Chairman and Chief Executive Officer, Richard M. Scrushy, alleging a “massive accounting fraud.” Stephen M. Cutler, the SEC’s Director of Enforcement, said “HealthSouth’s fraud represents an appalling betrayal of investors.” According to the SEC, HealthSouth overstated its earnings by at least \$1.4 billion since 1999 at the direction of Mr. Scrushy. Subsequent revelations have disclosed that the overstatement actually exceeded over \$2.4 billion, virtually wiping out all of HealthSouth’s reported profits for the last five years. A number of executives at HealthSouth, including its most senior accounting officers -- including every chief financial officer in HealthSouth’s history -- have pleaded guilty to criminal fraud charges. In the wake of these disclosures, numerous securities class action lawsuits have been filed against HealthSouth and certain individual defendants. On June 24, 2003, the Honorable Karon O. Bowdre of the District Court appointed the **Retirement Systems of Alabama** to serve as Lead Plaintiff on behalf of a class of all purchasers of HealthSouth bonds who suffered a loss as a result of the fraud. Judge Bowdre appointed BLB&G to serve as Co-Lead Counsel for the bondholder class. On February 22, 2006, the RSA and BLB&G announced that it and several other institutional plaintiffs leading investor lawsuits arising from the scandal had reached a class action settlement with HealthSouth, certain of the company’s former directors and officers, and certain of the company’s insurance carriers. The total consideration in that settlement is approximately \$445 million for shareholders and bondholders. On April 23, 2010, RSA and BLB&G announced that it had reached separate class action settlements with UBS AG, UBS Warburg LLC, Benjamin D. Lorello, William C. McGahan and Howard Capek (collectively, UBS) and with Ernst & Young LLP (E&Y). The total consideration to be paid in the UBS settlement is \$100 million in cash and E&Y has agreed to pay \$33.5 million in cash. Bond purchasers will also receive approximately 5% of the recovery achieved in Alabama state court in a separate action

brought on behalf of HealthSouth against UBS and Richard Scrushy. The total settlement for injured HealthSouth bond purchasers will be in excess of \$230 million, which should recoup over a third of bond purchaser damages.

***Ohio Public Employees Retirement System, et al. v. Freddie Mac, et al.*** -- (United States District Court for the Southern District of Ohio {Eastern Division}) Securities fraud class action filed on behalf of the **Ohio Public Employees Retirement System** and the **State Teachers Retirement System of Ohio** against the Federal Home Loan Mortgage Corporation ("Freddie Mac") and certain of its current and former officers. The Class includes all purchasers of Freddie Mac common stock during the period July 15, 1999 through June 6, 2003. The Complaint alleges that Freddie Mac and certain current or former officers of the Company issued false and misleading statements in connection with Company's previously reported financial results. Specifically, the complaint alleges that the defendants misrepresented the Company's operations and financial results by having engaged in numerous improper transactions and accounting machinations that violated fundamental GAAP precepts in order to artificially smooth the Company's earnings and to hide earnings volatility. On November 21, 2003, Freddie Mac restated its previously reported earnings in connection with these improprieties, ultimately restating more than \$5.0 billion in earnings. In October 2005, with document review nearly complete, Lead Plaintiffs began deposition discovery. On April 25, 2006, the parties reported to the Court that they had reached an agreement in principle to settle the case for \$410 million. On October 26, 2006, the Court granted final approval of the settlement.

***In re Washington Public Power Supply System Litigation*** -- (United States District Court, District of Arizona) Commenced in 1983, the firm was appointed Chair of the Executive Committee responsible for litigating the action on behalf of the class. The action involved an estimated 200 million pages of documents produced in discovery; the depositions of 285 fact witnesses and 34 expert witnesses; more than 25,000 introduced exhibits; six published district court opinions; seven appeals or attempted appeals to the Ninth Circuit; and a three-month jury trial, which resulted in a settlement of over \$750 million – then the largest securities fraud settlement ever achieved.

***In re Lucent Technologies, Inc. Securities Litigation*** -- (United States District Court for the District of New Jersey) A securities fraud class action filed on behalf of purchasers of the common stock of Lucent Technologies, Inc. from October 26, 1999 through December 20, 2000. In the action, BLB&G served as Co-Lead Counsel for the shareholders and Lead Plaintiffs, the **Parnassus Fund** and **Teamsters Locals 175 & 505 D&P Pension Trust**, and also represented the **Anchorage Police and Fire Retirement System** and the **Louisiana School Employees' Retirement System**. Lead Plaintiffs' complaint charged Lucent with making false and misleading statements to the investing public concerning its publicly reported financial results and failing to disclose the serious problems in its optical networking business. When the truth was disclosed, Lucent admitted that it had improperly recognized revenue of nearly \$679 million in fiscal 2000. On September 23, 2003, the Court granted preliminary approval of the agreement to settle this litigation, a package valued at approximately \$600 million composed of cash, stock and warrants. The appointment of BLB&G as Co-Lead Counsel is especially noteworthy as it marked the first time since the 1995 passage of the Private Securities Litigation Reform Act that a court has reopened the lead plaintiff or lead counsel selection process to account for changed circumstances, new issues and possible conflicts between new and old allegations.

***In re Williams Securities Litigation*** -- (United States District Court for the Northern District of Oklahoma) Securities fraud class action filed on behalf of a class of all persons or entities that purchased or otherwise acquired certain securities of The Williams Companies. The action alleged securities claims pursuant to Section 10(b) of the Securities Exchange Act of 1934 and Section 11 of the Securities Act of 1933. After a massive discovery and intensive litigation effort, which included taking more than 150 depositions and reviewing in excess of 18 million pages of documents, BLB&G and its clients, the Arkansas Teacher Retirement System and the Ontario Teachers' Pension Plan Board, announced an agreement to settle the litigation against all defendants for \$311 million in cash on June 13, 2006. The recovery is among the largest recoveries ever in a securities class action in which the corporate defendant did not restate its financial results.

***In re DaimlerChrysler Securities Litigation*** -- (United States District Court for the District of Delaware) A securities class action filed against defendants DaimlerChrysler AG, Daimler-Benz AG and two of DaimlerChrysler's top executives, charging that Defendants acted in bad faith and misrepresented the nature of the 1998 merger between Daimler-Benz AG and the Chrysler Corporation. According to plaintiffs, defendants framed

the transaction as a “merger of equals,” rather than an acquisition, in order to avoid paying an “acquisition premium.” Plaintiffs’ Complaint alleges that Defendants made this representation to Chrysler shareholders in the August 6, 1998 Registration Statement, Prospectus, and Proxy, leading 97% of Chrysler shareholders to approve the merger. BLB&G is court-appointed Co-Lead Counsel for Co-Lead Plaintiffs the **Chicago Municipal Employees Annuity and Benefit Fund** and the **Chicago Policemen’s Annuity and Benefit Fund**. BLB&G and the Chicago funds filed the action on behalf of investors who exchanged their Chrysler Corporation shares for DaimlerChrysler shares in connection with the November 1998 merger, and on behalf of investors who purchased DaimlerChrysler shares in the open market from November 13, 1998 through November 17, 2000. On August 22, 2003, BLB&G, as Co-Lead Counsel for Plaintiffs, obtained an agreement in principle to settle the action for \$300 million.

*In re The Mills Corporation Securities Litigation* -- (United States District Court, Eastern District of Virginia) On July 27, 2007, BLB&G and **Mississippi Public Employees’ Retirement System** (“Mississippi”) filed a Consolidated Complaint against The Mills Corporation (“Mills” or the “Company”), a former real estate investment trust, certain of its current and former senior officers and directors, its independent auditor, Ernst & Young LLP, and its primary joint venture partner, the KanAm Group. This action alleged that, during the Class Period, Mills issued financial statements that materially overstated the Company’s actual financial results and engaged in accounting improprieties that enabled it to report results that met or exceeded the market’s expectations and resulted in the announcement of a restatement. Mills conducted an internal investigation into its accounting practices, which resulted in the retirement, resignation and termination of 17 Company officers and concluded, among other things, that: (a) there had been a series of accounting violations that were used to “meet external and internal financial expectations;” (b) there were a set of accounting errors that were not “reasonable and reached in good faith” and showed “possible misconduct;” and (c) the Company “did not have in place fully adequate accounting information systems, personnel, formal policies and procedures, supervision, and internal controls.” On December 24, 2009, the Court granted final approval of settlements with the Mills Defendants (\$165 million), Mills’ auditor Ernst & Young (\$29.75 million), and the Kan Am Defendants (\$8 million), bringing total recoveries obtained for the class to \$202.75 million plus interest. This settlement represents the largest recovery ever achieved in a securities class action in Virginia, and the second largest ever achieved in the Fourth Circuit Court of Appeals.

## **Corporate Governance and Shareholders’ Rights**

*UnitedHealth Group, Inc. Shareholder Derivative Litigation* – (United States District Court, District of Minnesota) Shareholder derivative action filed on behalf of Plaintiffs the St. Paul Teachers’ Retirement Fund Association, the Public Employees’ Retirement System of Mississippi, the Jacksonville Police & Fire Pension Fund, the Louisiana Sheriffs’ Pension & Relief Fund, the Louisiana Municipal Police Employees’ Retirement System and Fire & Police Pension Association of Colorado (“Public Pension Funds”). The action was brought in the name and for the benefit of UnitedHealth Group, Inc. (“UnitedHealth” or the “Corporation”) against certain current and former executive officers and members of the Board of Directors of UnitedHealth. It alleges that defendants obtained, approved and/or acquiesced in the issuance of stock options to senior executives that were unlawfully backdated to provide the recipients with windfall compensation at the direct expense of UnitedHealth and its shareholders. The firm recovered nearly \$920 million in ill-gotten compensation directly from the former officer defendants—the largest derivative recovery in history. The settlement is notable for holding these individual wrongdoers accountable for their role in illegally backdating stock options, as well as for the fact that the company agreed to far-reaching reforms to curb future executive compensation abuses. As feature coverage in *The New York Times* indicated, “investors everywhere should applaud [the UnitedHealth settlement]....[T]he recovery sets a standard of behavior for other companies and boards when performance pay is later shown to have been based on ephemeral earnings.”

*Caremark Merger Litigation* – (Delaware Court of Chancery - New Castle County) Shareholder class action against the directors of Caremark RX, Inc. (“Caremark”) for violations of their fiduciary duties arising from their approval and continued endorsement of a proposed merger with CVS Corporation (“CVS”) and their refusal to consider fairly an alternative transaction proposed by Express Scripts, Inc. (“Express Scripts”). On December 21, 2006, BLB&G commenced this action on behalf of the **Louisiana Municipal Police Employees’ Retirement System** and other Caremark shareholders in order to force the Caremark directors to comply with their fiduciary duties and otherwise obtain the best value for shareholders. In a landmark decision issued on February 23, 2007, the Delaware Court of Chancery ordered the defendants to disclose additional material information that had previously been withheld, enjoined the shareholder vote on the CVS transaction until the additional disclosures occurred, and

granted statutory appraisal rights to Caremark's shareholders. The Court also heavily criticized the conduct of the Caremark board of directors and, although declining to enjoin the shareholder vote on procedural grounds, noted that subsequent proceedings will retain the power to make shareholders whole through the availability of money damages. The lawsuit forced CVS to increase the consideration offered to Caremark shareholders by a total of \$7.50 per share in cash (over \$3 billion in total), caused Caremark to issue a series of additional material disclosures, and twice postponed the shareholder vote to allow shareholders sufficient time to consider the new information. On March 16, 2007, Caremark shareholders voted to approve the revised offer by CVS.

***In re ACS Shareholder Litigation (Xerox)*** -- (Delaware Court of Chancery) Shareholder class action filed on behalf of the **New Orleans Employees' Retirement System** ("NOERS") and similarly situated shareholders of Affiliated Computer Service, Inc. ("ACS" or the "Company"), against members of the Board of Directors of ACS ("the Board"), Xerox Corporation ("Xerox"), and Boulder Acquisition Corp. ("Boulder"), a wholly owned subsidiary of Xerox. The action alleged that the members of the ACS Board breached their fiduciary duties by approving a merger with Xerox which would allow Darwin Deason, ACS's founder and Chairman and largest stockholder, to extract hundreds of millions of dollars of value that rightfully belongs to ACS's public shareholders for himself. Per the agreement, Deason's consideration amounted to over a 50% premium when compared to the consideration paid to ACS's public stockholders. The ACS Board further breached its fiduciary duties by agreeing to certain deal protections in the merger agreement, including an approximately 3.5% termination fee and a no-solicitation provision. These deal protections, along with the voting agreement that Deason signed with Xerox (which required him under certain circumstances to pledge half of his voting interest in ACS to Xerox) essentially locked-up the transaction between ACS and Xerox. Plaintiffs, therefore, sought a preliminary injunction to enjoin the deal. After intense discovery and litigation, the parties also agreed to a trial in May 2010 to resolve all outstanding claims. On May 19, 2010, Plaintiffs reached a global settlement with defendants for \$69 million. In exchange for the release of all claims, Deason agreed to pay the settlement class \$12.8 million while ACS agreed to pay the remaining \$56.1 million. The Court granted final approval to the settlement on August 24, 2010.

***In re Dollar General Corporation Shareholder Litigation*** -- (Sixth Circuit Court for Davidson County, Tennessee; Twentieth Judicial District, Nashville) Class action filed against Dollar General Corporation ("Dollar General" or the "Company") for breaches of fiduciary duty related to its proposed acquisition by the private equity firm Kohlberg Kravis Roberts & Co. ("KKR"), and against KKR for aiding and abetting those breaches. A Nashville, Tennessee corporation that operates retail stores selling discounted household goods, in early March 2007, Dollar General announced that its board of directors had approved the acquisition of the Company by KKR. On March 13, 2007, BLB&G filed a class action complaint alleging that the "going private" offer was approved as a result of breaches of fiduciary duty by the board and that the price offered by KKR did not reflect the fair value of Dollar General's publicly-held shares. The Court appointed BLB&G Co-Lead Counsel and **City of Miami General Employees' & Sanitation Employees' Retirement Trust** as Co-Lead Plaintiff. On the eve of the summary judgment hearing, KKR agreed to pay a \$40 million settlement in favor of the shareholders, with a potential for \$17 million more for the Class.

***Landry's Restaurants, Inc. Shareholder Litigation*** -- (Delaware Court of Chancery) A derivative and shareholder class action arising from the conduct of Landry's Restaurants, Inc.'s ("Landry's" or "the Company") chairman, CEO and largest shareholder, Tilman J. Fertitta ("Fertitta"). Fertitta and Landry's board of directors (the "Board") breached their fiduciary duties by stripping Landry's public shareholders of their controlling interest in the Company for no premium and severely devalued Landry's remaining public shares. In June 2008 Fertitta agreed to pay \$21 per share to Landry's public shareholders to acquire the approximately 61% of the Company's shares that he did not already own (the "Buyout"). Fertitta planned to finance the Buyout by obtaining funds from a number of lending banks. In September 2008 before the Buyout closed, Hurricane Ike struck Texas and damaged certain of the Company's restaurants and properties. Fertitta used this natural disaster, and the general state of the national economy, to leverage renegotiation of the Buyout. By threatening the Board that the lending banks might invoke the material adverse effect clause of the Buyout's debt commitment letter – even though no such right existed – Fertitta drastically reduced his purchase price to \$13.50 a share in an amended agreement announced on October 18, 2008 (the "Amended Transaction"). In the wake of this announcement, Landry's share price plummeted, and Fertitta took advantage of Landry's depressed stock price by accumulating shares on the open market. Despite the Board's recognition of Fertitta's stock accumulation outside the terms of the Amended Transaction, it did nothing to protect the interests of Landry's minority shareholders. By December 2, 2008, Fertitta owned more than 50% of the Company, and sought to escape his obligations under the amended agreement. Roughly one month later, Fertitta and

the lending banks used a routine request of the Company to cause the Board to terminate the Amended Transaction, thereby allowing Fertitta to avoid paying a termination fee. On February 5, 2009, BLB&G filed a lawsuit in the on behalf of Plaintiff **Louisiana Municipal Police Employees' Retirement System** and other public shareholders, and derivatively on behalf of Landry's, against Fertitta and the Board seeking to enforce the Buyout and various other reliefs. On November 3, 2009, Landry's announced that its Board approved a new deal with Fertitta, whereby Fertitta would acquire the approximately 45% of Landry's outstanding stock that he does not already own for \$14.75 per share in cash (the "Proposed Transaction"). On November 12, 2009, the Court granted Plaintiff's motion to supplement its original complaint to add additional claims involving breaches of fiduciary duty by Fertitta and the Landry's Board related to the Proposed Transaction.

After over a year of intensive litigation in which the Court denied defendants' motion to dismiss on all grounds, settlements were reached resolving all claims asserted against Defendants, which included the creation of a settlement fund composed of \$14.5 million in cash. With respect to the conduct surrounding the 2009 Proposed Transaction, the settlement terms included significant corporate governance reforms, and an increase in consideration to shareholders of the purchase price valued at \$65 million.

***In re Yahoo! Inc., Takeover Litigation*** -- (Delaware Court of Chancery) Shareholder class action filed on behalf of the Police & Fire Retirement System of the City of Detroit and the General Retirement System of the City of Detroit (collectively "Plaintiffs") (the "Detroit Funds"), and all other similarly situated public shareholders (the "Class") of Yahoo! Inc. ("Yahoo" or the "Company"). The action alleged that the Board of Directors at Yahoo breached their fiduciary duties by refusing to respond in good faith to Microsoft Corporation's ("Microsoft") non-coercive offer to acquire Yahoo for \$31 per share - a 62% premium above the \$19.18 closing price of Yahoo common stock on January 31, 2008. The initial complaint filed on February 21, 2008 alleged that Yahoo pursued an "anyone but Microsoft" approach, seeking improper defensive options to thwart Microsoft at the expense of Yahoo's shareholders, including transactions with Google, AOL, and News Corp. The Complaint also alleged the Yahoo Board adopted improper change-in-control employee severance plans designed to impose tremendous costs and risks for an acquirer by rewarding employees with rich benefits if they quit and claimed a constructive termination in the wake of merger. Following consolidation of related cases and appointment of BLB&G as co-lead counsel by Chancellor Chandler on March 5, 2008, plaintiffs requested expedited proceedings and immediately commenced discovery, including document reviews and depositions of certain third parties and defendants. In December 2008, the parties reached a settlement of the action which provided significant benefits to Yahoo's shareholders including substantial revisions to the two challenged Change-in-Control Employee Severance Plans that the Yahoo board of directors adopted in immediate response to Microsoft's offer back in February of 2008. These revisions included changes to the first trigger of the severance plans by modifying what constitutes a "change of control" as well as changes to the second trigger by narrowing what amounts to "good reason for termination" or when an employee at Yahoo could leave on his own accord and claim severance benefits. Finally, the settlement provided for modifications to reduce the expense of the plan. The Court approved the settlement on March 6, 2009.

***Ceridian Shareholder Litigation*** -- (Delaware Chancery Court, New Castle County) Shareholder litigation filed in 2007 against the Ceridian Corporation ("Ceridian" or "the Company"), its directors, and Ceridian's proposed merger partners on behalf of BLB&G client, **Minneapolis Firefighter's Relief Association** ("Minneapolis Firefighters"), and other similarly situated shareholders, alleging that the proposed transaction arose from the board of directors' breaches of their fiduciary duty to maximize shareholder value and instead was driven primarily as a means to enrich Ceridian's management at the expense of shareholders. Ceridian is comprised primarily of two divisions: Human Resources Solutions and Comdata. The Company's biggest shareholder pursued a proxy fight to replace the current board of directors. In response to these efforts, the Company disclosed an exploration of strategic alternatives and later announced that it had agreed to be acquired by Thomas H. Lee Partners, LP ("THL") and Fidelity National Financial, Inc. ("Fidelity"), and had entered into a definitive merger agreement in a deal that values Ceridian at \$5.3 billion, or \$36 per share. In addition, Ceridian's directors were accused of manipulating shareholder elections by embedding into the merger agreement a contractual provision that allowed THL and Fidelity an option to abandon the deal if a majority of the current board is replaced. This "Election Walkaway" provision would have punished shareholders for exercising the shareholder franchise and thereby coerce the vote. The defendants were also accused of employing additional unlawful lockup provisions, including "Don't Ask Don't Waive" standstill agreements, an improper "no-shop/no-talk" provision, and a \$165 million termination fee as part of the merger agreement in order to deter and preclude the successful emergence of alternatives to the deal with



THL and Fidelity. Further, in the shadow of the ongoing proxy fight, Ceridian refused to hold its annual meeting for over 13 months. Pursuant to Section 211 of the Delaware General Corporation Law, BLB&G and Minneapolis Firefighters successfully filed a petition to require that the Company hold its annual meeting promptly which resulted in an order compelling the annual meeting to take place. BLB&G and Minneapolis also obtained a partial settlement in the fiduciary duty litigation. Pursuant to the settlement terms, the "Election Walkaway" provision in the merger agreement and the "Don't Ask Don't Waive" standstills were eliminated, letters were sent by the Ceridian board to standstill parties advising them of their right to make a superior offer, and the "no-shop/no-talk" provision in the merger agreement was amended to significantly expand the scope of competing transactions that can be considered by the Ceridian board. On February 25, 2008, the court approved the final settlement of the action.

***McCall v. Scott*** -- (United States District Court, Middle District of Tennessee). A derivative action filed on behalf of Columbia/HCA Healthcare Corporation -- now "HCA" -- against certain former senior executives of HCA and current and former members of the Board of Directors seeking to hold them responsible for directing or enabling HCA to commit the largest healthcare fraud in history, resulting in hundreds of millions of dollars of loss to HCA. The firm represented the **New York State Common Retirement Fund** as Lead Plaintiff, as well as the **California Public Employees' Retirement System ("CalPERS")**, the **New York City Pension Funds**, the **New York State Teachers' Retirement System** and the **Los Angeles County Employees' Retirement Association ("LACERA")** in this action. Although the district court initially dismissed the action, the United States Court of Appeals for the Sixth Circuit reversed that dismissal and upheld the complaint in substantial part, and remanded the case back to the district court. On February 4, 2003, the Common Retirement Fund, announced that the parties had agreed in principle to settle the action, subject to approval of the district court. As part of the settlement, HCA was to adopt a corporate governance plan that goes well beyond the requirements both of the Sarbanes-Oxley Act and of the rules that the New York Stock Exchange has proposed to the SEC, and also enhances the corporate governance structure presently in place at HCA. HCA also will receive \$14 million. Under the sweeping governance plan, the HCA Board of Directors is to be substantially independent, and would have increased power and responsibility to oversee fair and accurate financial reporting. In granting final approval of the settlement on June 3, 2003, the Honorable Senior Judge Thomas A. Higgins of the District Court said that the settlement "confers an exceptional benefit upon the company and the shareholders by way of the corporate governance plan."

***Official Committee of Unsecured Creditors of Integrated Health Services, Inc. v. Elkins, et al.*** -- (Delaware Chancery Court) The Official Committee of Unsecured Creditors (the "Committee") of Integrated Health Services ("IHS"), filed a complaint against the current and former officers and directors of IHS, a health care provider which declared bankruptcy in January 2000. The Committee, on behalf of the Debtors Bankruptcy Estates, sought damages for breaches of fiduciary duties and waste of corporate assets in proposing, negotiating, approving and/or ratifying excessive and unconscionable compensation arrangements for Robert N. Elkins, the Company's former Chairman and Chief Executive Officer, and for other executive officers of the Company. BLB&G is a special litigation counsel to the committee in this action. The Delaware Chancery Court sustained most of Plaintiff's fiduciary duty claims against the defendants, finding that the complaint sufficiently pleaded that the defendants "consciously and intentionally disregarded their responsibilities." The Court also observed that Delaware law sets a very high bar for proving violation of fiduciary duties in the context of executive compensation. Resulting in a multi-million dollar settlement, the Integrated Health Services litigation was one of the few executive compensation cases successfully litigated in Delaware.

## **Employment Discrimination and Civil Rights**

***Roberts v. Texaco, Inc.*** -- (United States District Court for the Southern District of New York) Six highly qualified African-American employees filed a class action complaint against Texaco Inc. alleging that the Company failed to promote African-American employees to upper level jobs and failed to compensate them fairly in relation to Caucasian employees in similar positions. Two years of intensive investigation on the part of the lawyers of Bernstein Litowitz Berger & Grossmann LLP, including retaining the services of high level expert statistical analysts, revealed that African-Americans were significantly under-represented in high level management jobs and Caucasian employees were promoted more frequently and at far higher rates for comparable positions within the

Company. Settled for over \$170 million. Texaco also agreed to a Task Force to monitor its diversity programs for five years. The settlement has been described as the most significant race discrimination settlement in history.

***ECOA - GMAC/NMAC/Ford/Toyota/Chrysler - Consumer Finance Discrimination Litigation*** (multiple jurisdictions) -- The cases involve allegations that the lending practices of General Motors Acceptance Corporation, Nissan Motor Acceptance Corporation, Ford Motor Credit, Toyota Motor Credit and DaimlerChrysler Financial cause African-American and Hispanic car buyers to pay millions of dollars more for car loans than similarly situated white buyers. At issue is a discriminatory kickback system under which minorities typically pay about 50% more in dealer mark-up which is shared by auto dealers with the defendants.

- **NMAC:** In March 2003, the United States District Court for the Middle District of Tennessee granted final approval of the settlement of the class action pending against Nissan Motor Acceptance Corporation (“NMAC”). Under the terms of the settlement, NMAC agreed to offer pre-approved loans to hundreds of thousands of current and potential African-American and Hispanic NMAC customers, and limit how much it raises the interest charged to car buyers above the Company’s minimum acceptable rate. The company will also contribute \$1 million to America Saves, to develop a car financing literacy program targeted toward minority consumers. The settlement also provides for the payment of \$5,000 to \$20,000 to the 10 people named in the class-action lawsuit.
- **GMAC:** In March 2004, the United States District Court for the Middle District of Tennessee granted final approval of a settlement of the litigation against General Motors Acceptance Corporation (“GMAC”), in which GMAC agreed to take the historic step of imposing a 2.5% markup cap on loans with terms up to sixty months, and a cap of 2% on extended term loans. GMAC also agreed to institute a substantial credit pre-approval program designed to provide special financing rates to minority car buyers with special rate financing. The pre-approval credit program followed the example laid down in the successful program that NMAC implemented. The GMAC program extended to African-American and Hispanic customers throughout the United States and will offer no less than 1.25 million qualified applicants “no markup” loans over a period of five years. In addition, GMAC further agreed to (i) change its financing contract forms to disclose that the customer’s annual percentage interest rate may be negotiable and that the dealer may retain a portion of the finance charge paid by the customer to GMAC, and (ii) to contribute \$1.6 million toward programs aimed at educating and assisting consumers.
- **DaimlerChrysler:** In October 2005, the United States District Court for the District of New Jersey granted final approval of the settlement of BLB&G’s case against DaimlerChrysler. Under the Settlement Agreement, DaimlerChrysler agreed to implement substantial changes to the Company’s practices, including limiting the maximum amount of mark-up dealers may charge customers to between 1.25% and 2.5% depending upon the length of the customer’s loan. In addition, the Company agreed to (i) include disclosures on its contract forms that the consumer can negotiate the interest rate with the dealer and that DaimlerChrysler may share the finance charges with the dealer, (ii) send out 875,000 pre-approved credit offers of no-mark-up loans to African-American and Hispanic consumers over the next several years, and (iii) contribute \$1.8 million to provide consumer education and assistance programs on credit financing.
- **Ford Motor Credit:** In June 2006, the United States District Court for the Southern District of New York granted final approval of the settlement in this class action lawsuit. Under the terms of the settlement, Ford Credit agreed to make contract disclosures in the forms it creates and distributes to dealerships informing consumers that the customer’s Annual Percentage Rate (“APR”) may be negotiated and that sellers may assign their contracts and retain their right to receive a portion of the finance charge. Ford Credit also agreed to: (i) maintain or lower its present maximum differential between the customer APR and Ford Credit’s “Buy Rate”; (ii) to contribute \$2 million toward certain consumer education and assistance programs; and (iii) to fund a Diversity Marketing Initiative offering 2,000,000 pre-approved firm offers of credit to African-American and Hispanic Class Members during the next three years.
- **Toyota Motor Credit:** In November 2006, the United States District Court for the Central District of California granted final approval of the settlement of BLB&G’s case against Toyota. Under the Settlement Agreement, Toyota agreed to limit the amount of mark-up on certain automobiles for the next three years

with a cap of 2.50% on loans for terms of sixty (60) months or less; 2.00% on loans for terms of sixty-one (61) to seventy-one (71) months; and 1.75% on loans for terms of seventy-two (72) months or more. In addition, Toyota agreed to: (i) disclose to consumers that loan rates are negotiable and can be negotiated with the dealer; (ii) fund consumer education and assistance programs directed to African-American and Hispanic communities which will help consumers with respect to credit financing; (iii) offer 850,000 pre-approved, no mark-up offers of credit to African-Americans and Hispanics over the next five years; and offer a certificate of credit or cash to eligible class members.

***Alexander v. Pennzoil Company*** -- (United States District Court, Southern District of Texas) A class action on behalf of all salaried African-American employees at Pennzoil alleging race discrimination in the Company's promotion, compensation and other job related practices. The action settled for \$6.75 million.

***Butcher v. Gerber Products Company*** -- (United States District Court, Southern District of New York) Class action asserting violations of the Age Discrimination in Employment Act arising out of the mass discharging of approximately 460 Gerber sales people, the vast majority of whom were long-term Gerber employees aged 40 and older. Settlement terms are confidential.

### **Consumer Class Actions**

***DoubleClick*** -- (United States District Court, Southern District of New York) Internet Privacy. A class action on behalf of Internet users who have had personal information surreptitiously intercepted and sent to a major Internet advertising agency. In the settlement agreement reached in this action, DoubleClick committed to a series of industry-leading privacy protections for online consumers while continuing to offer its full range of products and services. This is likely the largest class action there has ever been - virtually every, if not every, Internet user in the United States.

***General Motors Corporation*** -- (Superior Court of New Jersey Law Division, Bergen County) A class action consisting of all persons who currently own or lease a 1988 to 1993 Buick Regal, Oldsmobile Cutlass Supreme, Pontiac Grand Prix or Chevrolet Lumina or who previously owned or leased such a car for defective rear disc brake caliper pins which tended to corrode, creating both a safety hazard and premature wearing of the front and rear disc brakes, causing extensive economic damage. Settled for \$19.5 million.

***Wright v. MCI Communications Corporation*** -- (United States District Court, District of California) Consumer fraud class action on behalf of individuals who were improperly charged for calls made through MCI's Automated Operator Services. Class members in this class action received a return of more than 85% of their losses. Settled for \$14.5 million.

***Empire Blue Cross*** -- (United States District Court, Southern District of New York) Overcharging health care subscribers. BLB&G was lead counsel in a recently approved \$5.6 million settlement that represented 100% of the class' damages and offered all the overcharged subscribers 100 cents on the dollar repayment.

***DeLima v. Exxon*** -- (Superior Court of Hudson County, New Jersey) A class action complaint alleging false and deceptive advertising designed to convince consumers who did not need high-test gasoline to use it in their cars. A New Jersey class was certified by the court and upheld by the appellate court. Under terms of the settlement, the class received one million \$3 discounts on Exxon 93 Supreme Gasoline upon the purchase of at least 8 gallons of the gasoline.

### **Toxic/Mass Torts**

***Fen/Phen Litigation ("Diet Drug" Litigation)*** -- (Class action lawsuits filed in 10 jurisdictions including New York, New Jersey, Vermont, Pennsylvania, Florida, Kentucky, Indiana, Arizona, Oregon and Arkansas) The firm

played a prominent role in the nationwide “diet drug” or “fen-phen” litigation against American Home Products for the Company’s sale and marketing of Redux and Pondimin. The suits alleged that a number of pharmaceutical companies produced these drugs which, when used in combination, can lead to life-threatening pulmonary hypertension and heart valve thickening. The complaint alleged that these manufacturers knew of or should have known of the serious health risks created by the drugs, should have warned users of these risks, knew that the fen/phen combination was not approved by the FDA, had not been adequately studied, and yet was being routinely prescribed by physicians. This litigation led to one of the largest class action settlements in history, the multi-billion dollar Nationwide Class Action Settlement with American Home Products approved by the United States District Court for the Eastern District of Pennsylvania. In this litigation, BLB&G was involved in lawsuits filed in the 10 jurisdictions and was designated Class Counsel in the Consolidated New York and New Jersey state court litigations. Additionally, the firm was Co-Liaison Counsel in the New York litigations and served as the State Court Certified Class Counsel for the New York Certified Class to the Nationwide Settlement.

## CLIENTS AND FEES

Most of the firm's clients are referred by other clients, law firms and lawyers, bankers, investors and accountants. A considerable number of clients have been referred to the firm by former adversaries. We have always maintained a high level of independence and discretion in the cases we decide to prosecute. As a result, the level of personal satisfaction and commitment to our work is high.

As stated, our client roster includes many large and well known financial and lending institutions and pension funds, as well as privately held corporate entities which are attracted to our firm because of our reputation, particular expertise and fee structure.

We are firm believers in the contingency fee as a socially useful, productive and satisfying basis of compensation for legal services, particularly in litigation. Wherever appropriate, even with our corporate clients, we will encourage a retention where our fee is at least partially contingent on the outcome of the litigation. This way, it is not the number of hours worked that will determine our fee but, rather, the result achieved for our client.

## IN THE PUBLIC INTEREST

Bernstein Litowitz Berger & Grossmann LLP is guided by two principles: excellence in legal work and a belief that the law should serve a socially useful and dynamic purpose. Attorneys at the firm are active in academic, community and *pro bono* activities, as well as participating as speakers and contributors to professional organizations. In addition, the firm endows a public interest law fellowship and sponsors an academic scholarship at Columbia Law School.

**The Bernstein Litowitz Berger & Grossmann Public Interest Law Fellowship**, Columbia Law School. BLB&G is committed to fighting discrimination and effecting positive social change. In support of this commitment, the firm donated funds to Columbia Law School to create the Bernstein Litowitz Berger & Grossmann Public Interest Law Fellowship. This newly endowed fund at Columbia Law School will provide Fellows with 100% of the funding needed to make payments on their law school tuition loans so long as such graduates remain in the public interest law field. The Bernstein Litowitz Berger & Grossmann Fellows will be able to leave law school free of any law school debt if they make a long term commitment to public interest law.

**Firm sponsorship of *inMotion***, New York, NY. BLB&G is a sponsor of *inMotion*, a non-profit organization in New York City dedicated to providing *pro bono* legal representation to indigent women, principally battered women, in connection with the myriad legal problems they face. The organization trains and supports the efforts of New York lawyers, typically associates at law firms or in-house counsel, who provide *pro bono* counsel to these women. Several members and associates of the firm volunteer their time and energies to help women who need divorces from abusive spouses, or representation on legal issues such as child support, custody and visitation. To read more about *inMotion* and the remarkable services it provides, visit the organization's website at [www.inmotiononline.org](http://www.inmotiononline.org).

**The Paul M. Bernstein Memorial Scholarship**, Columbia Law School. Paul M. Bernstein was the founding senior partner of the firm. Mr. Bernstein led a distinguished career as a lawyer and teacher and was deeply committed to the professional and personal development of young lawyers. The Paul M. Bernstein Memorial Scholarship Fund is a gift of the firm of Bernstein Litowitz Berger & Grossmann LLP, and the family and friends of Paul M. Bernstein. Established in 1990, the scholarship is awarded annually to one or more second-year students selected for their academic excellence in their first year, professional responsibility, financial need and contributions to fellow students and the community.

**Firm sponsorship of City Year New York**, New York, NY. BLB&G is also an active supporter of City Year New York, a division of AmeriCorps. The program was founded in 1988 as a means of encouraging young people to devote time to public service and unites a diverse group of volunteers for a demanding year of full-time community service, leadership development and civic engagement. Through their service, corps members experience a rite of passage that can inspire a lifetime of citizenship and build a stronger democracy.

**Max W. Berger Pre-Law Program at Baruch College**. In order to encourage outstanding minority undergraduates to pursue a meaningful career in the legal profession, the Max W. Berger Pre-Law Program was established at Baruch College. Providing workshops, seminars, counseling and mentoring to Baruch students, the program facilitates and guides them through the law school research and application process, as well as placing them in appropriate internships and other pre-law working environments.

**New York Says Thank You Foundation**. Founded in response to the outpouring of love shown to New York City by volunteers from all over the country in the wake of the 9/11 attacks, The New York Says Thank You Foundation sends volunteers from New York City to help rebuild communities around the country affected by disasters. BLB&G is a corporate sponsor of NYSTY and its goals are a heartfelt reflection of the firm's focus on community and activism.

### THE MEMBERS OF THE FIRM

**MAX W. BERGER** supervises the firm's litigation practice and prosecutes class and individual actions on behalf of the firm's clients.

Together, with other partners at the firm, he has litigated many of the firm's most high profile and significant cases, including five of the largest securities fraud recoveries in history—the \$6.15 billion settlement of *In re WorldCom, Inc. Securities Litigation*, the \$3.3 billion settlement of *In re Cendant Corporation Securities Litigation*, the \$1.3 billion recovery in *In re Nortel Networks Corporation Securities Litigation*, the \$1.04 billion settlement of *In re McKesson HBOC, Inc. Securities Litigation*, and the over \$600 million investor recovery in *In re Lucent Technologies, Inc. Securities Litigation*.

Mr. Berger's role in the WorldCom case received extensive media attention and has been the subject of feature articles in major publications including *BusinessWeek* and *The American Lawyer*. For his outstanding efforts on behalf of the WorldCom Class, *The National Law Journal* profiled Mr. Berger (one of only eleven attorneys selected nationwide) in its special June 2005 "Winning Attorneys" section. Additionally, Mr. Berger was featured in the July 2006 *New York Times* article, "A Class-Action Shuffle," which assessed the evolving landscape of the securities litigation arena.

Mr. Berger is widely recognized for his professional excellence and achievements. For the past five consecutive years, he has received the top attorney ranking in plaintiff securities litigation by the *Chambers* and *Partners' Guide to America's Leading Lawyers for Business*. In the 2010 edition of *Benchmark: The Definitive Guide to America's Leading Litigation Firms & Attorneys* (published by Legal Media Group—*Institutional Investor* and *Euromoney*), Mr. Berger was singled out as one of New York's "local litigation stars." Additionally, since their various inception, he has been named a "litigation star" by the *Legal 500 USA Guide*, one of "10 Legal Superstars" by *Securities Law360*, and is consistently named as one of the "500 Leading Lawyers in America" and "100 Securities Litigators You Need to Know" by *Lawdragon* magazine. Further, *The Best Lawyers in America* guide has named Mr. Berger a leading lawyer in his field.

Mr. Berger also serves the academic community in numerous capacities as a member of the Dean's Council to Columbia Law School, and as a member of the Board of Trustees of Baruch College. In May 2006, he was presented with the Distinguished Alumnus Award for his contributions to Baruch College. In June 2009, he was elected to the Board of Trustees of The Supreme Court Historical Society, a prestigious non-profit organization committed to preserving the history of the Supreme Court of the United States. Mr. Berger is an Advisor to the American Law Institute, Restatement Third of Torts, and he currently serves on the Advisory Board of Columbia Law School's Center on Corporate Governance. Additionally, Mr. Berger has taught Profession of Law, an ethics course at Columbia.

Mr. Berger is a past chairman of the Commercial Litigation Section of the Association of Trial Lawyers of America (now known as the American Association for Justice) and lectures for numerous professional organizations. In 1997, Mr. Berger was honored for his outstanding contribution to the public interest by Trial Lawyers for Public Justice, where he was a "Trial Lawyer of the Year" Finalist for his work in *Roberts, et al. v. Texaco*, the celebrated race discrimination case, on behalf of Texaco's African-American employees.

Among numerous charitable and volunteer works, Mr. Berger is an active supporter of City Year New York, a division of AmeriCorps, dedicated to encouraging young people to devote time to public service. In July 2005, he was named City Year New York's "Idealist of the Year," for his long-time service and work in the community. He and his wife, Dale, have also established the Dale and Max Berger Public Interest Law Fellowship at Columbia Law School and the Max W. Berger Pre-Law Program at Baruch College.

EDUCATION: Baruch College-City University of New York, B.B.A., Accounting, 1968; President of the student body and recipient of numerous awards. Columbia Law School, J.D., 1971, Editor of the *Columbia Survey of Human Rights Law*.

BAR ADMISSIONS: New York; U.S. District Courts for the Eastern and Southern Districts of New York; U.S. Court of Appeals, Second Circuit; U.S. District Court, District of Arizona; U.S. Supreme Court.

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**EDWARD A. GROSSMANN**, one of the firm's founding partners, served as lead counsel in the *Prudential-Bache Energy Income Limited Partnership* and the *In re Bennett Funding Group* class actions, well-publicized cases which have each settled for in excess of \$120 million.

He is a past chairman of the Class and Derivative Action Trials Subcommittee of the Litigation Section of the American Bar Association and a past chairman of the Commercial Litigation Section of the Association of Trial Lawyers of America (now known as the American Association for Justice) and has lectured for that organization. Mr. Grossmann is a member of the Committee of Visitors of the University of Michigan Law School and a member of the Committee of Visitors of the University of Wisconsin Center for Jewish Studies. He is also past President of the JCC on the Palisades and is a past trustee of the UJA Federation of Northern New Jersey.

EDUCATION: University of Wisconsin, B.A., *cum laude*, 1970. University of Michigan Law School, J.D., 1973.

BAR ADMISSIONS: New York; U.S. District Courts for the Southern and Eastern Districts of New York; U.S. Courts of Appeals for the Second, Third, Fifth, Ninth and Eleventh Circuits.

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**STEVEN B. SINGER** joined BLB&G in 1994. Mr. Singer has been responsible for prosecuting a number of significant and high-profile securities cases. He was one of the lead trial lawyers on the *WorldCom Securities Litigation*, which culminated in a four-week trial against WorldCom's auditors, and resulted in the historic recovery of over \$6.15 billion from the professionals associated with WorldCom. Mr. Singer has also been responsible for, among others, *In re Lucent Technologies Securities Litigation*, which resulted in the fifth largest securities settlement of all time; *In re 3Com Securities Litigation*, at the time the largest securities fraud class action recovery in Ninth Circuit history; *In re Biovail Corporation Securities Litigation* (\$138 million settlement, representing the second largest settlement obtained from a Canadian issuer); *In re Mills Corporation Securities Litigation* (settled for over \$202 million); *In re Converium Holding AG Securities Litigation* (\$85 million settlement); and *In re R&G Financial Corporation Securities Litigation* (\$51 million settlement). He is currently responsible for the Firm's cases against, among others, Citigroup, WellCare Health Plans, American Home Mortgage Investment Corporation, and MBIA, Inc.

Mr. Singer has also distinguished himself in the firm's other practice areas, securing large recoveries for victims of discrimination and consumer fraud. In 1997, the Trial Lawyers for Public Justice named Mr. Singer as a finalist for "Trial Lawyer of the Year" for his role in the prosecution of the celebrated race discrimination litigation, *Roberts v. Texaco*, which resulted in the largest discrimination settlement in history.

Mr. Singer is an active member of the New York State and American Bar Associations. He is also a speaker at various continuing legal education programs offered by the Practising Law Institute ("PLI").

EDUCATION: Duke University, B.A., *cum laude*, 1988. Northwestern University School of Law, J.D., 1991.

BAR ADMISSIONS: New York; U.S. District Courts for the Eastern and Southern Districts of New York.

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**CHAD JOHNSON** is involved in all areas of the firm's litigation practice, with particular emphasis on prosecuting securities fraud actions, patent litigation, and trial practice.



Among other matters, Mr. Johnson was one of the partners who prosecuted the *WorldCom, Inc. Securities Litigation* to trial—resulting in a recovery for investors of over \$6.15 billion after five weeks of trial. Mr. Johnson was the partner primarily involved in dismantling the investment bankers' due diligence defense, which helped result in the multi-billion dollar recovery for investors.

Mr. Johnson was also the lead partner who oversaw the prosecution of the *Williams Securities Litigation*. Shortly before trial, BLB&G and the Lead Plaintiffs were able to obtain a total recovery of \$311 million on behalf of investors, including \$21 million from the company's auditor. This is among the largest recoveries ever achieved in a securities class action where the SEC did not obtain any recovery for investors.

Mr. Johnson also oversaw the firm's prosecution of the derivative action concerning the options backdating scandal at UnitedHealth Group, Inc. This action resulted in the largest recovery ever in a derivative case. The recovery, all of it from former executives of UnitedHealth, was for more than \$900 million. In connection with this lawsuit, the company's Chairman and CEO, William McGuire, was forced out of the company because of his involvement in the scandal. Along with the massive recovery from individual defendants, the settlement also included groundbreaking corporate reforms at UnitedHealth that will benefit shareholders for years to come.

Mr. Johnson also represented some of the largest institutional investors in connection with the allegations of market timing and late trading permitted by certain mutual funds. These actions were litigated in the United States District Court for the District of Maryland as part of the multi-district litigation captioned *In re Mutual Funds Investment Litigation*. The actions overseen by Mr. Johnson and his colleagues resulted in recoveries on behalf of investors totaling more than \$125 million.

Mr. Johnson is currently leading the firm's prosecution of the securities class action concerning allegations of fraud in Washington Mutual's home loan business. The complaint filed on behalf of Lead Plaintiff Ontario Teachers is based on the results of BLG&G's investigation, which was one of the most wide-ranging and fruitful investigations conducted in this practice area. The complaint presents evidence gathered from eighty-nine (89) confidential witnesses and many previously-undisclosed documents obtained through BLB&G's investigation. The U.S. Attorney's Office for the Western District of Washington is reportedly making use of the facts detailed in BLB&G's complaint in connection with its ongoing review of the wrongdoing at WaMu.

Mr. Johnson is also leading the firm's prosecution of numerous patent litigations now pending against major electronics manufacturers including Nikon, Sharp, Samsung, LG, Philips, and others. These patent litigations relate to the technology used to manufacture flat panel displays, including LCD televisions. This case will be tried before a New York jury and will focus on the misappropriation of a U.S. company's inventions by companies in Japan, Korea, Taiwan and elsewhere overseas. The revenue that defendants are generating using the plaintiff's patented technology is in the billions of dollars per year. This litigation has been featured in an ABC News story, which included interviews with Mr. Johnson and the inventor of the technology. Mr. Johnson is also leading the firm's prosecution of other massive patent litigations, along with co-counsel, against some of the largest computer and software companies in the world including Microsoft, Intel, Hewlett-Packard, Dell, Toshiba, Sony, and others. For his leadership on these and other patent litigations, Mr. Johnson was named in the *2011 Benchmark Litigation: The Definitive Guide to America's Leading Litigation Firms & Attorneys* as a "national litigation star" in the area of intellectual property litigation.

Prior to joining the firm, Mr. Johnson was a partner with Latham & Watkins, where he practiced for ten years. While with Latham & Watkins, he represented investment banks, accounting firms, law firms, boards of directors, patent holders, and both publicly and privately held companies. He has extensive experience in the areas of securities litigation, complex commercial litigation, patent litigation, and international arbitration. He has also handled a variety of matters before federal and state courts, as well as arbitration tribunals both in the United States and abroad, including the International Chamber of Commerce, the London Court of International Arbitration, the Netherlands Arbitration Institute, the Permanent Court of Arbitration, the American Arbitration Association, and JAMS.

EDUCATION: University of Michigan, B.A., *with high distinction*; Angell scholar. Harvard Law School, J.D., *cum laude*; President of Harvard Law School Forum.

BAR ADMISSIONS: Illinois, District of Columbia, New York; U.S. District Court for the Southern District of New York; U.S. Courts of Appeals for the Second, Ninth, Tenth and Federal Circuits.

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**GERALD H. SILK**'s practice focuses on representing institutional investors on matters involving federal and state securities laws, accountants' liability, and the fiduciary duties of corporate officials, as well as general commercial and corporate litigation. He also advises creditors on their rights with respect to pursuing affirmative claims against officers and directors, as well as professionals both inside and outside the bankruptcy context. Additionally, Mr. Silk is one of the partners who oversee the firm's new matter department, in which he, along with a group of financial analysts and investigators, counsels institutional clients on potential legal claims. He was the subject of "Picking Winning Securities Cases," a feature article in the June 2005 issue of Bloomberg Markets magazine, which detailed his work for the firm in this capacity. *Lawdragon* magazine has named him one of the "100 Securities Litigators You Need to Know," one of the "500 Leading Lawyers in America," and one of America's top 500 "rising stars" in the legal profession. Mr. Silk has also been selected for inclusion among *New York Super Lawyers* every year since 2006.

Mr. Silk is currently advising institutional investors worldwide on their rights with respect to claims involving transactions in residential mortgage-backed securities (RMBS) and collateralized debt obligations (CDOs). He is also representing Cambridge Place Investment Management Inc. on claims under Massachusetts state law against numerous investment banks arising from the purchase of billions of dollars of RMBS (see Gretchen Morgenson, "Mortgage Investors Turn to State Courts for Relief," *The New York Times*, July 11, 2010).

Mr. Silk is also representing public pension funds who participated in a securities lending program administered and managed by Northern Trust Company and sustained losses as a result of Northern Trust's alleged breaches of fiduciary duty. In addition, he is actively involved in the firm's prosecution of highly successful M&A litigation, representing shareholders in widely publicized lawsuits, including the litigation arising from the proposed acquisition of Caremark Rx, Inc. by CVS Corporation—which led to an increase of approximately \$3.5 billion in the consideration offered to shareholders.

Mr. Silk was one of the principal attorneys responsible for prosecuting the *In re Independent Energy Holdings Securities Litigation*. A case against the officers and directors of Independent Energy as well as several investment banking firms which underwrote a \$200 million secondary offering of ADRs by the U.K.-based Independent Energy, the litigation was resolved for \$48 million. Mr. Silk has also prosecuted and successfully resolved several other securities class actions, which resulted in substantial cash recoveries for investors, including *In re Sykes Enterprises, Inc. Securities Litigation* in the Middle District of Florida, and *In re OM Group, Inc. Securities Litigation* in the Northern District of Ohio. He was also a member of the litigation team responsible for the successful prosecution of *In re Cendant Corporation Securities Litigation* in the District of New Jersey, which was resolved for \$3.2 billion.

A graduate of the Wharton School of Business, University of Pennsylvania and Brooklyn Law School, in 1995-96, Mr. Silk served as a law clerk to the Hon. Steven M. Gold, U.S.M.J., in the United States District Court for the Eastern District of New York.

Mr. Silk lectures to institutional investors at conferences throughout the country, and has written or substantially contributed to several articles on developments in securities and corporate law, including "The Compensation Game," *Lawdragon*, Fall 2006; "Institutional Investors as Lead Plaintiffs: Is There A New And Changing Landscape?," *75 St. John's Law Review* 31 (Winter 2001); "The Duty To Supervise, Poser, Broker-Dealer Law and Regulation", 3<sup>rd</sup> Ed. 2000, Chapter 15; "Derivative Litigation In New York after Marx v. Akers", *New York Business Law Journal*, Vol. 1, No. 1 (Fall 1997).

He is a frequent commentator for the business media on television and in print. Among other outlets, he has

appeared on NBC's *Today*, and CNBC's *Power Lunch*, *Morning Call*, and *Squawkbox* programs, as well as being featured in *The New York Times*, *Financial Times*, *Bloomberg*, *The National Law Journal*, and the *New York Law Journal*.

EDUCATION: Wharton School of the University of Pennsylvania, B.S., Economics, 1991. Brooklyn Law School, J.D., *cum laude*, 1995.

BAR ADMISSIONS: New York; U.S. District Courts for the Southern and Eastern Districts of New York.

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**BLAIR A. NICHOLAS** has successfully represented private and public institutional investors in high-profile actions involving federal and state securities laws, accountants' liability, and corporate governance matters.

Mr. Nicholas leads BLB&G's Direct Action practice group and has successfully resolved direct actions on behalf of some of the largest mutual funds, investment advisors, public pension plans and hedge funds in North America and Europe. Recently, Mr. Nicholas served as lead counsel on behalf of prominent mutual funds, hedge funds and a public pension fund in a direct action against Tyco International and certain of its former officers, which was successfully resolved for over \$105 million and represented a significant multiplier over the recovery in the securities class action. He also recently served as lead counsel to prominent mutual funds in direct actions against Marsh & McLennan and Qwest Communications, which were also resolved for significant multipliers over the class action recovery.

Mr. Nicholas has also prosecuted some of the most high-profile securities actions in the country and has recovered billions of dollars on behalf of defrauded investors. Most recently, Mr. Nicholas was named one of the "2010 Attorneys of the Year" by *The Recorder*, California's premier legal daily publication, for his impressive legal achievements and "blockbuster" cases that were resolved favorably for investors in 2010. According to *The Recorder*, "this year's winners are marked by their perseverance—whether fighting long odds, persuading courts to reconsider their own rulings, or getting great trial results in high-profile, high-pressure situations." Mr. Nicholas was specifically recognized for his successful prosecution of *In re Maxim Integrated Products Inc. Securities Litigation*, which settled for \$173 million in cash—the largest backdating settlement in the Ninth Circuit; and *In re International Rectifier Corp. Securities Litigation*, which settled for \$90 million in cash. He has also served as one of the lead counsel responsible for prosecuting *In re Williams Securities Litigation*, resolved for \$311 million; *In re Informix Securities Litigation*, resolved for \$142 million; *In re Gemstar Securities Litigation*, resolved for \$92.5 million; *In re Legato Systems Securities Litigation*, resolved for \$85 million; *In re Network Associates Securities Litigation*, resolved for \$70 million; and *In re Finova Group Securities Litigation*, resolved for \$42 million. Mr. Nicholas also served as co-lead trial counsel in *In re Clarent Corporation Securities Litigation*, a securities fraud class action prosecuted before the Federal District Court for the Northern District of California. After a four-week jury trial, in which Mr. Nicholas delivered the closing argument, the jury returned a securities fraud verdict in favor of the shareholders against the former Chief Executive Officer of Clarent.

In addition to recent recognition by *The Recorder*, Mr. Nicholas is widely recognized by other publications for his professional excellence and achievements. *Benchmark Litigation - The Definitive Guide to America's Leading Litigation Firms & Attorneys* recently named Mr. Nicholas a "Litigation Star" in Securities, *The Best Lawyers in America* guide ranks Mr. Nicholas as a leading lawyer in commercial litigation, and he has been consistently selected as a *San Diego SuperLawyer*. *Lawdragon* magazine has named him one of the "100 Securities Litigators You Need to Know," one of the "500 Leading Lawyers in America," and one of America's top 500 "rising stars" in the legal profession. Mr. Nicholas was featured by *The American Lawyer* as one of its "Fab Fifty Young Litigators"—one of the top 50 litigators in the country, who have "made their marks already and whom [they] expect to see leading the field for years to come." He was also honored in the *Daily Journal* for "rack[ing] up a string of multi-million dollar victories for investors."

Mr. Nicholas frequently lectures at institutional investor and continuing legal educational conferences throughout the United States and has written articles relating to the application of the federal and state securities laws, including the following articles: "Why Institutional Investors Opt-Out of Securities Fraud Class Actions and Pursue Direct Individual Actions," *PLI Securities Litigation and Enforcement Institute* (July 2009) (co-author); "Credit Rating

Agencies: Out of Control and in Need of Reform,” *Securities Litigation & Regulation Reporter* (June 30, 2009) (co-author); “Ruling Warns Funds to Follow Class Actions,” *Pensions & Investments* (December 2008) (co-author); “South Ferry: Applying Tellabs, 9th Circuit Lowers The Bar for Pleading Scienter Under the PSLRA,” *Securities Litigation & Regulation Reporter* (October 2008); “The 7th Circuit Sends a Strong Message: Institutions Must Monitor Securities Class Actions Claims,” *The NAPPA Report* (August 2008); “Industry-Wide Collapse Defense Falls Flat in Recent Subprime-Related Securities Fraud Decisions,” *Securities Litigation & Regulation Reporter* (July 2008) (co-author); “Auditor Liability: Institutional Investors Pursue Opt-Out Actions To Maximize Recovery of Securities Fraud Losses,” *Securities Litigation and Enforcement Institute* (PLI 2007) (co-author); and “Reforming the Reform Act and Restoring Investor Confidence in the Securities Markets,” *Securities Reform Act Litigation Reporter* (July 2002).

Mr. Nicholas served as Vice President on the Executive Committee of the San Diego Chapter of the Federal Bar Association and is an active member of the Association of Business Trial Lawyers of San Diego, Consumer Attorneys of California, Litigation Section of the State Bar of California, and the San Diego County Bar Association.

EDUCATION: University of California, Santa Barbara, B.A., Economics. University of San Diego School of Law, J.D.; Lead Articles Editor of the *San Diego Law Review*.

BAR ADMISSIONS: California; U.S. Court of Appeals, Ninth Circuit; U.S. District Courts for the Southern, Central and Northern Districts of California; U.S. District Court for the District of Arizona.

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**DAVID R. STICKNEY** practices in the firm’s California office, where he focuses on complex litigation in state and federal courts nationwide at both the trial court and appellate levels. Mr. Stickney regularly represents institutions and individuals in class actions, derivative cases and individual litigation.

Mr. Stickney is currently responsible for a number of the firm’s cases, including litigation involving *Lehman Brothers Holding Inc.*; *Merrill Lynch*; *Goldman Sachs*; *Wells Fargo*; *Bear Stearns*; *JP Morgan*; *Sunpower*, and others. He has prosecuted and, together with his partners, successfully resolved a number of the firm’s prominent cases. Among such cases are *In re McKesson Securities Litigation*, which settled before trial for a total of \$1.023 billion, the largest settlement amount in history for any securities class action within the Ninth Circuit; *Wyatt v. El Paso Corp.*, which settled for \$285 million; *BFA Liquidation Trust v. Arthur Andersen LLP*, which settled during trial for \$217 million; *Atlas v. Accredited Home Lenders Holding Company*; *In re Connetics Inc.*; *In re Stone Energy Corp.*; *In re WSB Financial Group Sec. Litigation*; *In re Dura Pharmaceuticals Inc. Sec. Litigation*; *In re EMAC Sec. Litigation*, and additional cases.

Mr. Stickney lectures on securities litigation and shareholder matters for seminars and programs sponsored by professional organizations including the Practising Law Institute and Glasser Legalworks. He has also authored and co-authored several articles concerning securities litigation and class actions. He was recognized in 2008, 2009 and 2010 as a Super Lawyer in *San Diego Super Lawyers* and in the Corporate Counsel edition of *Super Lawyers* (published by *Law and Politics*). He was also named as a “Rising Star” in *Benchmark: Litigation Directory of America’s Lead Litigation Firms and Attorneys*, one of only 40 attorneys selected to this list in California.

During 1996-1997, Mr. Stickney served as law clerk to the Honorable Bailey Brown of the United States Court of Appeals for the Sixth Circuit.

EDUCATION: University of California, Davis, B.A., 1993. University of Cincinnati College of Law, J.D., 1996; Jacob B. Cox Scholar; Lead Articles Editor of *The University of Cincinnati Law Review*.

BAR ADMISSIONS: California; U.S. Courts of Appeals for the Fifth, Sixth, Eighth and Ninth Circuits; U.S. District Courts for the Northern, Southern and Central Districts of California.

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**SALVATORE J. GRAZIANO**, an experienced trial attorney, has taken a leading role in a number of major securities fraud class actions over the past fifteen years on behalf of institutional investors and hedge funds nationwide. These high profile cases include *In re Raytheon Sec. Litig.* (D. Mass.) (total recoveries in excess of \$460 million); *In re Refco Sec. Litig.* (S.D.N.Y.) (total recoveries in excess of \$400 million); *In re MicroStrategy, Inc. Sec. Litig.* (E.D. Va.) (total recoveries in excess of \$150 million); *In re Bristol Myers Squibb Co. Sec. Litig.* (S.D.N.Y.) (total recovery of \$125 million); and *In re New Century* (C.D. Cal.) (total recoveries of approximately \$125 million).

He has been recognized by his peers and adversaries as “a smart, aggressive lawyer who works hard for his clients” (*Chambers USA*, 2010); an attorney who performs “top quality work” (*Benchmark Litigation*, 2011); and as a “highly effective litigator” (*US Legal 500*, 2010).

Mr. Graziano is currently serving as the President of the National Association of Shareholder & Consumer Attorneys, and has served as a member of the Financial Reporting Committee and the Securities Regulation Committee of the Association of the Bar of the City of New York.

Upon graduation from law school, Mr. Graziano served as an Assistant District Attorney in the Manhattan District Attorney’s Office.

Mr. Graziano regularly lectures on securities fraud litigation and shareholder rights.

EDUCATION: New York University College of Arts and Science, B.A., psychology, *cum laude*, 1988. New York University School of Law, J.D., *cum laude*, 1991.

BAR ADMISSIONS: New York; U.S. District Courts for the Southern and Eastern Districts of New York; U.S. Courts of Appeals for the First, Second, Ninth and Eleventh Circuits.

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**WILLIAM C. FREDERICKS** practiced securities and complex commercial litigation for seven years as an associate at Simpson Thacher & Bartlett and Willkie Farr & Gallagher. He moved to the plaintiffs’ side of the bar in 1997. Since then, Mr. Fredericks has represented investors as lead or co-lead counsel in over two dozen securities class actions, notably *In re Rite Aid Securities Litigation* (E.D. Pa.) (total settlements of \$323 million, including the then-second largest securities fraud settlement ever against a Big Four accounting firm); *In re Vivendi S.A. Securities Litigation*; *In re Sears Roebuck & Co. Securities Litigation* (N.D. Ill.) (\$215 million settlement); *In re Mutual Funds Investment Litigation* (D. Md.) (\$126 million recovered in *MFS*, *Invesco* and *Pilgrim Baxter* subtracks); and *Irvine v. Imclone Systems, Inc.* (S.D.N.Y.) (\$75 million settlement).

In addition to obtaining numerous recoveries for investors in shareholder class actions, Mr. Fredericks recently served as co-lead counsel in *In re State Bank & Trust Co. ERISA Litigation* (S.D.N.Y.), which resulted in one of the largest ERISA recoveries ever (\$89 million settlement). He has also obtained substantial recoveries for the Trustee of the Friedman’s, Inc. Creditors Trust in connection with obtaining substantial recoveries from the company’s former officers, auditors, attorneys and investment advisors of Friedman’s, Inc., and has also recovered substantial amounts for the Receiver of Australia’s Australis Media Group on tortious interference and breach of contract claims brought against News Corporation.

More recently, Mr. Fredericks led the BLB&G team representing lead plaintiffs before the United States Supreme Court in *In re Merck & Co. Securities Litigation*, which resulted in a unanimous, 9-0 decision in favor of the plaintiff investors. See *Merck & Co., Inc. v. Reynolds*, 130 S.Ct. 2869 (2010). Mr. Fredericks’ also currently serves as co-lead counsel in *In re Wachovia Preferred Securities and Bond/Notes Litigation* (S.D.N.Y.), *In re Genzyme Corp Securities Litigation* (D. Mass.), *In re Amedisys Consolidated Securities Litigation* (M.D. La.) and *In re SafeNet, Inc. Securities Litigation* (S.D.N.Y.).

Mr. Fredericks graduated from Columbia University School of Law in 1988, where he was awarded faculty prizes in Advanced Constitutional Law, Property Law and Legal Writing. In addition, a panel chaired by Justice Antonin Scalia awarded him the law school's Gov. Thomas E. Dewey Prize for best oral argument in the final round of Columbia's 1988 Harlan Fiske Stone Moot Court Competition. After law school, he clerked for the Hon. Robert S. Gawthrop III of the U.S. District Court for the Eastern District of Pennsylvania.

Mr. Fredericks is a regular speaker at the Practising Law Institute's annual "Bet the Company Litigation" and "Securities Offerings" programs, and has been a panelist on litigation programs sponsored by a variety of other organizations, including the American Law Institute/American Bar Association (ALI/ABA). He is a member of the Association of the Bar of the City of New York (former chairman, Committee on Military Affairs and Justice), the American Bar Association, and the Federal Bar Council.

EDUCATION: Swarthmore College, B.A., Political Science, high honors, 1983. Oxford University (England), M.Litt., International Relations, 1988. Columbia University, J.D., 1988; three-time Harlan Fiske Stone Scholar; Columbia University International Fellow, Articles Editor of *The Columbia Journal of Transnational Law*.

BAR ADMISSIONS: New York; U.S. District Courts for the Southern and Eastern Districts of New York and the District of Colorado; U.S. Courts of Appeals for the Second, Third, Sixth and Tenth Circuits; U.S. Supreme Court.

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**JOHN C. BROWNE** was previously an attorney at Latham & Watkins, where he had a wide range of experience in commercial litigation, including defending corporate officers and directors in securities class actions and derivative suits, and representing major corporate clients in state and federal court litigations and arbitrations. Mr. Browne was a member of the team representing the New York State Common Retirement Fund in *In re WorldCom, Inc. Securities Litigation*, which culminated in a five-week trial against Arthur Andersen LLP and a recovery for investors of over \$6.15 billion—the second largest securities fraud recovery in history.

Mr. Browne prosecuted *In re King Pharmaceuticals Litigation*, which settled for \$38.25 million. In March 2008, he achieved a \$28.5 million settlement on behalf of shareholders in *In re SFBC Securities Litigation*. Mr. Browne was a leading member of the team that in December 2009 achieved a \$32 million settlement in the *In re RAIT Financial Trust Securities Litigation*. Mr. Browne is currently prosecuting a number of securities and other cases, including *In re Refco Securities Litigation*, in which a partial settlement of \$140 million has been achieved, *In re the Reserve Fund Securities and Derivative Litigation*, *In re Horizon Lines, Inc.* and *The Football Association Premier League Limited, et al. v. YouTube, Inc., et al.*

Mr. Browne has been a panelist at various continuing legal education programs offered by the American Law Institute ("ALI") and has published several articles relating to securities litigation. Most recently, Mr. Browne co-authored, along with senior partner Max Berger, "Is the Sky Really Falling on the U.S. Capital Markets?," *The NAPPA Report*, Vol. 21, May 2007, available at [www.nappa.org](http://www.nappa.org).

EDUCATION: James Madison University, B.A., Economics, *magna cum laude*, 1994. Cornell Law School, J.D., *cum laude*, 1998; Editor of *The Cornell Law Review*.

BAR ADMISSIONS: New York; U.S. District Court for the Southern District of New York; U.S. Court of Appeals for the Second Circuit.

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**MARK LBOVITCH** is primarily responsible for the firm's corporate governance litigation practice, focusing on derivative suits and transactional litigation. Among other things, he is currently prosecuting a case of first

impression challenge to the legal validity of “Proxy Puts” – contractual provisions that are common in corporate debt agreements and that allegedly undermine shareholders’ fundamental voting rights. In addition, he is prosecuting the allegedly self-interested termination of a premium acquisition agreement by the CEO of the Landry’s Restaurants, Inc., the Emulex board’s allegedly bad faith rejection of a premium takeover offer by Broadcom Corporation, the restructuring transactions of DirecTV, and the inclusion in the Atmel Corporation poison pill of vaguely defined derivative securities.

In prior matters, he represented public pension systems seeking to vindicate shareholder voting rights allegedly infringed by Yahoo!, Inc.’s employee severance plan and by unique merger agreement and standstill provisions used in the private equity buyout of Ceridian Corporation. He recently obtained up to \$57 million for shareholders over a year after the closing of the buyout of Dollar General Stores. He has also helped obtain for shareholders higher prices and meaningful corporate governance improvements in suits arising from, among other things, the hostile takeover battles over Caremark Rx, Inc., CBOT Holdings, Inc., Longs Drug Stores, Inc., and Anheuser-Busch Companies, Inc.

Mr. Lebovitch is also a member of the firm’s subprime litigation team, and in that capacity is currently prosecuting *In re MBIA, Inc. Securities Litigation* and *In re Merrill Lynch Bondholders Litigation*, which recently settled for \$150 million.

Mr. Lebovitch clerked for Vice Chancellor Stephen P. Lamb on the Court of Chancery of the State of Delaware, and was a litigation associate at Skadden, Arps, Slate, Meagher & Flom in New York, where he represented clients in a variety of corporate governance, commercial and federal securities matters.

Mr. Lebovitch is a member of the Board of Advisors for the Institute for Law and Economics, and an author and frequent speaker at industry events and continuing legal education programs on a wide range of corporate governance and securities related issues. His publications include “‘Novel Issues’ or a Return to Core Principles? Analyzing the Common Link Between the Delaware Chancery Court’s Recent Rulings in Option Backdating and Transactional Cases” (*NYU Journal of Law & Business*, Volume 4, Number 2); “Calling a Duck a Duck: Determining the Validity of Deal Protection Provisions in Merger of Equals Transactions” (2001 *Columbia Business Law Review* 1) and “Practical Refinement” (*The Daily Deal*, January 2002), each of which discussed evolving developments in the law of directors fiduciary duties.

EDUCATION: Binghamton University – State University of New York, B.A., *cum laude*, 1996. New York University School of Law, J.D., *cum laude*, 1999.

BAR ADMISSIONS: New York; U. S. District Courts for the Southern and Eastern Districts of New York.

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**HANNAH GREENWALD ROSS** is involved in a variety of the firm’s litigation practice areas, focusing in particular on securities fraud, corporate governance, shareholder rights and other complex commercial matters. She has over a decade of experience as a civil and criminal litigator, and represents the firm’s institutional investor clients as counsel in a number of major pending actions.

Some of the litigations that Ms. Ross is currently prosecuting include the shareholder class action against Bank of America arising from its 2008 acquisition of Merrill Lynch pending in the United States District Court for the Southern District of New York. Ms. Ross is also a senior member of the team prosecuting the securities class action against Washington Mutual and certain of its former officers and directors for alleged fraudulent conduct in the thrift’s home lending operations. The complaint against Washington Mutual, filed on behalf of Lead Plaintiff Ontario Teachers, is based on the results of BLB&G’s investigation – one of the most wide-ranging and fruitful ever conducted in this practice area. The complaint presents evidence gathered from eighty-nine (89) confidential witnesses and many previously-undisclosed documents.

Ms. Ross has also been a member of the trial teams in several securities litigations which have successfully recovered over \$2 billion on behalf of injured investors. Among other matters, she prosecuted the securities class

action against the Federal Home Loan Mortgage Corporation (“Freddie Mac”), as well as *In re The Mills Corporation Securities Litigation*, *In re Delphi Corporation Securities Litigation*, *In re Affiliated Computer Services, Inc. Derivative Litigation*, *In re Nortel Networks Corporation Securities Litigation* and *In re OM Group, Inc. Securities Litigation*.

Ms. Ross handles *pro bono* matters on behalf of the firm and has also served as an adjunct faculty member in the trial advocacy program at the Dickinson School of Law of the Pennsylvania State University.

Before joining BLB&G, Ms. Ross was a prosecutor in the Massachusetts Attorney General’s Office as well as an Assistant District Attorney in the Middlesex County (Massachusetts) District Attorney’s Office.

EDUCATION: Cornell University, B.A., *cum laude*, 1995. The Dickinson School of Law of the Pennsylvania State University, J.D., *with distinction*, 1998; Woolsack Honor Society; Comments Editor of the *Dickinson Law Review*; D. Arthur Magaziner Human Services Award.

BAR ADMISSIONS: Massachusetts, New York.

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**BEATA GOCYK-FARBER** is involved in all areas of the firm’s litigation practice, with particular emphasis on securities fraud actions, complex commercial litigation, and trial practice. She was a senior member of the litigation and trial teams of some of the most noteworthy securities class actions in history, including *In re WorldCom, Inc. Securities Litigation*, resulting in a recovery for investors of over \$6.15 billion, *In re HealthSouth Securities Litigation*, resulting in a recovery to investors of over \$575 million, and *In re Williams Securities Litigation*, which resulted in \$311 million in recoveries for the plaintiffs shortly before trial. Ms. Gocyk-Farber also has extensive experience in prosecuting derivative cases and was a senior member of the team prosecuting the individuals involved in the options backdating scandal at UnitedHealth Group, Inc. which resulted in a historic recovery and far reaching corporate governance reforms.

In addition to her litigation practice, Ms. Gocyk-Farber is in charge of the firm’s European institutional investor relations and is counsel to many of the firm’s European-based clients in connection with direct and class actions. She is a frequent speaker at investor conferences throughout the world and an author of numerous articles relating to institutional investor rights and responsibilities, corporate governance and fiduciary duties.

Prior to joining BLB&G in 2001, Ms. Gocyk-Farber was associated with Cleary Gottlieb Steen & Hamilton in New York, where she represented large financial institutions and sovereign governments in securities and merger and acquisitions transactions.

Ms. Gocyk-Farber is a member of the International Law Section of the American Bar Association, New York State Bar Association and International Corporate Governance Network.

EDUCATION: Benjamin N. Cardozo School of Law - Yeshiva University, J.D., *summa cum laude*, 1997; Cardozo Law Review; the Order of the Coif; Balkin Scholar; West Publishing Award for Academic Excellence

BAR ADMISSIONS: New York, U.S. District Court for the Southern District of New York.

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**TIMOTHY A. DeLANGE** practices in the firm’s California office, where he focuses on complex litigation in state and federal courts nationwide. Mr. DeLange regularly represents institutions and individuals in class actions, derivative cases and direct actions. He is a senior member of the team prosecuting the securities class action against Washington Mutual and certain of its former officers and directors for alleged fraudulent conduct in the thrift’s home lending operation. He is also a senior member of the team representing investors who were harmed by the abusive practices of the many players in the mortgage lending arena. Mr. DeLange is currently representing



numerous institutions that invested directly in mortgage-backed securities, including mortgage pass-through class actions against Wells Fargo, Bear Stearns, JP Morgan, Merrill Lynch, and Goldman Sachs.

Since joining the firm, Mr. DeLange has prosecuted and successfully resolved a number of prominent securities class actions. Most recently, he served as co-lead counsel on behalf of institutional investors in *In re Maxim Integrated Products, Inc. Securities Litigation*, which settled for \$173 million and represents the largest stock option backdating settlement reached in the Ninth Circuit and the third-largest backdating settlement overall. Among other major cases are *In re McKesson Securities Litigation*, which settled before trial for a total of over \$1.04 billion, the largest settlement amount in history for any securities class action within the Ninth Circuit; *In re Accredo Health, Inc.*, which settled less than 6 weeks before trial for \$33 million; *In re HCA, Inc.*, which settled for \$20 million; and *In re Network Associates Securities Litigation*, which settled for \$70 million.

Mr. DeLange has also authored and co-authored several articles concerning securities litigation and class actions.

EDUCATION: University of California, Riverside, B.A., 1994. University of San Diego School of Law, J.D., 1997; Recipient of the American Jurisprudence Award in Contracts.

BAR ADMISSIONS: California; U.S. District Courts for the Northern, Eastern, Central and Southern Districts of California.

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**DAVID L. WALES**, an experienced trial and appellate attorney, prosecutes class and private actions in both federal and state courts, specializing in complex commercial and securities litigation, as well as arbitrations.

He has taken more than 15 cases to trial, including obtaining a jury verdict for more than \$11 million in a derivative action against the general partner of a hedge fund, and a multi-million dollar class action settlement with an accounting firm reached during trial.

Mr. Wales has extensive experience litigating residential mortgage backed (“RMBS”) securities cases and securities lending cases. He is currently lead or co-lead counsel in the following cases:

- *Public Employees’ Retirement System of Mississippi v. Merrill Lynch & Co. Inc.*, a class action on behalf of investors in RMBS;
- *Cambridge Place Investment Management Inc. v. Morgan Stanley & Co., Inc.*, a private action on behalf of institutional investors in RMBS; and
- *In re Northern Trust Investments, NA., Securities Lending* case, a class action on behalf of government funds that suffered losses in Northern Trusts’ securities lending program.

As lead trial counsel in numerous securities class actions and derivative actions, he has recovered hundreds of millions of dollars on behalf of institutional investor clients. Some of his significant recoveries include:

- *In re Pfizer Inc. Shareholder Derivative Action*, a \$75 million settlement and substantial corporate governance changes in a derivative action (granted preliminary approval).
- *In re Cablevision Systems Corp. Derivative Litigation*, a \$34.4 million settlement in a back dated stock option action.
- *In re Sepracor Corp. Securities Litigation*, a \$52.5 million recovery in a securities fraud class action.
- *In re Luxottica Group SpA Securities Litigation*, an \$18.25 million recovery in a Williams Act case.

- *In re Marque Partners LP Derivative Action*, an \$11 million jury verdict in a derivative action.
- *In re Jennifer Convertibles Securities Litigation*, a \$9.55 million recovery, part of the recovery obtained in the middle of trial.
- *In re Curative Health Services Securities Litigation*, a \$10.5 million recovery in a securities fraud action.

His representative clients have included a variety of public pension funds, Taft-Hartley pension funds, hedge funds, private investment funds, and public corporations.

As a former Assistant United States Attorney for the Southern District of New York, Mr. Wales specialized in investigating and prosecuting fraud and white collar criminal cases.

A member of the Federal Bar Council and the Federal Courts Committee of the New York County Lawyers Association, he is rated AV, the highest rating possible from Martindale-Hubbell®, the country's foremost legal directory.

EDUCATION: State University of New York at Albany, B.A., *magna cum laude*, 1984. Georgetown University Law Center, J.D., *cum laude*, 1987; Notes and Comments Editor for the *Journal of Law and Technology*.

BAR ADMISSIONS: New York; District of Columbia; U.S. Courts of Appeals for the Second and Fourth Circuits; U.S. District Courts for the Eastern, Southern and Western Districts of New York; U.S. District Court, Eastern District of Michigan; U.S. District Court, District of Columbia; U.S. District Court, Northern District of Illinois and Trial Bar.

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**AVI JOSEFSON** prosecutes securities fraud litigation for the firm's institutional investor clients, and has participated in many of the Firm's significant representations, including *In re SCOR Holding (Switzerland) AG Securities Litigation*, which resulted in a recovery worth in excess of \$143 million for investors. He was also a member of the team that litigated the *In re OM Group, Inc. Securities Litigation*, which resulted in a settlement of \$92.4 million.

Mr. Josefson is also actively involved in the M&A litigation practice, and represented shareholders in the litigation arising from the proposed acquisitions of Ceridian Corporation and Anheuser-Busch. A member of the firm's subprime litigation team, he is currently involved in the securities fraud action arising from the collapse of subprime mortgage lender American Home Mortgage and the actions against Lehman Brothers, Citigroup and Merrill Lynch, arising from those banks' multi-billion dollar loss from mortgage-backed investments.

As a member of the firm's new matter department, Mr. Josefson counsels institutional clients on potential legal claims. He has presented argument in several federal and state courts, including an appeal he argued before the Delaware Supreme Court.

Prior to joining BLB&G, Mr. Josefson was a litigation associate at Sachnoff & Weaver in Chicago, where his practice focused on insurance coverage litigation.

EDUCATION: Brandeis University, B.A., *cum laude*, 1997. Northwestern University, J.D., 2000; *Dean's List*; Justice Stevens Public Interest Fellowship (1999); Public Interest Law Initiative Fellowship (2000).

BAR ADMISSIONS: Illinois, New York; U.S. District Courts for the Southern District of New York and the Northern District of Illinois.

**OF COUNSEL**

**G. ANTHONY GELDERMAN, III** heads the firm's Louisiana office and is responsible for the firm's institutional investor and client outreach. He is a frequent speaker at U.S. and European investor conferences and has written numerous articles on securities litigation and asset protection.

Earlier in his career, Mr. Gelderman served as Chief of Staff and General Counsel to the Treasurer of the State of Louisiana, (1992-1996) and prior to that served as General Counsel to the Louisiana Department of the Treasury. Mr. Gelderman also coordinated all legislative matters for the State Treasurer during his tenure with the Treasury Department. Earlier in Mr. Gelderman's legal career, he served as law clerk to U.S. District Judge Charles Schwartz, Jr., Eastern District of Louisiana (1986-1987).

Mr. Gelderman is a former adjunct professor of law at the Tulane Law School where he has taught a course in legislative process. In 1995, Mr. Gelderman was profiled by the American Bar Association in *Barrister* magazine as one of the 25 young lawyers in America making a difference in the legal profession.

Mr. Gelderman is a member of the Louisiana State Bar Association, where he served as Chairman for the Young Lawyers Continuing Legal Education Committee between 1990 and 1993, and the American Bar Association.

BAR ADMISSIONS: Louisiana; U.S. District Courts for the Eastern and Middle Districts of Louisiana.

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**KURT HUNCIKER's** practice is concentrated in complex business and securities litigation. Prior to joining BLB&G, Mr. Hunciker represented clients in a number of class actions and other actions brought under the federal securities laws and the Racketeer Influenced and Corrupt Organizations Act. He has also represented clients in actions brought under intellectual property laws, federal antitrust laws, and the common law governing business relationships.

Mr. Hunciker served as a member of the trial team for the *In re WorldCom, Inc. Securities Litigation* and is currently a member of the teams prosecuting the *In re MBIA Inc. Securities Litigation*, *In re Ambac Financial Group, Inc. Securities Litigation*, *In re Citigroup, Inc. Bond Litigation*, *In re Wachovia Preferred Securities and Bond/Notes Litigation*, *In re Schering-Plough Corp./Enhance Securities Litigation* and *In re Merck & Co., Inc. Vytorin/Zetia Securities Litigation*.

EDUCATION: Stanford University, B.A.; Phi Beta Kappa. Harvard Law School, J.D., Founding Editor of the *Harvard Environmental Law Review*.

BAR ADMISSIONS: New York; U.S. District Courts for the Southern and Eastern Districts of New York; U.S. Courts of Appeals for the Second, Fourth and Ninth Circuits.

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**BRUCE D. BERNSTEIN** has extensive experience prosecuting securities fraud and complex actions. He has played a significant role in obtaining substantial recoveries on behalf of investors in numerous matters, including *In re Oxford Health Plans, Inc. Securities Litigation* (total recoveries of \$300 million); *In re PNC Financial Services, Inc. Securities Litigation* (total recoveries of \$45.675 million); and *In re Martha Stewart Living Omnimedia, Inc. Securities Litigation* (total recoveries of \$30 million). In addition, he worked extensively on the appeal in *In re Cabletron Systems, Inc. Securities Litigation*, 311 F.3d 11 (1st Cir. 2002), in which the First Circuit interpreted the pleading standards of the Private Securities Litigation Reform Act of 1995.

At BLB&G, Mr. Bernstein was a member of the team that litigated the *Merrill Lynch Bondholders Litigation* (S.D.N.Y.), which settled for \$150 million. He is currently a member of the respective teams prosecuting *In re Merck & Co., Inc. Securities Litigation* (D.N.J.), a matter in which the United States Supreme Court issued a unanimous decision in favor of plaintiffs clarifying the standard governing statute of limitations in securities fraud suits, and *In re Satyam Computer Services Ltd. Securities Litigation* (S.D.N.Y.).

In addition, Mr. Bernstein is significantly involved with investor relations and client outreach. He is a frequent speaker at investor conferences throughout the world, and has authored articles relating to institutional investor rights and responsibilities, corporate governance and fiduciary duties.

Mr. Bernstein is also active in the community, having served in various leadership positions for several philanthropic organizations, including Natan, UJA-Federation of New York (Co-Chair of Young Lawyers) and Seeds of Peace (Co-Chair of the YLC Benefit).

EDUCATION: University of Vermont, B.A., *with honors*, 1994. George Washington University Law School, J.D., 1997.

BAR ADMISSIONS: New York; U.S. Supreme Court; U.S. District Courts for the Southern and Eastern Districts of New York.

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**JOSHUA L. RASKIN's** practice at the firm concentrates on all areas of intellectual property litigation, with an emphasis on patent litigation. A registered patent attorney, Mr. Raskin has extensive experience in complex federal patent and trademark matters at the trial and appellate stages. He has litigated numerous patent and trademark cases in federal courts across the country and has argued before the Courts of Appeals for the Federal and Second Circuits. He is currently prosecuting patent cases on behalf of inventors in a variety of industries including electronics, liquid crystal display ("LCD") panels, and computer technology. Defendants in these high profile cases include many of the world's largest high-technology companies such as Microsoft, Intel, Samsung, Hewlett-Packard, Dell, Nikon, LG.Philips, and others.

Mr. Raskin has experience preparing and prosecuting patent applications in such technical fields as the mechanical and electrical arts as well as directed towards methods of conducting business on the Internet. He has conducted infringement opinions and patentability searches, prepared license agreements and performed due diligence on the intellectual property assets of target-acquisition companies.

Some of his notable achievements include:

- Winning a judgment of non-infringement on behalf of the manufacturer of high speed data connectors in a patent infringement case.
- Winning a jury trial on behalf of the defendant in a patent infringement case involving dental fluoride foams.
- Successfully representing the defendant in a complex copyright/trademark infringement case concerning audiovisual display of electronic gaming machines.
- Obtaining a preliminary and permanent injunction in a design patent infringement case relating to the ornamental design of children's furniture.
- Obtaining a preliminary injunction on behalf of a large yellow pages directory company in a false advertising case relating to the operation of a gripe web site on the Internet.
- Successfully defending a patent infringement and trade secret case relating to a business method for conducting online free lotteries.

- Successfully representing the plaintiff in a design patent infringement case relating to the ornamental design of a foot massager in which Mr. Raskin argued one of the first Markman hearings in a design patent infringement case.
- Successfully representing the defendant in a patent infringement case relating to software for storing and displaying intra-oral radiographs.
- Successfully representing the plaintiff in a patent and trade dress infringement case relating to audio speakers.
- Successfully representing the plaintiff in a patent infringement case relating to scaffolding design.
- Successfully representing the defendant in a patent infringement case relating to the design of a cosmetics case.

Mr. Raskin is a member of the Intellectual Property Sections of the New York State Bar Association and the American Bar Association, the Litigation Section of the American Bar Association, the International Trademark Association and the New York Intellectual Property Law Association. Prior to joining the firm, Mr. Raskin was a Shareholder in the New York Office of Cozen O'Connor.

EDUCATION: University of Michigan College of Engineering, BSE, 1993. Brooklyn Law School, J.D., 1996.

BAR ADMISSIONS: New York; U.S. District Courts for the Eastern and Southern Districts of New York; U.S. Patent and Trademark Office; U.S. Courts of Appeals for the Federal and Second Circuits.

#### SENIOR COUNSEL

**ROCHELLE FEDER HANSEN** has handled a number of high profile securities fraud cases at the firm, including *In re StorageTek Securities Litigation*, *In re First Republic Securities Litigation*, and *In re RJR Nabisco Litigation*. Ms. Hansen has also acted as Antitrust Program Coordinator for Columbia Law School's Continuing Legal Education Trial Practice Program for Lawyers.

EDUCATION: Brooklyn College of the City University of New York, B.A., 1966; M.S., 1976. Benjamin N. Cardozo School of Law, J.D., *magna cum laude*, 1979; Member, *Cardozo Law Review*.

BAR ADMISSIONS: New York; U.S. District Courts for the Southern and Eastern Districts of New York; U.S. Court of Appeals, Fifth Circuit.

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**NIKI L. MENDOZA** joined the San Diego office in 2002. Since joining the firm, Ms. Mendoza has helped obtain hundreds of millions of dollars in recoveries on behalf of defrauded investors. Some of Ms. Mendoza's more notable accomplishments include participating in a full jury trial and achieving a rare securities fraud verdict against the company's CEO in *In re Clarent Corporations Securities Litigation*. She also conducted extensive fact and expert discovery, full motion practice and completed substantial trial preparation in *In re Electronic Data Systems, Inc. Securities Litigation*, resulting in settlement just prior to trial for \$137.5 million; one of the larger settlements in non-restatement cases since the passage of the PSLRA. Ms. Mendoza also advocates for employee rights, and

previously sought to end racial steering through her prosecution of a race discrimination class action lawsuit filed against Bank of America.

Ms. Mendoza co-authored various articles which have been cited in federal court opinions (including "*Dura Pharm., Inc. v. Broudo-The Least of All Evils*," 1505 PLI/Corp. 272, 274 (Sept. 2005) and "*Dura-Bull: Myths of Loss Causation*," 1557 PLI/Corp. 339 (Sept. 2006). She was also a panel speaker at the Securities Litigation & Enforcement Institute 2007, Practicing Legal Institute (San Francisco, October 2007). In addition to her practice, Ms. Mendoza previously served as the Co-Chair of the Steering Committee of the San Diego County Bar Association's Children At Risk committee, a committee that works with schools and children's organizations and coordinates literacy and enrichment programs that rely on attorney volunteers.

Ms. Mendoza served as judicial law clerk to the Honorable Chief Judge Michael R. Hogan of the United States District Court for the District of Oregon for three years where she received the Distinguished Service Recognition. While serving as Managing Editor for the Oregon Law Review, Ms. Mendoza authored "*Rooney v. Kulungoski, Limiting The Principle of Separation of Powers?*"

Before joining BLB&G, Ms. Mendoza represented both plaintiffs and defendants in commercial and employment litigation, practicing in both Hawaii and California. Ms. Mendoza is a member of the State Bar of California and the State Bar of Hawaii (inactive). She practices out of the firm's California Office.

EDUCATION: University of Oregon, B.A. and J.D.; Order of the Coif; Managing Editor of the *Oregon Law Review*.

BAR ADMISSIONS: Hawaii; California; U.S. District Courts for the Districts of Hawaii, and Northern, Southern, Central and Eastern Districts of California; U.S. Circuit Courts of Appeals for the Fifth, Ninth and Tenth Circuits.

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**JAI K. CHANDRASEKHAR** prosecutes securities fraud, corporate governance, and shareholder rights litigation for the firm's institutional investor clients, as well as patent infringement litigation for the firm's patent-holder clients.

Mr. Chandrasekhar has been a member of the litigation teams on several of the firm's recent high profile securities cases including *In re Refco, Inc. Securities Litigation*, in which partial settlements in excess of \$140 million have been achieved and lead plaintiffs continue to prosecute the action against the remaining defendants.

As a member of the Firm's patent litigation group, Mr. Chandrasekhar is participating in the prosecution of patent infringement actions on behalf of Anvik Corporation against Nikon Corporation, Sharp Corporation, Samsung Electronics Co., and many other large electronics companies relating to Anvik's patented technology for manufacturing liquid crystal display panels used in televisions, computer monitors, and other devices. He is also a member of the team prosecuting a patent infringement action on behalf of Xpoint Technologies, Inc. against Intel Corporation, Microsoft Corporation, Dell Inc., Hewlett-Packard Company, and numerous other large computer companies relating to Xpoint's patented One-Button Restore™ technology for restoring the operating system, applications programs, and user data on a computer after the computer is corrupted or damaged.

Prior to joining BLB&G, Mr. Chandrasekhar was a Staff Attorney with the Division of Enforcement of the United States Securities and Exchange Commission, where he investigated securities law violations and coordinated investigations involving multiple SEC offices and other government agencies. Before his tenure at the SEC, he was an associate at Sullivan & Cromwell LLP, where he represented corporate issuers and underwriters in public and private offerings of stocks, bonds, and complex securities and advised corporations on periodic reporting under the

Securities Exchange Act of 1934, compliance with the Sarbanes-Oxley Act of 2002, and other corporate and securities matters.

Mr. Chandrasekhar is a member of the Federal Courts Committee of the Association of the Bar of the City of New York and the Federal Courts Committee of the New York County Lawyers' Association.

EDUCATION: Yale University, B.A., *summa cum laude*, 1987; Phi Beta Kappa. Yale Law School, J.D., 1997; Book Review Editor of the *Yale Law Journal*.

BAR ADMISSIONS: New York; U.S. District Courts for the Southern and Eastern Districts of New York; U.S. Courts of Appeals for Second, Third and Federal Circuits.

## ASSOCIATES

**MICHAEL D. BLATCHLEY**'s practice focuses on securities fraud litigation. He is currently a member of the firm's new matter department in which he, along with a team of attorneys, financial analysts, forensic accountants, and investigators, counsels the firm's clients on their legal claims.

While attending Brooklyn Law School, Mr. Blatchley held a judicial internship position for the Honorable David G. Trager, United States District Judge for the Eastern District of New York. In addition, he worked as an intern at The Legal Aid Society's Harlem Community Law Office, as well as at Brooklyn Law School's Second Look and Workers' Rights Clinics, and provided legal assistance to victims of Hurricane Katrina in New Orleans, Louisiana.

EDUCATION: University of Wisconsin, B.A., 2000. Brooklyn Law School, J.D., *cum laude*, 2007; Edward V. Sparer Public Interest Law Fellowship, William Payson Richardson Memorial Prize, Richard Elliott Blyn Memorial Prize, Editor for the *Brooklyn Law Review*, Moot Court Honor Society.

BAR ADMISSION: New York, New Jersey; U.S. District Courts for the Southern District of New York and the District of New Jersey.

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**JUSTINIAN DORESTE** prosecutes securities fraud, corporate governance and shareholder rights litigation for the firm's institutional investor clients.

Prior to joining the firm, Mr. Doreste was a summer associate at Goodwin Procter in Boston, where he investigated enforceability of specific performance clauses in M&A transactions. Mr. Doreste was also a summer associate at BLB&G's New York office.

Mr. Doreste is currently a member of the teams prosecuting *In re Citigroup, Inc. Bond Action Litigation* and *In re Satyam Computer Services, Ltd. Securities Litigation*.

EDUCATION: Brandeis University, B.A., *magna cum laude*, 2006. Harvard Law School, J.D., *cum laude*, 2010; Dean's Scholar in Communications and Internet Law; *Unbound: Harvard Journal of the Legal Left*, Co-Editor-Chief (2008-2009); Harvard Student Animal Legal Defense Fund, President, 2009-2010.

BAR ADMISSION: New York.

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**JEREMY FRIEDMAN** prosecutes corporate governance and shareholder rights litigation on behalf of the firm's institutional investors, focusing on merger and acquisition litigation. Prior to joining the firm, Mr. Friedman was an associate at Simpson Thacher & Bartlett LLP, where he represented clients in merger and acquisition transactions and debt financings. During this time, he also served as an associate counsel for the Lawyers' Committee For Civil Rights Under Law, where he led non-partisan election protection efforts for the organization's National Campaign for Fair Elections.

EDUCATION: University of Maryland, B.A., *summa cum laude*, 2004; Honors program; President's Scholarship; Beta Gamma Sigma Business Fraternity. New York University School of Law, J.D., *magna cum laude*, 2007; Order of the Coif.

BAR ADMISSION: New York.



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**BENJAMIN GALDSTON** practices in the firm's California office and focuses on complex litigation, securities fraud class actions, and derivative and corporate governance matters. He currently represents the Lead Plaintiff in *In re Toyota Motor Corp. Securities Litigation* pending in the Central District of California. Mr. Galdston also is prosecuting claims on behalf of shareholders in *In re Washington Mutual, Inc. Securities Litigation*, *In re SunPower Corp. Securities Litigation* and *In re Amedisys, Inc. Securities Litigation*.

Mr. Galdston has participated in the prosecution and resolution of many of the firm's most significant recoveries, including *In re Maxim Integrated Products, Inc. Sec. Litigation* (\$173 million), *In re New Century* (\$125 million), *In re International Rectifier Corp. Securities Litigation* (\$90 million), and *In re Stone Energy Corp. Securities Litigation* (\$10 million). Together with firm partners Max Berger and David Stickney, Mr. Galdston successfully prosecuted *In re McKesson HBOC Securities Litigation*, which settled for more than \$1 billion—the largest settlement recovery for a securities class action within the Ninth Circuit. Mr. Galdston represented institutional investors to a successful settlement in *In re EMAC Securities Litigation*, a case that arose from a private offering of asset-backed securities.

While in law school, Mr. Galdston competed in national Moot Court tournaments, and directed the University of San Diego School of Law National Criminal Procedure Moot Court Tournament. Following law school, Mr. Galdston represented investors in securities fraud actions at another national law firm.

Previously, Mr. Galdston was the sole proprietor of Litigation Support Systems, where he designed, constructed and maintained relational document databases for small law firms litigating document-intensive cases. He has authored several articles concerning practice in the federal courts.

Mr. Galdston is a member of the California Bar Association and the Federal Bar Association, and is a former president of the Greater San Diego Barristers Club.

EDUCATION: University of San Diego School of Law, J.D., 2000; American Trial Lawyers' Association Book Award for Outstanding Scholarship in Appellate Advocacy, American Jurisprudence Award for Property, and the Computer Assisted Learning Institute Award for Excellence.

BAR ADMISSIONS: California; U.S. District Courts for the Southern, Northern and Central Districts of California.

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**PATRICIA S. GILLANE** is the author of "One Moment in Time: The Second Circuit Ponders Choreographic Photography as a Copyright Infringement: Horgan vs. MacMillan." She is a member of the American Bar Association and a former member of the Association of the Bar of the City of New York, where she served on the Professional Responsibility Committee.

Together with firm partners Max Berger and Edward Grossmann, Ms. Gillane successfully prosecuted *In re Bennett Funding Group Litigation* which arose out of the largest Ponzi scheme in history. After years of litigation, the matter settled for a total of over \$165 million.

Most recently, she was a member of the team representing the New York State Common Retirement Fund in *In re WorldCom, Inc. Securities Litigation*, which culminated in a five-week trial against Arthur Andersen LLP and a recovery for investors of over \$6.15 billion—the second largest securities fraud recovery in history.

EDUCATION: Columbia University, B.A., *cum laude*, 1985. Brooklyn Law School, J.D., 1989; Editor of the *Brooklyn Law Review*.

ADMISSIONS: New York; U.S. District Courts, Southern and Eastern Districts of New York.

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**LAURA H. GUNDERSHEIM** has represented institutional investors as a lead or co-lead counsel in a number of class and derivative actions, including cases involving securities fraud, consumer fraud, copyright infringement, and employment discrimination. Most notably, she was an integral part of the team that prosecuted the landmark *In re Walt Disney Derivative Litigation*, which redefined the fiduciary duties of directors in public companies.

She is currently a member of the teams prosecuting *In re The Mills Corporation Securities Litigation*, *In re Comverse Technology, Inc. Derivative Litigation*, *In re Sunrise Senior Living Securities Litigation*, *In re Openwave Securities Litigation*, *In re WellCare Health Plans, Inc. Securities Litigation* and *In re Schering-Plough Corp./Enhance Securities Litigation*.

While in law school, Ms. Gundersheim worked at the Lawyers' Committee for Civil Rights, Health Law Advocates, The Hale & Dorr Legal Services Center and the Tenant Advocacy Project.

Ms. Gundersheim is a member of the New York Bar Association's Consumer Affairs Committee and Public Justice.

EDUCATION: University of California, Los Angeles, B.A., *magna cum laude*, 2001; Phi Beta Kappa. Harvard Law School, J.D., 2004; Founding Member and the Vice-President of the Harvard Advocates for Reproductive Choices; Executive Committee, *Women's Law Journal*.

BAR ADMISSIONS: New York; U.S. District Courts for the Southern and Eastern Districts of New York.

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**LAURENCE J. HASSON** has extensive experience prosecuting class actions with a focus on securities fraud, complex commercial, M & A, and healthcare related litigation. He is currently a member of the firm's new matter department in which he, along with a team of attorneys, financial analysts, forensic accountants, and investigators counsels the firm's institutional clients on potential legal claims.

While in law school, he was selected as a Heyman Scholar at the Samuel and Ronnie Heyman Center on Corporate Governance.

EDUCATION: Brandeis University, B.A., *magna cum laude*, 2003, History & American Studies; Phi Beta Kappa, Phi Alpha Theta, Dean's List. Benjamin N. Cardozo School of Law, J.D., 2006; Heyman Fellowship, Dean's Scholarship, Moot Court Honor Society, Senior Memorandum of Law Editor.

BAR ADMISSIONS: New York State; U.S. District Courts for the Southern and Eastern Districts of New York.

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**PAUL J. HYUN** is a member of the firm's Intellectual Property Litigation practice group. He has extensive experience litigating a wide variety of patent cases and has substantial patent trial capabilities. He has represented patent-holders in numerous industries including telecommunications, consumer electronics, industrial electronics, biotechnology, pharmaceuticals, medical devices, life sciences and consumer products industries. He has a technical background in molecular biology, computational biology, and database development.

Mr. Hyun is a member of the New York County Lawyers' Association, the New York Intellectual Property Law Association, and the American Intellectual Property Law Association.

EDUCATION: Brown University, B.S., Neurobiology, 2000. Network/Database Developer, Center for Health Care Research; Volunteer Emergency Medical Technician, Brown University Health Services. New York University School of Law, J.D., 2007. Staff Editor, *Journal of Law & Business*; Legal Intern, Legal Aid Society of New York; Chairperson, Health Law Society.

BAR ADMISSION: New York.

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**MATTHEW P. JUBENVILLE** represents individual and institutional investors asserting claims under the federal and state securities laws. While at BLB&G, he has litigated a wide variety of cases resulting in cumulative settlements over \$650 million.

Recently, Mr. Jubenville's practice has focused on litigating cases on behalf of clients asserting claims under the Securities Act of 1933 and various state blue sky laws related to mortgage-backed securities offerings. The matters he is currently prosecuting include *Cambridge Place Investment Management Inc. v. Morgan Stanley & Co., Inc., et al.*; *Public Employees' Ret. Sys. of Mississippi, et al. v. Merrill Lynch & Co. Inc., et al.*; *In re Wells Fargo Mortgage-Backed Certificates Litigation*; *In re Bear Stearns Mortgage Pass-Through Certificates Litigation*; *In re Morgan Stanley Mortgage Pass-Through Certificates Litigation*; *Plumbers' & Pipefitters' Local #562 Supplemental Plan & Trust, et al. v. J.P. Morgan Acceptance Corp., et al.*; and *Public Employees' Ret. Sys. of Mississippi et al. v. Goldman Sachs Group, Inc. et al.*

EDUCATION: University of Colorado, B.A., *with distinction*, Molecular, Cellular and Developmental Biology, 2000; Phi Beta Kappa. University of San Diego School of Law, J.D., 2003; *San Diego Law Review*.

BAR ADMISSIONS: California, U.S. District Courts for the Northern, Central and Southern Districts of California.

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**DAVE KAPLAN**'s experience includes securities, derivative, and general business litigation. Prior to joining BLB&G, Mr. Kaplan was a senior associate at Irell & Manella, where he represented plaintiffs, defendants, and transactional clients in a broad range of matters, including subprime mortgage disputes, commercial contract disputes, private equity investments, trade secret, and insurance coverage and bad faith litigation.

EDUCATION: Washington & Lee University, B.A., *cum laude*, 1999. Duke University, J.D., *High Honors*, *Duke Law Review*, Stanley Starr Scholar, 2003.

BAR ADMISSIONS: California; U.S. District Court for the Central District of California; U.S. Court of Appeals for the Ninth Circuit.

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**TAKEO A. KELLAR**'s practice at the firm focuses on securities fraud class actions, and derivative and corporate governance matters. Based in the firm's California office, Mr. Kellar is currently a member of the team representing numerous institutions that invested in mortgage-backed securities, including mortgage pass-through class actions against Wells Fargo, Bear Stearns, JP Morgan, Merrill Lynch, and Goldman Sachs. Mr. Kellar is also a member of the team prosecuting claims on behalf of shareholders in *In re Toyota Motor Corp. Securities Litigation*.

Mr. Kellar was part of the trial team that successfully prosecuted *In re Clarent Corp. Securities Litigation*, which resulted in a jury verdict in favor of plaintiffs and against the founder and former Chief Executive Officer of Clarent. Mr. Kellar also participated in the prosecution of several of the firm's most significant recoveries on behalf of shareholders, including *In re New Century* (\$125 million), *In re Maxim Integrated Products, Inc. Securities Litigation* (\$173 million) and *In re Williams Securities Litigation* (\$311 million).

EDUCATION: University of California, Riverside, B.A., *magna cum laude*, 1997; Phi Beta Kappa. University of San Diego School of Law, J.D., 2004; Executive Board Member of the Appellate Moot Court Board.

BAR ADMISSIONS: California; U.S. District Courts for the Central, Northern and Southern Districts of California.

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**ANN LIPTON**'s practice focuses on complex commercial and appellate litigation. Following law school, Ms. Lipton clerked for the Chief Judge Edward R. Becker of the Third Circuit Court of Appeals and the Associate Justice David H. Souter of the United States Supreme Court. She has also served as an adjunct professor of legal writing at Benjamin N. Cardozo School of Law.

EDUCATION: Stanford University, B.A., *with distinction*, 1995; Phi Beta Kappa. Harvard Law School, J.D., *magna cum laude*, 2000; Sears Prize for 2<sup>nd</sup>-Year GPA; Articles and Commentaries Committee of *Harvard Law Review*; Best Brief in 1<sup>st</sup>-Year Ames Moot Court Competition; Prison Legal Assistance Project.

BAR ADMISSIONS: New York; U.S. District Courts for the Eastern and Southern Districts of New York; U.S. Courts of Appeals for the Second and Third Circuits; U.S. Supreme Court.

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**NOAM MANDEL** prosecutes securities fraud, corporate governance and shareholder rights litigation for the firm's institutional investor clients. He has been a member of the litigation teams on several of the firm's recent high profile cases including *In re Nortel Networks Corporation Securities Litigation*, which resulted in a recovery worth in excess of \$1.3 billion in cash and stock, as well as the securities class action against the Federal Home Loan Mortgage Corporation ("Freddie Mac"), in which a \$410 million settlement was obtained for defrauded investors. More recently, he was a member of the team that prosecuted the *Caremark Merger Litigation*, a shareholder class action contesting the terms of a proposed merger between Caremark Rx, Inc. and CVS Corporation on behalf of Caremark's shareholders. The litigation resulted in over \$3 billion in additional consideration being offered to Caremark shareholders by CVS.

Prior to joining BLB&G, Mr. Mandel was a litigation associate at Simpson Thacher & Bartlett LLP, where his practice focused on securities, shareholder and ERISA fiduciary matters. While in law school, Mr. Mandel participated in an exchange program with the University of Leiden, the Netherlands, where he concentrated his studies on international and comparative law.

EDUCATION: Georgetown University, B.S.F.S., 1998. Boston University School of Law, J.D., *cum laude*, 2002; Editor for the *Boston University Law Review*; recipient of awards in civil procedure, evidence, and international law.

BAR ADMISSIONS: New York; United States District Court, Southern District of New York.

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**LAUREN A. McMILLEN**, following law school, served as a law clerk for the Honorable Colleen McMahon, District Court Judge for the Southern District of New York.

Prior to joining the firm in 2007, Ms. McMillen was a litigation associate at Heller Ehrman LLP. She has extensive experience in securities litigation and complex commercial litigation, and has defended various corporations and accounting firms in securities class actions and represented individuals in regulatory investigations before the Securities and Exchange Commission.

Ms. McMillen is currently a member of the teams prosecuting *In re New Century Securities Litigation*; *The Football Association Premier League Limited, et. al. v. YouTube, Inc., et al.*; *In re HealthSouth Bondholder Litigation*, and *In re Convergium Holding AG Securities Litigation*.

EDUCATION: Duke University, B.A., History, 1996. University of Pennsylvania Law School, J.D., *cum laude*, 2000; Research Editor for the *University of Pennsylvania Law Review*.

BAR ADMISSIONS: New York; U. S. District Courts for the Eastern and Southern Districts of New York; U.S. Court of Appeals for the Second Circuit.

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**JOHN ALDEN MEADE** practices out of the firm's New Orleans office, where he focuses on complex securities and business litigation, and advises institutional investor clients on potential claims.

Prior to joining the firm, Mr. Meade practiced primarily in the field of federal antitrust law, representing direct purchaser plaintiffs, and focusing specifically on the economic impacts of anticompetitive activity in the pharmaceutical and medical device industries. Before attending law school, Mr. Meade worked as a litigation consultant in San Francisco, developing economic and statistical analyses for use in legal disputes in both state and federal courts.

Currently, he is a member of the teams prosecuting *In re BP Derivative Litigation* and *Bach v. Amedisys, Inc.*

EDUCATION: Stanford University, B.A., Public Policy, secondary major in Economics, 1998. Tulane Law School, J.D., *magna cum laude*, Order of the Coif, Tulane University Chapter.

BAR ADMISSIONS: Louisiana; U.S. District Courts for the Eastern, Middle and Western Districts of Louisiana; U.S. Court of Appeals for the Fifth Circuit.

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**KRISTIN A. MEISTER** has extensive experience in commercial and class action litigation. She has argued motions in both state and federal court and her areas of expertise include white collar criminal investigations, federal antitrust multi-district litigation, banking litigation, and federal and state criminal matters. Prior to joining the firm, she was a Litigation and Trial Practice Group associate at Alston & Bird LLP.

Before attending law school, Ms. Meister was an Honors Scholar in the Department of Justice, Antitrust Division. While in law school, Ms. Meister was an Honors Legal Intern in the Department of Defense at The Pentagon and clerked at an international human rights NGO in London. She was also elected Student Senator for the Law School Student Senate during each of her three years in law school.

EDUCATION: Kenyon College, B.A., *magna cum laude*, 2000; Political Science and English; Elmer Graham Scholar Full Scholarship Award Recipient; Student Council Vice-President; Editor in Chief of *The Kenyon Observer*. University of Michigan Law School, J.D., 2004; Associate/Contributing Editor of *Michigan Telecommunications and Technology Law Review*; Elected Law School Student Senator.

BAR ADMISSIONS: New York; U.S. District Courts for the Eastern and Southern Districts of New York.

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**BRETT M. MIDDLETON** primarily focuses in the areas of corporate transaction and derivative litigation, as well as securities fraud litigation. He has significant trial experience, having worked on the trial team responsible for successfully prosecuting *In re Clarent Corp. Securities Litigation*, which resulted in a jury verdict in favor of plaintiffs and against the former CEO of Clarent Corp.

While at BLB&G, Mr. Middleton has prosecuted important merger transaction cases on behalf of shareholders, including the *Caremark/CVS Merger Litigation* which resulted in over \$3 billion in additional consideration being

offered to Caremark shareholders by CVS. Other significant settled transaction cases he served as lead associate on include: *Yahoo!, Inc. Shareholder Litigation*, *Longs Drug Stores Corp. Shareholders Litigation*, *In re Emulex Shareholder Litigation*, *In re Ticketmaster Entertainment Shareholder Litigation*, *iPCS Shareholder Class Action*, and *Arena Resources Shareholder Litigation*.

In addition, Mr. Middleton has assisted in successfully prosecuting and settling important shareholder derivative cases for corporate waste such as the *Apollo Group, Inc.* and *the Activision, Inc.* stock option backdating cases. Currently, Mr. Middleton is the lead associate prosecuting *The Ryland Group, Inc. Derivative Litigation*, which alleges that the Ryland board breached their fiduciary duties by fostering and encouraging reckless lending practices at the national home builder's subsidiary, the Ryland Mortgage Company.

Mr. Middleton also has significant experience prosecuting securities fraud class actions, including *In re Williams Securities Litigation*, which resulted in a \$311 million cash settlement—the largest known settlement at the time without a company restating its financial statements. Other notable cases include *In re Accredo Health, Inc. Securities Litigation* (\$33 million settlement); *Atlas v. Accredited Home Lenders Holding Co.* (\$22 million settlement) and *In re Dura Pharmaceuticals, Inc. Securities Litigation* (\$12 million settlement).

Mr. Middleton joined BLB&G in 2004 after working as a business and intellectual property litigation associate at the San Diego office of Gordon & Rees LLP. He is a 1993 graduate of UCLA and he received his law degree from the University of San Diego School of Law in 1998.

EDUCATION: University of California, Los Angeles, 1993. University of San Diego School of Law, J.D., 1998.

BAR ADMISSIONS: California; U.S. District Courts for the Central, Southern and Northern Districts of California.

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**AMY MILLER** is the senior associate responsible for the firm's corporate governance litigation practice. She prosecutes corporate governance and shareholder rights litigation on behalf of the firm's institutional investor clients. Her practice often focuses on merger and acquisition litigation arising from transactions that are structured to unfairly benefit the company's management or directors at the shareholder's expense, and other corporate governance disputes.

She has litigated numerous suits fighting "poison pills," "poison puts," and other defensive measures used by corporate boards to effectively sabotage buyout offers from other companies and infringe upon shareholders' voting rights. As counsel in the *Atmel Corporation Litigation*, she was a member of the team that successfully challenged the Atmel Board's novel extension of the poison pill device and obtained a revision of such pill that clarified its triggering points and provided shareholders with an opportunity to be heard in an advisory vote if Atmel adopts another poison pill in the future.

Ms. Miller also represents institutional clients seeking accountability from corporate management on issues ranging from corporate waste to breach of fiduciary duty. A recent successful example is the prosecution of the *In re Data Domain Shareholder Litigation* which obtained for Data Domain shareholders an increased purchase price by forcing the Data Domain Board of Directors to negotiate with an additional potential acquirer that the Board previously refused to consider.

Ms. Miller is currently counsel in a shareholder class action and derivative suit involving Landry's Restaurants, Inc. and its Board of Directors, which alleges that the Board breached their fiduciary duties by allowing Landry's CEO and Chairman to strip Landry's public shareholders of their controlling interest in the Company for no premium thereby severely devaluing Landry's remaining public shares. She is also prosecuting the *Alcon Shareholder Litigation*, where Alcon's controlling shareholders, Novartis and Nestlé, are attempting to force a transaction on the Alcon minority shareholders at an unfair price without any vote or ability to refuse the transaction - despite promises made in Alcon's SEC filings that ensured certain protections for the Alcon minority shareholders in the event of a merger. In addition, Ms. Miller is a member of the team preparing for trial in Delaware Chancery Court on behalf of ACS shareholders against the ACS' Board for violation of its fiduciary duties relating to the Company's acquisition

by Xerox Corporation and Boulder Acquisition Corp.

In 2009, Ms. Miller authored “Where Do Investors Stand After the Recent Delaware Chancery Court Decisions in Citigroup and AIG?” published in the firm’s quarterly newsletter the *Advocate For Institutional Investors*.

Prior to joining the firm, Ms. Miller worked at Cadwalader, Wickersham & Taft, where she participated in a number of securities and corporate governance-related litigations, which included investigations by the S.E.C., Massachusetts United States Attorney’s Office and Illinois United States Attorney’s Office. Ms. Miller has also participated in an externship with the Honorable George B. Daniels of the U.S. District Court for the Southern District of New York.

EDUCATION: Boston University, B.A., *magna cum laude*, 1995. New York Law School, J.D., *summa cum laude*, 2001; Member and Articles Editor, *New York Law School Law Review*; Merit Based Scholarship.

BAR ADMISSIONS: New York; U.S. District Courts for the Eastern, Northern and Southern Districts of New York.

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**JOHN J. MILLS’** practice concentrates on Class Action Settlements and Settlement Administration. Mr. Mills also has experience representing large financial institutions in corporate finance transactions.

EDUCATION: Duke University, B.A., 1997. Brooklyn Law School, J.D., *cum laude*, 2000; Member of *The Brooklyn Journal of International Law*; Carswell Merit Scholar recipient.

BAR ADMISSIONS: New York; U.S. District Courts for the Southern and Eastern Districts of New York.

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**SEAN O’DOWD** was an associate at Latham & Watkins LLP prior to joining BLB&G, where his practice focused on trial and appellate litigation, including civil and criminal investigations by the Department of Justice and the SEC. In addition, Mr. O’Dowd litigated on behalf of torture victims seeking asylum in the United States and represented domestic violence survivors in proceedings under the Violence Against Women Act.

Mr. O’Dowd is the author of “How to Encourage Whistleblowers to Blow the Whistle” and “Whistleblower Hotlines: 11 Steps to Success” (forthcoming) in *White-Collar Crime Fighter* and the co-author, with Alexandra Shapiro, of “Another Assault on the Attorney-Client Privilege?” in *White-Collar Crime*.

Following law school, Mr. O’Dowd served as a judicial law clerk to the Honorable William M. Acker, Jr., Senior United States District Judge, Northern District of Alabama.

EDUCATION: Cornell University, B.A., *with Distinction in All Subjects*, 2001. Northwestern University, J.D., *cum laude*, 2005; Senior Editor, *Journal of International Law & Business*; Recipient, Francis Kosmerl Merit Scholarship, Rubinowitz Public Interest Fellowship and Public Service Star Award.

BAR ADMISSIONS: New York; U.S. District Courts for the Southern and Eastern Districts of New York; U.S. Court of Appeals, Third Circuit.

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**JOHN RIZIO-HAMILTON** has extensive experience in civil and criminal litigation. Prior to joining the firm, he clerked for the Honorable Chester J. Straub of the United States Court of Appeals for the Second Circuit. In that capacity, he worked on cases involving an accountant’s duty to correct under the Securities Exchange Act of 1934 and a question of first impression regarding class certification under Federal Rule of Civil Procedure 23(b)(3). Prior

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to clerking for Judge Straub, Mr. Rizio-Hamilton clerked for the Honorable Sidney H. Stein of the United States District Court for the Southern District of New York.

Mr. Rizio-Hamilton is currently a member of the teams prosecuting *In re Bank of America Corp. Securities, Derivative and ERISA Litigation*, *In re Citigroup Inc. Bond Litigation*, *In re Wachovia Preferred Securities and Bond/Notes Litigation*, *Eastwood Enterprises LLC v. Farha, et al.*, and *In re MBIA Inc. Securities Litigation*.

EDUCATION: The Johns Hopkins University, B.A., *with honors*, 1997. Brooklyn Law School, J.D., *summa cum laude*; Editor-in-Chief of the *Brooklyn Law Review*; first-place winner of the J. Braxton Craven Memorial Constitutional Law Moot Court Competition.

BAR ADMISSION: New York.

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**JEREMY P. ROBINSON** has extensive experience in securities and civil litigation. Since joining BLB&G in 2006, Mr. Robinson has been involved in prosecuting many significant and high-profile securities cases. He is presently a member of the teams prosecuting *In re Refco Securities Litigation*; *Hoff v. Popular, Inc., et al.*; *Bach v. Amedisys, Inc.*; *Goodwin v. Anadarko Petroleum Corp., et al.*; *In re Wellcare Health Plans, Inc. Securities Litigation*; and *Police & Fire Retirement System of the City of Detroit v. SafeNet, Inc. et al.* Mr. Robinson also prosecuted a significant race discrimination class action against Bank of America, N.A. and Banc of America Investment Services, Inc.

In 2000-01, Mr. Robinson was awarded a Harold G. Fox scholarship and spent a year working with barristers and judges in London, England. In 2005, Mr. Robinson completed his Master of Laws degree at Columbia Law School where he was honored as a Harlan Fiske Stone Scholar.

EDUCATION: Queen's University, Faculty of Law in Kingston, Ontario, Canada, LL.B., 1998; graduated within the top 10% of class; Best Brief in the Niagara International Moot Court Competition. Columbia Law School, LL.M., 2005; Harlan Fiske Stone Scholar.

BAR ADMISSIONS: Ontario, Canada; New York; U.S. District Court for the Eastern District of Michigan.

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**MICHAEL SCHUMACHER**'s practice at the firm focuses on institutional investor and client outreach. In particular, he serves as a liaison between the firm and Taft-Hartley benefit fund clients, assisting in their participation and recovery in securities fraud and ERISA class action suits. Prior to joining the firm, Mr. Schumacher worked as a client liaison at Saxena White P.A. and Milberg Weiss Bershad & Schulman LLP.

EDUCATION: University of California, Berkeley, B.A. 1997; Phi Kappa Sigma Fraternity. University of Southern California Law Center, J.D., 2000.

BAR ADMISSION: California

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**KATHERINE McCracken SINDERSON**'s practice focuses on securities fraud and class action litigation. She is currently a member of the teams prosecuting *In re Washington Mutual, Inc. Securities Litigation*; *Mohammed Al-Beitawi, et al., v. Fremont General Corporation, et al.*, *In re Bristol-Myers Squibb Co. Securities Litigation*, *In re Dollar General*, a shareholder class action pending in Tennessee state court, and *In re Comverse Technology, Inc. Derivative Shareholder Litigation*, the stock options backdating case currently pending in the Eastern District of New York.



EDUCATION: Baylor University, B.A., *cum laude*, 2002. Georgetown University, J.D., *cum laude*, 2006; Dean's Scholar; Articles Editor for *The Georgetown Journal of Gender and the Law*.

BAR ADMISSIONS: New York; U.S. District Court for the Southern District of New York.

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**JONATHAN D. USLANER** prosecutes securities class action and shareholder derivative litigation on behalf of the firm's institutional investor clients. Prior to joining BLB&G, he was a senior litigation associate at the law firm of Skadden, Arps, Slate, Meagher & Flom LLP, where he successfully prosecuted and defended claims from the discovery stage through trial. As a volunteer prosecutor for the City of Inglewood, California, Mr. Uslander gained additional significant trial experience. He also served as a judicial extern for Justice Steven Wayne Smith of the Supreme Court of Texas.

EDUCATION: Duke University, B.A., *magna cum laude*, 2001, William J. Griffith Award for Leadership; Chairperson, Duke University Undergraduate Publications Board; The University of Texas School of Law, J.D., 2005; University of Texas Presidential Academic Merit Fellowship; Articles Editor, *Texas Journal of Business Law*.

BAR ADMISSIONS: California; New York; U.S. District Court, Central and Northern Districts of California; U.S. District Court, Southern District of New York.

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**BRETT VAN BENTHUSEN** prosecutes securities fraud, corporate governance, and shareholder rights litigation on behalf of the firm's institutional investor clients.

Prior to joining the firm, Mr. Van Benthysen interned at the New Jersey Office of the Attorney General, Securities Fraud Prosecution Section, as well as at the Seton Hall Center for Social Justice, assisting Essex County homeowners who were defrauded by a predatory lending scheme.

EDUCATION: The College of New Jersey, B.A., *magna cum laude*, 2004. New York University, M.S., Global Affairs, 2006. Seton Hall University School of Law, J.D., *cum laude*, 2009; Civil Litigation Clinic Practitioner Award.

BAR ADMISSIONS: New Jersey; New York.

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**JEROEN VAN KWAWEGEN** has litigated a wide array of securities class actions, derivative actions, and breach of fiduciary duty actions in the context of mergers and acquisitions. Most recently, Mr. van Kwawegen was a member of the teams that prosecuted: (i) a derivative action in the U.S. District Court for the Southern District of New York against senior management and the board of directors of Pfizer, Inc., alleging that defendants consciously disregarded numerous "red flags" of systemic unlawful marketing practices; (ii) a securities fraud class action in the U.S. District Court for the Northern District of Illinois against Huron Consulting Group, Inc. and its former senior management, alleging that defendants committed accounting fraud by recording employment expenses as goodwill; and (iii) a breach of fiduciary duty action in Delaware Chancery Court against the largest shareholder and Chairman/CEO of Landry's Restaurants, Inc. in connection with a proposed going-private transaction. Prior to joining BLB&G, Mr. van Kwawegen was a litigation associate in the New York office of Latham and Watkins LLP specializing in insurance coverage disputes on behalf of insureds and white collar defense (including internal investigations). Before pursuing his Juris Doctor degree at Columbia Law School, Mr. van Kwawegen

worked as a Dutch lawyer at Schut & Grosheide in the Netherlands where his practice focused on commercial and business disputes, including international arbitration.

Mr. van Kwawegen's numerous *pro bono* activities include constitutional challenges to federal and state Internet censorship statutes and post-conviction relief proceedings on behalf of a person sentenced to death.

EDUCATION: University of Amsterdam School of Law, 1998, LL.M. Columbia University Law School, 2003, J.D.; Harlan Fiske Stone Scholar.

BAR ADMISSIONS: New York, U.S. Courts of Appeals for the Second and Third Circuits; U.S. District Courts for the Southern and Eastern Districts of New York.

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**BOAZ A. WEINSTEIN**'s practice focuses on complex commercial litigation. Prior to joining the firm, Mr. Weinstein was an associate at Cleary Gottlieb Steen & Hamilton LLP, where he represented financial institutions, broker-dealers, private equity funds, and other clients in a wide range of commercial litigation, including M&A and securities litigations, securities arbitrations, and other regulatory proceedings. From 2007-2008, Mr. Weinstein served as Secretary of the Securities Litigation Committee for the New York City Bar.

Following law school, Mr. Weinstein clerked for the Honorable Robert P. Patterson, Jr. of the United States District Court in the Southern District of New York and the Honorable Pamela B. Minzner, Chief Justice of New Mexico's Supreme Court.

EDUCATION: Harvard University, B.A., 1996; John Harvard Scholarship for Academic Achievement. Columbia Law School, J.D., 2000; Harlan Fiske Stone Scholar for Academic Achievement; NYS Bar Association President's Pro Bono Law Student Award; NYS Bar Association Award for Legal Ethics.

BAR ADMISSIONS: New York, California, New Mexico.

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**ADAM H. WIERZBOWSKI**'s practice focuses on securities class and derivative actions brought on behalf of defrauded investors, and the prosecution of patent infringement suits on behalf of patent-holders.

As a member of the Firm's patent litigation group, Mr. Wierzbowski is currently prosecuting cases on behalf of Anvik Corporation against Nikon, Sharp, Samsung, and many other large electronics companies relating to Anvik's patented technology for manufacturing the displays used in flat panel televisions, computer monitors, and other devices.

Mr. Wierzbowski is also a member of the team prosecuting a securities fraud suit against Merck and others, which arises out of Defendants' misstated belief in the safety of Merck's pain-killer VIOXX. The plaintiffs in that action successfully appealed the dismissal of the case to the Third Circuit Court of Appeals and the U.S. Supreme Court, which resulted in a unanimous and ground-breaking victory for investors. Mr. Wierzbowski also currently represents institutional investors in securities class actions alleging that Merck and Schering-Plough misrepresented and withheld the financially-devastating results of the ENHANCE drug trial, which called into serious question the benefits of the cholesterol-lowering drugs ZETIA and VYTORIN.

At BLB&G, Mr. Wierzbowski has also been a member of the teams that successfully litigated derivative actions on behalf of public pension funds against the individuals involved in stock option backdating, including the *UnitedHealth*, *Monster Worldwide* and *Progress Software* cases. For instance, in *UnitedHealth*, Plaintiffs achieved wide-ranging corporate governance reforms and successfully recovered hundreds of millions of dollars from the individual Defendants in the largest derivative recovery in history.

EDUCATION: Dartmouth College, B.A., *magna cum laude*, 2000. The George Washington University Law School, J.D., *with honors*, 2003; Notes Editor for *The George Washington International Law Review*; Member of the Moot Court Board.

BAR ADMISSIONS: New York; U.S. Supreme Court; U.S. District Courts for the Southern and Eastern Districts of New York.

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**JON F. WORM** practices out of the firm's San Diego office and focuses on securities and complex litigation. Currently, Mr. Worm is a member of the team prosecuting *In re Washington Mutual, Inc. Securities Litigation*, a securities class action pending in the Western District of Washington against Washington Mutual's former officers and directors, its outside auditor, and the underwriters of Washington Mutual securities. Mr. Worm is also a member of the team prosecuting *In re Lehman Brothers Equity/Debt Securities Litigation*, a securities class action pending in the Southern District of New York against several former officers and directors of Lehman Brothers, Lehman Brothers' external auditor, and the underwriters of certain Lehman Brothers securities.

Mr. Worm, together with firm partner Blair Nicholas and associate Benjamin Galdston, recently represented the Lead Plaintiffs in *In re International Rectifier Corporation Securities Litigation*, a securities class action brought in the Central District of California. This matter ultimately recovered \$90 million for the class through a favorable settlement. Mr. Worm, along with firm partners Blair Nicholas and Timothy DeLange, was also responsible for prosecuting *Maiden v. Merge, Inc., et al.*, a securities class action that settled for \$16 million.

Mr. Worm has also successfully represented individual investors in several recent matters. As just one example, Mr. Worm, along with firm partner Blair Nicholas, represented a public pension fund, mutual funds, hedge funds, and individual investors in an opt-out action alleging federal and state law claims against Tyco International, Ltd. and several of its former officers and directors. The action has recovered over \$100 million, which represents a significant multiple of the recovery in a related class action.

Prior to joining BLB&G, Mr. Worm served as a law clerk to the Honorable Marilyn L. Huff, United States District Judge for the Southern District of California. Prior to that, he served as a law clerk to the Honorable Federico A. Moreno, Chief United States District Judge for the Southern District of Florida. Mr. Worm also worked as an associate at Mayer Brown LLP in Chicago where he represented plaintiffs and defendants in civil and criminal matters.

While attending the University of Notre Dame Law School, Mr. Worm served as a staff member for the *Notre Dame Law Review* and worked as a teaching assistant for the first year legal writing program.

EDUCATION: University of Notre Dame, B.S., *cum laude*, 1997; J.D., *magna cum laude*, 2003.

BAR ADMISSIONS: Illinois, California; U.S. District Court, Eastern District of Wisconsin; U.S. District Court, Central District of California.

**Labaton  
Sucharow**

**LABATON SUCHAROW LLP**

**INVESTOR PROTECTION LITIGATION**

# THE FIRM AND ITS ACHIEVEMENTS

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Founded in 1963, Labaton Sucharow LLP (“Labaton Sucharow”) is an internationally respected law firm with offices in New York, New York and Wilmington, Delaware and has relationships throughout the U.S., Europe and the world. The Firm consists of more than 60 attorneys and a professional support staff that includes certified public accountants, licensed private investigators, resident securities analysts and 16 paralegals. The Firm prosecutes major complex litigation in the United States, and has successfully conducted a wide array of representative actions (principally class, mass and derivative) in the areas of securities, antitrust, merger/ acquisition, limited partnership, ERISA, product liability, and consumer litigation. Labaton Sucharow’s Investor Protection Litigation Group offers comprehensive services for our institutional investor clients and has recovered, through trial and settlement, more than \$3 billion for the benefit of investors who have been victimized by such diverse schemes as stock price manipulation, mismanagement, and fraudulent offerings of securities. Through its efforts, the litigation group has also obtained meaningful corporate governance reforms to minimize the likelihood of repetitive wrongful conduct. Visit our website at **[www.labaton.com](http://www.labaton.com)** for more information about our dynamic firm.

## **CORPORATE GOVERNANCE**

Labaton Sucharow is committed to corporate governance reform. Through its leadership of membership organizations which seek to advance the interests of shareholders and consumers, Labaton Sucharow seeks to strengthen corporate governance and support legislative reforms which improve and preserve shareholder and consumer rights.

The Firm is a patron of the John L. Weinberg Center for Corporate Governance of the University of Delaware (“The Center”). The Center provides a forum for business leaders, directors of corporate boards, the legal community, academics, practitioners, graduate and undergraduate students, and others interested in corporate governance issues to meet and exchange ideas. One of Labaton Sucharow’s senior partners, Edward Labaton, is a member of the Advisory Committee of The Center. Additionally, Mr. Labaton has served for more than 10 years as a member of the Program Planning Committee for the annual ALI-ABA Corporate Governance Institute, and serves on the Task Force on the Role of Lawyers in Corporate Governance of the Association of the Bar of the City of New York.

On April 1, 2009, Partner Ira Schochet began his two-year term as President of the National Association of Shareholder and Consumer Attorneys (NASCAT), a membership organization of approximately 100 law firms that practice class action and complex civil litigation. Through the aegis of NASCAT and other organizations, the Firm continues to advocate against those who would seek to weaken shareholder and consumer rights through ill-conceived legislative or regulatory action. Continuing its spirit of service, Mr. Schochet follows the path of Chairman Lawrence Sucharow who was privileged to be selected by his peers to serve as President of NASCAT in 2003-2005.



On behalf of its institutional and individual investor clients, Labaton Sucharow has achieved some of the largest precedent-setting settlements since the enactment of the Private Securities Litigation Reform Act of 1995 (“PSLRA”), and has helped avert future instances of securities fraud by negotiating substantial corporate governance reforms as conditions of many of its largest settlements.

Because of the depth of their experience and deep commitment to the principles of corporate governance, many Labaton Sucharow partners have served as featured speakers on topics relating to corporate governance and reform at various symposia and lectures.

As a result of Labaton Sucharow’s extensive experience and commitment to corporate governance reform, the Firm’s clients have secured meaningful reforms, in addition to substantial monetary recoveries, in significant settlements such as:

- ***In re Waste Management, Inc. Securities Litigation***, Civ. No. H-99-2183 (S.D. Tex.): Labaton Sucharow, acting as Lead Counsel for the State of Connecticut Retirement Plans & Trust Funds, caused the Company to present a binding resolution to declassify its board of directors, which was approved by its shareholders. As a consequence of Labaton Sucharow’s efforts, the Company further agreed to amend its Audit Committee charter, which led to its enhanced effectiveness.
- ***In re Vesta Insurance Group Securities Litigation***, Civ. No. CV-98-W-1407-S (N.D. Ala.): Labaton Sucharow, acting as Lead Counsel for the Florida State Board of Administration, caused the Company to adopt provisions requiring that: (i) a majority of its Board members be independent; (ii) at least one independent director be experienced in corporate governance; (iii) the audit,

nominating and compensation committees be comprised entirely of independent directors; and (iv) the audit committee comply with the recommendations of the Blue Ribbon Panel on the effectiveness of audit committees.

- ***In re Orbital Sciences Corporation Securities Litigation***, Civ. No. 99-197-A (E.D. Va.): Labaton Sucharow, acting as Lead Counsel for the New York City Pension Funds, negotiated the implementation of measures concerning the Company's quarterly review of its financial results, the composition, role and responsibilities of its Audit and Finance committee, and the adoption of a Board resolution providing guidelines regarding senior executives' exercise and sale of vested stock options.
- ***In re Bristol-Myers Squibb Securities Litigation***, Civ. No. 00-1990 (D.N.J.): Labaton Sucharow, acting as Lead Counsel for the LongView Collective Investment Fund of the Amalgamated Bank, negotiated noteworthy corporate governance reforms. Bristol-Myers Squibb ("BMS") has agreed to publicly disclose the following information concerning all of its drugs marketed for at least one indication: a description of the clinical study design and methodology; results of the clinical trials; and safety results, including the reporting of adverse events seen during the clinical trials. The disclosures will be posted on BMS's website, [www.BMS.com](http://www.BMS.com), as well as an industry website, [www.clinicalstudyresults.org](http://www.clinicalstudyresults.org). BMS has agreed to post these disclosures for a 10-year period following approval of the settlement, and has further agreed that any modifications to the disclosure protocol must be approved by the Court, at the request of Labaton Sucharow as Lead Counsel, unless the modifications increase the scope of the disclosures. The

corporate reform measures obtained in this case exceed the scope of reforms obtained by the New York State Attorney General's office in the settlement of an action against GlaxoSmithKline ("GSK") arising from the sale of Paxil, an antidepressant. The Paxil settlement is limited to drugs sold in the United States, whereas as a result of the BMS settlement, the company must post the clinical trial results of drugs marketed in any country throughout the world.

- ***The Boeing Company***, Civ. No. 03 CH 15039 and Civ. No. 03 CH 16301 (Cook Co., Ill, Ch. Div.): In 2006, Labaton Sucharow, acting as Lead Counsel for Plaintiffs in a derivative class action against the directors of The Boeing Company ("Boeing"), achieved a landmark settlement establishing unique and far-reaching corporate governance standards relating to ethics compliance, provisions that obligated Boeing to contribute significant funds over and above base compliance spending to implement the various prescribed initiatives. The terms were well designed to provide for early detection and prevention of corporate misconduct. They were comprehensive and integrated, enhancing effectiveness by providing for top-down oversight, direction and planning; and buttressed by extensive and coordinated bottom-up and horizontal reporting. They were also designed to enhance Board independence and effectiveness and, by creating a direct reporting role to the Board, the independence of the management level oversight functions.
- ***In re Take-Two Interactive Securities Litigation***, No. 06-CV-803-RJS (S.D.N.Y.): In 2009, Labaton Sucharow, acting as Lead Counsel for Lead Plaintiffs New York City Employees' Retirement System, New York City Police Pension Fund and New York City Fire Department Pension Fund in a securities

class action against Take-Two Interactive Software, Inc. (“Take-Two”) and its officers and directors, achieved significant corporate governance reforms. Take-Two is required to adopt a policy, commonly referred to as “clawback” provision, providing for the recovery of bonus or incentive compensation paid to senior executives in the event that such compensation was awarded based on financial results later determined to have been erroneously reported as a result of fraud or other knowing misconduct by the executive. The Company also is required to adopt a policy requiring that its Board of Directors submit any stockholder rights plan (also commonly known as a “poison pill”) that is greater than 12 months in duration to a vote of stockholders. Finally, Take-Two is required to adopt a bylaw providing that no business may be properly brought before an annual meeting of stockholders by a person other than a stockholder unless such matter has been included in the proxy solicitation materials issued by the Company.

## **NOTABLE LEAD COUNSEL APPOINTMENTS**

Labaton Sucharow’s institutional and individual investor clients are regularly appointed by federal courts to serve as lead plaintiffs in prominent securities litigations brought under the PSLRA. Since January 2003, dozens of state, city and county public pension funds and union funds have selected Labaton Sucharow to represent them in federal securities class actions and advise them as securities litigation/investigation counsel. Listed below are two of our current notable Lead Counsel appointments.

***IN RE THE BEAR STEARNS COMPANIES INC. SECURITIES, DERIVATIVE AND  
EMPLOYEE RETIREMENT INCOME SECURITY ACT (ERISA) LITIGATION***

*NO. CV:08-MD-01963-RWS (S.D.N.Y.)*

Representing Michigan Retirement Systems  
as Co-Lead Plaintiff

***CITY OF NEW ORLEANS EMPLOYEES' RETIREMENT SYSTEM***

***V. PRIVATEBANCORP, INC., ET AL***

*NO. 1:10-CV-06826 (N.D. ILL.)*

Representing the State-Boston Retirement System  
as Co-Lead Plaintiff

## **TRIAL EXPERIENCE**

Few securities class action cases go to trial. But when it is in the best interests of its clients and the class, Labaton Sucharow repeatedly has demonstrated its willingness and ability to try these complex securities cases before a jury.

In the first financial-crisis-related securities class action case to go to jury verdict, the Firm, as Co-Lead Counsel on behalf of State-Boston Retirement System and the class, obtained a jury verdict against BankAtlantic Bancorp, Inc. and two senior officers for securities fraud after they lied about and failed to disclose the extent of risk in the company's troubled loan portfolio in 2007. The case was only the tenth securities fraud class action to go to trial since passage of the historic Private Securities Litigation Reform Act in 1995, and only the second successful plaintiff's verdict in a case brought on behalf of a public pension fund.

Labaton Sucharow's recognized willingness and ability to bring cases to trial significantly increases the ultimate settlement value for shareholders. For example, in *In re Real Estate Associates Limited Partnership Litigation*, when defendants were unwilling to settle for an amount Labaton Sucharow and its clients viewed as fair, we tried the case with co-counsel for six weeks and obtained a landmark \$184 million jury verdict in November 2002. The jury

supported plaintiffs' position that defendants knowingly violated the federal securities laws, and that the general partner had breached his fiduciary duties to plaintiffs. The \$184 million award was one of the largest jury verdicts returned in any PSLRA action and one in which the plaintiff class, consisting of 18,000 investors, recovered 100% of their damages.

## NOTABLE SUCCESSES

Labaton Sucharow has achieved notable successes in major securities litigations on behalf of its clients and certified investor classes.

- Labaton Sucharow served as Co-Lead Counsel in *In re HealthSouth Securities Litigation*, Civ. No CV-03-BE-1500-S (N.D. Ala.), a case stemming from the largest fraud ever perpetrated in the healthcare industry. In early 2006, Lead Plaintiffs negotiated a settlement of \$445 million with defendant HealthSouth. This partial settlement, comprised of cash and HealthSouth securities to be distributed to the class, is one of the largest in history. On June 12, 2009, the Court also granted final approval to a \$109 million settlement with defendant Ernst & Young LLP ("E&Y") believed to be the eighth largest securities fraud class action settlement with an auditor. In addition, on July 26, 2010, the Court granted final approval to a \$117 million partial settlement with the remaining principal defendants in the case, UBS AG, UBS Warburg LLC, Howard Capek, Benjamin Lorello and William McGahan (the "UBS Defendants"). The total value of the settlements for Healthsouth stockholders and Healthsouth bondholders, who were represented by separate counsel, is \$804.5 million, which

is the eleventh largest settlement filed after the passage of the PSLRA based on the SCAS 100 for the second quarter of 2010.

- In *In re American International Group, Inc. Securities Litigation*, Master File No. 04 Civ. 8141 (JES) (AJP) (S.D.N.Y.), Lead Counsel Labaton Sucharow represents Lead Plaintiff Ohio Public Employees Retirement System, State Teachers Retirement System of Ohio, and Ohio Police & Fire Pension Fund, along with the Attorney General of the State of Ohio. On October 3, 2008, a \$97.5 million settlement between the Lead Plaintiff and PricewaterhouseCoopers LLP was announced. The settlement, which still must be approved by the Court, was the eighth largest at the time by an accounting firm to settle a securities fraud class action. On July 16, 2010, an agreement on the terms of a proposed \$725 million settlement was announced, which, if approved by the Court, would resolve the Ohio Funds' claims against AIG and certain individual AIG directors and officers.
- On behalf of the New York State Common Retirement Fund and five New York City public pension funds, Labaton Sucharow serves as Lead Counsel in *In re Countrywide Financial Corporation Securities Litigation*, No. CV 07-05295 MRP (MANx) (C.D. Cal.), for claims alleging that Countrywide, one of the nation's largest mortgage lenders, and other defendants violated the federal securities laws by making misstatements and omitting material facts about Countrywide's policies and procedures for underwriting loans that entailed greater risk than disclosed. The parties have agreed to a Settlement whereby Countrywide and its auditing firm, KPMG LLP, together have paid \$624 million

in cash, with a portion set aside for up to two years to satisfy certain opt-out claims. This recovery is among the largest securities fraud settlements since the enactment of the Private Securities Litigation Reform Act of 1995. On March 10, 2011, the Settlement was granted final approval.

- ***In re Waste Management, Inc. Securities Litigation***, Civ. No. H-99-2183 (S.D. Tex.). In 2002, Judge Melinda Harmon approved an extraordinary settlement that provided for recovery of \$457 million in cash, plus an array of far-reaching corporate governance measures. At that time, this settlement was the largest common fund settlement of a securities action achieved in any court within the Fifth Circuit and the third-largest achieved in any federal court in the nation. Judge Harmon noted, among other things, that Labaton Sucharow “obtained an outstanding result by virtue of the quality of the work and vigorous representation of the Class.”
- In ***In re General Motors Corp. Securities Litigation***, No. 06-1749, (E.D. Mich.), Co-Lead Counsel Labaton Sucharow represented Lead Plaintiffs Deka Investment GmbH and Deka International S.A. Luxembourg in claims alleging that General Motors, and certain of GM’s officers and directors (including CEO Rick Wagoner), issued a series of false and misleading statements to investors about the auto maker’s financial health going back to 2000. On July 21, 2008, a settlement was reached whereby GM will make a cash payment of \$277 million and Defendant Deloitte & Touche LLP, which served as GM’s outside auditor during the period covered by the action, agreed to contribute an additional \$26 million in cash.



- In *In re PaineWebber Limited Partnerships Litigation*, Master File No. 94 Civ. 832/7 (SHS) (S.D.N.Y.), Judge Sidney H. Stein approved a settlement valued at \$200 million and found “that Class Counsel’s representation of the Class has been of high caliber in conferences, in oral arguments and in work product.”
- *Eastwood Enterprises, LLC v. Farha et al.*, 8:07-cv-1940-T-33EAJ (M.D. Fla.). On behalf of The New Mexico State Investment Council and the Public Employees Retirement Association of New Mexico, Co-Lead Counsel for the Class, Labaton Sucharow LLP, negotiated a \$200 million settlement over allegations that WellCare Health Plans, Inc., a Florida-based managed healthcare service provider, disguised its profitability by overcharging state Medicaid programs. Under the terms of the settlement, which is still subject to approval by the Court, WellCare agreed to pay an additional \$25 million in cash if, at any time in the next three years, WellCare is acquired or otherwise experiences a change in control at a share price of \$30 or more after adjustments for dilution or stock splits.
- In *In re El Paso Corporation Securities Litigation*, Civ. No. H-02-2717 (S.D. Tex.), Labaton Sucharow secured a \$285 million class action settlement against the El Paso Corporation. The case involved a securities fraud stemming from the Company’s inflated earnings statements, which cost shareholders hundreds of millions of dollars during a four-year span. The settlement was approved by the Court on March 6, 2007.
- *In re Bristol-Myers Squibb Securities Litigation*, Civ. No. 00-1990 (D.N.J.). After prosecuting securities fraud claims against BMS for more than five years,

Labaton Sucharow reached an agreement to settle the claims for \$185 million and significant corporate governance reforms. This settlement is the second largest recovery against a pharmaceutical company, and it is the largest recovery ever obtained against a pharmaceutical company in a securities fraud case involving the development of a new drug. Moreover, the settlement is the largest ever obtained against a pharmaceutical company in a securities fraud case that did not involve a restatement of financial results.

- On behalf of Lead Plaintiff New Mexico State Investment Council, Labaton Sucharow serves as Lead Counsel in *In re Broadcom Corp. Securities Litigation*, No. CV-05036-R (C.D. Cal.), a case stemming from Broadcom Corp.'s \$2.2 billion restatement of its historic financial statements for 1998-2005 - the largest restatement in history due to options backdating. In December 2009, New Mexico reached an agreement-in-principle with Broadcom and two individual defendants to resolve this matter for \$160.5 million, the second largest up-front cash settlement ever recovered from a company accused of options backdating.
- In *In re Mercury Interactive Corp. Securities Litigation*, Civ. No. 5:05-CV-3395 (N.D. Cal.), Labaton Sucharow reached an agreement to settle for \$117.5 million, a figure representing one of the largest known settlements or judgments in an options backdating suit. The allegations in *Mercury* concern backdated option grants used to compensate employees and officers of the Company. Mercury's former CEO, CFO, and General Counsel actively participated in and benefited from the options backdating scheme, which came at the expense of Mercury shareholders and the investing public. Labaton Sucharow and Hewlett-Packard's

counsel executed a Stipulation of Settlement and the Court granted preliminary approval of the settlement on June 2, 2008. On September 25, 2008, the Court granted final approval of the settlement.

- In the well-known *In re Prudential Securities Inc. Limited Partnership Litigation*, Civ. No. M-21-67 (S.D.N.Y.), the late Judge Milton Pollack cited the “Herculean” efforts of Labaton Sucharow and its Co-Lead Counsel and, in approving a \$110 million partial settlement, stated that “this case represents a unique recovery – a recovery that does honor to every one of the lawyers on your side of the case.”
- *In re Vesta Insurance Group, Inc. Securities Litigation*, Civ. No. CV-98-AR-1407 (N.D. Ala.). After years of protracted litigation, Labaton Sucharow secured a settlement of \$78 million on the eve of trial.
- *In re St. Paul Traveler’s II Securities Litigation*, Civ. No. 04-4697 (JRT/FLN) (D. Minn.), the second of two cases filed against St. Paul Travelers by Labaton Sucharow LLP, arose from the industry-wide insurance scandal involving American International Group, Marsh McLennan, the St. Paul Companies and numerous other insurance providers and brokers. On July 23, 2008, the Court granted final approval of the \$77 million settlement and certified the settlement Class.
- In *In re St. Paul Travelers Securities Litigation*, 04-CV-3801 (D. Minn.), Labaton Sucharow was able to successfully negotiate the creation of an all cash settlement fund to compensate investors in the amount of \$67.5 million in

November 2005. This settlement is one of the largest securities class action settlements in the Eighth Circuit.

- In *In re Monster Worldwide, Inc. Securities Litigation*, No. 07-CV-02237 (S.D.N.Y.), Labaton Sucharow represented Middlesex County Retirement System in claims alleging that Defendants engaged in a long-running scheme to backdate Monster's stock option grants to attract and retain employees without recording the resulting compensation expenses. On November 25, 2008, the Court granted final approval of the \$47.5 million settlement.
- In *Abrams v. VanKampen Funds, Inc.*, 01 C 7538 (N.D. Ill.), in January 2006 Labaton Sucharow obtained final approval of a \$31.5 million settlement in an innovative class action concerning VanKampen's senior loan mutual fund, alleging that the fund overpriced certain senior loan interests where market quotations were readily available. The gross settlement fund constitutes a recovery of about 70% of the class's damages as determined by plaintiffs' counsel.
- In *Desert Orchid Partners, L.L.C. v. Transactions Systems Architects, Inc.*, Civ. No. 02 CV 533 (D. Neb.), Labaton Sucharow represented the Genesee Employees' Retirement System as Lead Plaintiff in claims alleging violations of the federal securities laws. On March 2, 2007, the Court granted final approval to the settlement of this action for \$24.5 million in cash.
- *In re Orbital Sciences Corp. Securities Litigation*, Civ. No. 99-197-A (E.D. Va.). After cross-motions for summary judgment were fully briefed, defendants

(and Orbital's auditor in a related proceeding) agreed to a \$23.5 million cash settlement, warrants, and substantial corporate governance measures.

- On September 9, 2008, the Court granted final approval of the \$20 million settlement in *In re International Business Machines Corp. Securities Litigation*, Civ. No. 1:05-cv-6279 (AKH) (S.D.N.Y.), in which Labaton Sucharow served as Lead Counsel. The action alleged that that International Business Machines Corp. ("IBM"), and its Chief Financial Officer, Mark Loughridge, made material misrepresentations and omissions concerning IBM's expected 2005 first quarter earnings, IBM's expected 2005 first quarter operational performance, and the financial impact of IBM's decision to begin expensing stock options on its 2005 first quarter financial statements.
- In *In re Just for Feet Noteholder Litigation*, Civ. No. CV-00-C-1404-S (N.D. Ala.), Labaton Sucharow, as Lead Counsel, represents Lead Plaintiff Delaware Management and the Aid Association for Lutherans with respect to claims brought on behalf of noteholders. On October 21, 2005, Chief Judge Clemon of the U.S. District Court for the Northern District of Alabama preliminarily approved Plaintiffs' settlement with Banc of America Securities LLC, the sole remaining defendant in the case, for \$17.75 million. During the course of the litigation, Labaton Sucharow obtained certification for a class of corporate bond purchasers in a ground-breaking decision, *AAL High Yield Bond Fund v. Ruttenberg*, 229 F.R.D. 676 (N.D. Ala. 2005), which is the first decision by a federal court to explicitly hold that the market for high-yield bonds such as those at issue in the action was efficient.

- In *In re American Tower Corporation Securities Litigation*, Civ. No. 06 CV 10933 (MLW) (D. Mass.), Labaton Sucharow represented the Steamship Trade Association-International Longshoreman's Association Pension Fund (STA-ILA) in claims alleging that certain of American Tower Corporation's current and former officers and directors improperly backdated the Company's stock option grants and made materially false and misleading statements to the public concerning the Company's financial results, option grant policies and accounting, causing damages to investors. On June 11, 2008, the Court granted final approval of the \$14 million settlement.
- In *In re CapRock Communications Corp. Securities Litigation*, Civ. No. 3-00-CV-1613-R (N.D. Tex.), Labaton Sucharow represented a prominent Louisiana-based investment adviser in claims alleging violations of the federal securities laws. The case settled for \$11 million in 2003.
- In *In re SupportSoft Securities Litigation*, Civ. No. C 04-5222 SI (N.D. Cal.), Labaton Sucharow secured a \$10.7 million settlement on October 2, 2007 against SupportSoft, Inc. The action alleged that the defendants had artificially inflated the price of the Company's securities by re-working previously entered into license agreements for the Company's software in order to accelerate the recognition of revenue from those contracts.
- In *In re InterMune Securities Litigation*, Master File No. 03-2454 SI (N.D. Cal. 2005), Labaton Sucharow commenced an action on behalf of its client, a substantial investor, against InterMune, a biopharmaceutical firm, and certain of its officers, alleging securities fraud in connection with InterMune's sales and

marketing of a drug for off-label purposes. Notwithstanding higher pleading and proof standards in the jurisdiction in which the action had been filed, Labaton Sucharow utilized its substantial investigative resources and creative alternative theories of liability to successfully obtain an early, pre-discovery settlement of \$10.4 million. The Court complimented Labaton Sucharow on its ability to obtain a substantial benefit for the Class in such an effective manner.

- Labaton Sucharow served as Lead Counsel in *In re HCC Insurance Holdings, Inc. Securities Litigation*, Civ. No. 4:07-cv-801 (S.D. Tex.), a case alleging that certain of HCC's current and former officers and directors improperly backdated the Company's stock option grants and made materially false and misleading statements to the public concerning the Company's financial results, option grant policies and accounting, causing damages to investors. On June 17, 2008, the Court granted final approval of the \$10 million settlement.
- In *In re Adelphia Communications Corp. Securities & Derivative Litigation*, Civ. No. 03 MD 1529 (LMM) (S.D.N.Y.), Labaton Sucharow represents the New York City Employees' Retirement System (and certain other New York City pension funds) and the Division of Investment of the New Jersey Department of the Treasury in separate individual actions against Adelphia's officers, auditors, underwriters, and lawyers. To date, Labaton Sucharow has fully resolved certain of the claims brought by New Jersey and New York City for amounts that significantly exceed the percentage of damages recovered by the Class. New Jersey and New York City continue to prosecute their claims against the remaining defendants.

- In *STI Classic Funds v. Bollinger Industries, Inc.*, No. 96-CV-0823-R (N.D. Tex.), Labaton Sucharow commenced related suits in both state and federal courts in Texas on behalf of STI Classic Funds and STI Classic Sunbelt Equity Fund, affiliates of the SunTrust Bank, the fifth-largest bank in the United States. As a result of Labaton Sucharow's efforts, the class of Bollinger Industries, Inc. investors on whose behalf the bank sued obtained the maximum recovery possible from the individual defendants and a substantial recovery from the underwriter defendants. Notwithstanding a strongly unfavorable trend in the law in the State of Texas, and strong opposition by the remaining accountant firm defendant, Labaton Sucharow has obtained class certification and continues to prosecute the case against that firm.
- In *Rosengarten v. International Telephone & Telegraph Corp.*, Civ. No. 76-1249 (N.D.N.Y.), Judge Morris Lasker noted that the Firm "served the corporation and its stockholders with professional competence as well as admirable intelligence, imagination and tenacity."
- In *In re Prudential-Bache Energy Income Partnerships Securities Litigation*, MDL No. 888, an action in which Labaton Sucharow served on the Executive Committee of Plaintiffs' Counsel, Judge Marcel Livaudais, Jr., of the United States District Court for the Eastern District of Louisiana, observed that:

Counsel were all experienced, possessed high professional reputations and were known for their abilities. Their cooperative effort in efficiently bringing this litigation to a successful conclusion is the best indicator of their experience and ability . . . .

The Executive Committee is comprised of law firms with national reputations in the prosecution of securities class action and derivative litigation. The biographical summaries submitted by



each member of the Executive Committee attest to the accumulated experience and record of success these firms have compiled.

Among the institutional investor clients Labaton Sucharow represents and advises are:

Academy Capital Management  
Arkansas Carpenters Pension Fund  
Asbestos Workers Local 24  
Baltimore County Retirement System  
State-Boston Retirement System  
California Public Employees' Retirement System  
Central Laborers' Pension Fund  
Connecticut Retirement Plans and Trust Funds  
Doubloon Capital LLC  
Genesee County Employees' Retirement System  
Iron Workers Local 16  
Town of Jupiter Police Officer's Retirement Fund  
Lawndale Capital Management  
LongView Collective Investment Fund of the Amalgamated Bank  
City of Macon  
Commonwealth of Massachusetts Pension Reserves Investment Trust  
Metropolitan Atlanta Rapid Transit Authority  
Michigan Retirement Systems  
Mississippi Public Employees' Retirement System  
Division of Investment of the New Jersey Department of the Treasury  
Office of the New Mexico Attorney General and several of its Retirement Systems  
City of New Orleans Employees' Retirement System  
Norfolk County Retirement System  
Office of the Ohio Attorney General and several of its Retirement Systems  
Robino Stortini Holdings LLC  
San Francisco Employees' Retirement System  
St. Denis J. Villere & Co.

Steamship Trade Association/International Longshoremen's Association  
SunTrust Banks, Inc.

## COMMENTS ABOUT OUR FIRM BY THE COURTS

Many federal judges have commented favorably on the Firm's expertise and results achieved in securities class action litigation. Judge John E. Sprizzo complimented the Firm's work in *In re Revlon Pension Plan Litigation*, Civ. No. 91-4996 (JES) (S.D.N.Y.). In granting final approval to the settlement, Judge Sprizzo stated that "[t]he recovery is all they could have gotten if they had been successful. I have probably never seen a better result for the class than you have gotten here."

Labaton Sucharow was a member of the Executive Committee of Plaintiffs' Counsel in *In re PaineWebber Limited Partnerships Litigation*, Master File No. 94 Civ. 8547 (SHS). In approving a class-wide settlement valued at \$200 million, Judge Sidney H. Stein of the Southern District of New York stated:

The Court, having had the opportunity to observe first hand the quality of Class Counsel's representation during this litigation, finds that Class Counsel's representation of the Class has been of high caliber in conferences, in oral arguments and in work product.

Judge Lechner, presiding over the \$15 million settlement in *In re Computron Software Inc. Securities Class Action Litigation*, Civ. No. 96-1911 (AJL) (D.N.J.), where Labaton Sucharow served as Co-Lead Counsel, commented that

I think it's a terrific effort in all of the parties involved . . . , and the co-lead firms . . . I think just did a terrific job.

You [co-lead counsel and] Mr. Plasse, just did terrific work in the case, in putting it all together . . . .

In *Middlesex County Retirement System v. Monster Worldwide, Inc.*, No. 07-cv-2237 (S.D.N.Y.), Judge Rakoff appointed Labaton Sucharow as Lead Counsel, stating that “the Labaton firm is very well known to courts for the excellence of its representation.”

In addition, Judge Rakoff commented during a final approval hearing that “the quality of the representation was superb” and “[this case is a] good example of how [the] securities class action device serves laudatory public purposes.”

During a fairness hearing in the *In re American Tower Corporation Securities Litigation*, No. 06-CV-10933 (MLW) (D. Mass.), Chief Judge Mark L. Wolf stated:

“[t]he attorneys have brought to this case considerable experience and skill as well as energy. Mr. Goldsmith has reminded me of that with his performance today and he maybe educated me to understand it better.”

## ***PRO BONO ACTIVITIES***

Our attorneys devote substantial time to *pro bono* activities. Many of our attorneys participated in the Election Protection Program sponsored in 2004 by the Lawyers Committee for Civil Rights Under the Law to ensure that every voter could vote and every vote would count. In addition, the Firm’s attorneys devote their time to *pro bono* activities in the fields of the arts, foundations, education, and health and welfare issues.

## **WOMEN’S INITIATIVE AND MINORITY SCHOLARSHIP**

Labaton Sucharow founded a Women’s Initiative to reflect the Firm’s commitment to the advancement of women professionals. The goal of the initiative is to bring professional women together to collectively advance women’s influence in business. Each event, two to three times annually, showcases a successful woman role model as a guest speaker. We actively discuss our respective business initiatives and hear the guest speaker’s strategies for success. Labaton

Sucharow mentors and promotes the professional achievements of the young women in our ranks and others who join us for events. For more information regarding Labaton Sucharow's Women's Initiative, please visit <http://www.labaton.com/en/about/women/Womens-Initiative.cfm>

Further, as part of an effort to increase attorney diversity, the Firm has established an annual scholarship program at Brooklyn Law School that provides a \$5,000 scholarship and a summer associate position at the Firm to a member of a minority group. Currently, there are two minority associates employed by Labaton Sucharow who were recipients of this scholarship.

## **ATTORNEYS**

Among the attorneys at Labaton Sucharow who are involved in the prosecution of securities actions are partners Edward Labaton, Lawrence A. Sucharow, Martis Alex, Mark S. Arisohn, Christine S. Azar, Eric J. Belfi, Joel H. Bernstein, Javier Bleichmar, Thomas A. Dubbs, Joseph A. Fonti, Jonathan Gardner, David J. Goldsmith, Louis Gottlieb, James W. Johnson, Christopher J. Keller, Christopher J. McDonald, Jonathan M. Plasse, Hollis L. Salzman, Ira A. Schochet and Michael W. Stocker. A short description of the qualifications and accomplishments of each follows.

***LAWRENCE A. SUCHAROW, CHAIRMAN***

***lsucharow@labaton.com***

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Lawrence A. Sucharow, a nationally recognized leader of the securities class action bar, is the chairman of Labaton Sucharow. In this capacity, he participates in developing the litigation and settlement strategies for many of the class action cases Labaton Sucharow prosecutes.

For more than three decades, Mr. Sucharow has devoted his practice to counseling clients and prosecuting cases on complex issues involving securities, antitrust, business transaction, product liability, and other class actions. Mr. Sucharow has successfully recovered more than \$1 billion on behalf of institutional investors such as state, city, county and union pension funds, shareholders of public companies, bondholders, purchasers of limited partnership interests, purchasers of consumer products and individual investors.

Mr. Sucharow obtained \$225 million in savings for the class of *In re CNL Resorts, Inc. Securities Litigation*. In other recently settled actions, Mr. Sucharow undertook a lead role in obtaining benefits for class members of \$200 million (*In re Paine Webber Incorporated Limited Partnerships Litigation*); \$110 million partial settlement (*In re Prudential Securities Incorporated Limited Partnerships Litigation*); \$91 million (*In re Prudential Bache Energy Income Partnerships Securities Litigation*); and more than \$92 million (*Shea v. New York Life Insurance Company*). In approving the *Prudential* settlement, Judge Milton Pollack referred to the efforts of plaintiffs' counsel as "Herculean," stating: "...this case represents a unique recovery – a recovery that does honor to every one of the lawyers on your side of the case."

In addition, in 2002 Mr. Sucharow served as Co-Trial Counsel in a six-week trial of a federal securities law claim on behalf of 18,000 passive investors in the Real Estate Associates limited partnerships. That trial resulted in an unprecedented \$182 million jury verdict.

Mr. Sucharow is the author of "Schapiro Takes Right Path On Market Reform, But Auditors, Lawyers and Shareholders Need Better Tools," *Pensions & Investments*, June 1, 2009. He is the co-author of "How Courts Analyze Guilty Pleas and Government Investigations When Considering the Plausibility of an Antitrust Conspiracy After *Twombly*," *BNA's Class Action Litigation Report*, March 26, 2010; "Death of the Worldwide Class?," *BNA's Securities*

*Regulation & Law Report*, June 22, 2009, and “Executive Compensation: Despite reforms, pay is less transparent and shareholder-friendly than in the past,” *New York Law Journal*, March 20, 2008.

Mr. Sucharow is a member of the Federal Bar Council’s Committee on Second Circuit Courts, and the Federal Courts Committee of the New York County Lawyers’ Association. He is also a member of the Securities Law Committee of the New Jersey State Bar Association and was the founding chairman of the Class Action Committee of the Commercial and Federal Litigation Section of the New York State Bar Association from 1988-1994. He was honored by his peers by his election to serve a two-year term as President of the National Association of Shareholder and Consumer Attorneys (NASCAT), a membership organization of approximately 100 law firms which practice complex civil litigation including class actions.

Mr. Sucharow earned a B.B.A., *cum laude*, from Baruch School of the City College of the City University of New York in 1971 and a J.D., *cum laude*, from Brooklyn Law School in 1975.

Mr. Sucharow is admitted to practice in New York and New Jersey as well as before the United States District Courts for the Southern and Eastern Districts of New York, the District of New Jersey, the District of Arizona, the United States Court of Appeals for the Second Circuit, and the United States Supreme Court.

As a result of his career accomplishments, Mr. Sucharow is one of only four plaintiff’s securities lawyers in the United States independently selected by *Chambers and Partners USA* to be in its highest category, Band 1, (Plaintiffs Securities Class Actions). In August 2010, he was recognized by *Law360* as one the ten Most Admired Securities Attorneys in the United States.

Mr. Sucharow has received a rating of AV from the publishers of the Martindale-Hubbell directory.

***EDWARD LABATON, SENIOR PARTNER***

***elabaton@labaton.com***

An accomplished trial lawyer and Senior Partner with the Firm, Edward Labaton has devoted his 50 years of practice to representing a full range of clients in class action and complex litigation matters in state and federal court. Mr. Labaton has played a lead role as plaintiffs' class counsel in a number of successfully prosecuted high profile cases, involving companies such as PepsiCo, Dun & Bradstreet, Financial Corporation of America, ZZZZ Best, Revlon, GAF Co., American Brands, Petro Lewis and Jim Walter, as well as several Big Eight (now Four) accounting firms. He has also argued appeals in state and federal courts, achieving results with important precedential value.

Mr. Labaton has been President of the Institute for Law and Economic Policy since its founding in 1996. The Institute co-sponsors at least one annual symposium with a major law school dealing with issues relating to the civil justice system. In 2010 he was appointed to the newly formed Advisory Board of George Washington University's Center for Law, Economics, & Finance (C-LEAF), a think tank within the Law School, for the study and debate of major issues in economic and financial law confronting the United States and the globe. Mr. Labaton is also a member of the Advisory Committee of the Weinberg Center for Corporate Governance of the University of Delaware, a Director of the Lawyers' Committee for Civil Rights under Law, a member of the American Law Institute, and a life member of the ABA Foundation. In addition, he has served on the Executive Committee and has been an officer of the Ovarian Cancer Research Fund since its inception in 1996.

Mr. Labaton is the past Chairman of the Federal Courts Committee of the New York County Lawyers Association, and was a member of the Board of Directors of that organization. He is an active member of the Association of the Bar of the City of New York, where he was Chair of the Senior Lawyers' Committee and served on its Task Force on the Role of Lawyers in Corporate Governance. He has also served on its Federal Courts, Federal Legislation, Securities Regulation, International Human Rights and Corporation Law Committees. He also served as Chair of the Legal Referral Service Committee, a joint committee of the New York County Lawyers' Association and the Association of the Bar of the City of New York. He has been an active member of the American Bar Association, the Federal Bar Council and the New York State Bar Association, where he has served as a member of the House of Delegates.

Mr. Labaton is the co-author of "It's Time to Resuscitate the Shareholder Derivative Action," *The Panic of 2008: Causes, Consequences, and Implications for Reform*, Lawrence Mitchell and Arthur Wilmarth, Jr., eds, (Edward Elgar, 2010).

For more than 30 years, he has lectured in the areas of federal civil litigation, securities litigation and corporate governance. Mr. Labaton graduated *cum laude* with a B.B.A. from Baruch College, City College of New York in 1952 and earned his LL.B. from Yale University in 1955.

He is admitted to practice in New York as well as before the United States District Courts for the Southern and Eastern Districts of New York; the Central District of Illinois; the United States Courts of Appeals for the Second, Fifth, Sixth, Seventh, Ninth, Tenth and Eleventh Circuits; and the United States Supreme Court.

Mr. Labaton has received a rating of AV from the publishers of the Martindale-Hubbell directory.



***JOEL H. BERNSTEIN, SENIOR PARTNER***

***jbernstein@labaton.com***

With more than 30 years' experience in the area of complex litigation, Joel H. Bernstein concentrates his practice in the protection of investors who have been victimized by securities fraud and breach of fiduciary duty. His expertise in the area of shareholder litigation has resulted in the recovery of hundred of millions of dollars in damages to wronged investors.

Mr. Bernstein advises numerous large public pension funds, hedge funds, other institutional investors and individual investors with respect to securities litigation in the federal and state courts as well as in arbitration proceedings before the New York Stock Exchange, the National Association of Securities Dealers and other self-regulatory organizations.

Mr. Bernstein has played a central role in numerous high profile cases, including *In re Paine Webber Incorporated Limited Partnerships Litigation*, \$200 million settlement; *In re Prudential Securities Incorporated Limited Partnerships Litigation*, \$130 million settlement; *In re Prudential Bache Energy Income Partnerships Securities Litigation*, \$91 million settlement; *Shea v. New York Life Insurance Company*, \$92 million settlement; and, *Saunders et al. v. Gardner*, \$10 million -- then the largest punitive damage award in the history of the NASD. Most recently, Mr. Bernstein was instrumental in securing a \$117.5 million settlement in *In re Mercury Interactive Securities Litigation*, a figure representing one of the largest known settlements or judgments in a securities fraud litigation based upon options backdating.

A leading figure in his area of practice, Mr. Bernstein is frequently sought out by the press to comment on securities law and also has authored numerous articles on related issues, including "Stand Up to Your Stockbroker, Your Rights As An Investor." He is a member of the American Bar Association and the New York County Lawyers' Association.

Mr. Bernstein earned a J.D. from Brooklyn Law School in 1975 and received his undergraduate degree from Queens College in 1971.

He is admitted to practice in New York as well as before the United States District Courts for the Southern and Eastern Districts of New York, and the United States Courts of Appeals for the Second and Third Circuits. He is a member of the American Bar Association and the New York County Lawyers' Association.

Mr. Bernstein has received a rating of AV from the publishers of the Martindale-Hubbell directory.

***THOMAS A. DUBBS, SENIOR PARTNER***

***tdubbs@labaton.com***

Thomas A. Dubbs specializes in the representation of institutional investors including pension funds in securities fraud and other types of litigation. A recognized leader in the field, Mr. Dubbs represented the first major private institutional investor to become a lead plaintiff in a class action under the Private Securities Litigation Reform Act.

Mr. Dubbs currently serves as Lead or Co-Lead Counsel in federal securities class actions against AIG, Wellcare and Bear Stearns, among others.

Most recently, Mr. Dubbs has played a central role in numerous high profile cases, including *In re HealthSouth Securities Litigation*, \$804.5 million settlement; *In re Broadcom Corp. Securities Litigation*, \$160.5 million settlement; *In re Vesta Insurance Group, Inc. Securities Litigation*, \$79 million settlement; and *In re St. Paul Travelers II Securities Litigation*, \$77 million settlement.

Representing an affiliate of the Amalgamated Bank, the largest labor-owned bank in the United States, a Labaton Sucharow team led by Mr. Dubbs successfully litigated a class action against Bristol-Myers Squibb, which resulted in a settlement of \$185 million and major corporate governance reforms.

Mr. Dubbs is the author of “Shortsighted?,” *Investment Dealers’ Digest*, May 29, 2009; “A Scotch Verdict on ‘Circularity’ and Other Issues,” 2009 *Wis. L. Rev.* 455 n.2 (2009); and several columns in UK-wide pensions publications focusing on securities class actions and corporate governance. He also is the co-author of the following articles: “In Debt Crisis, An Arbitration Alternative,” *The National Law Journal*, March 16, 2009; “The Impact of the LaPerriere Decision: Parent Companies Face Liability,” *Directors Monthly*, February 1, 2009; “Auditor Liability in the Wake of the Subprime Meltdown,” *BNA’s Accounting Policy & Practice Report*, November 14, 2009; and “US Focus: Time for Action,” *Legal Week*, April 17, 2008.

Mr. Dubbs frequently lectures to institutional investors and other groups such as the Government Finance Officers Association, the National Conference on Public Employee Retirement Systems and the Council of Institutional Investors.

Prior to joining Labaton Sucharow, Mr. Dubbs was Senior Vice President & Senior Litigation Counsel for Kidder, Peabody & Co. Incorporated where he represented the firm in many class actions, including the First Executive and Orange County litigations. Before joining Kidder, Mr. Dubbs was head of the litigation department at Hall, McNicol, Hamilton & Clark, where he was the principal partner representing Thomson McKinnon Securities Inc. in litigation matters including class actions such as the *Petro Lewis* and *Baldwin United* litigations.

Mr. Dubbs earned a B.A. and a J.D. from the University of Wisconsin-Madison in 1969 and 1974, respectively. He received an M.A. from the Fletcher School of Law & Diplomacy, Tufts University in 1971.

Mr. Dubbs is admitted to practice in New York as well as before the United States District Court for the Southern District of New York; the United States Courts of Appeals for the

Second, Ninth and Eleventh Circuits; and the United States Supreme Court. He is a member of the New York State Bar Association, the Association of the Bar of the City of New York, and the American Society of International Law.

Mr. Dubbs has been recognized by *The National Law Journal*, *Chambers and Partners USA* and the *Lawdragon 500*. Mr. Dubbs has received a rating of AV from the publishers of the Martindale-Hubbell directory.

***JONATHAN M. PLASSE, SENIOR PARTNER***

***jplasse@labaton.com***

An accomplished litigator. Jonathan M. Plasse has devoted over 30 years of his practice to the prosecution of complex cases involving securities class action, derivative, transactional, and consumer litigation. Currently, he is prosecuting securities class actions against Shering-Plough, Fannie Mae and Morgan Stanley.

Most recently, Mr. Plasse was an integral member of the team representing the New York State Common Retirement Fund and the New York City Pension Funds as lead plaintiffs in *In re Countrywide Financial Corporation Securities Litigation*. The \$624 million settlement is one of the largest securities fraud settlements in U.S. history. His other recent successes include serving as Co-Lead Counsel in *In re General Motors Corp. Securities Litigation* (\$303 million settlement) and *In re El Paso Corporation Securities Litigation* (\$285 million settlement). Mr. Plasse also served as Lead Counsel in *In re Waste Management Inc. Securities Litigation*, where he represented the Connecticut Retirement Plans and Trusts Funds, and obtained a settlement of \$457 million.

Mr. Plasse serves as the Chair of the Securities Litigation Committee of the Association of the Bar of the City of New York. He has also chaired and been a regular speaker at continuing legal education seminars relating to securities class action litigation.

Mr. Plasse received a B.A. degree, *magna cum laude*, from the State University of New York in Binghamton in 1972. He received a J.D. from Brooklyn Law School in 1976, where he served as a member of the *Brooklyn Journal of International Law*.

He is admitted to practice in New York as well as before the United States District Courts for the Southern and Eastern Districts of New York and the United States Court of Appeals for the Second Circuit.

Mr. Plasse has received a rating of AV from the publishers of the Martindale-Hubbell directory.

***MARTIS ALEX, PARTNER***

***malex@labaton.com***

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Martis Alex concentrates her practice on prosecuting complex securities fraud cases on behalf of institutional investors. She has extensive experience managing complex nationwide litigation, including securities class actions as well as product liability and consumer fraud litigation. She has successfully represented investors and consumers in cases that achieved cumulative recoveries of hundreds of millions of dollars for plaintiffs.

Ms. Alex was an integral part of the team that successfully litigated *In re Bristol Myers Squibb Securities Litigation*, where Labaton Sucharow was able to secure a \$185 million settlement on behalf of investors, as well as meaningful corporate governance reforms that will affect future consumers and investors alike. She is currently litigating *In re American International Group, Inc. Securities Litigation*, a major securities class action brought by Lead Plaintiff Ohio (comprised of several of Ohio's retirement systems). Ms. Alex was Lead Trial Counsel and Chair of the Executive Committee in *Zenith Laboratories Securities Litigation*, a federal securities fraud class action which settled during trial, and achieved a significant recovery for investors. She also was Chair of the Plaintiffs' Steering Committee in *Napp Technologies*

*Litigation*, where Labaton Sucharow won substantial recoveries for families and firefighters injured in a chemical plant explosion.

Ms. Alex served as Co-Lead Counsel or in a leadership role in several securities class actions that achieved substantial awards for investors, including *Cadence Design Securities Litigation*, *Halsey Drug Securities Litigation*, *Slavin v. Morgan Stanley*, *Lubliner v. Maxtor Corp.* and *Baden v. Northwestern Steel and Wire*. She also served on the Executive Committee or in other leadership roles in national product liability actions against the manufacturers of breast implants, orthopedic bone screws, and atrial pacemakers, and was a member of the Plaintiffs' Legal Committee in the national litigation against the tobacco companies.

Ms. Alex is the author of "Women in the Law: Many Mentors, Many Lessons: A Baby Boomer's Perspective," *New York Law Journal*, November 8, 2010; and the co-author of "Role of the Event Study in Loss Causation Analysis," *New York Law Journal*, August 20, 2009.

Prior to entering private practice, Ms. Alex was a trial lawyer with the Sacramento, California District Attorney's Office. She is a frequent speaker at national conferences on product liability and securities fraud litigation, and is a recipient of the American College of Trial Lawyers' Award for Excellence in Advocacy.

Ms. Alex earned a J.D. from McGeorge Law School and a Masters Degree in Psychology from California State College. She is admitted to practice in New York, California, the United States Supreme Court, and in Federal Courts in several jurisdictions.

**MARK S. ARISOHN, PARTNER**

***marisohn@labaton.com***

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Mark S. Arisohn concentrates his practice on prosecuting complex securities fraud cases on behalf of institutional investors.

For the past 33 years, Mr. Arisohn specialized in complex criminal and civil litigation with an emphasis on white collar criminal matters. He has appeared in the state and federal courts nationwide, and appeared before the United States Supreme Court in the landmark insider trading case of *Chiarella v. United States*.

Mr. Arisohn brings his extensive trial experience to the prosecution of securities class actions. He has defended individuals and corporations accused of bank fraud, mail and wire fraud, securities fraud and RICO violations. He has represented public officials, individuals and companies in the construction and securities industries as well as professionals accused of regulatory offenses and professional misconduct. He also has appeared as trial counsel for both plaintiffs and defendants in civil fraud matters and corporate and business commercial matters, including shareholder litigation, breach of contract claims, and cases involving such business torts as unfair competition and misappropriation of trade secrets.

A prominent trial lawyer, Mr. Arisohn has also authored numerous articles including "Electronic Eavesdropping," *New York Criminal Practice*, LEXIS - Matthew Bender, 2005; "Criminal Evidence," *New York Criminal Practice*, Matthew Bender, 1986; and "Evidence," *New York Criminal Practice*, Matthew Bender, 1987. He was a contributing author of *Business Crime*, Matthew Bender, 1981.

Mr. Arisohn is an active member of the Association of the Bar of the City of New York and has served on its Judiciary Committee, the Committee on Criminal Courts, Law and Procedure, the Committee on Superior Courts and the Committee on Professional Discipline. He serves as a mediator for the Complaint Mediation Panel of the Association of the Bar of the City

of New York and as a hearing examiner for the New York State Commission on Judicial Conduct.

He earned his B.S. and M.S. degrees from Cornell University in 1968 and 1969 and received his J.D. from Columbia University School of Law in 1972.

Mr. Arisohn is admitted to practice in New York and the District of Columbia as well as before the United States District Courts for the Southern, Eastern and Northern Districts of New York; the Northern District of Texas; the Northern District of California; the United States Court of Appeals for the Second Circuit; and the United States Supreme Court.

Mr. Arisohn has received a rating of AV from the publishers of the Martindale-Hubbell directory.

***CHRISTINE S. AZAR, PARTNER***

***cazar@labaton.com***

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A seasoned litigator of investor rights, Christine S. Azar is the partner in charge of Labaton Sucharow LLP's Delaware office.

Prior to joining Labaton Sucharow, Ms. Azar practiced corporate litigation at Blank Rome LLP with a primary focus on corporate governance, shareholders' rights and other disputes in courts nationwide as well as in the Delaware Court of Chancery.

Ms. Azar began her career at Grant & Eisenhofer, P.A., where she specialized in the representation of institutional investors in complex federal and state securities and corporate governance actions.

Ms. Azar is the co-author of the following articles: "Running on Empty," *The Deal Magazine*, February 18, 2011; "Appointment of Lead Plaintiff Under the Private Securities Litigation Reform Act: Update 2001", 1269 PLI/Corp 689 (September 2001); and "Appointment



of Lead Plaintiff Under the Private Securities Litigation Reform Act: Update 2000”, 199  
PLI/Corp 455 (September 2000).

Ms. Azar earned a B.S., *cum laude*, from James Madison University in 1988. She earned  
a J.D., *cum laude*, from the University of Notre Dame Law School in 1991.

Ms. Azar is admitted to practice in Delaware, New Jersey and Pennsylvania.

***ERIC J. BELFI, PARTNER***

***ebelfi@labaton.com***

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Eric J. Belfi is an accomplished litigator in a broad range of commercial matters. He  
concentrates his practice in the investigation and initiation of securities and shareholder class  
actions, with an emphasis on the representation of major international and domestic pension  
funds and other institutional investors.

Prior to entering private practice, Mr. Belfi served as an Assistant Attorney General for  
the State of New York and an Assistant District Attorney for the County of Westchester. As a  
prosecutor, Mr. Belfi investigated and prosecuted numerous white-collar criminal cases,  
including securities law violations and environmental crimes. In this capacity, he presented  
hundreds of cases to the grand jury and obtained numerous felony convictions after jury trials.

Mr. Belfi is a regular speaker and author on issues involving shareholder litigation,  
particularly as it relates to international institutional investors. He co-authored *The  
Proportionate Trading Model: Real Science or Junk Science?* 52 Cleveland St. L. Rev. 391  
(2004-05) and “International Strategic Partnerships to Prosecute Securities Class Actions,”  
*Investment & Pensions Europe*. Over the last several years, Mr. Belfi has served as a panelist at  
programs on U.S. class actions in numerous European countries. He also participated in a panel  
discussion regarding socially responsible investments for public pension funds during the New  
England Public Employees’ Retirement Systems Forum.

Mr. Belfi received a B.A. from Georgetown University in 1992 and a J.D. from St. John's University School of Law in 1995. He is an associate prosecutor for the Village of New Hyde Park, and is also a member of the Federal Bar Council and the Association of the Bar of the City of New York.

Mr. Belfi is admitted to practice in New York as well as before the United States District Courts for the Southern and Eastern Districts of New York, the Eastern District of Michigan, the District of Colorado, the District of Nebraska, and the Eastern District of Wisconsin.

***JAVIER BLEICHMAR, PARTNER***

***[jbleichmar@labaton.com](mailto:jbleichmar@labaton.com)***

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Javier Bleichmar concentrates his practice on prosecuting complex securities fraud cases on behalf of institutional investors. Since joining Labaton Sucharow, Mr. Bleichmar was instrumental in securing a \$77 million settlement in the *In re St. Paul Travelers Securities Litigation II* on behalf of the Lead Plaintiff, the Educational Retirement Board of New Mexico. Most recently, he has been a member of the team prosecuting securities class actions against British Petroleum and The Bear Stearns Companies, Inc.

Mr. Bleichmar is very active in educating European institutional investors on developing trends in the law, particularly the ability of international investors to participate in securities class actions in the United States. Through these efforts, many of Mr. Bleichmar's European clients were able to join the Foundation representing investors in the first securities class action settlement under a recently enacted Dutch statute against Royal Dutch Shell.

Prior to joining Labaton Sucharow, Mr. Bleichmar practiced securities litigation at Bernstein Litowitz Berger & Grossmann LLP, where he prosecuted securities actions on behalf of institutional investors. He was actively involved in the *In re Williams Securities Litigation*,

which resulted in a \$311 million settlement, as well as securities cases involving Lucent Technologies, Inc., Consecro, Inc. and Biovail Corp.

Mr. Bleichmar graduated from Phillips Academy, Andover in 1988, earned a B.A. from the University of Pennsylvania in 1992 and a J.D. from Columbia University Law School in 1998. He was a managing editor of the *Journal of Law and Social Problems*. Additionally, he was a Harlan Fiske Stone Scholar. As a law student, Mr. Bleichmar served as a law clerk to the Honorable Denny Chin, United States District Court Judge for the Southern District of New York.

After law school, Mr. Bleichmar authored the article “Deportation As Punishment: A Historical Analysis of the British Practice of Banishment and Its Impact on Modern Constitutional Law,” *14 Georgetown Immigration Law Journal* 115 (1999).

Mr. Bleichmar is admitted to practice in New York as well as before the United States District Courts for the Southern and Eastern Districts of New York, and the United States Court of Appeals for the Second Circuit.

Mr. Bleichmar is a native Spanish speaker and fluent in French.

***JOSEPH A. FONTI, PARTNER***

***jfonti@labaton.com***

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Joseph A. Fonti concentrates his practice on prosecuting complex securities fraud cases on behalf of institutional investors. Currently, Mr. Fonti is actively involved in prosecuting *In re HealthSouth Securities Litigation*, *In re Broadcom Corp. Securities Litigation*, *In re Celestica Inc. Securities Litigation* and *Caisse de Depot du Quebec v. Vivendi et al.*

Mr. Fonti has successfully litigated complex civil and regulatory securities matters, including obtaining a favorable judgment after trial. Prior to joining Labaton Sucharow, Mr. Fonti was an attorney at Bernstein Litowitz Berger & Grossmann LLP, where he prosecuted

securities class actions on behalf of institutional investors, including class actions involving WorldCom, Bristol-Myers, Omnicom, Biovail, and the mutual fund industry scandal. Mr. Fonti's work on these cases contributed to historic recoveries for shareholders, including the \$6.15 billion recovery in the WorldCom litigation and the \$300 million recovery in the Bristol-Myers litigation, alleging accounting fraud and improper inventory practices.

Mr. Fonti began his legal career at Sullivan & Cromwell, where he represented several Fortune 500 corporations, focusing on securities matters and domestic and international commercial law. Mr. Fonti also represented clients in complex investigations conducted by federal regulators, including the U.S. Securities and Exchange Commission. Over the past several years, he has represented victims of domestic violence in affiliation with inMotion, an organization that provides *pro bono* legal services to indigent women.

Mr. Fonti earned a B.A., cum laude, from New York University in 1996 and a J.D. from New York University School of Law in 1999, where he was active in the Marden Moot Court Competition and served as a Student Senator-at-Large of the NYU Senate. As a law student, he served as a law clerk to the Honorable David Trager, United States District Court Judge for the Eastern District of New York.

Mr. Fonti is admitted to practice in New York, as well as before the United States District Courts for the Southern and Eastern Districts of New York, the United States Courts of Appeals for the Ninth and Eleventh Circuits and the United States Supreme Court.

***JONATHAN GARDNER, PARTNER***

***[jgardner@labaton.com](mailto:jgardner@labaton.com)***

Jonathan Gardner concentrates his practice on prosecuting complex securities fraud cases on behalf of institutional investors. Mr. Gardner has participated in many of the Firm's significant matters including *In re MF Global Securities Litigation*, which resulted in a recovery

of \$90 million for investors. Mr. Gardner also represented the Successor Liquidating Trustee of Lipper Convertibles, a convertible bond hedge fund, in an action against the Fund's former independent auditor and a member of the Fund's general partner as well as numerous former limited partners who received excess distributions. He has successfully recovered over \$5.2 million for the Successor Liquidating Trustee from overwithdrawn limited partners and \$29.9 million from the former auditor.

Mr. Gardner has been responsible for prosecuting several of the Firm's options backdating cases, including *In re Monster Worldwide, Inc. Securities Litigation* (\$47.5 million settlement), *In re SafeNet, Inc. Securities Litigation* (\$25 million settlement), and *In re Semtech Securities Litigation* (\$20 million settlement). He also was involved in *In re Mercury Interactive Corp. Securities Litigation*, which settled for \$117.5 million, a figure representing one of the largest known settlements or judgments in a securities fraud litigation based upon options backdating.

In 2005, Mr. Gardner litigated claims of securities fraud, common law fraud, breach of contract, defamation, and civil RICO violations against CFI Mortgage Inc. and its principals in federal court. Following a five-day jury trial, Mr. Gardner secured a verdict of over \$50 million.

Prior to practicing securities litigation, Mr. Gardner was actively involved in litigating all aspects of commercial and business disputes from pre-dispute investigation and settlement to trials and appeals before state and federal courts, as well as arbitration and mediation forums.

Mr. Gardner is the co-author of "Pre-Confirmation Remedies to Assure Collection of Arbitration Rewards," *New York Law Journal*, October 12, 2010.

Mr. Gardner earned a B.S.B.A. from American University in 1987 and a J.D. from St. John's University Law School in 1990.

Mr. Gardner is admitted to practice in New York as well as before the United States District Courts for the Southern and Eastern Districts of New York, the Eastern District of Wisconsin, and the United States Court of Appeals for the Ninth Circuit. He is a member of the New York State Bar Association and the Association of the Bar of the City of New York.

***DAVID J. GOLDSMITH, PARTNER***

***dgoldsmith@labaton.com***

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David J. Goldsmith has more than ten years of experience representing institutional and individual investors in securities litigation.

Most recently, Mr. Goldsmith was an integral member of the team representing the New York State Common Retirement Fund and the New York City Pension Funds as lead plaintiffs in *In re Countrywide Financial Corporation Securities Litigation*. The \$624 million settlement is one of the largest securities fraud settlements in U.S. history.

Mr. Goldsmith also represents the Genesee County (Mich.) Employees' Retirement System as a lead plaintiff in several securities matters including actions against Spectranetics Corporation, Merck & Co., and CBeyond, Inc., and previously against Transaction Systems Architects, Inc. He was instrumental in achieving a significant settlement in an action alleging stock option backdating at American Tower Corporation, and was a member of the team representing the Connecticut Retirement Plans and Trust Funds in an action against Waste Management, Inc. that resulted in one of the largest securities class action settlements ever achieved up to that time.

Mr. Goldsmith played a key role in a series of cases alleging that mutual funds sold by Van Kampen, Morgan Stanley and Eaton Vance defrauded investors by overpricing senior loan interests. Mr. Goldsmith obtained a decision in one of these actions excluding before trial certain opinions of a nationally recognized economist who regularly serves as a defense expert in

such cases. In 2001, Mr. Goldsmith obtained one of the earliest decisions finding that a class action had been improperly removed under the Securities Litigation Uniform Standards Act of 1998.

Mr. Goldsmith has lectured frequently on class actions and securities litigation for continuing legal education programs and investment symposia.

Mr. Goldsmith earned B.A. and M.A. degrees from the University of Pennsylvania. He received a J.D. from the Benjamin N. Cardozo School of Law, where he was managing editor of the *Cardozo Arts & Entertainment Law Journal*. Mr. Goldsmith served as a judicial intern to the Honorable Michael B. Mukasey, then a United States District Judge for the Southern District of New York.

He is admitted to practice in New York and New Jersey as well as before the United States District Courts for the Southern and Eastern Districts of New York; the District of New Jersey; the District of Colorado, the Western District of Michigan; and the United States Courts of Appeals for the First, Second, Fifth, Eighth and Ninth Circuits.

***LOUIS GOTTLIEB, PARTNER***

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Lou Gottlieb has successfully represented institutional and individual investors in numerous securities and consumer class action cases, resulting in cumulative settlements well in excess of \$500 million.

Mr. Gottlieb was an integral part of the Firm's representation of the Connecticut Retirement Plans and Trust Funds in *In re Waste Management, Inc. Securities Litigation*, which resulted in a \$457 million settlement, one of the largest settlements ever achieved in a securities class action. The settlement also included corporate governance enhancements, including an agreement by management to support a campaign to obtain shareholder approval of a resolution

to declassify its board of directors, and a resolution to encourage and safeguard whistleblowers among the company's employees.

Mr. Gottlieb has led litigation teams in the *Metromedia Fiber Networks*, *Maxim Pharmaceuticals*, and *PriceSmart* securities fraud class action litigations as well as a consumer breach of contract class action against New York Life Annuities. He is also helping to lead major class action cases against the company and related defendants in *In re American International Group Inc. Securities Litigation*, *In re Royal Bank of Scotland Group plc Securities Litigation*, and in *In re Satyam Computer Services, Ltd. Securities Litigation*.

Mr. Gottlieb has made presentations on punitive damages at Federal Bar Association meetings and has often spoken on securities class actions for institutional investors.

Mr. Gottlieb graduated first in his class from St. John's School of Law. Prior to joining Labaton Sucharow, he clerked for the Hon. Leonard B. Wexler of the Eastern District of New York, and he was a litigation associate with Skadden Arps Slate Meagher & Flom. He has also enjoyed a successful career as a public school teacher and as a restaurateur.

Mr. Gottlieb is admitted to practice in New York and Connecticut as well as before the United States District Courts for the Southern and Eastern Districts of New York, and the United States Courts of Appeals for the Fifth and Seventh Circuits.

***JAMES W. JOHNSON, PARTNER***

***[jjohnson@labaton.com](mailto:jjohnson@labaton.com)***

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James W. Johnson specializes in complex litigation, with primary emphasis on class actions involving securities fraud.

Mr. Johnson has successfully litigated a number of high profile securities and RICO class actions, including: *In re Bristol-Myers Squibb Co. Securities Litigation*, in which the Court, after approving a settlement of \$185 million coupled with significant corporate governance reforms,



recognized plaintiffs' counsel as "extremely skilled and efficient"; *In re HealthSouth Corp. Securities Litigation*, which resulted in a total settlement of \$804.5 million; *In re Vesta Insurance Group, Inc. Securities Litigation*, which resulted in a recovery of almost \$80 million for the plaintiff class; and *Murphy v. Perelman*, which, along with a companion federal action, *In re National Health Laboratories, Inc. Securities Litigation*, brought by Co-Counsel, resulted in a recovery of \$80 million. *In County of Suffolk v. Long Island Lightning Co.*, Mr. Johnson represented the plaintiff in a RICO class action, securing a jury verdict after a two-month trial, which resulted in a \$400 million settlement. The Second Circuit, in awarding attorneys' fees to Plaintiff, quoted the trial judge, Honorable Jack B. Weinstein, as stating "counsel [has] done a superb job [and] tried this case as well as I have ever seen any case tried."

Mr. Johnson also assisted in prosecuting environmental damage claims on behalf of Native Americans resulting from the Exxon Valdez oil spill.

He is the co-author of "The Impact of the LaPerriere Decision: Parent Companies Face Liability," *Directors Monthly*, February 2009.

Mr. Johnson received a B.A. from Fairfield University in 1977 and a J.D. from New York University School of Law in 1980.

He is admitted to practice in New York and Illinois as well as before the United States District Courts for the Southern, Eastern and Northern Districts of New York; the Northern District of Illinois; the U.S. Courts of Appeals for the Second, Third, Fourth, Fifth, Seventh and Eleventh Circuits; and the United States Supreme Court.

He is a member of the American Bar Association and the Association of the Bar of the City of New York, where he served on the Federal Courts Committee.

Mr. Johnson has received a rating of AV from the publishers of the Martindale-Hubbell directory.

***CHRISTOPHER J. KELLER, PARTNER***

***ckeller@labaton.com***

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Christopher J. Keller concentrates his practice in sophisticated securities class action litigation in federal courts throughout the country.

Mr. Keller has served as lead counsel in over a dozen options backdating class actions filed under the federal securities laws. He was instrumental in securing a \$117.5 million settlement in *In re Mercury Interactive Securities Litigation*, which is one of the largest settlements to date in an options backdating class action. He also serves as Co-Lead Counsel in *In re Satyam Computer Services, Ltd. Securities Litigation*.

Mr. Keller was a member of the trial team that successfully litigated the *In re Real Estate Associates Limited Partnership Litigation* in the United States District Court for the Central District of California. The six-week jury trial resulted in a landmark \$184 million plaintiffs' verdict, which is one of the largest jury verdicts since the passage of the Private Securities Litigation Reform Act of 1995.

Mr. Keller is very active in investigating and initiating securities and shareholder class actions. He also concentrates his efforts on educating institutional investors on developing trends in the law and new case theories. Mr. Keller is a regular speaker at institutional investor gatherings as well as a frequent speaker at continuing legal education seminars relating to securities class action litigation.

Mr. Keller is the co-author of the following articles: "SEC Contemplating Governance Reforms," *Executive Counsel*, December 2010; "Is the Shield Beginning to Crack?," *New York Law Journal*, November 15, 2010; "Say What? Pay What? Real World Approaches to Executive

Compensation Reform,” *Corporate Counsel*, August 5, 2010; “Reining in the Credit Ratings Industry,” *New York Law Journal*, January 11, 2010; “Japan’s Past Recession Provides a Cautionary Tale,” *The National Law Journal*, April 13, 2009; “Balancing the Scales: The Use of Confidential Witnesses in Securities Class Actions,” BNA’s *Securities Regulation & Law Report*, January 19, 2009; “Eyeing Executive Compensation,” *The National Law Journal*, November 17, 2008; and “Tellabs: PSLRA Pleading Test Comparative, Not Absolute,” *New York Law Journal*, October 3, 2007.

Mr. Keller earned a B.S. from Adelphi University in 1993 and a J.D. from St. John’s University School of Law in 1997.

He is admitted to practice in New York as well as before the United States District Courts for the Southern and Eastern Districts of New York, the Eastern District of Wisconsin, the District of Colorado and the United States Supreme Court. Mr. Keller is a member of several professional groups, including the New York State Bar Association and the New York County Lawyers’ Association.

***CHRISTOPHER J. McDONALD, PARTNER***

***cmcdonald@labaton.com***

Christopher J. McDonald, a member of the Firm’s Antitrust Practice Group, represents businesses, associations and individuals injured by anticompetitive activities. Mr. McDonald’s practice also involves prosecuting complex securities fraud cases on behalf of institutional investors.

In the antitrust field, Mr. McDonald currently represents end-payors (e.g., union health and welfare funds and consumers) of the prescription drug TriCor® in the *In re TriCor Indirect Purchaser Antitrust Litigation*. The drug’s manufacturer and U.S. marketer are alleged to have

unlawfully impeded the introduction of lower-priced generic alternatives in violation of federal and state antitrust laws. The case is set to go to trial in early November 2008.

In the securities field, Mr. McDonald is currently prosecuting *In re Schering-Plough Corporation/ENHANCE Securities Litigation* to recover losses investors suffered after the disclosure of negative clinical trial data for Vytorin®, a fixed-dose combination pill comprised of ezitimibe (Schering-Plough's Zetia®) and simvastatin (Merck & Co., Inc.'s Zocor®). He was also part of the team that litigated *In re Bristol-Myers Squibb Securities Litigation*, where Labaton Sucharow was able to secure a \$185 million settlement and meaningful corporate governance reforms on behalf of Bristol-Myers Squibb shareholders following negative disclosures about omapatrilat, an experimental hypertension drug. The settlement with BMS is the largest ever obtained against a pharmaceutical company in a securities fraud case that did not involve a restatement of financial results.

A litigator for most of his career, Mr. McDonald also has in-house and regulatory experience. As a senior attorney with a telecommunications company he regularly addressed legal, economic and public policy issues before state public utility commissions.

Mr. McDonald received his undergraduate degree, *cum laude*, from Manhattan College in 1985, and a J.D. from Fordham University School of Law in 1992, where he was on the *Law Review*.

Mr. McDonald is admitted to practice in New York as well as before the United States District Courts for the Southern and Eastern Districts of New York; the Western District of Michigan; and the United States Courts of Appeals for the Second, Third and Federal Circuits. He is a member of the New York State Bar Association and the Association of the Bar of the City of New York.

*HOLLIS SALZMAN, PARTNER*

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Hollis Salzman is Managing Chair of the Firm's Antitrust Practice Group. She primarily represents clients in cases involving federal antitrust law violations. Her work in the area of antitrust law has been recognized in the 2008 Plaintiffs' Hot List published by *The National Law Journal*. She is also involved in the Firm's securities litigation practice group where she represents institutional investors in portfolio monitoring and securities litigation. Some of Ms. Salzman's clients include MARTA and the City of Macon, Georgia.

Ms. Salzman is actively engaged in the prosecution of major antitrust class actions pending throughout the United States. She is presently Co-Lead Counsel in many antitrust cases, including: *In re Air Cargo Shipping Services Antitrust Litigation*, *In re Marine Hoses Antitrust Litigation*, and *In re Puerto Rican Cabotage Antitrust Litigation*.

She also served as Co-Lead Counsel in several antitrust class actions which resulted in extraordinary settlements for class members, such as *In re Air Cargo Shipping Services Antitrust Litigation* (\$85 million partial settlement from certain defendants); *In re Abbott Labs Norvir Antitrust Litigation* (\$10 million settlement); *In re Buspirone Antitrust Litigation* (\$90 million settlement); *In re Lorazepam & Clorazepate Antitrust Litigation* (\$135.4 million settlement) and *In re Maltol Antitrust Litigation* and *Continental Seasonings Inc. v. Pfizer, Inc., et al.*, (\$18.45 million settlement). Additionally, she was principally responsible for administering a \$65 million settlement with certain brand-name prescription drug manufacturers where their conduct allegedly caused retail pharmacy customers to overpay for their prescription drugs.

Ms. Salzman is the co-author of the following articles: "Iqbal And The Twombly Pleading Standard," *CompLaw 360*, June 15, 2009; "Analysis of Abbott Laboratories Antitrust Litigation," *Pharmaceutical Law & Industry Report*, June 20, 2008; and "The State of State Antitrust Enforcement," *NYSBA NYLitigator*, Winter 2003, Vol. 8, No. 1.

She is a Co-Chair of the New York State Bar Association, Commercial & Federal Litigation Section – Antitrust Committee, and a member of the Association of the Bar of the City of New York Antitrust Committee and Women’s Antitrust Bar Association. Ms. Salzman also provides *pro bono* representation to indigent and working-poor women in matrimonial and family law matters.

Ms. Salzman received a J.D. from Nova University School of Law in 1992 and a B.A. in Economics from Boston University in 1987.

Ms. Salzman is admitted to practice in New York, New Jersey, and Florida as well as before the United States District Courts for the Southern and Eastern Districts of New York; the Southern and Middle Districts of Florida; and the United States Court of Appeals for the Eleventh Circuit.

***IRA A. SCHOCHET, PARTNER***

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Ira A. Schochet has over 20 years of experience in commercial litigation, with primary emphasis on class actions involving securities fraud. Currently, Mr. Schochet serves as Lead Counsel in *In re Countrywide Securities Litigation*.

Mr. Schochet has played a leading role in litigation resulting in multimillion dollar recoveries for class members in cases such as those against Caterpillar, Inc., Spectrum Information Technologies, Inc., InterMune, Inc., and Amkor Technology, Inc. In *Kamarasy v. Coopers & Lybrand*, a securities fraud class action, Mr. Schochet led a team that won a settlement equal to approximately 75% of the highest possible damages that class members could have recovered. The Court in that case complimented him for “the superior quality of the representation provided to the class.” In approving the settlement he achieved in the *InterMune* litigation, the Court complimented Mr. Schochet’s ability to obtain a significant cash benefit for

the class in a very efficient manner, saving the class from additional years of time, expense and substantial risk. Mr. Schochet represented one of the first institutional investors acting as a Lead Plaintiff in a post-Private Securities Litigation Reform Act case, *STI Classic Funds v. Bollinger, Inc.*, and obtained one of the first rulings interpreting that statute's intent provision in a manner favorable to investors.

On April 1, 2009, Mr. Schochet began his two-year term as President of the National Association of Shareholder and Consumer Attorneys (NASCAT), a trade organization and public policy voice for lawyers interested in a strong system of federal and state legal protections for investors and consumers. NASCAT consists of approximately 100 law firms committed to the vigorous prosecution of corporate fraud.

Since 1996, Mr. Schochet has acted as chairman of the Class Action Committee of the Commercial and Federal Litigation Section of the New York State Bar Association. In that capacity, he has served on the Executive Committee of the Section and was the primary author of articles and reports on a wide variety of issues relating to class action procedure. Such issues include revisions to that procedure proposed over the years by both houses of the United States Congress and the Advisory Committee on Civil Procedure of the United States Judicial Conference. Examples include "Proposed Changes in Federal Class Action Procedure," "Opting Out On Opting In," and "The Interstate Class Action Jurisdiction Act of 1999." He also has lectured extensively on securities litigation at continuing legal education seminars.

Mr. Schochet earned a B.A., *summa cum laude*, from the State University of New York at Binghamton in 1977, and a J.D. from Duke University School of Law in 1981.

He is admitted to practice in New York as well as before the United States District Courts for the Southern and Eastern Districts of New York, the Central District of Illinois, the Northern District of Texas, and the United States Court of Appeals for the Second Circuit.

Mr. Schochet has received a rating of AV from the publishers of the Martindale-Hubbell directory.

***MICHAEL W. STOCKER, PARTNER***

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Michael W. Stocker represents clients in commercial litigation, with a primary focus on sophisticated antitrust and securities class action matters.

Earlier in his career, Mr. Stocker worked as a senior staff attorney with the United States Court of Appeals for the Ninth Circuit, and completed a legal externship with United States Magistrate Judge (now District Judge) Phyllis J. Hamilton of the Northern District of California.

Mr. Stocker's recent publications include: "Running on Empty," *The Deal Magazine*, February 18, 2011; "SEC Contemplating Governance Reforms," *Executive Counsel*, December 2010; "SEC paper focuses on proxy voting shortcomings," *The National Law Journal*, November 15, 2010; "Is the Shield Beginning to Crack?," *New York Law Journal*, November 15, 2010; "What Wall Street Can Learn From the BP Spill," *Institutional Investor*, November 1, 2010; "Automated Trading Leaving Retail Investors In The Dust," (Opinion), *Forbes.com*, October 15, 2010; "Toyota Debacle Spurs Reform Questions," *Directorship*, August 9, 2010; "Say What? Pay What? Real World Approaches to Executive Compensation Reform," *Corporate Counsel*, August 5, 2010; "SEC Measures To Prevent Flash Crashes Are Sensible, But Are They Enough?" (Opinion), *Forbes.com*, May 20, 2010; "A Recall for Toyota's Corporate Governance?" (Opinion), *Pensions & Investments*, April 5, 2010; "Reining in the Credit Ratings Industry," *New York Law Journal*, January 11, 2010; and "It's Time to Resuscitate



the Shareholder Derivative Action,” *The Panic of 2008: Causes, Consequences, and Implications for Reform*, Lawrence Mitchell and Arthur Wilmarth, Jr., eds, (Edward Elgar, 2010).

Mr. Stocker has offered financial commentary and analysis to BBC4 Radio and on the Canadian Broadcasting Corporation’s Lang & O’Leary Exchange, and is a frequent speaker and panelist on topics relating to financial reform.

Mr. Stocker is also the Chief Contributor to “Eyes On Wall Street” ([www.eyesonwallstreet.com](http://www.eyesonwallstreet.com)), Labaton Sucharow’s blog on economics, corporate governance, and other issues of interest to investors.

Mr. Stocker earned a B.A. from the University of California, Berkeley, in 1989, a J.D. from the University of California, Hastings College of Law, in 1995, and a Master of Criminology degree from the Law Department of the University of Sydney in 2000.

He is admitted to practice in California and New York as well as before the United States District Courts for the Northern and Central Districts of California, the Southern and Eastern Districts of New York, and the United States Courts of Appeals for the Second, Eighth and Ninth Circuits.