UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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

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

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Court-appointed Lead Counsel Glancy Prongay & Murray LLP ("GPM" or "Lead Counsel") respectfully request that the Court grant their motion for an award of attorneys' fees in the amount of 33 1/3% of the Settlement Fund,[1] or $6.15 million plus interest earned at the same rate as the Settlement Fund.[2] Lead Counsel also seek reimbursement of: (i) $1,169,501.84 in litigation expenses that Lead Counsel reasonably and necessarily incurred in prosecuting and resolving the Action; and (ii) $18,850 and $21,250 in total costs and expenses incurred by the Court-appointed Lead Plaintiff Dennis Wilson ("Lead Plaintiff"), and named plaintiff Camelot Event Driven Fund ("Camelot" and together with Lead Plaintiff "Plaintiffs"), respectively, directly related to their representation of the Settlement Class, as authorized by the Private Securities Litigation Reform Act of 1995 (the "PSLRA").

I. PRELIMINARY STATEMENT

The proposed Settlement, which provides for a cash payment of $18.45 million in exchange for the resolution of the Action, represents an excellent result for the Settlement Class, particularly when juxtaposed against the significant hurdles that Plaintiffs would have had to overcome in order to prevail in this complex securities fraud litigation. In undertaking this litigation, Lead Counsel faced numerous challenges to establishing liability, loss causation and damages. Despite Plaintiffs' successes in surviving Defendants' motion to dismiss and obtaining Magistrate Judge Gorenstein's report and recommendation in favor of class certification, substantial risks relating to *proving* each of the elements of falsity, scienter, loss causation, and

[1] Unless otherwise defined herein, all capitalized terms have the meanings ascribed to them in the Stipulation and Agreement of Settlement dated January 17, 2019 (the "Stipulation"). *See* ECF No. 179-1.

[2] The Notice informed the Settlement Class that Lead Counsel would apply to the Court for an award of attorneys' fees in an amount not to exceed 33 1/3% of the Settlement Fund plus interest.

damages remained.

To obtain this excellent result on behalf of the Settlement Class, and despite the significant risks Plaintiffs faced, Lead Counsel worked 31,321.50 hours and advanced $1,169,501.84 in hard costs, all on a fully contingent basis. Success was not a forgone conclusion, and there was no guarantee Lead Counsel would ever be paid.[3] Indeed, "[p]recedent is replete with situations in which attorneys representing a class have devoted substantial resources in terms of time and advanced costs yet have lost the case despite their advocacy." *In re Xcel Energy, Inc., Sec., Deriv. & "ERISA" Litig.*, 364 F. Supp. 2d 980, 994 (D. Minn. 2005).[4]

Lead Counsel believe that an attorney fee award of 33 1/3%, which represents a fractional multiplier of 0.41, would fairly compensate Lead Counsel for the substantial work performed in the case, the significant risks it faced, and the excellent result achieved. When examined under either the percentage of the fund or lodestar methods for calculating attorneys' fees, the requested fee is reasonable, and well within the range of attorneys' fees awarded in similar complex, contingency cases. Finally, reimbursement of the costs and expenses requested by Plaintiffs and Lead Counsel are likewise reasonable in amount, and they were necessarily incurred in the successful prosecution of the Action. Accordingly, they too should be approved.

II. FACTUAL AND PROCEDURAL HISTORY

The Declaration of Casey E. Sadler in Support of (I) Plaintiffs' Motion for Final Approval of Class Action Settlement and Plan of Allocation, and (II) Lead Counsel's Motion for an Award of Attorneys' Fees and Reimbursement of Litigation Expenses ("Declaration" or "Decl."), filed concurrently herewith, is an integral part of this submission. For the sake of

[3] For purposes of this motion, Lead Counsel are only including hours spent litigating this Action through the date of the Preliminary Approval Order, February 25, 2019.

[4] Unless otherwise noted, citations and quotations marks are omitted and emphasis is added.

brevity, the Court is respectfully referred to it for a detailed description of, among other things: the history of the Action (¶¶ 13-45, 50-54, 59-65, 71-75); the nature of the claims asserted (¶¶ 9-20); the negotiations leading to the Settlement (¶¶ 46-49, 55-58); the risks and uncertainties of continued litigation (¶¶ 76-88); and the terms of the Plan of Allocation for distribution of the Net Settlement Fund (¶¶ 97-104).[5]

III. ARGUMENT

A. The Common Fund Doctrine Applies to the Settlement

The Supreme Court has long recognized that "a litigant or a lawyer who recovers a common fund for the benefit of persons other than himself or his client is entitled to a reasonable attorney's fee from the fund as a whole." *Boeing Co. v. Van Gemert*, 444 U.S. 472, 478 (1980). The Second Circuit has confirmed that attorneys who create a "common fund" are entitled to "a reasonable fee—set by the court—to be taken from the fund." *Goldberger v. Integrated Res., Inc.*, 209 F.3d 43, 47 (2d Cir. 2000).

"The rationale for the doctrine is an equitable one: it prevents unjust enrichment of those benefitting from a lawsuit without contributing to its cost." *Id.* at 47; *In re Veeco Instruments Inc. Sec. Litig.*, No. 05 MDL 01695 (CM), 2007 WL 4115808, at *2 (S.D.N.Y. Nov. 7, 2007). Courts also have recognized that awards of reasonable "attorneys' fees from a common fund serve to encourage skilled counsel to represent those who seek redress for damages inflicted on entire classes of persons, and to discourage future misconduct of a similar nature." *Id.* at *2; *see also Hicks v. Morgan Stanley et al.*, No. 01 Civ. 10071 (RJH), 2005 WL 2757792, at *9 (S.D.N.Y. Oct. 24, 2005) ("To make certain that the public is represented by talented and

[5] All citations to "¶__" and "Ex. __" in this memorandum refer, respectively, to paragraphs in and Exhibits to, the Declaration.

experienced trial counsel, the remuneration should be both fair and rewarding.").

"For the common fund [doctrine] to apply, the applicant's efforts must confer a substantial benefit on the members of an ascertainable class, and where the court's jurisdiction over the subject matter of the suit makes possible an award that will operate to spread costs proportionately among them, an award of attorneys' fees must operate to shift the costs of litigation to that group." *Maley v. Del Glob. Techs. Corp.*, 186 F. Supp. 2d 358, 369 (S.D.N.Y. 2002) (quoting *Mills v. Elec. Auto-Lite Co.*, 396 U.S. 375, 393-94 (1970)). All these elements are present here: Lead Counsel's efforts have conferred a substantial benefit, $18.45 million in cash, for the Settlement Class, and a fee award from the common fund will operate equitably "to shift the costs of litigation" to the benefitting group – the Settlement Class Members. *Id*. Accordingly, the Court should award attorneys' fees from the common fund.

B. The Court Should Award a Reasonable Percentage of the Common Fund

In the Second Circuit, courts "may award attorneys' fees in common fund cases under either the 'lodestar' method or the 'percentage of the fund' method." *McDaniel v. Cty. of Schenectady*, 595 F.3d 411, 417 (2d Cir. 2010) (quoting *Wal-Mart Stores, Inc. v. Visa U.S.A., Inc*., 396 F.3d 96, 121 (2d Cir. 2005)). The Supreme Court has, however, suggested that in common fund cases the attorneys' fee should be determined on a percentage-of-recovery basis. *See Blum v. Stenson*, 465 U.S. 886, 900 n.16 (1984) ("[U]nder the 'common fund doctrine,' . . . a reasonable fee is based on a percentage of the fund bestowed on the class[.]"). Similarly, "[t]he trend in this Circuit is toward the percentage method," rather than the lodestar method. *Wal-Mart*, 396 F.3d at 121.

"There are several reasons that courts prefer the percentage method," including that it: (i) "directly aligns the interests of the class and its counsel because it provides an incentive to

attorneys to resolve the case efficiently and to create the largest common fund out of which payments to the class can be made[;]" (ii) is "closely aligned with market practices because it mimics the compensation system actually used by individual clients to compensate their attorneys[;]" (iii) "provides a powerful incentive for the efficient prosecution and early resolution of litigation[;]" (iv) "discourages plaintiffs' lawyers from running up their billable hours, one of the most significant downsides of the lodestar method[;]" and (v) "preserves judicial resources because it relieves the court of the cumbersome, enervating, and often surrealistic process of evaluating fee petitions." *Johnson v. Brennan*, No. 10 Civ. 4712 (CM), 2011 WL 4357376, at *14-*15 (S.D.N.Y. Sept. 16, 2011). "In contrast, the lodestar [method] create[s] an unanticipated disincentive to early settlements, tempt[s] lawyers to run up their hours, and compel[s] district courts to engage in a gimlet-eyed review of line-item fee audits." *Wal-Mart*, 396 F.3d at 121.

The percentage method also comports with the PSLRA, which states that "[t]otal attorneys' fees and expenses awarded by the court to counsel for the plaintiff class shall not exceed a reasonable percentage of the amount of any damages and prejudgment interest actually paid to the class." 15 U.S.C. § 78u-4(a)(6); *see also In re EVCI Career Colls. Holding Corp. Sec. Litig.*, No. 05 Civ. 10240 CM, 2007 WL 2230177, at *16 (S.D.N.Y. July 27, 2007) ("[T]he PSLRA implicitly supports the use of the percentage of the fund method."); *In re WorldCom, Inc. Sec. Litig.*, 388 F. Supp. 2d 319, 355 (S.D.N.Y. 2005) ("apply[ing] the percentage method" due, at least in part, to "the PSLRA's express contemplation that the percentage method will be used to calculate attorneys' fees in securities fraud class actions").

Use of the percentage method does not, however, render lodestar irrelevant. Rather, part of the reasonableness inquiry is a comparison of the lodestar to the fees awarded pursuant to the percentage of the fund method "[a]s a 'cross-check.'" *Wal-Mart*, 396 F.3d at 123. "[W]here [the

lodestar method is] used as a mere cross-check, the hours documented by counsel need not be exhaustively scrutinized by the district court." *Goldberger*, 209 F.3d at 50. "Instead, the reasonableness of the claimed lodestar can be tested by the court's familiarity with the case" (*id*.), or "[t]he district courts may rely on summaries submitted by the attorneys and need not review actual billing records." *In re Rite Aid Corp. Sec. Litig.*, 396 F.3d 294, 306-07 (3d Cir. 2005); *see also Davis v. J.P. Morgan Chase & Co.*, 827 F. Supp. 2d 172, 184 (W.D.N.Y. 2011) (similar); *Johnson*, 2011 WL 4357376, at *14-*15 ("While courts still use the lodestar method as a 'cross check' when applying the percentage of the fund method, courts are not required to scrutinize the fee records as rigorously.").

In sum, the weight of authority suggests that the Court should use the percentage-of recovery method, with a lodestar cross-check, in determining a reasonable attorneys' fee. *In re Bristol-Myers Squibb Sec. Litig.*, 361 F. Supp. 2d 229, 233 (S.D.N.Y. 2005) ("Typically, courts utilize the percentage method and then 'cross-check' the adequacy of the resulting fee by applying the lodestar method."); *Hicks*, 2005 WL 2757792, at *10 (similar).

C. The Requested Attorneys' Fees Are Reasonable

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

The 33 1/3% fee requested by Lead Counsel is well within the range of percentage fees that have been awarded in the Second Circuit in comparable securities class action cases. *See In re Facebook, Inc. IPO Sec. & Deriv. Litig.*, No. 12-2389, 2015 WL 6971424, at *9, *11-*12 (S.D.N.Y. Nov. 9, 2015) (awarding 33% of $26.5 million); *In re Blech Sec. Litig.*, No. 94 Civ. 7696, 2002 WL 31720381, at *1 (S.D.N.Y. Dec. 4, 2002) (awarding 33-1/3% of $15 million settlement); *City of Providence v. Aeropostale, Inc.*, No. 11 Civ. 7132(CM)(GWG), 2014 WL 1883494, at *12 (S.D.N.Y. May 9, 2014), *aff'd sub nom. Arbuthnot v. Pierson*, 607 Fed. Appx.

73 (2d Cir. 2015) (awarding 33% of $15 million); *Maley*, 186 F. Supp. 2d at 370 (awarding 33.3% of $11.5 million settlement); *McIntire v. China Media Express Holdings, Inc.*, No. 1:11-cv-00804-VM-GWG, slip op. at 2 (S.D.N.Y. Sep. 18, 2015) (awarding 33.33% of $12 million settlement) (Decl., Ex. 9); *In re van der Moolen Holding N.V. Sec. Litig.*, No. 03 Civ. 8284, slip op. at 2 (S.D.N.Y. Dec. 6, 2006) (awarding 33–1/3% of $8 million settlement fund) (Decl., Ex. 10); *Hayes v. Harmony Gold Mining Co.*, No. 08 Civ. 03653 (BSJ)(MHD), 2011 WL 6019219, at *1 (S.D.N.Y. Dec. 2, 2011) (awarding 33.3% of $9 million settlement fund), *aff'd*, 509 F. App'x 21 (2d Cir. 2013); *Maley*, 186 F. Supp. 2d at 370 (awarding 33.3% of $11.5 million settlement fund, where settlement was reached while motions to dismiss were pending); *In re NYSE Specialists Sec. Litig.*, No. 03-cv-8264, slip op. at ¶ 19 (S.D.N.Y. June 10, 2013) (Sweet, J.) (awarding approximately 41% of $18.5 million settlement) (Decl., Ex. 10).[6]

Another factor favoring the reasonableness of Lead Counsel's fee application under the percentage of the fund method is that this fee was approved by the Plaintiffs, sophisticated investors of the kind charged by the Court and the PSLRA with responsibility for monitoring Lead Counsel.[7] *In re Nortel Networks Corp. Sec. Litig.*, 539 F.3d 129, 133 (2d Cir. 2008) ("We expect, however, that district courts will give serious consideration to negotiated fees because PSLRA Lead Plaintiffs often have a significant financial stake in the settlement, providing a powerful incentive to ensure that any fees resulting from that settlement are reasonable.").

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[6] *See also Levine* v. *Atricure, Inc.*, No. 1:06-cv-14324-RJH, slip op. (S.D.N.Y. May 27, 2011) (awarding 33-1/3% and stating "[t]he requested fee of 33-1/3% of the settlement is within the range normally awarded in cases of this nature") (Decl., Ex. 11); *Stefaniak v. HSBC Bank USA, NA.*, No. 1:05-CV-720 S, 2008 WL 7630102, at *3 (W.D.N.Y. June 28, 2008) (collecting cases, awarding 33%, and finding it "typical in class action settlements in the Second Circuit").

[7] *See* Decl. ¶¶ 108-110 Camelot is a mutual fund and Dennis Wilson, who holds MBA with a focus in accounting and is a Certified Public Accountant, has been the Chief Financial Officer of a large regional business for over twenty years. *Id.*

In sum, Lead Counsel's request for a 33 1/3% attorneys' fee is squarely within the range of fees awarded in the Second Circuit for comparable securities class actions.

2. The Lodestar "Cross-Check" Strongly Supports the Reasonableness of the Requested Fee

A lodestar "cross-check" confirms the reasonableness of the requested fee award. *See Goldberger*, 209 F.3d at 50. The "lodestar" is calculated by multiplying the number of hours expended on the litigation by each particular attorney or paralegal by their current reasonable and customary hourly rate, and totaling the amounts for all time-keepers.[8] Additionally, "[u]nder the lodestar method of fee computation, a multiplier is typically applied to the lodestar." *In re Global Crossing Sec. & ERISA Litig.*, 225 F.R.D. 436, 468 (S.D.N.Y. 2004). "The multiplier represents the risk of the litigation, the complexity of the issues, the contingent nature of the engagement, the skill of the attorneys, and other factors." *Id.* (citing *Goldberger*, 209 F.3d at 47; *Savoie v. Merchants Bank*, 166 F.3d 456, 460 (2d Cir. 1999)). For this reason, a "negative" or fractional multiplier – *i.e.*, a multiplier of less than 1 – is strong evidence that the requested fee is reasonable and fair. *See In re Blech Sec. Litig.*, No. 94 Civ. 7696, 2000 WL 661680, at *5 (S.D.N.Y. May 19, 2000) (finding a negative multiplier of the lodestar reinforces the reasonableness of the requested fee); *Seijas v. Republic of Argentina*, No. 04-CV-1085 (TPG) 2017 WL 1511352, at *10 (S.D.N.Y. Apr. 27, 2017) ("Where a percentage fee is on the higher end of the range of reasonable fees but still represents a negative multiplier to the total lodestar, there is 'no real danger of overcompensation.'").

Here, Lead Counsel (including attorneys, paralegals, and professional support staff)

[8] The Supreme Court and courts in this Circuit have both approved the use of current rates in the lodestar calculation to "compensate for the delay in receiving compensation, inflationary losses, and the loss of interest." *In re Union Carbide Corp. Consumer Prods. Bus. Sec. Litig.*, 724 F. Supp. 160, 163 (S.D.N.Y. 1989); *Missouri v. Jenkins*, 491 U.S. 274, 283-84 (1989).

collectively devoted a total of 31,321.50 hours to the prosecution of this Action,[9] resulting in a lodestar of $14,977,561.00. *See* Ex. 6. Based on a 33 1/3% fee (equal to $6,150,000), Lead Counsel's lodestar yields a multiplier of 0.41. Thus, the requested fee is a *fraction* of Lead Counsel's actual lodestar, which supports the reasonableness of the requested fee. *See e.g.*, *In re Flag Telecom Holdings, Ltd. Sec. Litig.*, No. 02-CV-3400 (CM)(PED) 2010 WL 4537550, at *26 (S.D.N.Y. Nov. 8, 2010) ("Lead Counsel's request for a percentage fee representing a significant discount from their lodestar provides additional support for the reasonableness of the fee request.").

Indeed, courts within this district have routinely awarded fees that yielded much higher, positive, lodestar multipliers. *See Wal-Mart*, 396 F.3d at 123 (upholding multiplier of 3.5 as reasonable on appeal); *Bellifemine v. Sanofi-Aventis U.S. LLC*, No. 07 Civ. 2207(JGK), 2010 WL 3119374, at *6 (S.D.N.Y. Aug. 6, 2010) (finding that a multiplier of 2.05 is "within a range of reasonableness for other awards that have been approved"); *In re Bisys Sec. Litig.*, No. 04 Civ. 3840 (JSR), 2007 WL 2049726, at *3 (S.D.N.Y. July 16, 2007) (awarding fee representing a 2.99 multiplier and finding that the multiplier "falls well within the parameters set in this district and elsewhere"); *Davis*, 827 F. Supp. 2d at 185 (finding that a multiplier of 5.3 was "not atypical for similar fee-award cases"); *Maley*, 186 F. Supp. 2d at 371 ("[T]he *modest* multiplier of 4.65 is fair and reasonable.").[10]

[9] This number does not include any time that has been, or will be, incurred by Lead Counsel since the date of the Preliminary Approval Order. Additionally, Lead Counsel did not include time for any of its attorneys or staff that worked less than 100 hours on the Action.

[10] *See also In re AOL Time Warner S'holder Deriv. Litig.*, No. 02 Civ. 6302(CM), 2010 WL 363113, at *23 (S.D.N.Y. Feb. 1, 2010) ("The requested multiplier of 1.60 is at the lower end of the range recently seen, which has generally run between 1.5 and 4.0."); *Hicks*, 2005 WL 2757792, at *10 ("In this Circuit, contingency fees of 1.85 times the lodestar and greater have been deemed reasonable by the courts."); *Comverse*, 2010 WL 2653354, at *5 (awarding fee

In sum, the requested 33 1/3% fee is well within the range of what courts in this Circuit regularly award in class actions such as this one, whether calculated as a percentage of the fund or in relation to Lead Counsel's lodestar. Moreover, as discussed below, each of the factors established by the Second Circuit in *Goldberger* supports a finding that the requested fee is reasonable.

D. The *Goldberger* Factors Confirm the Requested Fee Is Fair and Reasonable

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

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

Goldberger, 209 F.3d at 50. Consideration of these factors, together with the analyses above, demonstrates that the requested fee is reasonable.

1. Time and Labor Expended Support the Requested Fee

The time and effort expended by Lead Counsel in prosecuting the Action and achieving the Settlement supports the requested fee. As set forth in greater detail in the Declaration, Lead Counsel expended 31,321.50 hours on this matter and their work included, among other things:

- conducting an extensive investigation of the claims asserted in the Action, which included a detailed review of SEC filings, press releases, analyst reports, news reports and other public information, interviews with former LSB employees and employees of other contractors that worked on the project at issue, and consultation with accounting and damages experts (¶ 16);

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representing a 2.78 multiplier); *In re Telik, Inc. Sec. Litig.*, 576 F. Supp. 2d 570, 590 (S.D.N.Y. Sept. 10, 2008) ("In contingent litigation, lodestar multiples of over 4 are routinely awarded by courts, including this Court."); *In re Deutsche Telekom AG Sec. Litig.*, No. 00-CV-9475 (SHS), 2005 WL 7984326 at *4 (S.D.N.Y. June 14, 2005) (awarding fee representing a 3.96 multiplier); *Bd. of Trustees of AFTRA Ret. Fund v. JPMorgan Chase Bank, N.A.*, No. 09 Civ. 686 (SAS), 2012 WL 2064907, at *3 (S.D.N.Y. June 7, 2012) (awarding fee representing a 2.86 multiplier).

- researching and preparing a detailed 59-page Consolidated Amended Class Action Complaint (ECF No. 27) based on that investigation (¶¶ 17-20);

- researching and preparing an opposition to Defendants' motion to dismiss (ECF No. 39) ¶ (and subsequently filing a notice of supplemental authority concerning a relevant opinion issued by the Second Circuit (ECF No. 50)) (¶¶ 21-25);

- filing a motion for leave to amend to file a second amended complaint and responding to Defendants' opposition to that motion (ECF Nos. 45-46, 52) (¶¶ 26-28);

- preparing for and participating in an oral argument regarding Defendants' motion to dismiss and Plaintiffs' motion for leave to file a second amended complaint, and succeeding on both motions (ECF No. 56) (¶ 29);

- researching and drafting a detailed 125-page Second Amended Consolidated Class Action Complaint (ECF No. 69, the "SAC") (¶¶ 4, 32);

- engaging in extensive discovery, which included, among other things:

    - propounding and responding to various discovery requests between the Parties and third parties, including interrogatories, requests for production of documents and subpoenas for testimony and the production of documents (¶¶ 72-73);

    - strategically reviewing and analyzing approximately six million pages of documents provided by Defendants and third parties (¶ *Id.*);

    - conducting twenty-one depositions throughout the country and Canada, and being prepared to imminently take two more depositions (¶¶ 74-75);

    - preparing for and defending the depositions of Lead Plaintiff Dennis Wilson, Thomas Kirchner on behalf of named plaintiff Camelot, and Plaintiffs' market efficiency expert (*Id.*);

- engaging in class certification related discovery, including conducting various depositions, as well as retaining a market efficiency expert (¶¶ 37-38);

- filing a class certification motion, reply brief, and supplemental reply brief (ECF Nos. 99-101, 112) (¶¶ 38-45, 59-64), ultimately resulting in a report and recommendation by Magistrate Judge Gorenstein recommending that Plaintiffs' motion for class certification be granted (ECF No. 154);

- engaging in a mediation process overseen by a highly experienced third-party mediator, Robert A Meyer, Esq. of JAMS, which involved multiple written submissions concerning liability and damages, two full-day formal mediation sessions, extensive consultations with Plaintiffs' expert on damages and loss

causation issues, and weeks of follow-up negotiations (¶¶ 46-49, 55-58);

- negotiating and drafting the Stipulation and related settlement documents (¶ 69);
- working with Plaintiffs' damages expert to prepare the proposed Plan of Allocation (¶ 98);
- drafting the preliminary approval motion papers (¶ 69); and
- overseeing the implementation of the notice process (¶¶ 89-96).

Moreover, the legal work on this case will not end with the Court's approval of the proposed Settlement. Additional hours and resources will necessarily be expended assisting Settlement Class Members with their Proof of Claim forms, responding to Settlement Class Members' inquiries, shepherding the claims process to conclusion and filing a distribution motion. No additional compensation will be sought for this work. *See Facebook*, 2015 WL 6971424, at *10 ("Considering that the work in this matter is not yet concluded for Plaintiffs' counsel who will necessarily need to oversee the claims process, respond to inquiries, and assist Class Members in submitting their Proof of Claims, the time and labor expended by counsel in this matter support a conclusion that a 33% fee award in this matter is reasonable.").

The substantial time and effort devoted to this case by Lead Counsel to obtain the Settlement confirms that the fee request is reasonable.

2. The Risks of Litigation Support the Requested Fee

"[T]he risk of success [is] perhaps the foremost factor to be considered in determining" a reasonable award of attorneys' fees. *Goldberger*, 209 F.3d at 54; *see also Shapiro v. JPMorgan Chase & Co.*, No. 11 Civ. 8331 (CM)(MHD), 2014 WL 1224666, at *21 (S.D.N.Y. Mar. 24, 2014) ("The Second Circuit long ago recognized that courts should consider the risks associated with lawyers undertaking a case on a contingent fee basis."). This is because:

> No one expects a lawyer whose compensation is contingent upon his success to charge, when successful, as little as he would charge a client who in advance had

> agreed to pay for his services, regardless of success. Nor, particularly in complicated cases producing large recoveries, is it just to make a fee depend solely on the reasonable amount of time expended.

City of Detroit v. Grinnell Corp., 495 F.2d 448, 470 (2d Cir. 1974). In applying this factor, courts have repeatedly recognized that "class actions confront even more substantial risks than other forms of litigation[,]"[11] and that "[s]ecurities class actions such as this are 'notably difficult and notoriously uncertain.'" *Flag Telecom*, 2010 WL 4537550, at *27.[12] This case was no different.

From the outset of this Action, Lead Counsel understood that it was embarking on a complex, expensive, and potentially lengthy litigation with no guarantee of ever being compensated for the substantial investment of time and money the case would require. In undertaking that responsibility, Lead Counsel were obligated to ensure that sufficient resources were dedicated to the prosecution of the Action, and thus funds were available to compensate staff and to cover the considerable costs that a such as this requires. *See Flag Telecom*, 2010 WL 4537550, at *27. Lead Counsel received no compensation during the litigation, and they advanced and incurred $1,169,501.84 in expenses in prosecuting this Action for the benefit of the Settlement Class. ¶¶ 115, 127-145. Had Lead Counsel not achieved the Settlement, this significant investment of time and money would have been lost.

While Lead Counsel believe that Plaintiffs' claims are meritorious and remain confident in their ability to prove Plaintiffs' claims and rebut Defendants' arguments, Lead Counsel also recognize that there were a number of substantial risks in the litigation from the outset and that

[11] *In re Comverse Tech., Inc. Sec. Litig.*, No. 06-CV-1825 (NGG), 2010 WL 2653354, at *5 (E.D.N.Y. June 24, 2010).

[12] *See also Teachers' Ret. Sys. of La. v. A.C.L.N., Ltd.*, No. 01 Civ. 11814 (MP), 2004 WL 1087261, at *3 (S.D.N.Y. May 14, 2004) ("Little about litigation is risk-free, and class actions confront even more substantial risks than other forms of litigation.").

Plaintiffs' ability to succeed at trial and obtain a substantial judgment was far from certain. As discussed below and in the Declaration, there were substantial risks here with respect to establishing both liability and damages in the Action. Obstacles included both the well-known general risks of complex securities litigation, as well as the specific risks inherent in this case. *See Great Neck Capital Appreciation Inv. P'ship, L.P. v. PricewaterhouseCoopers, L.L.P.*, 212 F.R.D. 400, 409 (E.D. Wis. 2002) ("Shareholder class actions are difficult and unpredictable, and skepticism about optimistic forecasts of recovery is warranted.").

For example, although Plaintiffs believe that they adequately alleged the element of falsity, there can be no doubt that Plaintiffs and the Settlement Class faced significant hurdles to establishing liability. As set forth in more detail at ¶¶ 9-12 in the Declaration, the core of Plaintiffs' case is that Defendants made material misrepresentations and omissions regarding the cost and progress of the El Dorado Project. Defendants maintained throughout the Action that Plaintiffs could not establish falsity regarding their statements pertaining to the cost and progress of the El Dorado Project (*i.e.*, Plaintiffs' core allegations). Specifically, Defendants argued, and would have continued to argue, that the Company reasonably relied on its primary contractor, Leidos, to provide accurate estimates and that the Company adequately monitored the contractor's processes. ¶ 79. Moreover, Defendants argued that Plaintiffs failed to show that any of the Individual Defendants engaged in insider trading or had any other motive to mislead investors, and that the Defendants were simply presenting in good faith their best estimates of the cost and timing of the project as they acquired more information from Leidos. ¶¶ 80. Defendants also argued that the Class Period should have been shortened, arguing that at the earliest Defendants could have known that the project was not on time and not on budget was in July or August 2015, not November 2014. ¶¶ 83. While Magistrate Judge Gorenstein rejected these

arguments in the context of class certification (ECF No. 154 at 38-43), he acknowledged that Defendants could once again raise these arguments at summary judgement and trial. *See id.* at 42-43. Although Plaintiffs were confident that they would successfully demonstrate falsity and scienter for the entire Class Period, there is a risk that the Court or a jury would accept Defendants' arguments.

In addition, Plaintiffs also would have faced substantial hurdles in establishing loss causation and damages. *See Dura Pharm., Inc. v. Broudo*, 544 U.S. 336, 345-46 (2005) (plaintiffs bear the burden of *proving* "that the defendant's misrepresentations caused the loss for which the plaintiff seeks to recover"). The Parties held extremely disparate views with respect to damages, and Defendants' challenges to loss causation and damages could pose a serious risk to the Settlement Class at summary judgment, trial, and on appeal. *See, e.g.*, *Hubbard v. BankAtlantic Bancorp, Inc.*, 688 F.3d 713, 716 (11th Cir. 2012) (reversing plaintiffs' jury verdict for failure to prove loss causation); *In re Scientific Atl., Inc. Sec. Litig.*, 754 F. Supp. 2d 1339, 1379-80 (N.D. Ga. 2010) (granting motion for summary judgment because plaintiffs did not disentangle fraud-related and non-fraud-related portions of stock decline). Specifically, Defendants could credibly argue that one of the three alleged disclosure announcements was not statistically significant. Further, as to the alleged corrective disclosures on August 7 and November 6, 2015, Defendants would have continued to assert that a substantial portion of the decline was due to the disclosure of other information, unrelated to the alleged fraud. *See* ¶ 83. If Defendants were to prevail on such an argument at any stage, it would significantly reduce potential damages.

Plaintiffs also still faced the substantial burden of maintaining class action status through trial. Although Magistrate Judge Gorenstein had issued a report and recommendation granting

class certification, Defendants undoubtedly would have objected to this ruling. Even if the Court ultimately granted class certification, Defendants could move to decertify the class at any time. *See* Fed. R. Civ. P. 23(c)(2); *Global Crossing*, 225 F.R.D. at 460 ("[E]ven if plaintiffs could obtain class certification, there could be a risk of decertification at a later stage."). Here, "the uncertainty surrounding class certification supports approval of the Settlement," *In re Marsh & McLennan* Cos., *Inc. Sec. Litig.*, No. 04 Civ. 8144 (CM), 2009 WL 5178546, at *5 (S.D.N.Y. 2009), because "even the process of class certification would have subjected Plaintiffs to considerably more risk than the unopposed certification that was ordered for the sole purpose of the Settlement." *In re AOL Time Warner, Inc. Sec. & "ERISA" Litig.*, No. MDL 1500, 2006 WL 903236, at *12 (S.D.N.Y. Apr. 6, 2006)

Despite the many uncertainties regarding the outcome of the case, Lead Counsel undertook this case on a wholly contingent basis, knowing that the litigation could last for years and would require the devotion of a substantial amount of time and a significant expenditure of litigation expenses. Lead Counsel's assumption of this contingency fee risk strongly supports the reasonableness of the requested fee. *See Flag Telecom*, 2010 WL 4537550, at *27 ("Courts in the Second Circuit have recognized that the risk associated with a case undertaken on a contingent fee basis is an important factor in determining an appropriate fee award."); *In re Marsh ERISA Litig.*, 265 F.R.D. 128, 148 (S.D.N.Y. 2010) ("There was significant risk of non-payment in this case, and Plaintiffs' Counsel should be rewarded for having borne and successfully overcome that risk.").

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

Courts have repeatedly recognized the "notorious complexity" of securities class action litigation. *AOL Time Warner*, 2006 WL 903236, at *8; *Taft v. Ackermans*, No. 02 CIV. 7951

(PKL), 2007 WL 414493, at *10 (S.D.N.Y. Jan. 31, 2007); *La. Mun. Police Emps. Ret. Sys. v. Sealed Air Corp.*, No. 03-CV-4372 (DMC), 2009 WL 4730185, at *8 (D.N.J. Dec. 4, 2009) ("securities class actions are inherently complex"). Courts have also recognized that "securities actions have become more difficult from a plaintiff's perspective in the wake of the PSLRA," and other changes in the law. *In re Ikon Office Solutions, Inc. Sec. Litig.*, 194 F.R.D. 166, 194 (E.D. Pa. 2000); *see also Alaska Elec. Pension Fund v. Flowserve Corp.*, 572 F.3d 221, 235 (5th Cir. 2009) (O'Connor, J. (Ret.)) ("To be successful, a securities class-action plaintiff must thread the eye of a needle made smaller and smaller over the years by judicial decree and congressional action."). Such was the case here.

As noted above and in the Declaration, the litigation raised a number of complex questions concerning falsity and Defendants' scienter, as well as liability and loss causation issues that would have required extensive efforts by Lead Counsel and consultation with experts to bring to resolution. The Action was focused on the construction of an ammonia plant and the accounting for such a project, which required counsel to retain specialty experts to assist in this Action. In all, Lead Counsel consulted with numerous experts on highly technical issues relating to, *inter alia*, the ammonia industry, manufacturing, accounting, and damages. Lead Counsel reviewed and analyzed millions of pages of documents produced by Defendants and third parties, and conducted twenty fact depositions. Despite the significant work done, additional substantial work—and risks—lay ahead. If the Action had not been settled, there would have been copious amounts of additional motion practice, including summary judgment motions and *Daubert* motions; further discovery, including depositions of fact and expert witnesses; a trial; post-trial motion practice; and mostly likely appeals. And none of this work would have guaranteed a result better than the $18.45 million Settlement Amount.

Accordingly, the magnitude and complexity of the Action supports the conclusion that the requested fee is fair and reasonable. *See City of Providence*, 2014 WL 1883494, at *16 ("[T]he complex and multifaceted subject matter involved in a securities class action such as this supports the fee request.").

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

The quality of the representation by Lead Counsel is another important factor that supports the reasonableness of the requested fee. Lead Counsel submit that the quality of its representation is best evidenced by the quality of the result achieved. *See Veeco*, 2007 WL 4115808, at *7; *Global Crossing*, 225 F.R.D. at 467. Here, the Settlement provides a very favorable result for the Settlement Class in light of the serious risks of continued litigation. It also represents a significant portion of likely recoverable damages. *See* ¶ 84. Lead Counsel respectfully submit that the quality of their efforts in the litigation to date, together with their substantial experience in securities class actions and commitment to this litigation, enabled Lead Counsel to negotiate the Settlement. *See* Ex. 8 (firm résumé); *Atanasio v. Tenaris S.A.*, No. 18-CV-7059-RJD-SJB, 2019 WL 1916197, at *8, *10 (E.D.N.Y. Apr. 29, 2019) (noting that courts have recognized GPM "is experienced in securities class action litigation" and appointing GPM as lead counsel); *see also Hung v. Idreamsky Tech. Ltd.*, No. 15-CV-2514 (JPO), 2016 WL 299034, at *6 (S.D.N.Y. Jan. 25, 2016) (similar).

Courts have also recognized that the quality of the opposition faced by plaintiffs' counsel should be taken into consideration in assessing the quality of the counsel's performance. *See, e.g.*, *Veeco*, 2007 WL 4115808, at *7 (among factors supporting award of attorneys' fees was that defendants were represented by "one of the country's largest law firms"); *In re Adelphia Commc'ns Corp. Sec. & Deriv. Litig.*, No. 03 MDL 1529 LMM, 2006 WL 3378705, at *3

(S.D.N.Y. Nov. 16, 2006) ("The fact that the settlements were obtained from defendants represented by formidable opposing counsel from some of the best defense firms in the country also evidences the high quality of lead counsels' work"), *aff'd*, 272 Fed. Appx. 9 (2d Cir. 2008).

Here, Defendants were represented by Dechert LLP, one of the country's most prestigious and experienced law firms that vigorously represented the interests of their clients throughout this Action. *See* ¶ 118. Notwithstanding this formidable opposition, Lead Counsel's thorough investigation, ability to present a strong case, and demonstrated willingness to vigorously prosecute the Action enabled Lead Counsel to achieve the favorable Settlement. Consequently, this factor militates in favor of the requested fee.

5. The Requested Fee in Relation to the Settlement Amount

"When determining whether a fee request is reasonable in relation to a settlement amount, the court compares the fee application to fees awarded in similar securities class-action settlements of comparable value." *Comverse*, 2010 WL 2653354, at *3. As discussed in detail in Sec. III.C.1 above, the requested 33 1/3% fee is comparable to fees that courts in the Second Circuit have awarded in similar cases. Accordingly, the fee requested is reasonable in relation to the Settlement.

6. Public Policy Considerations Support the Requested Fee

"In considering an award of attorney's fees, the public policy of vigorously enforcing the federal securities laws must be considered." *Maley*, 186 F. Supp. 2d at 373. This is because private actions such as this one serve to further the objective of the federal securities laws to protect investors. "[The Supreme] Court has long recognized that meritorious private actions to enforce federal antifraud securities laws are an essential supplement to criminal prosecutions and civil enforcement actions brought, respectively, by the Department of Justice and the Securities

and Exchange Commission." *Tellabs, Inc. v. Makor Issues & Rights, Ltd.*, 551 U.S. 308, 313 (2007). If the "important public policy [of enforcing the securities laws] is to be carried out, the courts should award fees which will adequately compensate Lead Counsel for the value of their efforts, taking into account the enormous risks they undertook." *Flag Telecom*, 2010 WL 4537550, at *29.[13] Accordingly, public policy considerations favor Lead Counsel's attorneys' fee request. *See In re China Sunergy Sec. Litig.*, No. 07 Civ. 7895 (DAB), 2011 WL 1899715, at *6 (S.D.N.Y. May 13, 2011) ("The Court finds that public policy supports granting attorneys' fees that are sufficient to encourage plaintiffs' counsel to bring securities class actions that supplement the efforts of the SEC.").

7. The Reaction of the Settlement Class to Date Supports the Requested Fee

The overwhelmingly positive reaction of the Settlement Class to date also supports the requested fee. *See Flag Telecom*, 2010 WL 4537550, at *29 ("[N]umerous courts have noted that the lack of objection from members of the class is one of the most important factors in determining the reasonableness of a requested fee."). Through May 17, 2019, the Claims Administrator had disseminated the Postcard Notice to 14,356 potential Settlement Class Members and their nominees informing them, among other things, that Lead Counsel intended to apply to the Court for an award of attorneys' fees in an amount not to exceed 33 1/3% of the Settlement Fund and up to $1,450,000 in litigation expenses. While the time to object does not

[13] *See also City of Providence*, 2014 WL 1883494, at *18 ("[L]awsuits such as this one can only be maintained if competent counsel can be retained to prosecute them. This will occur if courts award reasonable and adequate compensation for such services where successful results are achieved."); *Hicks*, 2005 WL 2757792, at *9 ("Private actions to redress real injuries further the objectives of the federal securities laws by protecting investors and consumers against fraud and other deceptive practices[,] . . . [but] [s]uch actions could not be sustained if plaintiffs' counsel were not to receive remuneration from the settlement fund for their efforts on behalf of the class.").

expire until June 7, 2019, to date, not a single objection has been received. ¶ 96. The lack of objections is "strong evidence" of the reasonableness of the fee request. *Ressler v. Jacobson,* 149 F.R.D. 651, 656 (M.D. Fla. 1992).[14]

E. Lead Counsel's Expenses Are Reasonable and Were Necessarily Incurred to Achieve the Benefit Obtained

Lead Counsel also respectfully request reimbursement of $1,169,501.84 in expenses incurred in prosecuting and resolving this Action on behalf of the Class. ¶ 127. *Flag Telecom*, 2010 WL 4537550, at *30 ("It is well accepted that counsel who create a common fund are entitled to the reimbursement of expenses that they advanced to a class"); *In re Indep. Energy Holdings PLC Sec. Litig.*, 302 F. Supp. 2d 180, 183 n.3 (S.D.N.Y. 2003) ("Attorneys may be compensated for reasonable out-of-pocket expenses incurred and customarily charged to their clients, as long as they were 'incidental and necessary to the representation' of those clients."). A considerable amount of these expenses ($706,858.45, or approximately 60% of the total) were incurred in retaining experts in complex fields such as engineering and ammonia plant construction, market efficiency, loss causation, damages and accounting and construction budgeting. Before filing the first amended complaint, Lead Counsel retained Michael A. Marek of Financial Markets Analysis[15] to assist Plaintiffs in drafting the amended complaint. *See* ¶ 131. Additionally, Lead Counsel retained On Point Investigations to assist counsel in locating former employees of LSB and its subsidiaries and employees that worked on the El Dorado Project. On Point Investigations was successful and the numerous witnesses' statements were included in the

[14] Should any objections be received, Lead Counsel will address them in its reply papers.

[15] Michael Marek assisted in providing an understanding of the damages and loss causation issues in the Action. Additionally, Michael Marek drafted the plan of allocation that is contained in the Notice. Lead Counsel also retained accounting consultant Uri Ronnen to provide a preliminary analysis of the accounting issues involved in the Action.

complaints. ¶ 140. The consultants and the investigators were incredibly beneficial to Lead Counsel in drafting a complaint sufficient to survive a motion to dismiss.

In addition, in order to determine that the putative class would be eligible for the *Basic* fraud-on-the-market presumption (and therefore, that the class would be eligible for class certification), Lead Counsel retained the firm of Crowninshield Financial Research to analyze whether LSB traded on an efficient market and conduct an event study isolating the impact of the alleged corrective disclosures on the price of LSB Securities. ¶ 133. "Sorting out which declines were caused by such extraneous factors and which were caused by a materialization of the concealed risk is generally the province of an expert. . . . It is an expert that produces that almost obligatory 'event study' that begins by isolating stock declines associated with market-wide and industry-wide downturns from those specific to the company itself." *In re Vivendi Universal, S.A. Sec. Litig.*, 634 F. Supp. 2d 352, 364 (S.D.N.Y. 2009). Prof. Feinstein of Crowninshield submitted both an opening and reply declaration and was deposed by Defendants as part of the class certification process. ¶¶ 83, 133.

Once discovery commenced, Lead Counsel retained the professional consulting firm Baker & O'Brien, Inc., which specializes in providing construction, financial, risk management, and legal services in the chemical, oil and gas industries. Baker & O'Brien, Inc., who were to serve as Plaintiffs' testifying experts, reviewed thousands of pages of technical information provided by Defendants regarding the El Dorado Project, provided invaluable assistance to Lead Counsel during fact discovery, including assisting counsel in the preparation for fact depositions, and was in the process of formulating expert opinions and declarations at the time the Action

settled.[16] ¶ 134. Additionally, Lead Counsel similarly retained Insight Consulting, LLC to serve as accounting experts and assist Plaintiffs in understanding the complex accounting, budgeting, and cost-monitoring issues involved in the Action.[17] ¶ 135.

The remainder of Lead Counsel's expenses were incurred on items such as an electronic discovery review platform (to effectively and efficiently review and analyze the approximately six million pages of documents produced by Defendants and non-parties), court reporters, videographers and transcript fees for more than twenty depositions, filing fees, mediation fees, travel, duplication services, postage and delivery, and case-related research. ¶¶ 138-139, 141. These expenses were reasonable and necessary for the prosecution and settlement of the Action. ¶ 142. "The expenses incurred . . . are the type for which the paying, arm's length market reimburses attorneys. For this reason, they are properly chargeable to the Settlement fund." *Global Crossing*, 225 F.R.D. at 468; *see also City of Providence*, 2014 WL 1883494, at *19 (reimbursing expenses for experts and consultants, travel, computerized research, photocopying, and other incidentals) (internal quotations omitted); *see Flag Telecom*, 2010 WL 4537550, at *30 (awarding $1.9 million in expenses where the expenses included "type that law firms typically bill to their clients" and lead counsel "retained accounting, damages and other experts … [and] these experts assisted Lead Counsel in the factual investigation and analysis in connection with the amended complaints and during merits discovery, and also assisted Lead Counsel in preparing their submissions for mediation and a potential trial").

[16] Lead Counsel also retained Keith Stokes of Stokes Engineering Company, LLC to provide insight into the process of transporting chemical plants and the necessary re-commissioning process to get long-dormant plants back online. Additionally, as part of the mediation process, Lead Counsel retained the Stanford Consulting Group to provide various damages analyses.

[17] Lead Counsel also retained the Stanford Consulting Group to provide various damages analyses, including the amount of damages for different class periods under different trading models, and a disaggregation analysis to be used during the mediation.

Moreover, to date, no objections to the expense request have been received, and the amount requested is significantly below the $1,450,000 limit for Lead Counsel's expenses, including reimbursement of Plaintiffs' costs and expenses, disclosed in the Notice. *See* Notice, attached as Exhibit B to the Segura Decl. (Ex. 2), ¶¶ 5, 84. Accordingly, Lead Counsel respectfully request reimbursement for these expenses.

F. Plaintiffs Should be Awarded Their Reasonable Costs and Expenses Under 15 U.S.C. § 78u-4(a)(4)

In connection with their request for reimbursement of Litigation Expenses, Lead Counsel seek reimbursement of $21,250 for Camelot and $18,850 for Lead Plaintiff Wilson in costs and expenses incurred by Plaintiffs. The PSLRA specifically provides that an "award of reasonable costs and expenses (including lost wages) directly relating to the representation of the class" may be made to "any representative party serving on behalf of a class." 15 U.S.C. § 78u-4(a)(4).

Here, Plaintiffs dedicated a significant amount of time to the successful prosecution of this Action by, among other things: receiving periodic status reports from Lead Counsel regarding case developments; participating in regular discussions concerning the prosecution of the Action, the strengths of and risks to the claims, and potential settlement; reviewing all significant pleadings and briefs filed in the Action; supervising discovery responses and assisting in the collection of thousands of pages of documents and communications for production; preparing for and being deposed by Defendants as part of the class certification process; consulting with Lead Counsel regarding the settlement negotiations; and evaluating and approving the proposed Settlement. *See* Wilson Decl. (Ex. 3), ¶ 4; Kirchner Decl. (Ex. 4), ¶ 4. In addition, Thomas Kirchner, the Portfolio Manager for Camelot, traveled from New York to Los Angeles (and back) for each of the two mediation sessions. Kirchner Decl. ¶ 4. Moreover, Lead Plaintiff Wilson filed the initial complaint in the Action and was the only Lead Plaintiff movant.

Thus, Mr. Wilson has been involved with the Action since its commencement over three years ago. Wilson Decl. ¶ 4. If not for Mr. Wilson, who was the only LSB shareholder to come forward to either file an initial complaint or serve as Lead Plaintiff, it is possible that no lawsuit would have been brought and no Settlement Class Member would have been compensated for Defendants' alleged fraudulent conduct.

These are "precisely the types of activities that support awarding reimbursement of expenses to class representatives." *Marsh*, 2009 WL 5178546 at *21. Accordingly, Lead Counsel respectfully request that the Court grant Plaintiffs' requests for reimbursement of their "reasonable costs and expenses incurred in managing this litigation and representing the Class." *Id.* (approving plaintiff award of $15,000); *see also In re Bank of Am. Corp. Sec., Deriv., & ERISA Litig.*, 772 F.3d 125, 132 (2d Cir. 2014) (affirming award of approximately $453,000 to representative plaintiffs); *Veeco*, 2007 WL 4115808, at *12 (awarding lead plaintiff approximately $15,900 for time spent supervising litigation, and characterizing such awards as "routine" in this Circuit); *Flag Telecom*, 2010 WL 4537550, at *30 (awarding $100,000 to one lead plaintiff and $5,000 to the other lead plaintiff); *In re Gilat Satellite Networks, Ltd.*, No. CV-02-1510 (CPS)(SMG), 2007 WL 2743675, at *19 (E.D.N.Y. Sept. 18, 2007) (granting PSLRA awards where "the tasks undertaken by employees of Lead Plaintiffs reduced the amount of time those employees would have spent on other work and these tasks . . . appear[ed] reasonable to the furtherance of the litigation").

IV. CONCLUSION

For the foregoing reasons, Lead Counsel respectfully request that the Court grant their Fee and Expense Application.

Dated: May 24, 2019

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PROOF OF SERVICE

I, the undersigned say:

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

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

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

s/ Casey E. Sadler
Casey E. Sadler