UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE CELESTICA INC. SEC. LITIG.	:	Civil Action No.: 07-CV-00312-GBD (ECF CASE) Hon. George B. Daniels

CLASS COUNSEL'S MEMORANDUM OF LAW IN SUPPORT OF MOTION FOR AWARD OF ATTORNEYS' FEES AND PAYMENT OF LITIGATION EXPENSES

TABLE OF CONTENTS

TABLE OF AUTHORITIES

Page(s)

Cases

Docketed Cases

Statutes

Labaton Sucharow LLP, Court-appointed Class Counsel for the New Orleans Employees' Retirement System ("New Orleans") and Drywall Acoustic Lathing and Insulation Local 675 Pension Fund ("DALI") (collectively, "Class Representatives")[1] in this securities class action, respectfully submits this memorandum of law in support of its motion, on behalf of all plaintiffs' counsel that contributed to the prosecution of the Action, pursuant to Rules 23(h) and 54(d)(2) of the Federal Rules of Civil Procedure, for (i) an award of attorneys' fees; (ii) payment of litigation expenses incurred in prosecuting the Action; and (iii) payment of the expenses of Class Representative New Orleans (including lost wages), pursuant to the Private Securities Litigation Reform Act of 1995 ("PSLRA").

PRELIMINARY STATEMENT

After nearly eight years of hard-fought litigation, involving preparation of the case through just two months before trial, complete defeat of Defendants' motion for summary judgment, the completion of fact and expert discovery, appellate practice, and certification of a litigation class, Class Counsel has successfully negotiated a settlement of this class action with Celestica Inc. ("Celestica," or the "Company"), Stephen W. Delaney ("Delaney"), and Anthony P. Puppi ("Puppi") (the "Individual Defendants" and collectively, together with Celestica, "Defendants") in the amount of $30,000,000, which will be distributed to eligible Class Members if approved by the Court.

The proposed Settlement represents a recovery for the Class of between 11% and 24% of maximum provable damages, assuming a jury agreed with Class Representatives about the scope of the Class Period and the actionable corrective disclosures, which is an excellent result that will

[1] All capitalized terms not defined herein have the same meanings set forth in the Stipulation and Agreement of Settlement, dated April 17, 2015 (the "Stipulation"), filed with the Court on April 17, 2015. ECF No. 250-1.

bring to a close years of contentious and challenging litigation.

For its substantial efforts in achieving this result, Class Counsel seeks a fee of 30% of the Settlement Fund. Class Counsel also seeks payment of $1,392,450.33 in litigation expenses incurred in prosecuting the Action and, $3,645.18 to reimburse Class Representative New Orleans for the time it spent representing the Class in the litigation.

As set forth in detail in the accompanying Declaration of James W. Johnson,[2] the recovery obtained for the Class was achieved through the skill, experience, and effective advocacy of Class Counsel. Class Counsel's efforts to date have been without compensation of any kind and the fee has been wholly contingent upon the result achieved. The attorneys' fee request is fair and reasonable when one considers, among other things, (i) the excellent result achieved for the Class; (ii) the substantial amount of work done on the Action since 2007; (iii) the risks and challenges faced by counsel during the litigation; (iv) that Class Representatives, sophisticated institutional investors, have endorsed the fee request; and (v) the amount of fees awarded by courts within the Second Circuit and within other circuits in comparable cases.

For the reasons set forth herein and in the Johnson Declaration, Class Counsel respectfully submits that the attorneys' fees requested are fair and reasonable under the particular circumstances now before this Court and that the expenses requested are reasonable in amount and were necessarily incurred for the successful prosecution of the Action. Finally, the expenses

[2] The Declaration of James W. Johnson in Support of Class Representatives' Motion for Final Approval of Proposed Class Action Settlement and Plan of Allocation and Class Counsel's Motion for Award of Attorneys' Fees and Payment of Litigation Expenses ("Johnson Decl." or "Johnson Declaration") describes the history of the litigation, the claims asserted in the Action, the investigation undertaken, and the risks of the litigation, among other things. All exhibits referenced herein are annexed to the Johnson Declaration. For clarity, citations to exhibits that themselves have attached exhibits, will be referenced as "Ex. ___ - ___." The first numerical reference refers to the designation of the entire exhibit attached to the Johnson Declaration and the second reference refers to the exhibit designation within the exhibit itself.

requested by Class Representative, reflecting compensation for lost wages incurred during the prosecution of the Action, are reasonable and should be awarded.

ARGUMENT

I. A REASONABLE PERCENTAGE-OF-THE-FUND RECOVERED IS THE APPROPRIATE METHOD FOR AWARDING ATTORNEYS' FEES IN COMMON FUND CASES

As the Court is aware, attorneys who achieve a benefit for class members in the form of a "common fund" are entitled to be compensated for their services from that settlement fund. *See Boeing Co. v. Van Gemert*, 444 U.S. 472, 478 (1980) ("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"). *See also Goldberger v. Integrated Res., Inc.*, 209 F.3d 43, 47 (2d Cir. 2000). The purpose of the common fund doctrine is to fairly and adequately compensate counsel for services rendered and to ensure that all class members contribute equally towards the costs associated with litigation on their behalf. *See Goldberger*, 209 F.3d at 47.

Courts have recognized that, in addition to providing just compensation, awards of fair attorneys' fees from a common fund should also serve to encourage skilled counsel to represent those who seek redress for damages inflicted on entire classes of persons, and to discourage future alleged misconduct of a similar nature. *See, e.g.*, *Hicks v. Morgan Stanley*, No. 01-cv-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 experienced trial counsel, the remuneration should be both fair and rewarding."); *Maley v. Del Global Techs. Corp.,* 186 F. Supp. 2d 358, 369 (S.D.N.Y. 2002) ("courts recognize that such awards serve the dual purposes of encouraging representatives to seek redress for injuries caused to public investors and discouraging future misconduct of a similar nature") (citation omitted). Courts in this Circuit have consistently adhered to these teachings. *See infra,* §III.E.

The Second Circuit has authorized district courts to employ the percentage-of-the-fund method when awarding fees in common fund cases. *See Goldberger,* 209 F.3d at 47 (holding that the percentage-of-the-fund method may be used to determine appropriate attorneys' fees, although the lodestar method may also be used); *In re Veeco Instruments Inc. Sec. Litig,* No. 05-1695, 2007 WL 4115808, at *2 (S.D.N.Y. Nov. 7, 2007). In expressly approving the percentage method, the Second Circuit recognized that "the lodestar method proved vexing" and had resulted in "an inevitable waste of judicial resources." *Goldberger,* 209 F.3d at 48, 49; *Savoie v. Merchs. Bank,* 166 F.3d 456, 460 (2d Cir. 1999) (stating that "percentage-of-the-fund method has been deemed a solution to certain problems that may arise when the lodestar method is used in common fund cases").

"The trend among district courts in the Second Circuit is to award fees using the percentage method." *The City of Providence v. Aeropostale, Inc*., No. 11 civ. 7132(CM)(GWG), 2014 WL 1883494, at *11 (S.D.N.Y. May 9, 2014), *aff'd*, *Arbuthnot v. Pierson,* No. 14-2135, slip op. (2d Cir. June 10, 2015) (citation omitted); *In re IMAX Sec. Litig.,* No. 06 Civ. 6128 (NRB), 2012 WL 3133476, at *5 (S.D.N.Y. Aug. 1, 2012) ("'the percentage method continues to be the trend of district courts in the [Second] Circuit'") (citation omitted); *see also Veeco,* 2007 WL 4115808, at *3.

Given the Supreme Court's indication that the percentage method is proper, the Second Circuit's explicit approval of the percentage method in *Goldberger*, and the trend among the district courts in this Circuit, the Court should award Class Counsel's requested attorneys' fees based on a percentage of the fund.

II. A FEE OF 30% IS FAIR, REASONABLE AND CONSISTENT WITH FEES AWARDED IN SIMILAR CASES

Here, over the course of almost eight years of hard-fought litigation, Class Counsel conducted an extensive pre-filing investigation, grappled with complex motions to dismiss, briefed and argued a successful appeal to the Second Circuit of the dismissal of the Action arising from the motions to dismiss, undertook fact and expert discovery, defeated a summary judgment motion directed at all elements of the claims based on the factual record developed, successfully moved for partial summary judgment on the issue of class-wide reliance, successfully sought class certification, filed two trial motions, and began final trial preparations. *See generally* Johnson Decl.

This Court has previously awarded fees of more than 30% in securities class actions. Under circumstances similar to those before the Court here, in *In re Winstar Communications Securities Litigation*, No. 01 Civ. 3014 (GBD), slip op. at 2 (S.D.N.Y. Nov. 13, 2013) (Ex. 7), the Court awarded as fair and reasonable a fee of 33 1/3% of the $10 million settlement. Counsel had litigated the case through the completion of discovery, summary judgment, an appeal, class certification, and trial preparation. *See also Perry v. Duoyuan Printing, Inc.*, No. 10 CIV 7235 (GBD), slip op. at 2 (S.D.N.Y. June 16, 2015) (awarding 33 1/3% fee of $1.9 million settlement where case settled during fact discovery) (Ex. 7); *Hoi Ming Michael Ho v. Duoyuan Global Water*, No. 10-cv-07233 (GBD), slip op. at 8 (S.D.N.Y. Feb. 5, 2014) (awarding 33 1/3% of $5.15 million settlement where the case settled after the motion to dismiss but before formal discovery began) (Ex. 7); *Perry v. Duoyuan Printing, Inc.*, No. 10 CIV 7235 (GBD), slip op. at 2 (S.D.N.Y. Nov. 27, 2013) (awarding 33 1/3% fee in $4.3 million settlement where case settled during pendency of motion to dismiss) (Ex. 7); *Provo v. China Organic Agriculture, et al.*, No. 08-cv-10810, slip op. at 6 (S.D.N.Y. Dec. 7, 2010) (awarding 33 1/3% of $600,000 settlement where the case settled before the motion to dismiss) (Ex. 7).

The circumstances underlying the instant fee request are also similar to those recently before the district court in *Aeropostale*. There, Judge McMahon, approved a 33% fee arising from a $15 million settlement. *Aeropostale*, 2014 WL 1883494, at *10-18. At the outset of her fee order, Judge McMahon explained, "The issue in this case is whether 33% - which is at the high end of the range of other percentage fee awards within the Second Circuit in comparable settlements - is reasonable. Given the advanced stage of the litigation at the time that the settlement was achieved, I hold that it is." *Id.* at *11. The district court carefully considered the fee request, "[T]his court believes it incumbent to scrutinize the fee request with great care, lest it authorize a fee award that is out of proportion to the amount of work performed by class counsel. I handily conclude that Lead Counsel have earned the fee they request." *Id*. at *12. The district court went through, in detail, each of the *Goldberger* factors and gave the following overview of its findings:

> [A]ll the factors are satisfied. Plaintiffs' Counsel have expended substantial time and effort pursuing the Action on behalf of the Class - since its inception, Plaintiffs' Counsel have devoted more than 14,000 hours to this Action with a lodestar value of $7,047,145 [, a multiplier of 0.70]. . . . The Settlement follows two years of litigation, the scope of which was described above. This is not a class action that was settled early on, with only minimal or preliminary discovery. The case involved substantial expenditure of time and effort by Lead Counsel. The case was complicated. And the risks of continuing litigation were substantial.

Id. The Second Circuit recently affirmed Judge McMahon's decision finding, "the District Court carefully weighed the *Goldberger* factors and did not abuse its discretion in finding the attorneys' fees award acceptable." *Arbuthnot,* slip op, at 4.

Here, the basis for awarding Class Counsel requested is at least as compelling as in *Aeropostale*. On a percentage basis, a 30% award, although in recent years towards the higher range of percentage fees awarded within the Second Circuit, is still very comparable to fee awards in settlements with recoveries similar to the $30 million Settlement Amount here. For

instance, in *Central States and Southwest Areas Health and Welfare Fund v. Merck-Medco Managed Care L.L.C.*, 504 F.3d 229, 249 (2d Cir. 2007), the Second Circuit affirmed the district court's award of a 30% fee based on a $42.5 million settlement, noting that the "District Court applied the *Goldberger* test and made specific and detailed findings from the record, as well as from its own familiarity with the case, including the fact that counsel expended substantial time and effort in the litigation, that the case was litigated on a purely contingent basis."

A survey of other cases finds similar awards. *See, e.g.*, *Mohney v. Shelly's Prime Steak, Stone Crab & Oyster Bar*, No. 06 Civ. 4270 (PAC), 2009 WL 5851465, at *5 (S.D.N.Y. Mar. 31, 2009) (collecting cases awarding over 30% and noting that "Class Counsel's request for 33% of the Settlement Fund is typical in class action settlements in the Second Circuit"); *Stefaniak v. HSBC Bank USA N.A.*, No. 05-720, 2008 WL 7630102, at *3 (W.D.N.Y. June 28, 2008) (awarding 33% of fund, finding it "typical in class action settlements in the Second Circuit"); *In re Amaranth Natural Gas Commodities Litig.*, No. 07 Civ. 6377 (SAS), slip op. at 7 (S.D.N.Y. June 11, 2012) (awarding 30% of $77.1 million fund) (Ex. 7); *In re Priceline.com, Inc. Sec. Litig.*, No. 3:00-CV-1884 (AVC), 2007 WL 2115592, at *5 (D. Conn. July 20, 2007) (awarding 30% of $80 million settlement); *In re Bisys Sec. Litig.*, No. 04 CIV. 3840 (JSR), 2007 WL 2049726 (S.D.N.Y. July 16, 2007) (awarding 30% of $65.87 million settlement); *In re Marsh ERISA Litig.*, 265 F.R.D. 128, 149 (S.D.N.Y. 2010) (awarding 33.3% of $35 million ERISA class action settlement); *In re Sadia S.A. Sec. Litig.*, No. 08 Civ. 9528 (SAS), 2011 WL 6825235, at *3 (S.D.N.Y. Dec. 28, 2011) (awarding 30% of $27 million settlement); *Maley*, 186 F. Supp. at 368 (awarding 33 1/3% of $11.5 settlement and citing cases that also awarded over 30% including *In re Apac Teleservs., Inc. Sec. Litig.*, No. 97-Civ. 9145 (S.D.N.Y. June 29, 2001) where the court awarded 33 1/13% of $21 million settlement and *Newman v. Caribiner Int'l Inc.*,

No. 99 Civ. 2271 (S.D.N.Y. Oct. 19, 2001) where the court awarded 33 1/3% of $15 million settlement); *see also Taft v. Ackermans*, No. 02 Civ. 7951 (PKL), 2007 WL 414493, at *1, 11 (S.D.N.Y. Jan. 31, 2007) (awarding 30% of $15.175 million fund); *Schnall v. Annuity & Life Re (Holdings), Ltd.*, No. 02 CV 2133 (EBB), slip op. at 8-9 (D. Conn. Jan. 21, 2005) (awarding 33-1/3% of $16.5 million fund) (Ex. 7); *In re Giant Interactive Grp., Inc. Sec. Litig*., 279 F.R.D. 151, 165 (S.D.N.Y. 2011) (awarding 33% of $13 million settlement); *In re LaBranche Sec. Litig*, No. 03-CV-8201(RWS), slip op. at 1 (S.D.N.Y. Jan. 22, 2009) (awarding 30% of $13 million fund) (Ex. 7).

An examination of fee decisions in securities class actions with comparable settlements in other federal jurisdictions also shows that an award of 30% would be comparable. *See, e.g., In re Regions Morgan Keegan Closed-End Fund Litig.,* No. 07-cv-02830-SHM-dkv, slip op. at 21 (W.D. Tenn. Aug. 5, 2013) (awarding 30% of $62 million settlement) (Ex. 7); *South Ferry LP #2 v. Killinger*, No. C04-1599-JCC, slip op. at 9 (W.D. Wash. June 5, 2012) (awarding 29% of $41.5 million settlement) (Ex. 7); *In re Tycom Ltd. Sec. Litig.,* No. 03-CV-03540 (GEB)(DEA), slip op. at 8 (D.N.J. Aug. 25, 2010) (awarding 33 1/3% of $79 million settlement) (Ex. 7); *Central Laborers' Pension Fund v. Sirva*, No. 04 C-7644, slip op. at 10 (N.D. Ill. Oct. 31, 2007) (awarding 29.85% of $53.3 million settlement) (Ex. 7); *In re McLeodUSA Inc. Sec. Litig*., No. C02-0001-MWB, slip op. at 5 (N.D. Iowa Jan. 5, 2007) (awarding 30% of $30 million settlement) (Ex. 7); *In re Heritage Bond Litig.*, No. No. 02–ML–1475 DT (RCx), 2005 WL 1594403, at *23 (C.D. Cal. June 10, 2005) (awarding 33 1/3% of $27.78 million settlement); *In re E.W. Blanch Holdings, Inc. Sec. Litig*., No. 01-258, 2003 WL 23335319, at *3 (D. Minn. June 16, 2003) (awarding 33 1/3% of $20 million settlement); *In re Aetna, Inc. Sec. Litig*., No. CIV. A. MDL 1219, 2001 WL 20928, at *15-16 (E.D. Pa. Jan. 4, 2001) (awarding 30% of $82.5

million settlement). Accordingly, the 30% fee requested here is consistent with fees awarded in similar cases and would be reasonable.

III. OTHER FACTORS CONSIDERED WITHIN THE SECOND CIRCUIT CONFIRM THAT THE REQUESTED FEE IS REASONABLE

The Second Circuit in *Goldberger* explained that whether a court uses the percentage method or the lodestar approach, it should continue to consider the traditional criteria that reflect a reasonable fee in common fund cases, including: (i) the time and labor expended by counsel; (ii) the risks of the litigation; (iii) the magnitude and complexity of the litigation; (iv) the requested fee in relation to the settlement; (v) the quality of representation; and (vi) public policy considerations. *Goldberger*, 209 F.3d at 50. An analysis of these factors demonstrates that the requested fee would be fair and reasonable under the circumstances before this Court.

A. The Time and Labor Expended by Counsel

As mentioned above, plaintiffs' counsel have expended substantial time and effort pursuing the claims on behalf of the Class. *See generally* Johnson Decl. and Exs. 1 – B, 2 – B, and 3 – B. Since the inception of the Action, plaintiffs' counsel have devoted more than 28,130 hours to this Action with a lodestar value of $14,324,709.25. Johnson Decl. ¶ 141; Ex. 5 (Summary of Lodestars and Expenses) and Exs. 1 – B, 2 –B, and 3 – B. The Settlement follows almost eight years of litigation that included, *inter alia*:

- Preparation of the Complaint after an extensive pre-filing investigation without the benefit of any discovery or previous government investigation that included, *inter alia,* review and analysis of: (i) documents filed publicly by Celestica with the U.S. Securities and Exchange Commission ("SEC"); (ii) press releases, news articles, and other public statements issued by or concerning Defendants; and (iii) research reports issued by financial analysts concerning Celestica. Class Counsel's investigation also included: (i) locating almost 200 potential witnesses and interviewing 52 former Celestica employees; and (ii) consultation with experts in the areas of loss causation and damages, market efficiency, internal controls, accounting, and the electronics manufacturing services ("EMS") industry. (Johnson Decl. ¶¶ 20-21);

- Responding to complex motions to dismiss the Complaint (*id.* ¶¶ 22-25);
- Successfully appealing the dismissal to the Second Circuit (*id.* ¶¶ 26-30);
- Completing fact discovery that involved, *inter alia*: (i) propounding thorough discovery requests; (ii) numerous meet and confer sessions to ensure the production of all relevant material; (iii) the review of more than 140,000 documents produced by Defendants and third parties (numbering in the millions of pages); (iii) preparing for and taking 19 depositions of Celestica executives and other key personnel (*id.* ¶¶ 32-43);
- Successfully obtaining an order directing the deposition of, and document production from, Celestica's controlling shareholder (*id.* ¶ 49);
- Completing expert discovery that involved, *inter alia*: working extensively with experts in the areas of loss causation and damages, inventory accounting, internal controls, and restructuring, to produce opening and rebuttal expert reports and take and defend expert depositions (*id.* ¶¶ 51-60);
- Securing a permissive adverse-inference instruction regarding deletion of e-mails (*id.* ¶ 50);
- Securing class certification (*id.* ¶¶ 61-66);
- Completing class discovery that involved, *inter alia*: (i) responding to Defendants' document requests and subpoenas; (ii) working closely with Lead Plaintiffs and their investment advisors to ensure that all responsive documents were searched and reviewed; and (iii) defending the depositions of Lead Plaintiffs and Lead Plaintiffs' investment advisors (*id.* ¶¶ 44-46);
- Entirely defeating Defendants' motion for summary judgment on all elements and successfully moving for partial summary judgment (*id.* ¶¶ 67-78);
- Preparing trial materials, including a motion *in limine,* a *Daubert* motion, and a Joint Pretrial Order (*id.* ¶¶ 79-82); and
- Exchanging detailed mediation statements in preparation for a mediation session, mediating the dispute with Defendants, and ultimately negotiating the terms of the Settlement (*id.* ¶¶ 84-85).

The legal work on the Action will not end with the Court's approval of the proposed Settlement. Additional hours and resources necessarily will be expended assisting members of the Class with their Proof of Claim and Release forms, shepherding the claims process, responding to Class Member inquiries, and moving for a distribution order. The time and effort

devoted to this case by plaintiffs' counsel to obtain this $30 million Settlement confirm that the 30% fee request is reasonable.

B. The Risks of the Litigation

1. Risks Concerning Liability

"Little about litigation is risk-free, and class actions confront even more substantial risks than other forms of litigation." *Teachers' Ret. Sys. of La. v. A.C.L.N., Ltd.*, No. 01-CV-11814 (MP), 2004 WL 1087261, at *3 (S.D.N.Y. May 14, 2004). Indeed, the "Second Circuit has identified 'the risk of success as perhaps the foremost factor to be considered in determining [a reasonable award of attorneys' fees.]'" *In re Marsh & McLennan Cos., Inc. Sec. Litig.*, No. 04 Civ. 8144 (CM), 2009 WL 5178546, at *18 (S.D.N.Y. Dec. 23, 2009) (citing *Goldberger*, 209 F.3d at 54). While Class Representatives remain confident in their ability to prove their claims and to effectively rebut Defendants' defenses, they recognize that proving liability was far from certain. Class Counsel was required to overcome numerous challenges in order to reach the point where the Class could recover between 11% and 24% of their maximum damages.

To succeed on their claims at trial, Class Representatives must establish that Defendants made misstatements or omissions of material fact with scienter in connection with the purchase of common stock and that the Class suffered losses as a result of Defendants' misstatements and omissions. As set forth in the Johnson Declaration, Defendants strongly disputed the existence of falsity, scienter, materiality, and loss causation, and presented arguments and defenses that required considerable legal skill to rebut. *See* Johnson Decl. ¶¶ 89-109.

For example, regarding the falsity of the alleged misstatements, Defendants maintained throughout the course of the litigation that the majority of alleged false statements were inactionable puffery or forward-looking and marshaled "cautionary language" in Celestica's public statements that purportedly warned of, *inter alia*, additional restructuring charges, that a

failure to execute the restructuring could impact financial results, and that large customers might terminate or reduce their business. Class Counsel expended substantial effort to rebut such defenses and also to develop the evidence needed to prove that each alleged misstatement was false or misleading *at the time each statement was made*, a complex undertaking given the two year Class Period and the variety of alleged wrongdoing. *Id*. ¶¶ 90-92.

Regarding materiality of the alleged misstatements, Defendants challenged the Class Representatives' ability to set forth sufficient evidence to prove that Defendants' alleged misstatements or omissions were of a sufficient financial magnitude to be material. In order to rebut Defendants' arguments that, among other things, the Company is comprised of numerous facilities and subsidiaries that report consolidated financial results, Class Counsel needed to develop evidence concerning how operational issues, inventory levels, and charges relating to the Monterrey facility affected the Company's worldwide operations and the consolidated financial results. *Id*. ¶¶ 99-100.

Defendants also vigorously countered the claim that they did not act with the requisite scienter. In particular, Defendants argued that the evidence showed that the Individual Defendants worked hard to manage and correct the operational problems and believed that they would be overcome and that the statements being made to the public were true. Defendants also focused on the lack of insider trading and that none of the Individual Defendants stood to personally profit from the alleged wrongdoing. Defendants also sought to assert, if such evidence were allowed, that they were at all times acting in good faith reliance on Celestica's independent auditor, KPMG. *Id*. ¶ 101. In view of such arguments, Class Counsel had to

carefully analyze all the indicia of Defendants' knowledge from the body of evidence produced.[3]

Additionally, given the complex nature of the Action, Class Counsel worked closely with experts, such as Greg J. Regan, CPA, CFF, CFE to present critical accounting, internal controls, and damages expert testimony. *See id*. ¶¶ 52-54. Defendants' efforts to exclude such expert testimony or to discount the testimony before the jury had to be rebutted. Moreover, presenting this complex expert evidence persuasively to a jury created its own challenges, in addition to the risks inherently present in any "battle of the experts" that would have ensued.

2. Risks Concerning Loss Causation and Damages

Whether Class Representatives could prove loss causation and damages was also unsettled and this area required a significant amount of effort on the part of Class Counsel. Regarding damages, "[p]roof of damages in complex class actions is always complex and difficult and often subject to expert testimony." *Aeropostale*, 2014 WL 1883494, at *15 (citation omitted). Here, Class Representatives' expert estimated aggregate damages for US purchases ranged from approximately $125 million to $272 million under a best case scenario, where all five allegedly corrective disclosures and one inflation creating date were found by a jury. Johnson Decl. ¶ 108. In order for the Class to recover damages at the maximum level estimated by Class Representatives' damages expert, they would need to prevail on each and every one of the claims alleged, establish loss causation related to the five alleged disclosures, and continue to rebuff Defendants' challenges to the start date of the Class Period. *Id*.

More specifically, Defendants were expected to argue at trial that on the alleged disclosure dates of January 27, 2006, October 27, 2006, and January 31, 2007, Celestica disseminated negative information to investors that was unrelated to the alleged fraud and that

[3] The Court is respectfully referred to paragraphs 89 to 105 of the Johnson Declaration for a more detailed discussion of the risks concerning liability.

this *unrelated* information caused the alleged price declines. For instance, they likely would have asserted that the information disclosed related to weak revenue guidance based on reduced end-market demand, program ramp-up costs, restructuring charges unrelated to Mexico's restructuring activities, concerns about market share loss from certain customers, and profitability issues related to Celestica's European facilities. *Id*. ¶ 107. Such arguments had to be rebutted at the motion to dismiss stage, summary judgment, and before the jury.

Class Representatives thus faced the significant possibility that a jury could agree with Defendants' experts who would argue that that damages were significantly lower than what Class Representatives' expert maintained. The damage assessments of the Parties' trial experts would continue to be a "battle of experts" requiring significant work on the part of Class Counsel and uncertainty for the Class. *See, e.g., In re Flag Telecom Holdings Ltd. Sec. Litig.*, No. 02-CV-3400 (CM) (PED), 2010 WL 4537550, at *28 (S.D.N.Y. Nov. 8, 2010) (burden in proving the extent of the class's damages weighed in favor of approving fee request).

3. The Contingent Nature of Class Counsel's Representation

Class Counsel undertook this Action on an entirely contingent fee basis, assuming a substantial risk that the litigation would yield no or potentially little recovery and leave it uncompensated for its significant investment of time and expenses. Courts within the Second Circuit have consistently recognized that this risk is an important factor favoring an award of attorneys' fees. *See, e.g.*, *In re Am. Bank Note Holographics, Inc. Sec. Litig*, 127 F. Supp. 2d 418, 433(S.D.N.Y. 2001) (concluding it is "appropriate to take this [contingent fee] risk into account in determining the appropriate fee to award") (citation omitted); *In re Prudential Sec. Ltd P'ships Litig.*, 985 F. Supp. 410, 417 (S.D.N.Y. 1997) ("Numerous courts have recognized that the attorney's contingent fee risk is an important factor in determining the fee award.") (citation omitted).

Unlike counsel for defendants, who are paid substantial hourly rates and reimbursed for their expenses on a regular basis, Class Counsel has not been compensated for any time or expenses since this case began in 2007, and would have received no compensation or expenses had this case not achieved a recovery for the Class. From the outset, Class Counsel understood that it was embarking on a complex, expensive, and lengthy endeavor with no guarantee of ever being compensated for the enormous investment of time and money the case would require. In undertaking that responsibility, Class Counsel was obligated to ensure that sufficient attorney and professional resources were dedicated to the prosecution of the Action and that funds were available to compensate staff and to pay for the costs entailed. Indeed, there have been many class actions in which plaintiffs' counsel took on the risk of pursuing claims on a contingent basis, expended thousands of hours and hundreds of thousands of dollars in expenses and time and received nothing for their efforts.[4] Indeed, this case was dismissed and could have resulted in absolutely no recovery for the Class or Class Counsel had the appeal to the Second Circuit been unsuccessful. Accordingly, the contingency risk in this case strongly supports the requested attorneys' fee.

C. The Magnitude and Complexity of the Litigation

The complexity of the litigation is another factor examined by courts evaluating the reasonableness of attorneys' fees requested by class counsel. *See Chatelain v. Prudential-Bache*

[4] *See, e.g., Robbins v. Koger Props., Inc*., 116 F.3d 1441 (11th Cir. 1997) (reversal of jury verdict of $81 million against accounting firm after a 19-day trial); *Bentley v. Legent Corp*., 849 F. Supp. 429 (E.D. Va. 1994), *aff'd*, *Herman v. Legent Corp*., 50 F.3d 6 (4th Cir. 1995) (directed verdict after plaintiffs' presentation of its case to the jury); *Landy v. Amsterdam*, 815 F.2d 925 (3d Cir. 1987) (directed verdict for defendants after five years of litigation;); *Anixter v. Home-Stake Prod. Co*., 77 F.3d 1215 (10th Cir. 1996) (overturning plaintiffs' verdict following two decades of litigation); *In re Apple Computer Sec. Litig*., No. C-84-20148, 1991 WL 238298, at *1-2 (N.D. Cal. Sept. 6, 1991) ($100 million jury verdict vacated on post-trial motions); *In re JDS Uniphase Corp. Sec. Litig*., No. CO2-1486 CW, 2007 WL 4788556 (N.D. Cal. Nov. 27, 2007) (defense verdict after four weeks of trial).

Sec. Inc., 805 F. Supp. 209, 216 (S.D.N.Y. 1992). The complex and multifaceted subject matters involved in a securities class action such as this one supports the fee request. *See Fogarazzo v. Lehman Bros Inc.*, No. 03-5194, 2011 WL 671745, at *3 (S.D.N.Y. Feb. 23, 2011) ("courts have recognized that, in general, securities actions are highly complex"); *In re Merrill Lynch & Co. Inc., Research Reports Sec. Litig*., No. 02 MDL 1484, 2007 WL 313474, at *14 (S.D.N.Y. Feb. 1, 2007) ("[S]ecurities class litigation "is notably difficult and notoriously uncertain.'").

As described in greater detail in the Johnson Declaration, the Action involved difficult, hotly disputed, and expert-intensive issues related to accounting, internal controls, inventory levels, restructuring, electronics manufacturing, market efficiency, and loss causation. Importantly, there was no road-map for Class Counsel to follow in this Action as neither the SEC nor the Department of Justice brought any proceedings against Defendants. *See, e.g., Flag Telecom*, 2010 WL 4537550, at *27 (noting lack of prior governmental action against defendant on which lead counsel could "piggy back" in considering fee request); *In re Med. X-Ray Film Antitrust Litig*., No. CV-93-5904, 1998 WL 661515, at *8 (E.D.N.Y. Aug. 7, 1998) (noting that "class counsel did not have the benefit of a prior government litigation or investigation" in approving requested fee). Accordingly, the magnitude and complexity of the Action and the difficulty of the legal and factual issues faced by Class Counsel support the requested fee.

D. The Quality of Representation

The quality of the representation of plaintiffs' counsel is an important factor that supports the reasonableness of the fee request. *See Flag Telecom,* 2010 WL 4537550, at *28. It took a great deal of skill to achieve a settlement at this level in this particular case. Specifically, this Action required investigation and mastery of nuanced factual circumstances, the ability to develop compelling legal theories, and the skill to respond to a host of legal defenses.

Class Counsel is nationally known as a leader in the field of securities class action

litigation and has substantial experience litigating securities class actions in courts throughout the country with success. *See* Johnson Decl. ¶ 142; Ex. 1 – A. Plaintiffs' counsel Bleichmar Fonti Tountas & Auld LLP ("BFTA") and Robbins Geller Rudman & Dowd LLP are each firms with highly experienced securities class action litigators that have not only used their knowledge, skill and efficiency from past cases here, but have also developed specific expertise in the unique issues presented here to overcome significant obstacles raised by Defendants. *See* Exs. 2 – A and 3 – A. This favorable Settlement is attributable in substantial part to the diligence, determination, hard work, and skill of Class Representatives' counsel, who developed, litigated, and successfully negotiated the settlement of this Action.

The quality of opposing counsel is also important in evaluating the quality of counsel's work. *See Flag Telecom*, 2010 WL 4537550, at *28; *Teachers Ret. Sys*., 2004 WL 1087261, at *20. Indeed, Defendants' Counsel, Kaye Scholer LLP, is a long-time leader among national litigation firms, with well-noted expertise in corporate litigation practices. The highly skilled attorneys at Kaye Scholer zealously fought Class Representatives' claims at every turn, but notwithstanding this formidable opposition, counsel was able to develop Class Representatives' case so as to resolve the litigation on terms favorably to the Class.

E. Public Policy Considerations

The federal securities laws are remedial in nature, and, to effectuate their purpose of protecting investors, the courts must encourage private lawsuits such as this one. *See Basic Inc. v. Levinson*, 485 U.S. 224, 230-31 (1988). The Supreme Court has emphasized that private securities actions provide "'a most effective weapon in the enforcement' of the securities laws and are 'a necessary supplement to [SEC] action.'" *Bateman Eichler, Hill Richards, Inc. v. Berner*, 472 U.S. 299, 310 (1985) (citation omitted); *Tellabs, Inc. v. Makor Issues & Rights, Ltd.*, 551 U.S. 308, 319 (2007) (noting that the 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). This is particularly true here where—without any governmental inquiry—the only action seeking to hold Defendants liable was this litigation.

Courts in the Second Circuit have held that "public policy concerns favor the award of reasonable attorneys' fees in class action securities litigation." *Flag Telecom*, 2010 WL 4537550, at *29. Specifically, "[i]n order to attract well-qualified plaintiffs' counsel who are able to take a case to trial, and who defendants understand are able and willing to do so, it is necessary to provide appropriate financial incentives." *In re WorldCom, Inc. Sec. Litig.*, 388 F. Supp. 2d 319, 359 (S.D.N.Y. 2005). Indeed, this Court recently noted the importance of "private enforcement actions and the corresponding need to incentivize attorneys to pursue such actions on a contingency fee basis" in *Shapiro*:

> [C]lass actions serve as private enforcement tools when . . . regulatory entities fail to adequately protect investors . . . . [P]laintiffs' attorneys need to be sufficiently incentivized to commence such actions in order to ensure that defendants who engage in misconduct will suffer serious financial consequences . . . . [A]warding counsel a fee that is too low would therefore be detrimental to this system of private enforcement.

2014 WL 1224666, at *24 (citing *In re Initial Pub. Offering Sec. Litig.*, 671 F. Supp. 2d 467, 515-16 (S.D.N.Y. 2009)); *see also Maley*, 186 F. Supp. 2d at 373 ("In considering an award of attorney's fees, the public policy of vigorously enforcing the federal securities laws must be considered."); *Med. X-Ray Film Antitrust Litig.*, 1998 WL 661515, at *23 ("an adequate award furthers the public policy of encouraging private lawsuits"); *Chatelain*, 805 F. Supp. at 216 ("an adequate award furthers the public policy of encouraging private lawsuits in pursuance of the remedial federal securities laws"); *In re Warner Commc'ns Sec. Litig.*, 618 F. Supp. 735, 750-51 (S.D.N.Y. 1985) (observing that "[f]air awards in cases such as this encourage and support other prosecutions, and thereby forward the cause of securities law enforcement and compliance"),

aff'd, 798 F.2d 35 (2d Cir. 1986).

Lawsuits 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. Public policy therefore supports awarding Class Counsel's reasonable attorneys' fee request.

F. The Requested Attorneys' Fees in Relation to the Settlement

"In determining whether the Fee Application is reasonable in relation to the settlement amount, the Court compares the Fee Application to fees awarded in similar securities class-action settlements of comparable value." *Marsh & McLennan*, 2009 WL 5178546, at *19; *see also Veeco*, 2007 WL 4115808, at *7 (noting that the fee awarded is "consistent with fees awarded in a similar class actions settlements of comparable value") (citation omitted). As discussed above, the compensation requested here is within the range of percentage fee awards given in comparable securities class action cases within the Second Circuit and in other district courts throughout the country. *See* § II. *supra*.

G. The Requested Attorneys' Fees are Also Eminently Reasonable Under the Lodestar Cross-Check

To ensure the reasonableness of a fee awarded under the percentage method, the Second Circuit encourages a "crosscheck" against counsel's lodestar. *Goldberger*, 209 F.3d at 50. Under the lodestar method, a court must engage in a two-step analysis: first, to determine the lodestar, the court multiplies the number of hours each attorney spent on the case by each attorney's reasonable hourly rate; and second, the court adjusts that lodestar figure (by applying a multiplier) to reflect such factors as the risk and contingent nature of the litigation, the result obtained, and the quality of the attorney's work. *See, e.g., Flag Telecom*, 2010 WL 4537550, at

*25-26. Performing the lodestar cross-check here confirms that the fee requested by Class Counsel is very reasonable and should be approved.

Plaintiffs' counsel have spent more than 28,130 hours in the prosecution of this case. *See* Johnson Decl. ¶ 141; Exs. 1 – B, 2 – B, 2 – B and 5 (Summary Lodestar and Expense Table). This represents time spent on the Action by partners, of counsel, associates, staff attorneys, paralegals, investigators, and professional analysts. *Id*. Notably, approximately 70% of the hours attributable to this matter was the product of eight attorneys, each of whom billed more than 1,000 hours toward the prosecution of the case since its inception. *Id*. at ¶ 39. Overall the time reflects a reduction of the hours that were worked, as several attorneys and other professionals at Labaton Sucharow who billed under 20 hours during the eight year span of this case have been excluded from this submission. Additionally, these hours reflect a concerted effort by plaintiffs' counsel, at the direction of Class Representatives, to avoid duplication of effort after the formation of BFTA and its transition to Of Counsel for the Class. *See* Declaration of Joseph A. Fonti, dated June 23, 2015, ¶ 9, Ex. 2. Indeed, the Class benefited from the retention of the institutional knowledge of these attorneys and inefficiencies were avoided throughout the final stages of this case, including all aspects of the mediation and settlement process, as well as preparation for trial. *Id.*

The resulting lodestar at plaintiffs' counsel's current billing rates is $14,324,709.25. The Supreme Court and other courts have held that the use of current rates is proper since such rates compensate for inflation and the loss of use of funds. *See Missouri v. Jenkins*, 491 U.S. 274, 283-84 (1989). The hourly billing rates of plaintiffs' counsel here range from $610 to $975 for partners, $475 to $800 for of-counsel, and $300 to $700 for other attorneys. *See* Johnson Decl. ¶ 140. "In determining the propriety of the hourly rates charged by plaintiffs' counsel in class

actions, courts have continually held that the standard is the rate charged in the community where the services were performed for the type of services performed by counsel." *Telik,* 576 F. Supp. 2d at 589. In fact, "perhaps the best indicator of the "market rate" in the New York area for plaintiffs' counsel in securities class actions is to examine the rates charged by New York firms that *defend* class actions on a regular basis." *Id*. Defense firm billing rates gathered and analyzed by Class Counsel from bankruptcy court filings nationwide in 2014, in many cases, exceeded these rates. *See* Johnson Decl. ¶ 140; Ex. 6.

Thus, the amount of attorneys' fees requested by Class Counsel, 30% of $30 million, plus interest, represents a significant *negative* multiplier of 0.63 of plaintiffs' counsel's lodestar. Stated differently, Class Counsel is requesting that plaintiffs' counsel be paid just 63% of the legal fees they billed to the case. Such a "multiplier" is well below the parameters used throughout district courts in the Second Circuit and is additional evidence that the requested fee is reasonable. *See*, *e.g.*, *In re Bear Stearns Cos. Sec. Derivative & ERISA Litig.*, 909 F. Supp. 2d 259, 271 (S.D.N.Y. 2012) (approving fee with a negative multiplier and noting that the negative multiplier was a "strong indication of the reasonableness of the [requested] fee") (citation omitted). Indeed, within the Second Circuit, lodestar multiples between 1 and 5 are commonly awarded. *See, e.g., Walmart Stores Inc. v. Visa USA Inc.*, 396 F. 3d 96, 123 (2d Cir. 2005) (upholding a multiplier of 3.5 as reasonable on appeal).

With respect to the hours worked, Class Counsel submits that the substantial time devoted to litigating the claims against Defendants reflects the tremendous effort needed to prosecute those claims and to bring them to a favorable resolution. As summarized above (*see* § III.A) and set forth in detail in the Johnson Declaration, substantial effort went into investigating the claims against Defendants; drafting the Complaint; responding to motions to dismiss;

appealing the Court's dismissal to the Second Circuit; meeting and conferring on the scope of document production; reviewing and analyzing more than 140,000 documents (numbering in the millions of pages); preparing for and taking/defending 26 depositions (including those of Lead Plaintiffs and their investment advisors); moving for class certification and ultimately obtaining a class certification order; moving for partial summary judgment and opposing Defendants' summary judgment motion; preparing expert reports and taking/defending expert depositions; and preparing for trial, among many other things.

Plaintiffs' counsel invested substantial time and effort prosecuting this Action to a successful completion. The requested fee, therefore, is manifestly reasonable, whether calculated as a percentage-of-the-fund or in relation to plaintiffs' counsel's lodestar.

H. The Class's Reaction to the Fee and Expense Request

In accordance with this Court's Preliminary Approval Order, 60,047 copies of the Notice were sent to potential Class Members. *See* Affidavit Regarding (A) Mailing of the Notice and Proof of Claim form; (B) Publication of Summary Notice; (C) Website and Telephone Helpline; and (D) Report on Requests for Exclusions Received to Date, ¶¶ 2-6, Ex. 4. The Notice informed Members of the Class that Class Counsel would make an application not to exceed 30% of the Settlement Fund (which includes interest) and litigation expenses not to exceed $2,000,000, plus interest at the same rate as is earned by the Settlement Fund. The time to object to the fee request expires on July 7, 2015. To date, not a single objection to the fee and expense request has been received.[5]

I. THE FEE WAS NEGOTIATED WITH CLASS REPRESENTATIVES

Class Representatives are sophisticated institutional investors that manage hundreds of

[5] Class Counsel will address any objections to the fee and expense request in its reply papers, which will be filed with the Court by July 21, 2015.

millions of dollars in assets for their beneficiaries. Class Representatives were substantially involved throughout the prosecution of the Action. They have evaluated the Fee and Expense Application and believe that it is fair and reasonable and warrants approval by the Court. *See* Exs. 8 and 9. In reaching this conclusion, Class Representatives considered factors such as the substantial amount of work performed, the size of the recovery obtained, and the considerable risks of proceeding with trial. *Id*.

"[P]ublic policy considerations support fee awards where, as here, large public pension funds, serving as lead plaintiffs, conscientiously supervised the work of lead counsel, and gave their endorsement to lead counsel's fee request." *Marsh & McLennan,* 2009 WL 5178546, at *16; *see also WorldCom*, 388 F. Supp. 2d at 356 ("When class counsel in a securities lawsuit have negotiated an arm's-length agreement with a sophisticated lead plaintiff possessing a large stake in the litigation, and when that lead plaintiff endorses the application following close supervision of the litigation, the court should give the terms of that agreement great weight.") (citation omitted). Accordingly, Class Representatives' endorsement of the fee and expense request supports its approval.

IV. PLAINTIFFS' COUNSEL'S EXPENSES WERE REASONABLY INCURRED AND NECESSARY TO THE PROSECUTION OF THIS ACTION

Class Counsel also respectfully requests $1,392,450.33 in expenses incurred in prosecuting this Action. These expenses are set forth in the individual firm declarations submitted herewith, *see* Exs. 1 ¶ 8, 2 ¶ 15, 3 ¶ 6, and 5 and are of the type approved by courts for payment. *See In re Global Crossing Sec. & ERISA Litig.*, 225 F.R.D. 436, 468 (S.D.N.Y. 2004) ("The expenses incurred – which include investigative and expert witnesses, filing fees, service of process, travel, legal research and document production and review – are the type for which 'the paying, arms' length market' reimburses attorneys . . . [and] For this reason, they are

properly chargeable to the Settlement fund.") (citation omitted).

One of the most significant expenses was the cost of experts and consultants, which totaled $795,863, or approximately 60% of plaintiffs' counsel's expenses. As detailed in the Johnson Declaration, Class Representatives retained experts to opine on such areas as market efficiency, loss causation, damages, accounting, and internal controls. *See* Johnson Decl. ¶¶ 52-54, 147. For example, Class Representatives retained Chad Coffman, CFA to provide his expert opinion as to: (i) whether the market for Celestica common stock was efficient during the Class Period; (ii) whether Defendants' alleged misrepresentations and omissions were material; (iii) whether investor losses were proximately caused by Defendants' alleged violations of the federal securities laws; and (iv) the amount of damages suffered by Class Members on a per share basis. *Id*. ¶¶ 52-53. As noted above, Class Counsel also retained Mr. Regan to provide expert opinion on whether: (i) the internal controls at Celestica were ineffective; (ii) Celestica misstated its inventory reserves; and (iii) the disclosures regarding the 2005 restructuring plan failed to comply with SEC requirements. *Id*. ¶¶ 52, 54.

Class Representatives received crucial advice and assistance from their experts throughout the course of the Action, from drafting the Complaint through mediation. Class Counsel utilized the experts in order to efficiently frame the issues, gather relevant evidence, make a realistic assessment of provable damages, and structure a resolution of the Action.

Another large component of expenses, $129,308, relates to travel, business transportation, and meals. Plaintiffs' counsel were required to travel extensively for depositions and to work late hours. *Id*. ¶ 148. The remaining expenses are attributable to such things as mediation, the costs of computerized research, duplicating documents, investigation fees, and other incidental expenses. *Id*. ¶¶ 149-50. These expenses were critical to Class Representatives'

success in achieving the proposed Settlement.

The Notice advised potential Class Members that Class Counsel would seek payment of litigation expenses not to exceed $2 million. Ex. 4 – A at 2, 9. The expenses sought here are well below this "cap" and should be awarded. Additionally, not a single objection to the expense request has been received to date.

V. CLASS REPRESENTATIVE NEW ORLEANS IS ENTITLED TO REIMBURSEMENT OF ITS REASONABLE EXPENSES

Finally, Class Counsel seeks an expense award of $3,645.18 for Class Representative New Orleans for its expenses, pursuant to the PSLRA which 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). The Notice disseminated to the Class stated that Class Representatives may seek reimbursement of up to $30,000 from the Settlement Fund as compensation for the time and expense they incurred. *See* Ex. 4 – A at 2. Class Representative DALI is not seeking reimbursement and New Orleans' actual lost wages are well-below this amount. There has been no objection to this request.

Courts "award such costs and expenses to both reimburse named plaintiffs for expenses incurred through their involvement with the action and lost wages, as well as provide an incentive for such plaintiffs to remain involved in the litigation and incur such expenses in the first place." *Morgan Stanley*, 2005 WL 2757792, at *10; *see also Varljen v. H.J. Meyers & Co.*, No. 97 CIV 6742 (DLC), 2000 WL 1683656, at *6 n.2 (S.D.N.Y. Nov. 8, 2000) (reimbursement of such expenses should be allowed because it "encourages participation of plaintiffs in the active supervision of their counsel").

Here, New Orleans seeks reimbursement of its reasonable lost wages incurred in

fulfilling its duties to ably represent the interests of the Class in the amount of $3,645.18. Class Representative New Orleans is seeking reimbursement for the 77 hours it actively and effectively dedicated to the prosecution of this case by complying with all demands placed upon it during the prosecution and settlement of this Action and providing valuable oversight and assistance to Class Counsel for almost eight years. *See* Ex. 8. In particular, New Orleans: (i) conferred with Class Counsel concerning major litigation strategy decisions for the prosecution of the Action; (ii) reviewed all major motions and pleadings; (iii) responded to document requests propounded by Defendants and produced documents; (iv) prepared for and sat for a deposition; (v) attended the motion to dismiss hearing; and (vi) reviewed regular reports from Class Counsel concerning the work being performed and updates on Court decisions. *See* Ex. 8 ¶ 5.

Numerous cases have approved payments to compensate lead plaintiffs for the time and effort devoted by them. *See, e.g., In re Satyam Computer Servs. Ltd. Sec. Litig*., No. 09-MD-2027-BSJ, slip op. at 3-4 (S.D.N.Y. Sept. 13, 2011) (awarding a combined $193,111 to four institutional lead plaintiffs) (Ex. 7); *Marsh & McLennan,* 2009 WL 5178546, at *21 (awarding a combined $214,657 to two institutional lead plaintiffs); *In re Computer Sciences Corp. Sec. Litig*., 11-cv-0610-TSE-IDD, slip op. at 2 (E.D. Va. Sept. 20, 2013) (awarding $60,905 to institutional plaintiff) (Ex. 7); *Winstar*, No. 01 Civ. 3014 (GBD), slip op. at 2 (awarding $60,000 to lead plaintiffs) (Ex. 7). Accordingly, Class Counsel respectfully requests that the Court reimburse New Orleans for its reasonable lost wages incurred in fulfilling its duties and achieving the substantial result reflected in the Settlement.

CONCLUSION

For all the foregoing reasons, Class Counsel respectfully requests the Court award attorneys' fees of 30% of the Settlement Fund; payment of litigation expenses in the amount of $1,392,450.33, plus accrued interest at the same rate as is earned by the Settlement Fund; and

reimbursement of Class Representative New Orleans' expenses in the amount of $3,645.10. A proposed order will be submitted with Class Counsel's reply papers after the deadlines for objections has passed.

DATED: June 23, 2015

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on June 23, 2015, I caused the foregoing Memorandum of Law in Support of Class Counsel's Motion for Award of Attorneys' Fees and Payment of Litigation Expenses to be served electronically on all ECF Participants.

s/ James W. Johnson
James W. Johnson