North Dakota State Investment Board

ND STATE INVESTMENT BOARD
SECURITIES LITIGATION COMMITTEE MEETING

Monday November 5, 2018 - 3:00 PM
North Dakota Retirement and Investment Office (RIO)
3442 East Century Avenue, Bismarck, ND 58503

AGENDA

1. Call to Order and Approval of Agenda

2. Minutes (August 23, 2018)

3. SIB Securities Litigation: Contingent Disclosures – Mr. Hunter (10 minutes) *Informational*
   a. General Motors (Kasowitz Benson Torres)
   b. Tribune (K&L Gates)

4. Securities Litigation Education by Grant & Eisenhofer – Mr. Marc Weinberg (45 minutes) *Informational*
   a. Introduction & Overview
   b. International Securities Litigation
   c. Sample Portfolio Monitoring Report
   d. Sample Litigation and Monitoring Agreement

5. Summary of Securities Litigation Representation Firms (15 minutes)
   a. Existing Defendant Firms – Kasowitz Benson Torres and K&L Gates *Informational*
   b. Existing Plaintiff Firm – Grant & Eisenhofer Informational
   c. Summary of Reviewed Securities Litigation Firms **Committee Action**

6. SIB Securities Litigation Committee Meeting Schedule (10 minutes) **Committee Action**

7. Other - Next Proposed SIB Securities Litigation Committee Meeting

   North Dakota Retirement and Investment Office
   3442 E Century Ave, Bismarck, ND 58503
   Thursday, February 14, 2019 at 3:00 PM

8. Adjournment

Any individual requiring an auxiliary aid or service should contact the Retirement and Investment Office at (701) 328-9885 at least (3) days prior to the scheduled meeting.

NORTH DAKOTA STATE INVESTMENT BOARD
SECURITIES LITIGATION SUBCOMMITTEE
MINUTES OF THE AUGUST 23, 2018, MEETING

BOARD MEMBERS PRESENT:	Troy Seibel, Chair Treasurer Kelly Schmidt, Vice Chair Connie Flanagan, Fiscal/Investment Opr Mgr David Hunter, ED/CIO Anders Odegaard, Attorney General's Office
STAFF PRESENT:	Missy Kopp, Retirement Assistant Sara Sauter, Audit Svs Suprv Darren Schulz, Dep. CIO
GUESTS:	Eric Belfi, Labaton Sucharow Donald Hall, Kaplan Fox Serena Hallowell, Labaton Sucharow Olav Haazen, Grant & Eisenhofer (TLCF) Francis McConville, Labaton Sucharow Mark McNair, Kaplan Fox Marc Weinberg, Grant & Eisenhofer (TLCF)

CALL TO ORDER:

Mr. Seibel, Chair, called the State Investment Board (SIB) Securities Litigation Committee meeting to order at 3:02 p.m. on Thursday, August 23, 2018, at the Retirement and Investment Office, 3442 E Century Ave, Bismarck, ND.

AGENDA:

IT WAS MOVED BY MR. HUNTER AND SECONDED BY TREASURER SCHMIDT AND CARRIED BY A VOICE VOTE TO APPROVE THE AGENDA FOR THE AUGUST 23, 2018, MEETING.

AYES: TREASURER SCHMIDT, MR. SEIBEL, MR. HUNTER, MS. FLANAGAN, MR. ODEGAARD
NAYS: NONE
MOTION CARRIED

MINUTES:

IT WAS MOVED BY MS. FLANAGAN AND SECONDED BY MR. HUNTER AND CARRIED BY A VOICE VOTE TO ACCEPT THE MINUTES OF THE MAY 10, 2018, MEETING AS DISTRIBUTED.

AYES: MS. FLANAGAN, MR. ODEGAARD, TREASURER SCHMIDT, MR. SEIBEL, AND MR. HUNTER
NAYS: NONE
MOTION CARRIED

NORTHERN TRUST|FINANCIAL RECOVERY TECHNOLOGIES:

Ms. Flanagan reviewed the securities litigation claims filing reports for the fiscal year ended June 30, 2018. The service was transitioned from the Northern Trust to Financial Recovery Technologies (FRT) on March 1, 2018. Northern Trust will continue to report on claims filing activity which took place prior to March 1, 2018.

Ms. Flanagan reported that $189,000 was collected for previously filed class action claims in the fiscal year ended June 30, 2018. Since 2011, annual cash recoveries have varied significantly ranging from a low of $153,480 in fiscal year 2014 to a high of $692,958 in fiscal year 2012. The annual recoveries are often materially impacted by the occurrence (or absence) of one or two major cases in any given fiscal year.

IT WAS MOVED BY TREASURER SCHMIDT AND SECONDED BY MR. ODEGAARD AND CARRIED BY A ROLL CALL VOTE TO ACCEPT THE NORTHERN TRUST AND FRT CLAIMS FILING REPORT FOR THE FISCAL YEAR ENDING JUNE 30, 2018.

AYES: MR. ODEGAARD, MR. HUNTER, MS. FLANAGAN, MR. SEIBEL, AND TREASURER SCHMIDT
NAYS: NONE
MOTION CARRIED

SECURITIES LITIGATION EDUCATION:

Mr. Hunter reviewed the formation of the SIB Securities Litigation Committee which was established on January 26, 2018. He also reviewed the SIB's revised Securities Litigation policy which was adopted by the SIB on April 27, 2018.

Labaton Sucharow – Representatives, Mr. Belfi, Ms. Hallowell, and Mr. McConville, provided an overview of the firm's portfolio monitoring and securities litigation services.

Kaplan Fox – Representatives, Mr. Hall and Mr. McNair, provided an overview of the firm, US securities class action processes, guidelines for evaluating cases, topics of interest to institutional investors, and the firm's approach to securities litigation.

LITIGATION:

The Securities Litigation Committee discussed entering into Executive Session to receive updates regarding ongoing litigation cases pertaining to General Motors, Tribune, and Volkswagen.

IT WAS MOVED BY TREASURER SCHMIDT AND SECONDED BY MR. HUNTER AND CARRIED BY A ROLL CALL VOTE TO ENTER INTO EXECUTIVE SESSION FOR ATTORNEY CONSULTATION PURSUANT TO NDCC 44-04-19.1(9).

AYES: MR. HUNTER, MS. FLANAGAN, MR. SEIBEL, TREASURER SCHMIDT, AND MR. ODEGAARD
NAYS: NONE
MOTION CARRIED

The Securities Litigation Committee exited the open portion of the meeting at 4:40 p.m. and entered into Executive Session at 4:41 p.m.

Mr. Hunter, Ms. Flanagan, Mr. Seibel, Treasurer Schmidt, Mr. Odegaard, Mr. Schulz, Ms. Sauter, Ms. Kopp, and Mr. Weinberg (TLCF) were in attendance.

The Securities Litigation Committee exited Executive Session at 5:01 p.m. and entered into the open portion of the meeting at 5:02 p.m.

The Securities Litigation Committee took no further action on Litigation.

OTHER:

The next Securities Litigation meeting is scheduled for November 5, 2018, at the Retirement and Investment Office, 3442 East Century Avenue, Bismarck, ND.

ADJOURNMENT:

With no further business to come before the Committee, Mr. Seibel adjourned the meeting at 5:05 p.m.

_____
Mr. Seibel, Chair

_____
Bonnie Heit
Assistant to the Committee

Agenda Item 3.

Informational

TO: SIB Securities Litigation Committee

FROM: Dave Hunter, ED/CIO, and Connie Flanagan, Chief Financial Officer

DATE: October 30, 2018

SUBJECT: Securities Litigation – Footnote Disclosure of Contingencies

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Note 11 - Contingencies/Litigation

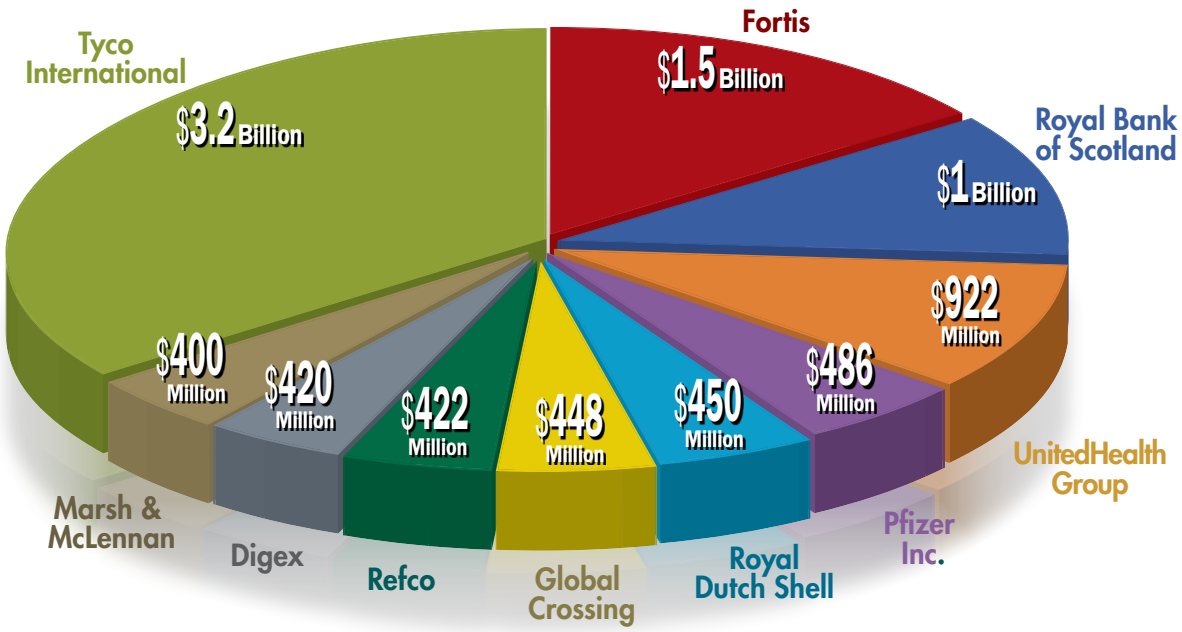
The State Investment Board has been named as a defendant in two cases, arising out of the Tribune and General Motors bankruptcy proceedings, relating to securities that were purchased by external investment managers in one or more portfolios held by the SIB on behalf of its investment client funds. Outside counsel has been retained for both cases, in addition to assistance received from the ND Office of Attorney General. As of June 30, 2018, no liability has been recorded for the General Motors bankruptcy proceedings as it is too early in the litigation process to reasonably determine whether any payments will be required, but mediation efforts remain on-going. The claim against the SIB in the Tribune bankruptcy litigation has been dismissed, but a final order has not been entered because the Court has yet to decide the remaining claims in the case against unrelated defendants; however, the U.S. District Court has stayed the Trustee's request to amend the complaint to add a constructive fraudulent transfer claim pending the Second Circuit's disposition of the unrelated defendant's claims in light of the U.S. Supreme Court's decision in Merit Management. Any final judgment (including with respect to the claim against the SIB) is subject to appeal. Accordingly, no liability has been recorded at this time.

Note: K&L Gates has been retained for legal representation in the Tribune case and Kasowitz Benson Torres has been retained for legal representation in the General Motors case, as overseen and approved by North Dakota's Office of the Attorney General.

AN INTRODUCTION TO Grant & Eisenhofer P.A.

For over twenty years, G&E has remained a leader in providing legal services to public and private institutional investors. Concentrating on asset recovery and complex financial litigation, the Firm's commitment to excellence, unparalleled results, and unyielding focus on providing exemplary service to its clients make G&E stand apart.

G&E'S TRACK RECORD



G&E takes on and wins difficult cases in which other firms have refused to become involved. Unlike many law firms, G&E does not shy away from cases where recoveries are not guaranteed and prides itself on converting intricate facts and legal theories into meaningful cash distributions for its clients. G&E is well known for litigating "long shot" actions —often thought by others to be unwinnable— and, more importantly, for its ability to successfully litigate those claims to substantial recoveries, frequently far in excess of expectations. Many of these actions were investigated and litigated by G&E in circumstances where other counsel declined to pursue the claims because of perceived procedural or substantive weaknesses. The Firm's philosophy has proven successful, having obtained recoveries totaling over $28 billion in the last ten years.

G&E focuses on working with institutional investors and is sensitive to the special demands placed on them, including the scrutiny they face. The Firm understands the unique concerns funds have about the nature, quantity and quality of cases they bring, as well as issues of optics, precedent, notice and the need to weigh competing issues and demands. Clients appreciate that G&E is selective in terms of new case development and aggressively seeks out only the most meritorious of cases—making recommendations based on quality, not quantity. We believe this high level of sensitivity and sophistication is integral to the success of our practice.

$28 BILLION IN THE LAST 10 YEARS

SECURITIES AND PORTFOLIO MONITORING SERVICES

G&E provides portfolio monitoring and securities litigation services to over 175 institutional clients throughout the U.S. and Europe whose assets range from tens of millions of dollars to over $500 billion. G&E does not charge a fee for our portfolio and securities litigation monitoring services, nor will the Firm seek reimbursement of any cost or expense related to case evaluation services.

With respect to portfolio monitoring services, G&E's proprietary portfolio monitoring system is specifically designed to ensure a secure and reliable platform and meets the highest standards of information security. The Firm maintains a state-of-the-art data processing interface and, unlike many other firms, G&E uses only in-house systems to perform its monitoring services. G&E currently works with most of the world's largest custodians that handle multi-billion dollar accounts, as well as mid-size and smaller custodians located worldwide, in the electronic transfer of trading data for a number of existing clients.

CASE MONITORING CAN

UNVEIL OPPORTUNITIES

FOR LAUNCHING

SHAREHOLDER ACTIONS

TO IMPROVE

CORPORATE GOVERNANCE

AND ACCOUNTABILITY

G&E monitors (at no cost) all new and potential litigation in the areas of federal securities fraud litigation and shareholder actions. The Firm broadly monitors numerous databases, dockets, pending cases, financial and business news and other third party information services (including Bloomberg, Thompson, Westlaw, RiskMetrics and Lexis-Nexis, among others) that may ultimately provide information about, or lead to, private litigation or claims by federal or state regulators, and uses Firm-wide resources to identify possible claims and actions.

Utilizing event study and damages ribbon methodologies in determining damages, G&E monitors and processes loss calculations for both equity and debt securities. This methodology, which is required by many courts, allows G&E to determine the damages suffered by its client on each day of the pre-determined class period. In some cases, this analysis can be used to help define the start and end dates of the class period in order to maximize a client's or a class' estimated damages, and thus the estimated recovery as well.

SECURITIES AND PORTFOLIO MONITORING SERVICES

As part of G&E's monitoring service, the Firm provides a Summary Monitoring Report that identifies all securities class actions and final settlements filed or announced during the prior quarter. G&E also provides a separate analysis of any security-specific loss that may have occurred as a result of a violation or potential violation of federal or state securities laws or a breach of any duty, a recommendation as to whether and in what manner to seek compensation for such losses, and an opinion on the chances of success of litigation.

Notably, the Firm's portfolio monitoring reports are individually tailored for each client. Reports can be delivered in a variety of formats, including online, and are customized to include or exclude specific information required by the client, including CUSIPS for the relevant securities. To ensure that most current trading information is used to conduct our analyses, reports are generally developed on a quarterly basis. The timeframe and delivery methods may be customized to suit the needs of the client.

BENEFITS OF CASE MONITORING

Learn about existing and potential class action litigation in time to participate in a meaningful way

Learn about corporate mismanagement, abuse and fraud that are damaging (or may damage) the client's return on investment

Discover situations where an individual opt-out action would likely maximize the client's loss recovery

Avoid missing deadlines for filing legal claims and proxy resolutions

Prevent or minimize client losses by pursuing opportunities to improve corporate governance

Become aware of any legal action that may impact investments

Evaluate options at the earliest possible stage

THE SECURITY AND CONFIDENTIALITY OF CLIENT TRADING DATA

Unlike many of our competitors, the Firm's portfolio litigation monitoring service is conducted entirely in-house. Clients have peace of mind that G&E's portfolio monitoring service is designed to ensure a secure and reliable platform and meets the highest standards of information security.

All of our clients' monitoring data is stored on secure G&E servers. The servers and all associated equipment are physically secured within locked enclosures in a locked data center. The data center provides redundant uninterruptable power supply (UPS) systems, redundant site and generator back-up, fire detection alarm, dual interlock fire suppression system, 24/7 CCTV video surveillance and recording, redundant HVAC systems, redundant high-speed internet and site connections and redundant electrical connections.

All applications, data and servers are protected by an integrated multi-layered system of firewalls, port-filtering and network monitoring tools to detect and deny unauthorized attempts to access the network. Access to client data is restricted to five (5) authorized users, and requires a user login and complex password. Each authorized user is required to change passwords every 60 days.

All web-based data downloads are encrypted using PGP 128 bit encryption. Numerous application level safeguards, verification steps and audit logs are in place to ensure that users may only access the information for which they have been authorized. Data is encrypted and backed up multiple times each day to both a network and redundant storage system. Encrypted disc-to-disc data archive back-ups are made and stored monthly in an off-site, high-security facility.

G&E's production monitoring platform provides the necessary system plus three more systems as backup (known as "N+3" redundancy). The Firm's disaster recovery monitoring platform likewise has a backup system ("N+1" redundancy). We recognize the importance of data security to our pension fund clients and have gone to great lengths to ensure security and confidentiality of each and every client's trading data.

INTERNATIONAL PORTFOLIO MONITORING SERVICES

As our practice has become more global, so has the need to provide a more full-spectrum monitoring program, designed to ensure that our clients receive pertinent information related to their international holdings. G&E currently monitors client portfolios for potential international securities actions and has been providing international monitoring services for the past several years. As with its U.S. monitoring services, the Firm broadly monitors numerous databases, dockets, pending cases, financial and business news and other third party information services that may ultimately provide information about, or lead to, private litigation or claims by foreign regulators, and uses Firm-wide resources to identify possible international claims and actions. G&E's international securities litigation monitoring and evaluation services are provided by the Firm at no cost to our clients.

G&E'S SUMMARY MONITORING REPORTS

Summary monitoring reports are individually tailored for each client and can be delivered in a variety of formats, including online through a secure access client site. The summary monitoring reports:

- Identify all newly-filed securities class actions, other potential claims, and opportunities to opt-out
- Provide analysis of any losses suffered due to the alleged corporate fraud
- Contain all settlements of securities class action cases, including those which a client is entitled to submit claims. This section is often provided to a client's custodian to help ensure that it files all appropriate claim forms seeking recovery from settlements
- Deliver information on securities litigation in international jurisdictions, so that clients are aware of their options with regard to these cases and take any appropriate actions in order to recover any losses

G&E'S ONLINE PORTFOLIO MONITORING SYSTEM

G&E provides clients with 24/7 secure access to their monitoring data. Clients using the online tracker have real-time access to:

- Client transactions in each security that is the subject of a class action, including case information and pleadings, CUSIP/ISINs, market cap losses, class periods, the client's gains or losses during those periods, manager or account names, and the deadlines in which each "proof of claim" needs to be filed by the client's custodian
- A list of pending class action settlements to which the client may be eligible to file a claim, including CUSIP/ISINs, claims deadlines, class periods, and settlement fund amounts
- Summary Monitoring Reports and case-related correspondence, including memos provided to the client
- G&E client alerts, articles, newsletters and other items of interest that highlight significant case decisions and current trends impacting institutional investors

Specific user IDs and passwords are established for individual contacts, providing for increased customization and flexibility for users.

WHY INVESTORS CHOOSE GRANT & EISENHOFER

G&E has a national (and international) reputation as a leader in complex plaintiffs' litigation, including securities, corporate governance, antitrust and bankruptcy-related actions. G&E has been named one of the nation's top plaintiffs' firms by *The National Law Journal* in the annual "Plaintiffs' Hot List" every year since the List's inception, and in 2008 the Firm was named to *The National Law Journal*'s "Plaintiffs' Hot List Hall of Fame."

G&E has been lead counsel in many of the largest securities class action recoveries in U.S. history, including a $3.2 billion recovery against Tyco International, and multi-hundred million dollar recoveries against companies such as Pfizer, Refco, Marsh & McLennan, General Motors, DaimlerChrysler, and Royal Dutch Shell.

The Firm reached a $1.5 billion settlement, the largest in European history, against Fortis in the Netherlands, and a $1 billion settlement against Royal Bank of Scotland in the United Kingdom.

> **"The team is noted for securing the lion's share of big cases and commended for its ability to achieve results."**
>
> From *Chambers USA*

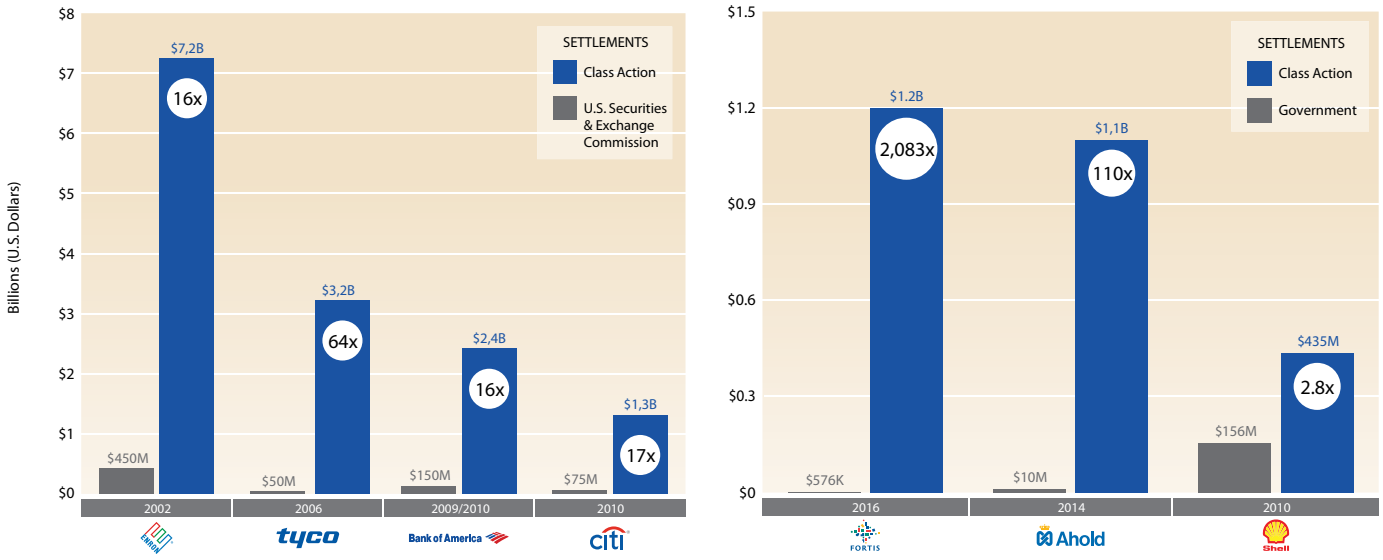
The Firm has obtained one of the largest settlements ($153.75 million) of derivative litigation in the history of the Delaware Chancery Court, the largest settlement of any kind ($420 million) in the history of that Court, and the largest settlement ($922 million) in the history of derivative litigation in *any* jurisdiction.

More specifically, G&E has extensive experience litigating against major accounting firms. For example, as part of G&E's lead counsel role in the case against Tyco, the Firm brought claims against PricewaterhouseCoopers ("PwC") as Tyco's former auditor for failing to detect fraud in Tyco's financial statements over a multi-year period. Ultimately, G&E recovered $225 million from PwC to settle the claims, which marked the second largest payment ever by an accounting firm in a securities class action.

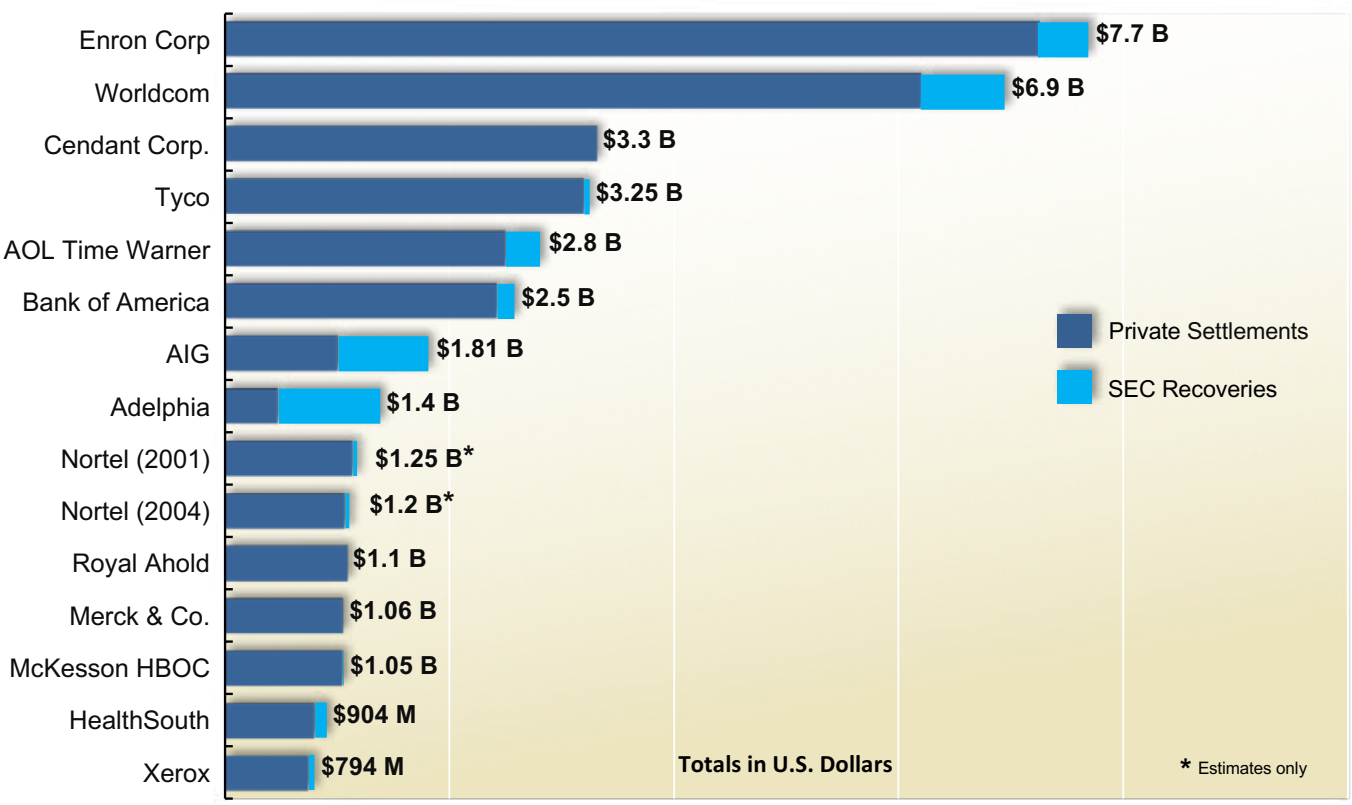
RiskMetrics Group

G&E HAS TWICE BEEN RANKED FOR SECURING THE HIGHEST AVERAGE INVESTOR RECOVERY IN SECURITIES CLASS ACTIONS

PRIVATE CLASS ACTIONS DWARF GOVERNMENT RECOVERIES



TOP 15 DAMAGES RECOVERIES FOR SECURITIES FRAUD



Source: *Securities Class Action Services* (as of January 2017)

LARGE SCALE INVESTOR RECOVERY ACTIONS

tyco

PLAINTIFFS' RECOVERY

$2.975B

The highest settlement from a single defendant ever

***In re Tyco International, Ltd., Securities Litigation*:** G&E represented two public pension funds as co-lead plaintiffs in a securities class action against Tyco International, Ltd., involving acquisition accounting fraud and looting of the company's assets by its former officers and directors. After extensive discovery and litigation, the class reached a historic settlement with Tyco for $2.975 billion, the single largest payment from any corporate defendant in the history of securities class action litigation. The class also reached a settlement with Tyco's former auditor, PricewaterhouseCoopers LLP, for $225 million, the second highest settlement ever reached with an auditor in securities litigation.

$486M SETTLEMENT
EXTENSIVE LITIGATION

***In re Pfizer Inc. Securities Litigation*:** G&E was class counsel in a securities class action against Pfizer alleging that the pharmaceutical company misrepresented the cardiovascular safety of its multi-billion-dollar arthritis drugs, Celebrex and Bextra. In 2004, when the truth about the drugs' cardiovascular risks was revealed, Pfizer's stock price declined significantly. The case was extensively litigated for over 10 years, with millions of pages of documents produced and more than 100 depositions taken. As the case was nearing trial in 2014, however, the Court granted defendants' motion to exclude the testimony of plaintiffs' expert concerning damages and causation, and thereafter granted summary judgment for defendants because without the testimony, plaintiffs could not prove damages or loss causation. Plaintiffs appealed, and in 2016, the decision was reversed. The parties later agreed on a settlement of the litigation providing for a cash payment by Pfizer of $486 million.

TOTAL SETTLEMENT
$153.75M

***In re Freeport-McMoRan Copper & Gold, Inc. Derivative Litigation*:** G&E represented lead plaintiffs in this derivative action against the Board of Directors of Freeport-McMoRan Copper & Gold, Inc. The action, which stemmed from the Board's decision to cause Freeport to acquire McMoRan Exploration Co. and Plains Exploration & Production Co. for over $20 billion, alleged that the deals were rife with conflicts of interest, as several Freeport directors were also directors of the acquired companies who maintained control of over investments in McMoRan at the expense of Freeport's shareholders. G&E achieved a settlement from the Board for $137.5 million, plus the Board's commitment to adopt corporate governance enhancements to deter future misconduct. Two months later, Freeport's financial advisor, Credit Suisse Securities (USA) LLC, agreed to contribute an additional $10 million in cash plus $6.5 million in credit against future services, bringing the total value of the settlement to nearly $154 million. In a historic first for derivative litigation, the entire cash component of the settlement—$147.5 million—was distributed to Freeport shareholders in the form of a special dividend. Vice Chancellor Noble called the settlement, "an exceptional recovery," as "one of the largest cash settlements of a derivative action, and perhaps more importantly, [unlike traditional derivative settlements] the proceeds will largely go to the shareholders."

DELAWARE CHANCERY COURT ISSUED A GROUND-BREAKING RULING

***In re Del Monte Foods Company Shareholder Litigation*:** G&E served as lead counsel in shareholder litigation that resulted in an unprecedented and immediate change in lending policy practices among major investment banks regarding the way the banks approach financing transactions in which they represent the seller. On February 14, 2011, the Delaware Chancery Court issued a ground-breaking order enjoining not only the shareholder vote on the merger, but the merger agreement's termination fee and other mechanisms designed to deter competing bids. As a result of plaintiffs' efforts, Del Monte's Board of Directors was forced to conduct a further shopping process for the company. Moreover, the opinion issued in connection with the injunction has resulted in a complete change on Wall Street regarding investment banker conflicts of interests and company retention of investment bankers in such circumstances. An $89.4 million settlement against Del Monte Foods Co. and its investment bank Barclays Capital was reached.

RECOVERIES FOR THE CLASS EXCEEDED
$400M

In re Refco Inc. Securities Litigation: G&E represented an investment manager as co-lead plaintiff in a securities class action alleging that certain officers and directors of Refco, Inc., as well as other defendants including the company's auditor, its private equity sponsor, and the underwriters of Refco's securities, violated federal securities laws in connection with investors' purchases of Refco stock and bonds. Total recoveries for the class exceeded $400 million.

LARGE SCALE INVESTOR RECOVERY ACTIONS

JUDGMENT
$192M
ADDITIONAL SETTLEMENT
$84M

***In re Safety-Kleen Securities Corporation Bondholders Litigation*:** G&E represented numerous public and private funds in a federal securities class action and a series of related individual actions against former officers, directors, auditors, and underwriters of Safety-Kleen Corporation, who allegedly made false and misleading statements in connection with the sale and issuance of bonds. This was only the fifth securities class action to go to trial since the passage of the Private Securities Litigation Reform Act. At the conclusion of trial, the court entered judgments in the amount of $192 million against Safety-Kleen Corporation's former CEO and CFO. Settlements totaling $84 million were reached with the company's outside directors and auditor, bringing the total in judgments and settlements to $276 million.

$148M
IN DAMAGES
FOR BREACH OF FIDUCIARY DUTIES

***In re Dole Food Company, Inc. Stockholder Litigation / In re Appraisal of Dole Food Company, Inc.*:** G&E was co-lead counsel for Dole's public stockholders in a class action alleging breach of fiduciary duty by Dole's directors and by its CEO and controlling stockholder, David Murdock, in connection with Murdock's taking Dole private for $13.50 per share. Following a nine-day trial, the Court found that defendants Murdock and Michael Carter (Dole's President, COO and General Counsel and a Dole director) had breached their fiduciary duties to the class, and held them liable for damages of $148 million plus interest. As Vice Chancellor Laster explained in his ruling, "Murdock and Carter's conduct throughout the [Special] Committee process, as well as their credibility problems at trial, demonstrated that their actions were not innocent or inadvertent, but rather intentional and in bad faith." The Vice Chancellor went further, ruling that "Carter engaged in fraud" and outright "lied" to the Board's Special Committee during its consideration of Murdock's proposal. The decision explained that, although "facially large, the [damage] award is conservative relative to what the evidence could support."

OPT-OUT RECOVERY ACTIONS

G&E IDENTIFIES UNIQUE OPPORTUNITIES TO OPT-OUT

In addition to securities class actions, G&E represents institutional investors in opt-out cases brought under federal and state securities laws. The Firm identifies unique opportunities clients have in opting-out, such as the freedom to pursue additional claims or defendants not pursued by the class. G&E also considers several factors in deciding whether to recommend its clients file an opt-out action, including the size of its clients' losses, the prospect of an earlier recovery, and the available resources its clients have to pursue the individual action. The Firm understands that the needs of each client are different, and employs innovative and creative strategies in opt-out litigation. **Accordingly, in G&E's experience, the Firm has been able to recover for its opt-out clients multiples of what those clients would have recovered as part of a distribution had they remained in the class, and often at least one year earlier than the class action settlement.**

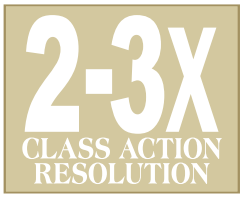
Adelphia: G&E filed a number of opt-out cases arising from the fraud at Adelphia Communications Corporation. The cases asserted federal securities and state law claims against Adelphia's auditor (Deloitte & Touche, LLP), its underwriters, certain of its former directors and officers and two entities that were alleged to have engaged in sham transactions with Adelphia for the purpose of assisting Adelphia in manipulating its financial statements. **In total, the plaintiffs recovered between 32% and 75% of their maximum damages, and their litigation recoveries were approximately 10 times greater than what they would have received if they did not opt out of the class action.**

AOL Time Warner, Inc.: G&E filed an opt-out action against AOL Time Warner, its officers and directors, auditors, investment bankers and business partners. The case challenged certain transactions entered by the company to improperly boost AOL Time Warner's financials. **G&E was able to recover for its clients more than 6 times the amount that they would have received in the class case.**

OPT-OUT RECOVERY ACTIONS

Bristol-Myers Squibb: G&E filed an opt-out action against Bristol-Myers Squibb, certain of its officers and directors, its auditor, and Imclone, Inc., alleging that Bristol-Myers had falsified billions of dollars of revenue as part of a scheme of earnings management. **While the federal class action was dismissed and eventually settled for only 3 cents on the dollar, G&E's action resulted in a total settlement representing approximately 10 times what the Firm's clients likely would have received from the class action.**

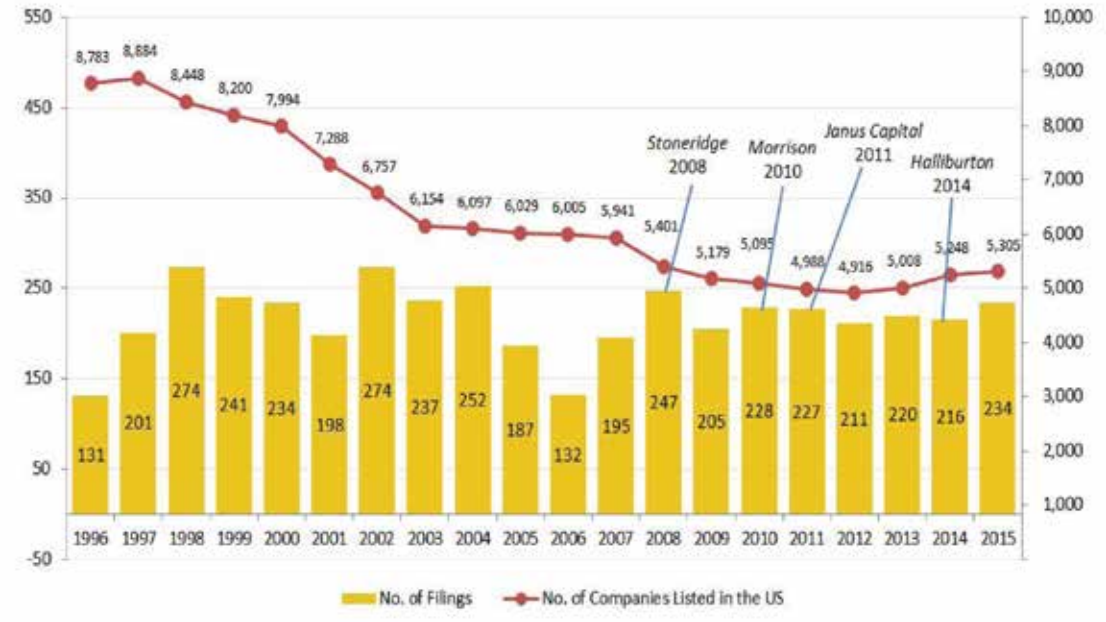
Qwest Communications: G&E filed an individual action against Qwest, its auditor (Arthur Andersen LLP), Solomon Smith Barney, and current and former officers and directors of those companies. The case alleged that Qwest used "swap deals" to book fake revenue and defraud investors. **G&E was able to recover for its clients more than 10 times what they would have recovered had they remained members of the class.**



Petróleo Brasileiro S.A: G&E filed securities fraud actions in Manhattan federal court on behalf of several U.S. and European public and private institutional investors against Petrobras, the Brazilian oil conglomerate, arising out of a decade-long bribery and kickback scheme that has been called the largest corruption scandal in Brazil's history. The action alleged that Petrobras concealed bribes to senior officers and government officials and improperly capitalized these bribes as assets on its books in order to inflate the value of the company's refineries. Many of these officers and officials have pled guilty before the Brazilian courts to charges stemming from their participation in the alleged scheme. **G&E settled the action before the class action was resolved, and our clients received 2-3 times more than they would have had they stayed in the class, and received their share of the settlement at least two years before a class distribution.**

WorldCom: G&E filed an opt-out action against former senior officers and directors of WorldCom, including former CEO Bernard Ebbers, and Arthur Andersen LLP (WorldCom's former auditor), among others. The case stemmed from the widely-publicized WorldCom securities fraud scandal that involved false and misleading statements made by the defendants concerning WorldCom's financials, prospects and business operations. **G&E recovered for its clients more than 6 times what they would have received from the class action.**

U.S CLASS ACTIONS (NERA REPORT): FILING RATES



INTERNATIONAL SECURITIES LITIGATION

G&E is the leading U.S. firm in representing investors in non-U.S. jurisdictions. Unlike many firms, G&E has a comprehensive understanding of the legal principles applicable to shareholder litigation in key international jurisdictions and applicable laws and regulations. G&E has developed strategic partnerships with specific law firms and experts domiciled in these countries. This has been especially beneficial to our clients after the Supreme Court's decision in *Morrison v. National Australia Bank*, which precludes investors who purchased securities on foreign exchanges from suing under the federal securities laws.

CURRENT NON-U.S. ACTIONS

The Firm's experience has provided an opportunity for G&E to be innovative in its pursuit of claims that are not available in U.S. class actions, such as claims under the laws of foreign nations, states, provinces and other political divisions. Currently, G&E is involved in overseeing numerous matters in countries throughout Europe, South America, and the Asia Pacific region, including cases against Volkswagen and Porsche in Germany, Vivendi in France, Petrobras in Brazil, Toshiba and Mitsubishi in Japan, and BHP Billiton in Australia, among others.

G&E has litigated cases in U.S. courts raising claims asserted under foreign laws. The Firm represented a number of prominent international investors in federal district court that purchased bonds issued overseas by Citigroup. This is the first case in which such claims were asserted in a U.S. court, and indeed these claims were largely untested, even in the courts of the United Kingdom.

G&E SPONSORS & ADVISES

G&E has significant experience managing securities class actions against corporations based outside of the U.S., including the Netherlands (as counsel for foreign investors with claims against Fortis, N.V. and Fortis SA/NV, and resolving claims against Royal Dutch Shell), the United Kingdom (representing institutional investors against the Royal Bank of Scotland), Japan (in conjunction with two other U.S. law firms and Japanese counsel against Olympus), India (as lead counsel in the Satyam securities litigation), Germany (as lead counsel in the DaimlerChrysler case), Italy (as lead counsel in the Parmalat securities litigation), and France (as lead counsel in the Alstom securities class action, and as counsel for foreign investors pursuing securities claims against Vivendi).

REPRESENTATIVE PENDING CASES

REPRESENTATIVE PENDING CASES

PETROBRAS

Event: Executives falsely inflated value of construction projects for their own profit and paid kickbacks to politicians

Result: Lost tens of billions of dollars in market capitalization following revelations

Litigation: Arbitration proceedings on behalf of Petrobras common and preferred shareholders in Brazil

NOVO BANCO

Event: Decision to re-transfer Banco Espirito Santo senior notes from Novo Banco S.A.

Result: Significant impairment to the value of the notes

Litigation: Holders of certain Banco Espirito Santo senior notes are pursuing administrative proceedings against the Bank of Portugal

MITSUBISHI MOTORS

Event: Public admissions by the company that it has been falsifying fuel economy on certain of vehicles since 1991

Result: Common shares have lost nearly half of their value, for a market capitalization loss of approximately $3.8 billion USD

Litigation: A group litigation has been filed in Japan

TOSHIBA

Event: Admitted its financial statements were intentionally misstated from 2008 through 2013 due to improper accounting practices

Result: Common share price has declined more than 50% for a market capitalization loss of over $11 billion USD

Litigation: A group litigation has been filed in Japan

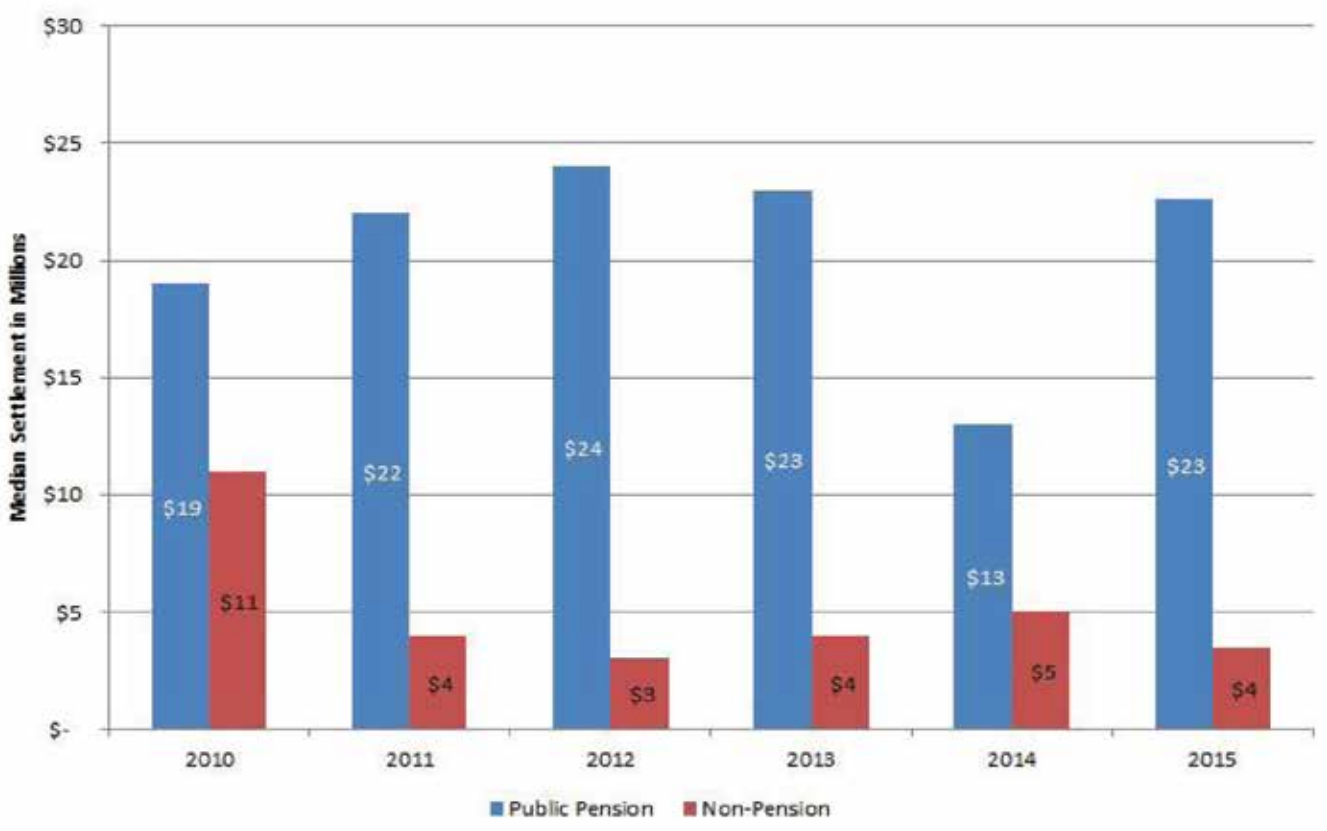
bhpbilliton

Event: Made intentionally false representations touting its mining safety practices and risk management, and failed to disclose significant and immediate safety risks at its Brazilian operations

Result: Subsequent collapse of the Fundão Dam at the Germano iron ore mine (co-owned by BHP) in Brazil led to a 20% stock drop

Litigation: A group litigation has been filed in Australia

INSTITUTIONAL INVESTORS – DRIVING HIGHER SETTLEMENTS



CORPORATE GOVERNANCE LITIGATION AND COUNSEL

G&E is also a national leader in the field of corporate governance. The Firm has successfully used shareholder class and derivative litigation to achieve considerable benefits for shareholders in connection with corporate transactions and breach of fiduciary duty claims, including a $153.75 million settlement against Freeport-McMoRan's Board of Directors for breaches of fiduciary duties – one of the largest settlements of derivative shareholder litigation in the history of Delaware Chancery Court; a $420 million settlement against the directors and majority stockholder of Digex, Inc. for allegedly permitting the majority shareholder to usurp a corporate opportunity that belonged to Digex – the largest reported settlement in the history of the Delaware Chancery Court; and a settlement against the board of Caremark Rx Inc., requiring the board to renegotiate a merger between Caremark and CVS, Inc. and provide substantial additional disclosures to Caremark shareholders, resulting in an additional $3.19 billion in cash consideration. The Firm has also achieved significant victories in the area of corporate stock options, including a $922 million settlement against UnitedHealth Group by challenging options granted to that company's former CEO – the largest settlement in the history of derivative litigation in any jurisdiction; and several rulings from the Delaware Chancery Court clarifying the fiduciary duties of directors in administering stock option plans.

LARGEST SETTLEMENT
$420M
DELAWARE CHANCERY COURT

LARGEST SETTLEMENT
$922M
IN HISTORY OF DERIVATIVE LITIGATION

G&E'S ANTITRUST PRACTICE GROUP CONCENTRATES ON COMPLEX ANTITRUST CLASS AND INDIVIDUAL ACTIONS

The Firm's antitrust attorneys have been recognized by courts and colleagues across the country and regularly speak at major conferences, as well as contribute materials to academic and other publications. G&E's antitrust attorneys have collected settlements and judgments on behalf of classes and individuals totaling well over a billion dollars.

The Firm presently serves or has served as lead counsel, on the Plaintiff's Steering Committee, or on the Executive Committee in several notable antitrust cases, including:

- ***In re Payment Card Interchange Fee and Merchant Discount Antitrust Litigation***
- ***In re London Silver Fixing Ltd. Antitrust Litigation***
- ***Gordon et al v. Amadeus IT Group, S.A. et al***
- ***In re Keurig Green Mountain Single-Serve Coffee Antitrust***
- ***In re NCAA Student-Athlete Name & Likeness Licensing Litigation***
- ***In re Blue Cross Blue Shield Antitrust Litigation***
- ***Blessing v. Sirius XM Radio, Inc.***
- ***In re Municipal Derivatives Antitrust Litigation***
- ***In re Lithium Ion Batteries Antitrust Litigation***
- ***Waterman v. VS Holding Company et al***
- ***In re Polyurethane Foam Antitrust Litigation***
- ***Fond du Lac Bumper Exchange, Inc. v. Jui Li Enterprise Company Ltd, et al***

TESTIMONIALS AND BONA FIDES

Judge Swain: "The legal case work in this case was performed extraordinarily well and billed in an appropriate manner…the Court finds that this is a very substantial settlement that was negotiated at arm's length by sophisticated counsel with depth in this litigation. It has been an honor and pleasure to work with you all over the years."
In re Pfizer Inc. Securities Litigation

Vice Chancellor Laster: "Ultimately, the most important factor when appointing lead counsel is the degree to which the attorneys will provide effective representation for the class going forward. G&E's track record stands out. The results achieved by G&E demonstrate that they have the ability and resources to litigate the case competently and vigorously."
In re Del Monte Foods Company Shareholders Litigation

LAW360 MOST FEARED PLAINTIFFS FIRM:

"Over the last decade and a half, G&E has grown into one of the most high-profile [investor] advocates in the country, securing record-high cash settlements. Not content to simply launch splashy cases, [G&E] focuses on the fundamentals. The biggest beneficiaries are aggrieved plaintiffs..."

Judge Rosen: "The Court … has been considerably impressed, not only by counsel's skill, knowledge of the substantive and procedural law, and sophistication – all of which were consistently evident to the Court – but also by their dedication and commitment to their clients' cause. In short, these lawyers have practiced at the highest levels of professional competency."
In re Delphi Corp. Securites Litigation

Judge Kaplan: "[G&E] did a wonderful job here and were in all respects totally professional and totally prepared. I wish I had counsel this good in front of me in every case."
In re Parmalat Securites Litigation

From *Chambers USA*: "A go-to for plaintiffs in high-profile securities class actions, maintaining its impressive reputation for securing major settlements on behalf of institutional investors. Widely praised for its bench strength and its significant experience in handling complex cross-border claims."

Judge Anderson, following a settlement reached after more than 20 trial days, commented to Grant & Eisenhofer and others that he "enjoyed working with all [counsel]" in what he characterized as "the most complex, hard-fought complicated case I have ever presided over [in 18 years on the bench]."
In re Safety-Kleen Corp. Bondholders Litigation

Bloomberg: The Firm was recognized by *Bloomberg* as the top plaintiffs' law firm with a leading role in merger and acquisition settlements in which financial recoveries were obtained for investors. **IN FACT, G&E LED WITH $253.9 MILLION IN FOUR CASES IN WHICH THE FIRM WAS LEAD COUNSEL.**

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  F: 646.722.8501
- Chicago
  30 N. LaSalle Street
  Chicago, IL 60602
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  F: 312.214.0001

INTERNATIONAL SECURITIES LITIGATION

SECURITIES LITIGATION IN A POST-MORRISON LANDSCAPE

In 2010, the United States Supreme Court overturned forty years of precedent in *Morrison v. National Australia Bank*. That decision limited the rights of all investors who purchase securities listed on a non-U.S. exchange to seek the protection of U.S. securities laws when they have been victimized by fraud, even when the fraud had a substantial connection to activities in the United States.

On the surface, this decision appeared to effectively destroy the ability for investors to recoup damages on these non-U.S. investments. As a September 2016 *New York Law Journal* article highlights, "no major European jurisdiction authorizes an opt-out class applicable to securities litigation; nor does any permit the contingent fee; and all also employ "loser pay" rules." These challenges made the idea of recovery seem impossible.

But G&E, who had already successfully secured a landmark $450 million settlement in the Netherlands on behalf of over 175 institutional investors from across the globe, looked at the implications of *Morrison* from a different angle.

We applied our experience in the field of international securities litigation to the complex laws governing non-U.S. jurisdictions to pursue claims and finance litigation. Accordingly, G&E developed the framework for which institutional investors bring suits in foreign jurisdictions—which includes a contingency fee model that is extremely important to investors. This has led to greater protections and recoveries for our clients.

LEADING THE CHARGE IN INTERNATIONAL LITIGATION

As the first U.S.–based law firm to initiate securities litigation in a foreign jurisdiction on behalf of institutional investors, G&E continues to steer the industry internationally. Our cases have achieved historic settlements in multiple jurisdictions, obtaining investor recoveries once thought unattainable.

G&E's international recoveries include:

$1.5 BILLION SETTLEMENT against Fortis in the Netherlands representing 180 institutional investors—a record for European securities litigation

$1 BILLION SETTLEMENT against the Royal Bank of Scotland in the United Kingdom—reached on behalf of 3 of the 5 claimant groups in the litigation, the settlement is the second largest securities fraud recovery in the UK

$450 MILLION SETTLEMENT against Royal Dutch Shell in the Netherlands—the first pan-European class settlement of its kind in history

$92.4 MILLION SETTLEMENT against Olympus in Japan—the largest settlement of its kind in that country

G&E has truly laid the groundwork for the international securities landscape. We have invested the time, resources, and capital to enable investors to once again take part in non-U.S. jurisdiction litigation. In fact, G&E is currently involved in numerous cases in countries throughout Europe, South America, Asia, and Australasia including matters in Germany, France, Brazil, Japan, Portugal, Greece, and Australia.

ALTERNATIVES AVAILABLE TO INVESTORS

Investors who want to preserve their right to bring U.S. federal securities fraud claims against foreign companies, may elect to purchase American Depositary Receipts (ADR) or American Depository Shares (ADS). These investments are U.S. dollar-denominated equity shares of a foreign-based company available for purchase on U.S. stock exchanges. When a foreign issuer sells ADRs or ADSs on a U.S. exchange, purchasers of those securities may assert claims in U.S. federal court under section 10(b) of the Securities Exchange Act.

Additionally, investors may be able to bring individual (as opposed to class action) claims against foreign companies in U.S. federal courts raising claims asserted under foreign laws or in State courts using state law claims. These claims can prove to be extremely challenging as they are specific to each investor and do not benefit investors from a class perspective.

Lastly, investors evaluating their securities litigation options must also consider bringing suit in jurisdictions other than the U.S. There are distinct challenges confronting institutional investors in attempting to recover losses in international markets. These include the logistical problems inherent in foreign litigation (such as required court attendance and language barriers), differences in how claims may be prosecuted (including any limitations on discovery), and risks not present in the U.S. class actions (such as "loser pay" provisions requiring a losing investor plaintiff to pay part of their adversary's litigation costs). Many non-U.S. jurisdictions entail opt-in participation, as opposed to the U.S. method of opt-out, and require external funding due to restrictive fee arrangements.

THINGS TO CONSIDER WHEN SELECTING INTERNATIONAL SECURITIES LITIGATION COUNSEL

Due to the complexities involved in bringing non-U.S. securities litigation, investors must be fastidious when it comes to selecting counsel. Unfortunately, some U.S. law firms will claim that they have experience in representing clients in foreign litigation while having never actually managed or funded an international securities litigation matter. As such, investors must rigorously vet their options of counsel. Key questions to ask when evaluating securities counsel should include:

- **Does Counsel have hands-on experience and proven success litigating cases against corporations in non-U.S. courts raising claims asserted under foreign laws?**
- **Does Counsel have an in-depth understanding of the laws and regulations of foreign nations and the sound judgment to advise whether or not to get involved in a case?**
- **Does Counsel have the ability to fully-fund (or obtain funding) to cover the litigation and adverse costs for the entirety of the litigation?**
- **Is Counsel able to provide a fee schedule that is merited and commensurate with the complex scope of work it will undertake?**

Through its experience and expertise in resolving numerous cases in non-U.S. jurisdictions, G&E has developed an intimate understanding of the rules in jurisdictions across the globe regarding collective litigation in general and collective (and individual) litigation of securities claims in particular. The Firm has managed cases, conducted depositions and negotiated settlements in numerous countries, spanning from South America to India and across Europe to Asia.

G&E'S BREADTH OF INTERNATIONAL EXPERIENCE

G&E has a comprehensive understanding of the legal principles applicable to shareholder litigation in key international jurisdictions and applicable laws and regulations. This has provided an opportunity for G&E to be innovative in its pursuit of claims that are not available in U.S. class actions, such as claims under the laws of foreign nations, states, provinces and other political divisions. Additionally, G&E has strong strategic partnerships with numerous law firms and experts domiciled across the globe to ensure the highest level of representation for our clients. While there are certain benefits to litigating outside the U.S., such as longer periods for compensable damages, G&E is also well versed in evaluating the risks. Unlike U.S. securities class actions, the complexities involved with bringing litigation in a foreign jurisdiction and the unknown costs to retain and pay foreign counsel are important factors to consider, as well the amount of damages, the likelihood of recovery, "loser pays" provisions, and long-term policy goals that may drive settlement negotiations beyond just dollars and cents.

G&E SPONSORS AND ADVISES

ICGN International Corporate Governance Network

International Foundation of Employee Benefit Plans

G&E's attorneys are actively involved in addressing the application, complexities and nuances of litigating in foreign jurisdictions through speaking and sponsorship with public/governmental pension fund and professional organizations that discuss and address foreign securities litigation. Such organizations include, for example, the International Corporate Governance Network (ICGN) and the International Foundation of Employee Benefit Plans (IFEBP). Firm attorneys have also written extensively on the topic and served as keynote speakers at domestic and international seminars regarding the implications of the Supreme Court's decision in *Morrison* and the remedies available to shareholders in foreign jurisdictions.

INTERNATIONAL SECURITIES MONITORING AND EVALUATION SERVICES

G&E takes a holistic approach to providing international securities litigation services. Because there is no single resource that provides information on international securities class action filings and settlements, G&E broadly monitors numerous databases, international dockets, financial and business news, and other third party information services that may ultimately provide information about, or lead to, private litigation or claims by foreign regulators, and uses Firm-wide resources to identify possible claims and actions.

G&E PROVIDES FOREIGN SECURITIES MONITORING AT NO COST

In addressing whether or not to commence foreign jurisdiction litigation, G&E evaluates for each case and client whether the benefits to such litigation outweigh the costs and risks. Moreover, G&E adopts a global litigation strategy that includes an identification of each jurisdiction (and thus each possible litigation venue) in which the defendant company does business or raises capital and an assessment of the substantive and procedural rules that would be applied to the claims. G&E's international securities litigation monitoring and evaluation services are provided by the Firm at no cost.

A REPRESENTATIVE SAMPLING OF G&E'S INTERNATIONAL LITIGATION EXPERIENCE

Ageas N.V./S.A.: G&E reached a $1.5 billion (€1.3 billion) settlement—the largest in European history—resolving claims under the laws of the Netherlands in a case against Fortis, N.V. and Fortis SA/NV (now called Ageas N.V./S.A.) for materially misleading investors by disseminating inaccurate and incomplete information about its solvency status, and its exposure to the U.S. subprime market in the run-up to Fortis' purchase of ABN Amro Bank. G&E represented over 180 institutional investors with more than 80 million shares, which was more than 3.5 percent of the Fortis shares that were outstanding at the end of 2008. After seven years of litigation in Dutch and Belgian courts, and months of intense mediation on behalf of at least four different claimant groups, **a record settlement of $1.5 billion was reached, exceeding all but a few securities class action settlements in the United States**.

Royal Bank of Scotland: G&E worked with a number of institutional investors to achieve a $1 billion settlement against Royal Bank of Scotland brought in the High Court in London under UK law. The case involved a £12 billion 2008 Rights Offering by RBS, initiated by the company in order to rebuild the company's deteriorating balance sheet, in which G&E alleged that the associated prospectus contained numerous material misrepresentations and omissions concerning, among other things, its subprime-related credit market exposure and the value of its goodwill relating to its then-recent acquisition of ABN Amro. Just three months after the offering, the bank failed and had to be rescued by the UK government. In January 2009, RBS was forced to disclose that it had incurred billions of dollars in losses relating to its subprime exposures and acquisition of ABN Amro. Investors who purchased shares in the Rights Offering lost nearly all of the value of their investment. The case was settled and a settlement agreement was signed that requires RBS to pay an aggregate of £800 million ($1 billion) to the claimants bringing suit. **The settlement is the second largest securities fraud recovery in the history of the UK, which is a notoriously difficult jurisdiction for large scale plaintiffs' litigation.**

Royal Dutch/Shell Transport: G&E represented more than 100 European institutional investors in a Pan-European class action settlement with Royal Dutch Shell relating to misrepresentations concerning its proven oil and gas reserves between 1999 and 2004. While some investors were already parties to a U.S. class action proceeding in the District of New Jersey, given the large number of European institutions involved and Shell's status as an Anglo-Dutch company, G&E sought a European solution for its clients. After several months of negotiations, a settlement was reached, valued at approximately $450 million. **The settlement was reached under Dutch law and was the first class settlement of its kind in history.** The Netherlands, where Shell is headquartered, is the only European country that provides for the approval of class action settlements. Pursuant to Dutch law, the Amsterdam Court of Appeals may approve a settlement on a class-wide basis if it finds the settlement to be reasonable. However, Dutch law does not allow aggrieved individuals to petition the court for a class-wide settlement, so the power to petition for approval can only be done through the creation of a special purpose legal entity, a foundation, or association. This ground-breaking settlement provided the opportunity for non-U.S. investors to be part of a novel event by resolving a dispute without resorting to litigation. With over 80 percent of Shell's stock traded on European exchanges, its large shareholders are almost all located in Europe, where the fraudulent activity occurred. Consequently, G&E was able to work with Shell to increase goodwill with shareholders by making corporate governance changes.

Olympus: G&E (in conjunction with two other U.S. law firms and Japanese counsel) reached a $92.4 million settlement with Olympus Corporation, a Japanese manufacturer of imaging systems and cameras, in **the largest settlement of its kind in Japan.** The settlement resolves allegations that Olympus falsely misrepresented its finances for over five years and hid large losses by characterizing them in its financials as fees paid to investment advisors for work on corporate acquisitions. This fraud came to light in late 2011 when the company's former CEO questioned the high advisory fees—the disclosure of which led to a loss of nearly 81% in market capitalization, or more than $6 billion. The accounting scandal also led to government regulatory investigations, millions of dollars in civil penalties, and convictions of company executives across Japan, the UK, and the U.S.

Porsche and Volkswagen: G&E, along with German counsel, is prosecuting claims in a German court against Porsche and Volkswagen arising out of the "short squeeze" orchestrated by Porsche with respect to Volkswagen shares in 2008. The claims arise out of losses suffered by investors who engaged in short sales and other transactions respecting Volkswagen stock and who were injured by Porsche's allegedly false and misleading statements concerning its lack of intention to increase its holdings of Volkswagen stock. On behalf of its clients, G&E initially filed claims in the U.S. under the federal securities laws, but after the Supreme Court's decision in *Morrison*, G&E looked for an alternative forum in which the investors might be able to recover their losses, and a case was filed in Germany in late 2011 asserting claims under German corporate and tort law. A large number of institutional investors, from both the U.S. and Europe, have joined the case, asserting damages in excess of $1 billion. On April 13, 2016, the court in Hanover granted G&E's application to have the case treated as a model proceeding. On December 5, 2016, our plaintiff was officially appointed by the court as model plaintiff.

Vivendi Universal: G&E is working with French counsel in representing a number of European investors in an action in the Commercial Court of Paris against Vivendi Universal ("Vivendi") and its former Chief Executive Officer and Chief Financial Officer. The investors were purchasers of Vivendi's shares that traded on the Paris Bourse. The claims allege that from at least October 2000 through mid-2002, Vivendi engaged in a scheme to inflate its share prices artificially by materially and fraudulently misstating its financial results. In particular, Vivendi and its CEO, Jean-Marie Messier, concealed the existence of a severe liquidity crisis at the company. The claims are based on the losses incurred by purchasers of Vivendi shares in 2000-2002, when Vivendi's stock price plummeted from over €80 to under €20 per share as a result of the disclosures that came out between January and August 2002. As G&E is not admitted to practice in France, the Firm retained French counsel to handle the court appearances, but has been heavily involved in directing case strategy, actively participating in all decisions, and reviewing all substantive briefs and other papers prior to filing. In this way, G&E's role has been very much like that of in-house counsel managing outside lawyers litigating a case. In January 2015, Paris Commercial Court issued a decision rejecting defendants' preliminary motions, and the Court appointed an expert to review plaintiffs' evidence as to their transactions in Vivendi stock – his report was submitted to the court in March 2018. The court has set a trial date for June 2019.

A REPRESENTATIVE SAMPLING OF G&E'S INTERNATIONAL LITIGATION EXPERIENCE

Volkswagen: G&E is currently working with a number of institutional investors on a securities action against Volkswagen in District Court Braunschweig (Germany) and a related action against Porsche in the State Court of Stuttgart (Germany) under German law. These investors suffered billions of dollars in losses in connection with their purchases of VW and Porsche securities in the wake of the disclosure that VW had been equipping its diesel cars with defeat devices designed to cheat emissions tests in the United States. Because VW's common and preferred shares do not trade on a U.S. stock exchange, the U.S. federal securities laws do not provide a remedy and investors in those securities must pursue litigation in Germany to recover their losses. The case is proceeding under the German KapitalanlegermusterVerfahrensGesetz (Capital Market Investors' Model Proceeding Act) ("KapMuG"), which is akin to a class action in the United States except investors must affirmatively join the case as plaintiffs in order to recover. More than 500 plaintiffs, representing over $4 billion in losses, are participating in the case. The Higher Regional Court in Braunschweig has elected one of the claimants in our group as model case plaintiff.

BHP Billiton: During October 2013–November 2015, Anglo-Australian BHP Billiton ("BHP") made a series of intentionally false representations touting its mining safety practices and risk management, and failed to make appropriate disclosures to investors about significant and immediate safety risks at its Brazilian operations. On November 5, 2015, the Fundão dam at the Germano iron ore mine in Brazil (co-owned by BHP) collapsed, causing a toxic mudslide that swept away the village of Bento Rodrigues, killing 19 people and causing permanent environmental damage. On this news, BHP's stock price dropped, and it continued to fall as news about the ever worsening financial consequences of the collapse kept coming out until, by late November 2015, the stock had fallen 20%.

INTERNATIONAL ARBITRATION

Aside from international litigation, G&E also advises institutional investors with regard to international arbitrations, which provide the remedy of choice for many investors who have suffered expropriatory, arbitrary, discriminatory or other unfair treatment. These claims may be actionable under Bilateral Investment Treaties ("BITs"), treaties entered into by two sovereign states for the protection of investments made by nationals of one state in the other state. They provide significant protection beyond that found through, for example, political risk insurance or contractual dispute resolution. There are now over 3,000 BITs concluded worldwide, more than 50 of which have been signed by the United States.

Republic of Cyprus: G&E, along with three other U.S. and international law firms, is currently representing over 900 Greek individuals and institutional investors in an arbitration proceeding against the Republic of Cyprus in the wake of the Cypriot government's 2013 bailout. The arbitration was filed with the International Centre for Settlement of Investment Disputes after the Cyprus government failed to negotiate with investors seeking to recover their losses, estimated at hundreds of millions of euros. The investors, who are depositors and bondholders of Laiki Bank and the Bank of Cyprus, claim their investments were wrongfully confiscated following Cyprus' €10 billion bailout and the restructuring of its financial sector. Greek investors also claim that they were discriminated against during the bailout, alleging that foreign investors were subject to extreme measures while certain Cypriot entities were exempt from such treatment. This is the first time that Greece and Cyprus' bilateral investment treaty, which provides that the parties must first attempt to settle their dispute for at least six months before resorting to taking legal action, will be tested as a group action for large numbers of investors.

Petroleo Brasileiro S.A.: G&E, working with three other U.S. and international law firms, represents more than 100 institutional investors alleging claims under Brazilian law in a case against Petróleo Brasileiro S.A. ("Petrobras"), a Brazilian oil and gas company and the largest corporation in Brazil in terms of revenue. Petrobras is involved in a major corruption and kickback scandal, which resulted in its common and preferred securities losing more than 60% of their value once the scandal became public. The case is proceeding in an arbitration in front of and under the rules of the Market Arbitration Chamber of the Brazilian Stock Exchange—the exclusive remedy for investors in Petrobras' non-U.S. common and preferred stock.

TESTIMONIALS AND BONA FIDES

Judge Swain: "The legal case work in this case was performed extraordinarily well and billed in an appropriate manner…the Court finds that this is a very substantial settlement that was negotiated at arm's length by sophisticated counsel with depth in this litigation. It has been an honor and pleasure to work with you all over the years."
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In re Safety-Kleen Corp. Bondholders Litigation

BENCHMARK LITIGATION: "There is no 'bait-and-switch' with these guys. If you hear that Grant & Eisenhofer is filing a suit, it means that you will literally be seeing Grant or Eisenhofer in court – and if you're a defense lawyer, that's the last place you want to encounter them."

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for the three months ending

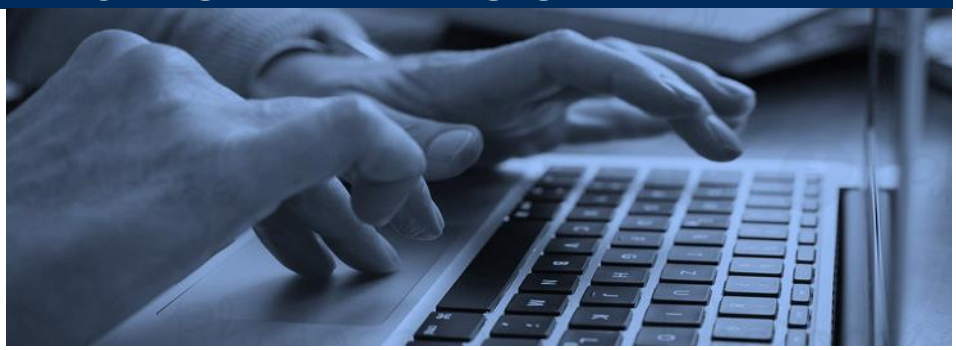
JUNE 30, 2018

PORTFOLIO MONITORING REPORT

Prepared for:

STATE EMPLOYEES RETIREMENT SYSTEM

Grant & Eisenhofer



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This Report has been prepared by Grant & Eisenhofer P.A. (G&E). The information contained in this Report is based solely on information provided directly to G&E and/or from the custodian. G&E has not independently verified the information.

MARKET PERFORMANCE

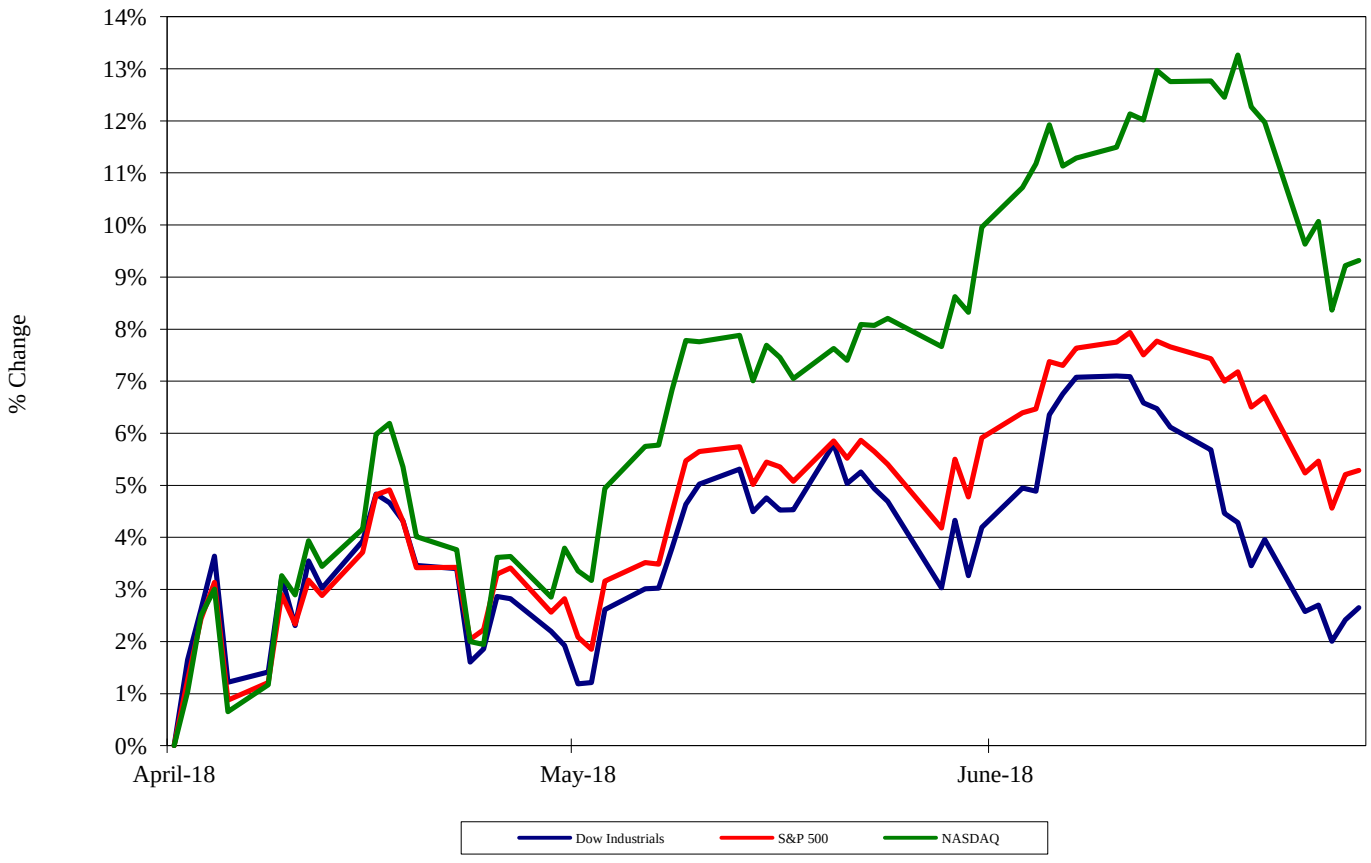
FOR THE QUARTER ENDING
JUNE 30, 2018

The Dow opened the second quarter at 23,644. During the quarter the Dow reached a high of 25,322 and a low of 23,644. The Dow closed the quarter at 24,271, an increase of 2.65% from its quarter opening.

The S&P 500 opened the second quarter at 2,582. During the quarter the S&P reached a high of 2,787 and a low of 2,582.The S&P closed the quarter at 2,718, an increase of 5.29% from its quarter opening.

The NASDAQ opened the second quarter at 6,870. During the quarter the NASDAQ reached a high of 7,782 and a low of 6,870. The NASDAQ closed the quarter at 7,510, an increase of 9.32% from its quarter opening.

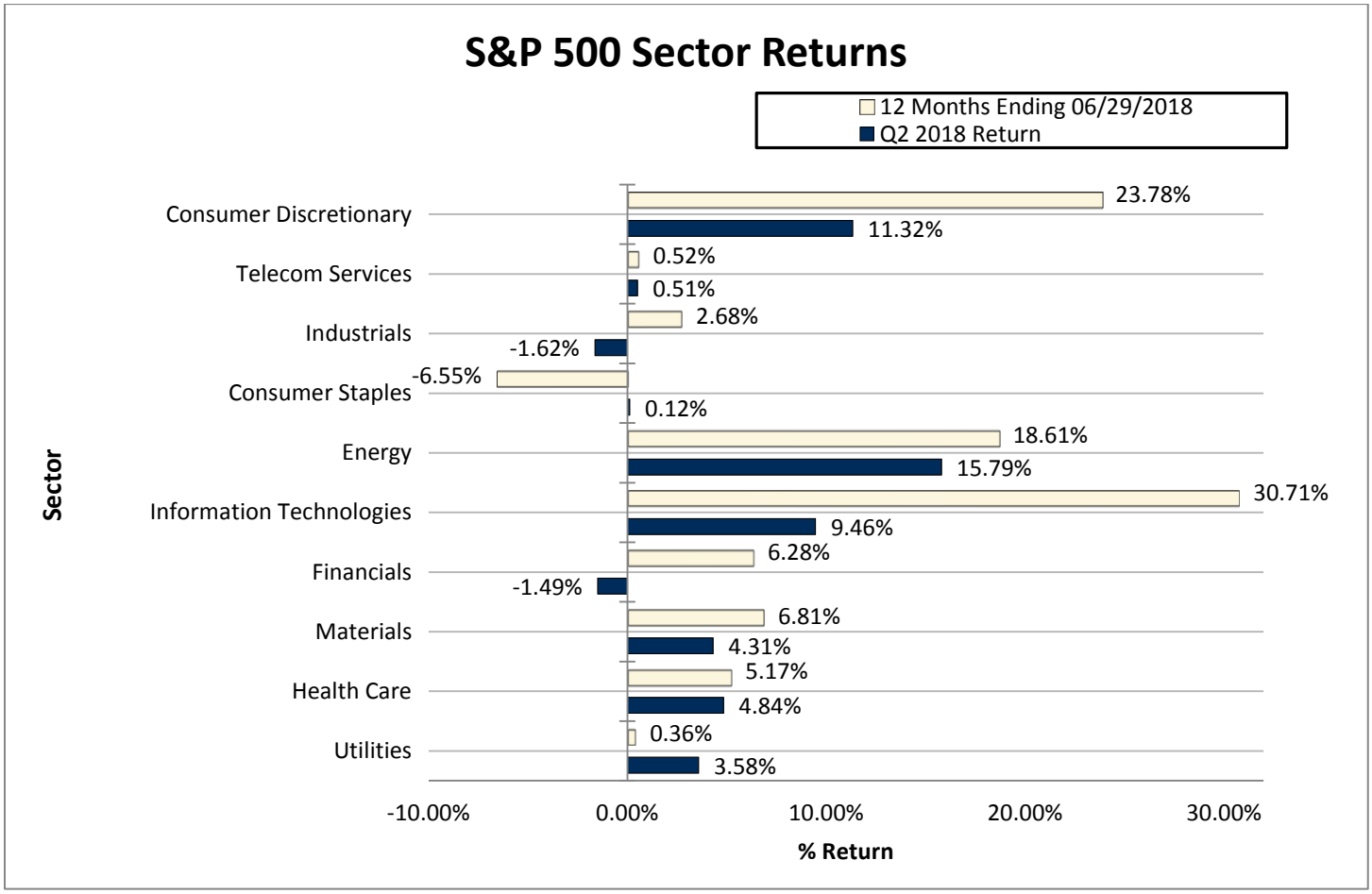
2nd Quarter 2018



MARKET ANALYSIS

US markets were far less volatile in the second quarter of 2018 than in the first quarter. Corporate profits remained strong, reflecting healthy broad fundamentals (e.g., consumer demand, employment and inflation), and the continuing effects of last year's corporate tax cuts. Technology stocks outpaced most other sectors. Oil prices reached their highest level in many years, driven in part by political tensions and sanctions directed at Iran and Venezuela. This increase boosted energy stocks but threatens to increase costs for transportation and petroleum-intensive manufacturing. The Fed raised interest rates in June. Based on low unemployment, slowly rising inflation, and a potentially unsustainable growth rate, this increase likely will be repeated at least once before the end of the year.

Although equity prices rose during the quarter, the early effects and continuing concerns about what appears to be a broadening trade war with China, the EU and Canada dominated headlines, and remain a source of significant uncertainty especially for companies, such as automobile manufacturers, that depend on exports or a global supply chain. Additionally, the lack of progress on Brexit negotiations between the UK and the EU as the deadline approaches has created additional headwinds for those economies. Many of these countries are entering the later stages of their growth cycles as well, increasing the risks of a broader slowdown. Other export-reliant countries such as Brazil, Mexico and South Korea also are at heightened risk if the protectionist standoff is not resolved.



QUARTERLY SECURITIES CLASS ACTIONS SUMMARY

The following is a list of the Fund's gains or losses in securities class action cases filed during the quarter ending June 30, 2018:

Company Name	Ticker	CUSIP/ISIN	Market Cap (mil)	Lead Plaintiff Deadline	Class Period Begin Date	Class Period End Date	Estimated LIFO Gain/(Loss)
Aceto Corp.	ACET	004446100	$99.14	25-Jun-18	25-Aug-17	18-Apr-18	($32,048)
ADT, Inc.	ADT	00090Q103	$6,733.41	20-Jul-18	19-Jan-18	21-May-18	($400,124)
Akers Biosciences, Inc.	AKER	00973E102	$28.46	13-Aug-18	15-May-17	05-Jun-18	($84,425)
Allegiant Travel Co.	ALGT	01748X102	$2,178.84	25-Jun-18	08-Jun-15	13-Apr-18	($143,897)
China Auto Logistics, Inc.	CALI	16936J202	$2.02	06-Aug-18	28-Mar-17	13-Apr-18	($2,254)
Colony NorthStar, Inc.	CLNS	19625W104	$.00	05-Jun-18	10-Jan-17	01-Mar-18	($526,369)
Deutsche Bank Aktiengesellschaft	DB	D18190898	$23,747.22	06-Aug-18	20-Mar-17	30-May-18	($423,144)
Esperion Therapeutics, Inc.	ESPR	29664W105	$1,261.92	06-Jul-18	22-Feb-17	01-May-18	$45,515
Flex Pharma, Inc.	FLKS	33938A105	$10.66	20-Aug-18	06-Nov-17	12-Jun-18	($25,486)
Flex, Ltd.	FLEX	Y2573F102	$7,240.24	09-Jul-18	26-Jan-17	26-Apr-18	($1,235,486)
Fluor Corp.	FLR	343412102	$7,914.04	24-Jul-18	14-Aug-13	03-May-18	($369,850)
Gogo, Inc.	GOGO	38046C109	$386.09	27-Aug-18	27-Feb-17	07-May-18	($471,134)
InnerWorkings, Inc.	INWK	45773Y105	$345.89	09-Jul-18	11-Aug-15	07-May-18	$199,965
LendingClub Corp.	LC	52603A109	$1,612.56	02-Jul-18	28-Feb-15	25-Apr-18	($844,539)
Live Nation Entertainment, Inc.	LYV	538034109	$10,279.47	18-Jun-18	23-Feb-17	30-Mar-18	($326)
Longfin Corp.	LFIN	54304F106	$480.79	04-Jun-18	13-Dec-17	02-Apr-18	$448
Macquarie Infrastructure Corp.	MIC	55608B105	$3,874.98	25-Jun-18	22-Feb-16	21-Feb-18	($69,004)
Molina Healthcare, Inc.	MOH	60855R100	$8,271.17	29-Jun-18	31-Oct-14	02-Aug-17	($44,172)
Newell Brands, Inc.	NWL	651229106	$9,757.13	20-Aug-18	06-Feb-17	24-Jan-18	($1,248,603)
PG&E Corp.	PCG	69331C108	$22,154.76	13-Aug-18	29-Apr-15	08-Jun-18	($2,475,165)

QUARTERLY SECURITIES CLASS ACTIONS SUMMARY

Company Name	Ticker	CUSIP/ISIN	Market Cap (mil)	Lead Plaintiff Deadline	Class Period Begin Date	Class Period End Date	Estimated LIFO Gain/(Loss)
PPG Industries, Inc.	PPG	693506107	$25,859.63	19-Jul-18	24-Apr-17	10-May-18	($4,756)
Prothena Corp. PLC	PRTA	G72800108	$605.92	17-Sep-18	15-Oct-15	20-Apr-18	$18,964
Qualcomm, Inc.	QCOM	747525103	$96,123.94	07-Aug-18	31-Jan-18	12-Mar-18	($120,456)
Recro Pharma, Inc.	REPH	75629F109	$123.48	30-Jul-18	31-Jul-17	23-May-18	($17,499)
Rev Group, Inc.	REVG	749527107	$1,116.36	07-Aug-18	27-Jan-17	07-Jun-18	$129,043
Switch, Inc.	SWCH	87105L104	$2,741.77	10-Aug-18	06-Oct-17	11-Jun-18	($66,947)
Symantec Corp.	SYMC	871503108	$11,597.91	16-Jul-18	19-May-17	10-May-18	($236,534)
TAL Education Group	TAL	874080104	$18,958.74	17-Aug-18	26-Apr-18	13-Jun-18	($90,432)
Telefonaktiebolaget LM Ericsson	ERIC	294821608	$25,916.56	05-Jun-18	08-Apr-13	17-Jul-17	($1,234,684)
Unum Group	UNM	91529Y106	$7,729.05	13-Aug-18	27-Oct-16	02-May-18	($500,654)

For informational purposes, the following is a list of securities class action cases filed during the quarter ending June 30, 2018 in which the Fund had no purchases during the class period:

Company Name	Ticker	CUSIP/ISIN	Market Cap (mil)	Lead Plaintiff Deadline	Class Period Begin Date	Class Period End Date	Estimated LIFO Gain/(Loss)
Aegean Marine Petroleum Network, Inc.	ANW	Y0017S102	$76.44	06-Aug-18	28-Apr-16	04-Jun-18	No Class Period Purchases
Cancer Genetics, Inc.	CGIX	13739U104	$27.33	04-Jun-18	23-Mar-17	02-Apr-18	No Class Period Purchases
Edge Therapeutics, Inc.	EDGE	279870109	$26.66	22-Jun-18	29-Dec-17	27-Mar-18	No Class Period Purchases
Funko, Inc.	FNKO	361008105	$995.42	27-Aug-18	01-Nov-17	02-Apr-18	No Class Period Purchases
Gridsum Holding, Inc.	GSUM	398132100	$219.09	25-Jun-18	22-Sep-16	20-Apr-18	No Class Period Purchases
IZEA, Inc.	IZEA	46603N301	$13.33	04-Jun-18	15-May-15	03-Apr-18	No Class Period Purchases
Kulicke and Soffa Industries, Inc.	KLIC	501242101	$1,825.12	10-Jul-18	16-Nov-17	10-May-18	No Class Period Purchases
MabVax Therapeutics Holdings, Inc.	MBVX	55414P702	$4.75	03-Aug-18	30-Jun-14	18-May-18	No Class Period Purchases

QUARTERLY SECURITIES CLASS ACTIONS SUMMARY

Company Name	Ticker	CUSIP/ISIN	Market Cap (mil)	Lead Plaintiff Deadline	Class Period Begin Date	Class Period End Date	Estimated LIFO Gain/(Loss)
Myriad Genetics, Inc.	MYGN	62855J104	$2,934.69	19-Jun-18	13-Aug-14	12-Mar-18	No Class Period Purchases
Ormat Technologies, Inc.	ORA	686688102	$2,556.82	10-Aug-18	08-Aug-17	15-May-18	No Class Period Purchases
PolarityTE, Inc.	COOL	731094108	$508.32	27-Aug-18	31-Mar-17	25-Jun-18	No Class Period Purchases
QuinStreet, Inc.	QNST	74874Q100	$674.49	26-Jun-18	10-Feb-16	10-Apr-18	No Class Period Purchases
Restoration Robotics, Inc.	HAIR	76133C103	$66.53	21-Aug-18	12-Oct-17	16-Oct-17	No Class Period Purchases
Sibanye-Stillwater, Ltd. (f/k/a Sibanye Gold, Ltd.)	SBGL	825724206	$1,348.20	27-Aug-18	07-Apr-17	26-Jun-18	No Class Period Purchases
Synacor, Inc.	SYNC	871561106	$89.62	04-Jun-18	04-May-16	15-Mar-18	No Class Period Purchases

PENDING CLASS ACTION SETTLEMENTS

This list of settlements is not intended to be an exhaustive and precise list of all securities class action settlements and is provided for informational purposes only. G&E recommends that claims be promptly and timely filed in all securities class actions where the client is eligible and wishes to recover money from a securities class action settlement. G&E does not administer claims filings or provide any other service relating to the preparation or submission of claim forms. G&E is pleased to provide referrals to claims filing services upon request.

The following is a list of securities class action settlements announced during the quarter ending June 30, 2018 in which the Fund may be eligible to file claims:

Company Name (Case)	CUSIP/ISIN(s)	Claims Deadline	Class Period		Settlement Fund
			Begin Date	End Date	
Ability, Inc.	See attached list	16-Oct-18	08-Sep-15	29-Apr-16	$3,000,000
Ageas SA/NV (f/k/a Fortis S.A./N.V.)	BE0974264930	28-Jul-19	28-Feb-07	14-Oct-08	$1,542,014,910
BancorpSouth, Inc.	See attached list	23-Aug-18	12-Jul-13	21-Jul-14	$13,000,000
Conns, Inc.	US2082421072	10-Nov-18	03-Apr-13	09-Dec-14	$22,500,000
Insulet Corporation	US45784P1012	04-Sep-18	07-May-13	30-Apr-15	$19,500,000
NuVasive, Inc.	US6707041058	23-Oct-18	22-Oct-08	30-Jul-13	$7,900,000
PTC Therapeutics, Inc.	US69366J2006	27-Sep-18	06-Nov-14	23-Feb-16	$14,750,000
Virtus Investment Partners, Inc.	US92828Q1094	10-Oct-18	25-Jan-13	11-May-15	$22,000,000
Wilmington Trust Corporation	US9718071023	26-Nov-18	18-Jan-08	01-Nov-10	$210,000,000
Yahoo! Inc.	US9843321061	01-Sep-18	30-Apr-13	14-Dec-16	$80,000,000

For informational purposes, the following is a list of securities class action settlements announced during the quarter ending June 30, 2018 in which the Fund data available to G&E shows no exposure during the class period:

Company Name (Case)	CUSIP/ISIN(s)	Claims Deadline	Class Period		Settlement Fund
			Begin Date	End Date	
21Vianet Group, Inc.	US90138A1034	31-Oct-18	20-Aug-13	16-Aug-16	$9,000,000
Alliance MMA, Inc.	US0186261014	11-Sep-18	06-Oct-16	12-Apr-17	$1,550,000
Avinger, Inc.	US0537341093	31-Oct-18	29-Jan-15	10-Apr-17	$5,000,000
Baxano Surgical, Inc. (f/k/a TranS1, Inc.)	US0717731055 US89385X1054	02-Jan-19	23-Feb-09	17-Oct-11	$3,250,000
Big Lots, Inc.	US0893021032	08-Oct-18	02-Mar-12	23-Aug-12	$38,000,000

PENDING CLASS ACTION SETTLEMENTS

Company Name (Case)	CUSIP/ISIN(s)	Claims Deadline	Class Period		Settlement Fund
			Begin Date	End Date	
Code Rebel Corp.	US19200J1060	25-Sep-18	19-May-15	12-May-17	$415,000
CytRx Corporation	See attached list	16-Nov-18	12-Sep-14	11-Jul-16	$5,750,000
Keurig Green Mountain, Inc. (f/k/a Green Mountain Coffee Roasters, Inc.)	US3931221069	01-Dec-18	02-Feb-11	09-Nov-11	$36,500,000
Liquidity Services, Inc.	US53635B1070	03-Nov-18	01-Feb-12	07-May-14	$17,000,000
Orthofix International N.V.	ANN6748L1027	22-Oct-18	02-Mar-10	07-Aug-13	$8,370,023
Saba Software, Inc.	US7849326001	26-Nov-18	30-Mar-15	30-Mar-15	$19,500,000
Symbol Technologies, Inc.	US8715081076	29-Nov-18	12-Mar-04	01-Aug-05	$15,000,000
Twitter, Inc.	US90184L1026	31-Aug-18	07-Nov-13	18-Feb-14	$2,500,000
Vista Outdoor, Inc.	US9283771007 US928377AB61	26-Nov-18	11-Aug-16	09-Nov-17	$6,250,000
Willbros Group, Inc.	US9692031084	06-Sep-18	28-Feb-14	17-Mar-15	$10,000,000

NON-U.S. LITIGATION SUMMARY

In re Volkswagen International Securities Litigation

Background:
On September 18, 2015, the U.S. Environment Protection Agency ("EPA") issued a notice of violation of the Clean Air Act against Volkswagen AG ("VW") and other affiliates, resulting in a potential fine of up to $18 billion ($37,500 per vehicle and infraction, covering 482,000 vehicles in the United States). Only two days later, on Sunday, September 20, 2015, VW admitted to installing so-called "defeat device software" in various 2.0 liter diesel engine models, which dramatically reduced the nitrogen oxide (NOx) emissions of diesel cars during testing, thereby distorting the outcome of official emission tests. On Tuesday, September 22, 2015, VW admitted that 11 million diesel-powered vehicles were affected worldwide. Later, on November 3, 2015, VW revealed that it had also understated the fuel consumption and carbon dioxide emissions of about 800,000 vehicles sold in Europe, including gasoline-powered vehicles. In the wake of these revelations, VW's CEO, and other top managers, resigned or were fired. Several VW employees were indicted in the United States, and others are still being investigated by the U.S. Department of Justice and German prosecutor's office. VW to date has paid more than $25 billion to resolve certain of its liabilities stemming from this scandal, and continues to face additional liabilities in the U.S. and across the globe. In response to the revelation of VW's wrongdoing, VW's common stock price fell 39% from EUR 167.50 on September 16, 2015 to a low of €101.15 on October 2, 2015. Over that same time period, VW's preferred shares fell more than 45%, from €169.50 to €92.36. The total market capitalization loss for VW's common and preferred shares during that period was more than EUR 30 billion, and additional disclosures may further increase that figure.

Claims Filed/Total Damages:
- On March 14, 2016, Grant & Eisenhofer, working together with three other law firms, including German local counsel TISAB, filed a complaint against VW on behalf of nearly 300 institutional investors in the District Court of Braunschweig, Germany. The complaint seeks €3.25 billion in Volkswagen and Porsche shareholder damages under the German Securities Trading Act and general tort law.
- In subsequent filings, Grant & Eisenhofer, through its local counsel, filed additional complaints on behalf of investors who have suffered losses on Volkswagen stocks, bonds, derivatives, or Audi stock, and also a separate complaint on behalf of a group of investors against Volkswagen's parent, Porsche Automobil Holding SE, in the District Court of Stuttgart.

Progress to date:
- The Higher Regional Court of Braunschweig ("OLG") decided that the case will proceed as a Model Case under the German Capital Markets Model Case Act, and, as expected, appointed a claimant from our group as Model Lead Plaintiff in March 2017. This gives us and our local counsel significant control over the litigation, and is therefore a very positive development.
- On April 20, 2017, we issued a subpoena to Volkswagen of America ("VWoA"), VW's wholly-owned subsidiary in the United States, demanding the production of documents. VWoA objected on July 27, 2017, and the parties are in the process of devising an appropriate Protective Order.
- On August 4, 2017, the Model Lead Plaintiff filed its initial brief for the selection of the certified questions of law and fact with the OLG. While the Model Case progresses, certain claims brought by non-German plaintiffs are being litigated concerning proper standing, the formalities of ownership, and other procedural issues.
- On December 6, 2017, the Stuttgart Regional Court also issued an order for the Porsche case to proceed as a Model Case and referring it to the Stuttgart Higher Regional Court to determine the Model Plaintiff.
- Also on December 6, 2017, Oliver Schmidt (former General Manager at VWoA's Environment & Engineering Office) was sentenced by a Michigan federal court to seven years in prison and ordered to pay a $400,000 fine pursuant to a plea agreement with federal prosecutors on July 24, 2017.
- On February 2, 2018, VW filed its brief in the Adviser v. Porsche case requesting the Stuttgart Regional Court to transfer the case to the Braunschweig Regional Court.
- On February 6, 2018, our German co-counsel advised us that two hot internal VW documents—which we had requested production of in our 1782 subpoena to VWoA—were publicly submitted in a related Stuttgart proceeding. These documents are now in the public domain and we intend to use them in our litigation.

NON-U.S. LITIGATION SUMMARY

In re Volkswagen International Securities Litigation

Progress to date (Con't):

- On February 20, 2018, in an Australian case brought by an unrelated law firm on behalf of consumers of VW and other cars with switching software, the Australian federal court ordered VW to provide—by March 7, 2018—verified written answers that inform the Court and the other parties of the identity of all persons involved in the development, design and creation of the switching software (including for purposes of the US market) and in the modification of that software both for purposes of the US market and other markets (including Australia). We will continue to monitor this case as the information VW provides in its verified answers may be critical in developing our case.
- On February 21, 2018, in a matter brought by an unrelated small investor against VW and Porsche, the Braunschweig Regional Court suspended that matter in deference to the model case proceeding before the Stuttgart Regional Court and the model case proceeding before the Braunschweig Regional Court. Significant to our litigation, this suspension order has the effect, under German class action law, of automatically making Porsche the (second) model defendant in our Braunschweig model case proceeding.
- On March 13, 2018, we submitted additional incumbency certificates and other verification statements on behalf of our clients in the Porsche (Stuttgart) case.
- In a related matter, on or around March 20, 2018, the Braunschweig prosecutor expanded its investigation into VW by conducting another search of VW's headquarters in Wolfsburg during which documents and a large amount of data were confiscated based on the prosecutor's suspicion of VW's market manipulation in connection with its diesel engines and CO2 values. We will continue to closely monitor developments in the Braunschweig prosecutor's investigation.
- On April 3, 2018, in the Porsche (Stuttgart) action, we filed a 146-page amendment of our clients' tort claims.
- In a related matter, during the week of April 16, 2018, 200 police officers and investigators from Stuttgart raided Porsche's headquarters and—based on evidence they found linking Porsche to VW's emissions-cheating scandal—they arrested Jörg Kerner, Porsche's head of engine development. Michael Steiner, a Porsche director in charge of R&D, is also a target of the investigation. We will continue to monitor the Stuttgart prosecutor's investigation of Porsche.
- After numerous meet-and-confers over the past few months during which VWGoA staunchly argued that the Porsche (Stuttgart) action is not relevant to our 1782 application, VWGoA has finally dropped its objection—after receiving a letter brief from us on the issue—and agreed to include the Porsche action in the proposed Protective Order which also cover s the Braunschweig actions. The DNJ judge so-ordered the Stipulated Confidentiality Order on April 27, 2018. On May 30, 2018, VWGoA made its first production of documents pursuant to the DNJ's April 27, 2018 Stipulated Confidentiality Order. The Plaintiffs' firms have assembled a document review team to go through the nearly 80,000 documents in the production. On June 26, 2018, VWGoA made a second production of about 10,500 documents, which we are also reviewing.
- On May 3, 2018, we filed a brief with the Braunschweig Regional Court addressing the issuance of a KapMuG stay for the remaining Plaintiffs whose cases have not yet been stayed pending the Model Case.
- In a related matter, on May 3, 2018, a Mar. 14, 2018 criminal indictment issued by a US federal court in Michigan against six former VW executives was unsealed and made public just hours after VW's AGM in Berlin. The indictment names Winterkorn (former VW CEO/Chairman) as a co-conspirator in the emissions scandal as of May 2006.
- In a related matter, on June 13, 2018, the Braunschweig public prosecutor fined VW €1 billion for its role in the diesel-emissions scandal. The prosecutor's investigation determined that "monitoring duties had been breached in the Powertrain Development department in the context of vehicle tests" and that "10.7m vehicles worldwide were equipped with impermissible software from mid-2007 to 2015." "Volkswagen AG accepted the fine and it will not lodge an appeal against it. Volkswagen AG, by doing so, admits its responsibility for the diesel crisis and considers this as a further major step towards the latter being overcome." https://www.volkswagenag.com/en/news/2018/06/VW_Group_fine_diesel_crisis.html

NON-U.S. LITIGATION SUMMARY

In re Volkswagen International Securities Litigation

Progress to date (Con't):

- On June 15, 2018, the OLG Braunschweig ordered that Porsche (PSE) is now included in the VW Model Case as a second model case defendant alongside VW. Porsche initially appealed the decision but has since withdrawn its appeal, making the Court's decision final. We asked the Court for clarification of the effect of its Order on the model case proceeding before the Stuttgart higher court, and on June 26, 2018, the Court responded that it is for the Stuttgart Court to clarify the fate of the model case against Porsche in Stuttgart—whether to stay it in favor of the Braunschweig Model Case against VW and Porsche, or proceed in parallel against Porsche.
- In a related matter, on June 18, 2018, Munich public prosecutors arrested Rupert Stadler, CEO of VW's Audi brand, as part of its investigation in VW's emissions test cheating. Stadler is the most senior company official to be detained so far and was arrested because of signs found during the probe that Stadler may tamper with evidence.
- In a related matter, the VW ADR class action pending in US federal court (USDC, ND Cal.), on May 2, 2018, Defendants VW AG, VWGoA/VWoA and Michael Horn filed motions to dismiss ("MTD") the Second Amended Class Action Complaint. Lead Plaintiff's opposition to the MTDs was filed on June 19; the Defendants' replies on July 17; and the hearing on the MTDs is scheduled for July 31, 2018.
- On June 22, 2018, in the AGI (Wave 1) case, the Braunschweig lower court placed the suspension issue on hold as there is an appeal pending in a parallel (retailer) matter which must first be decided. This is positive for us insofar as it gives us more time to amend the Complaint and poses no other problems as the Complaint we wish to amend has not yet been suspended. We expect similar handling by the Court in the Aachener (Wave 2) and Banco Santander (Wave 3) cases.
- On June 30, 2018, in the VW Model Case, VW responded to certified questions by other interested parties including Quinn Emmanuel, the United States, and other plaintiffs in the model proceeding. We are currently reviewing an English translation of VW's brief.
- On July 2, 2018, in the Porsche (Stuttgart) action, we filed a brief regarding formalities such as the Plaintiffs' existence, authorization, etc.

Next Steps:

- In the VW Model Case before the OLG Braunschweig, hearings are scheduled for Sept. 10, 11, and 17, with additional weekly Monday hearings through 2018 and likely into 2019. The Court has informed us that after the hearings begin, we will be allowed to file a brief responding to VW's arguments regarding the certified questions. We plan to file this brief in September or October 2018. We also plan to file a short brief in mid-August 2018 to bring to the Court's attention a Judgment in a related matter before the Stuttgart lower court (1) ordering one of the Defendants in that case—Robert Bosch GmbH, which designed and calibrated the defeat device software—to produce highly case-critical documents to the court, and (2) noting that VW's 2009 Annual Report, published on March 11, 2010, contained misstatements or wrong information.
- In a related matter before the Stuttgart lower court, hearings are scheduled for Sept. 12, 2018, with 13 additional hearings in Sept. and Nov. 2018, for a total of 14 sessions with 28 witnesses. We will closely follow developments during these hearings.
- We are preparing to file a 1782 Application seeking permission from a Michigan federal court to serve a subpoena on Oliver Schmidt (recently convicted former VW executive) requesting production of certain documents as well as his deposition testimony. We are also contemplating filing 1782 Applications against Porsche US and James Liang (a VW engineer who helped develop the defeat device software and is currently serving a 40-month sentence in the US).

NON-U.S. LITIGATION SUMMARY

In re Toshiba International Securities Litigation

Background:
Toshiba, a Japanese corporation, has admitted that its financial statements were intentionally misstated from 2008 through 2013 due to improper accounting practices, and that Toshiba's management had condoned and encouraged the manipulation of its financial results. Since the initial disclosure of the accounting fraud, Toshiba's common share price has declined more than 50 percent, its CEO and eight of its sixteen directors have resigned, and Japanese regulators have imposed a fine of more than 7 billion yen on the company, the largest fine ever imposed in Japan for accounting-related violations.

Claims Filed/Total Damages:

- A complaint was filed June 22, 2016 in Tokyo Civil Court on behalf of all institutional investors who purchased Toshiba Corporation common stock during the period January 1, 2008 through September 11, 2015.
- To be included, investors must opt in and be named as plaintiffs in the complaint.
- Another complaint, filed on behalf of a different group of investors, was filed on April 3, 2017.

Progress to date:

- At a hearing on June 13, 2017, the Court informed all parties that it would grant our request to consolidate the two actions that we have filed, so the cases will proceed together.
- The Court issued this order and then directed the defendant to submit a reply brief in response to our detailed allegations of accounting violations which was filed in July.
- A hearing in the first case was held on November 7, 2017, where the court heard arguments concerning how Toshiba's financial reports were improper.
- In the second case, the court granted defendants' motion to require us to post security for costs.
- A hearing was held.in the first case on February 22, 2018. Toshiba indicated that it will not be disputing that it made false statements, but it plans to dispute (1) impairment losses, and (2) retrospective adjustments.
- At a hearing in the first case on June 12, 2018, the court asked defendant technical questions related to the accounting of impairment loss, including the result of business units that had been abolished. The court also wanted know what type of assets were posted for impairment loss. Furthermore, the court asked when Toshiba amended the past financial statements. Although the defendant responded to the court, the court requested that the defendant submit a brief for the next hearing on July 27, 2018.

Next Steps:

- In the first case, the court instructed Toshiba to submit a brief specifying the amounts of retrospective adjustment in each year and if the misstatements were material.
- The next hearing is scheduled for August 30, and which time we expect the two Toshiba cases will be consolidated.

In re Petroleo Brasileiro International Securities Litigation

Background:
G&E, along with three other U.S. and international law firms, represents more than 100 institutional investors alleging claims under Brazilian law in a case against Petróleo Brasileiro S.A. ("Petrobras"), a Brazilian oil and gas company and the largest corporation in Brazil in terms of revenue. Petrobras was involved in a major corruption and kickback scandal, which resulted in its common and preferred securities losing more than 60% of their value once the scandal became public. The case is proceeding in an arbitration in front of and under the rules of the Market Arbitration Chamber (the "MAC") of the Brazilian Stock Exchange (the "BOVESPA")—the exclusive remedy for investors in Petrobras's non-U.S. common and preferred stock.

NON-U.S. LITIGATION SUMMARY

In re Mitsubishi Motors Corporation International Securities Litigation

Background:
Mitsubishi Motors Corporation ("Mitsubishi") is a Japanese public company traded primarily on the Tokyo Stock Exchange. Between April 20 and 27, 2016, the company's common shares lost more than half of their value following a series of surprising public admissions that since 1991 it has deliberately manipulated and falsified its fuel mileage testing data and fuel economy reports on its Japanese vehicles in order to mislead regulators and increase sales over its competitors, in violation of applicable regulations. The dramatic stock price drop caused severe economic losses to Mitsubishi's investors, which demonstrates the materiality of the misrepresented and undisclosed information. While Mitsubishi's stock price has recovered somewhat since the intentional misconduct was first disclosed in April 2016, it remains 15% below its pre-disclosure level.

Claims Filed/Total Damages:

- On June 26, 2017, 118 institutional investors represented by Grant & Eisenhofer PA and its co-counsel filed their claims for JPY 18,026,137,067 in damages against Mitsubishi in the District Court of Tokyo, Japan (Case No. 2017 (wa) 21290). An Amendment to the Complaint was filed on September 8, 2017, increasing the total amount of the Plaintiffs' damages claims to JPY 18,034,247,842.
- The claims were brought with the assistance of local Japanese counsel, Koga & Partners, and are raised under the Japanese Financial Instruments & Exchange Act ("FIEA") and the Japanese Civil Code ("JCC").
- The 118 investors assert FIEA claims based on false statements in Mitsubishi's 2012 annual report and cover shares purchased prior to the filing of the annual report in June 2013.

Progress to date:

- Mitsubishi filed motions to dismiss, challenging the Plaintiffs' standing and authority to sue.
- As of September 20, 2017, the Tokyo District Court has accepted all required documentation from the Plaintiffs, and on September 22, 2017, the Court served the Complaint on Mitsubishi.
- On November 6, 2017, Mitsubishi served its Answer and a Request for Security Deposit.
- At the first hearing on November 13, 2017, the Court requested Plaintiffs to provide transaction data and finalize their damages demands based on the difference between the purchase and sales prices or, in the case of continued shareholdings, between the purchase price and the stock price on the date of service of the Complaint, September 22, 2017. The Plaintiffs filed an Amended Complaint on May 8, 2018, with the updated transaction data and recalculated damages, based on the Court's suggested damages methodology.
- Between December 12, 2017 and April 9, 2018, the parties completed two rounds of briefing on Mitsubishi's security deposit request. Following the Plaintiffs' Amended Complaint, Mitsubishi revised its request based on the recalculated damages. At the May 28, 2018 hearing, the Plaintiff objected to errors in Mitsubishi's calculations, and Mitsubishi has since advised the Court that it will recalculate and report back to the Court.
- On January 9, 2018, Mitsubishi requested that Plaintiffs identify the specific information they allege Mitsubishi failed to disclose in its annual/quarterly reports and the specific regulations on which the disclosures obligations are based. The Plaintiffs responded on February 28, 2018.
- On April 20, 2018, the Plaintiffs filed an additional complaint alleging FIEA violations on behalf of additional investors ("Wave 2"). The Court indicated on May 28, 2018 that it will consolidate the Wave 1 and Wave 2 cases by no later than August 1, 2018.

Next Steps:

- Mitsubishi has asked when the Wave 1 Plaintiffs will be ready to submit custodian confirmations for the updated transaction data and damages recalculations we submitted with the Amended Complaint in April 2018. We are finalizing the custodian letter and intend to inform the Court that we aim to submit all, if not most, of the confirmations by the end of 2018.

NON-U.S. LITIGATION SUMMARY

In re Mitsubishi Motors Corporation International Securities Litigation

Next Steps (Con't):

- On July 13, 2018, Mitsubishi filed an amended request for security deposits by the Wave 1 Plaintiffs in the total amount of ¥195,885,000 ($1,742,789). On the same day, Mitsubishi requested a ¥17,235,000 ($153,340) security deposit from the Wave 2 Plaintiffs. We have until August 1, 2018 to respond to Mitsubishi's Wave 2 security request and we expect the Court to issue an Order sometime in August regarding Mitsubishi's Wave 1 security request.
- The Court has ordered Mitsubishi to respond to Plaintiffs' Amended Complaint (Wave 1) and to the Wave 2 Complaint by July 25, 2018.
- The next hearing is scheduled for August 1, 2018.

In re Volkswagen/Porsche International Securities Litigation

Background:

The claims arise out of losses suffered by investors who engaged in short sales and other transactions respecting Volkswagen AG stock and who were injured by Porsche's allegedly false and misleading statements concerning its lack of intention to increase its holdings of Volkswagen stock.

Claims Filed/Total Damages:

- A claim was filed in September 2011 in the German Regional Court of Braunschweig on behalf of the holders and investors of Volkswagen AG common stock who suffered damages by selling their shares pursuant to the misleading statements made by Porsche Automobil Holding SE regarding its true intentions to take over and dominate VW.

Progress to date:

- On March 4, 2015, the court announced that the case would be transferred to the specialized cartel court in Hanover. On April 13, 2016, the court in Hanover granted our application to have the case treated as a "model proceeding".
- On December 5, 2016, our plaintiff was officially appointed by the court as model plaintiff.
- On May 1, 2017 we filed our brief in regards to all declaratory judgment questions.
- In July 2017 the defendants filed their responsive briefs.
- Our reply brief is due October 4, 2017.
- At a hearing on October 12, 2017, the judge expressed strong skepticism about some of our claims and indicated that he would decide certain issues without hearing our witnesses.
- We made motions to have the judges in the trial court recuse themselves. Those motions were denied but appeals are pending.

Next Steps:

- We await the court's ruling on certain issues and a schedule for witnesses on other issues.
- Hearings in the trial court may not resume until the end of 2018.

NON-U.S. LITIGATION SUMMARY

In re Vivendi Universal, S.A. International Securities Litigation

Background:
From at least October 2000 through mid-2002, Vivendi SA engaged in a scheme to inflate its share prices artificially by materially and fraudulently misstating its financial results. In particular, Vivendi and its CEO, Jean-Marie Messier, concealed the existence of a severe liquidity crisis at the company. The claims are based on the losses incurred by purchasers of Vivendi shares in 2000-2002, when Vivendi's stock price plummeted from over €80 to under €20 per share as a result of the disclosures that came out between January and August 2002.

Claims Filed/Total Damages:
- In the wake of the Supreme Court's decision in Morrison v. National Australia Bank, 130 S. Ct. 2869 (2010), limiting the reach of the antifraud provisions of the U.S. securities laws to securities purchased on a U.S exchange, claims against Vivendi and Messier were filed in the Paris Commercial Court in April 2012.
- Additional plaintiffs, intervened in August 2012.
- Currently, the case includes 78 institutional investors, including both public and private entities, most of which are located outside of the United States, who purchased Vivendi shares on non-U.S. exchanges.
- Total damages sought exceed 1 billion euros.

Progress to date:
- Defendants filed motions to dismiss, challenging the plaintiffs' standing, authority to sue, proof of damages, and also raising issues of the statute of limitations.
- In early 2015, the Court substantially rejected the Defendants' motions.
- The Court thereafter appointed an expert to review the Plaintiffs' transaction data and report back to the Court, which is due in February 2017.
- In January 2015 the Commercial Court dismissed on statute of limitations grounds the claims of some plaintiffs who had intervened in the case in August 2012.
- G&E filed a notice of appeal, and submitted an appellate brief in early June, 2017.
- G&E also moved in the Commercial Court for reconsideration.
- In April 2017 the Commercial Court reaffirmed its ruling, and we filed another notice of appeal.
- In August 2017 Vivendi filed an appellate brief and motion to dismiss the appeals arguing that the appeals are a nullity because, Vivendi claims, our French counsel has not been properly retained by the clients. A hearing on Vivendi's motion will be held in November.
- G&E and Vivendi have agreed to suspend proceedings on the appeal pending completion of the expert's report in the trial court.
- The expert's report was issued on March 14, 2018. It is generally favorable to our positions.

Next Steps:
- On February 26, 2018, the appeals court handed down a decision in which it rejected Vivendi's argument regarding the mandates given to him and accepted that he has the authority to represent the plaintiffs. The court also accepted the request to suspend appellate proceedings until the court of first instance (the commercial court) issues a decision. For those plaintiffs with SOL issues, the appeals court will rule on the challenge and the merits only after the court of first instance has ruled on the merits for the other plaintiffs.
- We anticipate both appeals being heard together.
- A hearing was held in the trial court on May 3, at which time our counsel raised the possibility of mediation. The court gave Vivendi until May 23 to indicate if it was interested. If not, on or about June 1 the trial court will set a trial date.
- Vivendi rejected doing mediation. The court thereupon set a trial date for June 2019. The court also set a schedule for submission of briefs concerning the expert's report, commencing in September 2018.

NON-U.S. LITIGATION SUMMARY

In re Fortis N.V. International Securities Litigation

Background:
Fortis N.V. ("Fortis") is alleged to have misrepresented the value of its collateralized debt obligations, the extent to which its assets were held as subprime-related mortgage backed securities, and the extent to which its ill-fated decision to acquire ABN Amro Holding NV had compromised Fortis' solvency.

Claims Filed/Total Damages:

- A Dutch Foundation was established and currently has more than 180 institutional members and supporters.
- The purpose of the Foundation is to protect the interests and rights of all investors in qualifying Fortis securities, who have been misled by information published, or failed to be disclosed, by Fortis during the period from May 29, 2007 through October 14, 2008.

Progress to date:

- During the second half of 2015, Grant & Eisenhofer participated in a confidential multi-party mediation concerning the investor claims brought against Fortis (now known as Ageas) in various courts in the Netherlands and Belgium.
- In March 2016, these mediation efforts resulted in a record-breaking €1.204 billion settlement, which is the highest such settlement in European history.
- The settlement involves four different claimant groups, which litigated in four different courts in two countries, and it extends its benefits to investors worldwide who held certain Fortis shares between February 28, 2007, and October 14, 2008.
- In May 2016, the settling parties jointly requested the Amsterdam Court of Appeals to declare the settlement binding on all investors affected by the 2007 - 2008 events in accordance with the Dutch Act on Collective Settlement of Mass Claims, also known as WCAM.
- On June 16, 2017, the Amsterdam Court of Appeal declined to declare the settlement terms, which it believed too strongly tilted towards the interests of our clients, binding on all investors, and it asked the settling parties to re-negotiate a resolution that better accommodates the interests of passive class members as well.
- On December 12, 2017, the settling parties submitted an Amended and Restated Settlement Agreement for approval, and an approval hearing took place on March 16, 2018. Third-party ConsumentenClaim, which had objected to the first settlement, has withdrawn its objections.
- In the spring, the Amsterdam Court of Appeals held two approval hearings to determine the fairness of the settlement and, on July 13, 2018, approved the settlement and extended its application to the entire class.

Next Steps:

- Class members are receiving notice of the settlement approval this month and will have the opportunity to submit their proofs of claim.

NON-U.S. LITIGATION SUMMARY

In re Banco Espirito Santo International Securities Litigation

Background:
In March 2014, Espirito Santo Financial Group SA ("ESFG") disclosed accounting irregularities at its parent holding company, Espirito Santo International SA ("ESI"), which ultimately contributed to the collapse of ESI, ESFG, Banco Espirito Santo, S.A. ("BES"), Rioforte Investments SA ("Rioforte") and several other companies affiliated with Portugal's Espirito Santo family. When financing the family's empire became difficult during the European debt crisis, the family used its network of companies and offshore entities to raise money by causing them to issue debt to each other and ultimately dumping that debt onto unsuspecting investors, including retail investors. Investment bank Credit Suisse and accounting firm KPMG participated in structuring many of these transactions. The Portuguese central bank has instituted a bailout of BES, and has created a "good bank" (for performing assets) and "bad bank" (for toxic assets), while stockholders and junior debt-holders have been wiped out. There are potential claims against the Portuguese government for expropriation, relating to the manner in which it allocated assets between the good bank and bad bank, as the government owns a 100% interest in the "good bank". ESFG, ESI and Rioforte filed for "controlled management" restructuring in Luxembourg, which was rejected by the Court. They subsequently filed for bankruptcy protection in Luxembourg in October 2014. In December 2015, the Bank of Portugal retransferred certain bonds from Novo Banco back to BES, causing a substantial drop in their value.

Claims Filed/Total Damages:

- On March 29, 2016, a complaint was filed in the Administrative Court of the District of Lisbon seeking to invalidate the retransfer of the bonds back to BES. In mid-2016 BES was placed into liquidation.

Progress to date:

- In August 2016, we filed claims in the BES liquidation proceeding which does not affect the administrative proceeding.
- In September 2016, the Bank of Portugal filed its response to the complaint, asserting among other things alleged defenses on the merits and alleged deficiencies in the plaintiffs' proof of their ownership of the bonds.
- The court has accepted jurisdiction of the case. It has stated that it will not hold a preliminary hearing to consider defendants' preliminary objections. Rather, it will consider defendants' objections at the final hearing.

Next Steps:

- Plaintiffs have provided to our Portuguese counsel the necessary proof from the relevant financial institutions, which will be submitted to the Court at the appropriate time.
- At the end of 2018 or early 2019 the court will adjudicate the validity of the Bank of Portugal's resolution that divided the assets between Novo Banco and BES. Then, sometime in 2019 or 2020, the court will adjudicate our claims that the bonds should be retransferred.

NON-U.S. LITIGATION SUMMARY

In re BHP Billiton Ltd International Securities Litigation

Background:
During Oct. 2013 - Nov. 2015, BHP Billiton Ltd. ("BHP") made a series of intentionally false representations touting its mining safety practices and risk management, and failed to make appropriate disclosures to investors about significant and immediate safety risks at its Brazilian operations, which it described as among its "core assets." On Nov. 5, 2015, the Fundão Dam at the Germano iron ore mine in Brazil (co-owned by BHP) collapsed, which caused a toxic mudslide that swept away the village of Bento Rodrigues, killing 19 people and causing permanent environmental damage. On this news, BHP's stock price dropped, and it continued to fall as news about the ever worsening financial consequences of the collapse kept coming out, until by Nov. 30, 2015, the stock had fallen approx. 20%.

Claims Filed/Total Damages:

- On May 31, 2018, we filed a class action complaint ("Statement of Claim") against BHP on behalf of shareholders who purchased BHP Billiton Ltd. and/or BHP Billiton Plc. on the Australian, London and/or Johannesburg stock exchanges, in the Federal Court of Australia, District of Victoria, for BHP's failure to notify the Australian Stock Exchange of the Fundão Dam failure risk and consequential financial risk. Our proposed class representative is Vince Impiombato.
- Our group of institutional investors now includes over 160 institutional investors with over US$700 million in damages.

Progress to date:

- We are putting together a large group of investors in support of our efforts to have the class action designated as an "open class" and our local Australian counsel appointed lead counsel.
- The first hearing—a case management conference—was held on July 6, 2018, in Victoria District Court before Justice Mark Moshinsky, pursuant to which the Court issued a Scheduling Order.
- On July 13, 2018, we filed the Applicant's Common Fund Order ("CFO") Application (similar to a class certification motion in the US).
- In related civil and criminal proceedings in Brazil, on June 26, 2018, BHP reached a partial settlement of 2 major Brazilian civil claims (for $5.3 bn and $41.5 bn) that resolves the smaller claim and buys additional time to resolve the other. Our Brazilian lawyers have obtained copies of the underlying exhibits in each of these civil cases, as well as in the Brazilian criminal case to ensure access in case the civil or criminal cases are soon closed and sealed. We are reviewing these documents and selecting key documents for translation.

Next Steps

- BHP is scheduled to submit a response to our CFO Application by August 1, 2018.
- BHP has indicated that it will file an application for a stay of the proceeding, and the court has set a briefing schedule for that application.
- August 1, 2018 is also the deadline for all parties to submit written submissions in relation to the CFO Application.
- A hearing on the CFO Application is scheduled for August 3, 2018.

NON-U.S. LITIGATION SUMMARY

Postbank Takeover Collusion Litigation

Background:
Grant & Eisenhofer and theirco-counsel represent a group of institutional investors in litigation against Deutsche Bank AG ("DB") in connection with its 2010 takeover of Deutsche Postbank AG ("Postbank"). The takeover was consummated pursuant to a 2008 agreement, which the German Supreme Court has held may be evidence that DB exerted de facto control as early as 2008 or 2009, and therefore should have made a mandatory tender offer at then-prevailing prices.

On October 20, 2017, in a related Postbank matter, the District Court of Cologne found sufficient evidence to confirm that DB and Postbank instead colluded to implement a staggered acquisition in an effort to avoid triggering the mandatory offer, and that the fair price per share should have been €57.25 instead of the €25 actually paid in 2010. G&E expects the case to be treated as a 'model case' under Germany's KapMuG Law.

Claims Filed/Total Damages:

- On March 14, 2017, and April 3, 2017, Grant & Eisenhofer had local counsel file two complaints with the District Court of Frankfurt on behalf of two investors.
- On December 15, 2017, we filed a group complaint with the District Court of Cologne on behalf of 19 Plaintiffs.
- The total claimed damages in all three actions equal €126,329,442.14 plus interest of €23,366,844.09.

Progress to date:

- On June 12, 2017, Postbank filed its answer to the first two complaints.
- On August 25, 2017, the District Court of Frankfurt referred those two proceedings to the District Court of Cologne.
- On January 12, 2018, we filed, and paid the court fees for, the group action in the District Court of Cologne.
- On January 24, 2018, the District Court of Cologne stayed the first two proceedings as agreed between the parties, pending the outcome of the related Effecten-Spiegel case against DB.
- On May 9, 2018, the District Court similarly stayed all other pending proceedings until the final ruling in Effecten-Spiegel, which is likely to be dispositive of the key legal and factual questions in all pending matters.
- On May 24, 2018, DB's Annual General Meeting took place where shareholders voted on a resolution to appoint a special auditor to audit the conduct of Management and Supervisory Board in connection with the Postbank takeover.

Next Steps:

- With all other Postbank-related litigation stayed, the parties will await the final resolution of the Effecten-Spiegel case. On June 26, 2018, the court in the Effecten-Spiegel case rescheduled the testimony of Frank Appel, CEO of Deutsche Post AG, for March 27, 2019, and summoned former DB Board member Stefan Krause to appear on April 3, 2019.
- In the interim, we are exploring options to collect additional evidence from various sources.

This list of non-U.S. litigation case updates is provided for informational purposes only. The content presented here may not reflect the most current legal developments, verdicts or settlements. This content may be changed, improved, or updated without notice.

ATTACHED LIST – CUSIP/ISIN IDENTIFIERS

Ability, Inc.

KYG8789K1085	KYG8789K1242	US13215Q1067

BancorpSouth, Inc.

US0596861056	US0596921033	US05971J1025

CytRx Corporation

US2328281033	US2328283013	US2328285091

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LITIGATION AND MONITORING AGREEMENT

This agreement is between the [CLIENT NAME] ("Client") and Grant & Eisenhofer P.A. ("G&E"), pursuant to which G&E agrees to provide monitoring and securities and corporate litigation services on the terms and conditions set forth below.

Services Provided By G&E – During the Contract Period, G&E will provide Client with the following services. The services in Paragraphs 1-3 below shall be provided at no cost to Client.

1. **Case Evaluation and Recommendation** – At Client's request, G&E will provide an evaluation of any case identified by Client, including an evaluation as to the legal merits of the case, a preliminary calculation of Client's potential losses and a recommendation as to what action, if any, should be taken by Client.

2. **Case Monitoring –** G&E will monitor for each fiscal quarter during the term of the Contract Period newly filed U.S. and non-U.S. (where publically available) securities and similar cases, determine which are relevant to the Client and, for such cases, provide Client with an estimate of its loss. G&E also agrees to evaluate cases that are of interest to Client other than pending or proposed federal securities class actions, such as in the corporate governance area.

3. **Quarterly Reporting** – At the end of each fiscal quarter, G&E agrees to provide Client with a report on each case in which G&E evaluated Client's holdings for that quarter and provide a report for each case in which G&E acts as counsel for Client. Such reports will be in a format and provide such information as is requested by Client.

4. **Fee Schedule –** For any shareholder litigation initiated by Client for which Client wishes to be represented by G&E, G&E and Client will enter into a retainer agreement for such litigation and any such retainer agreement shall provide that G&E will advance all costs and expenses which are incurred in the investigation and litigation of each case where G&E and Client have agreed to commence litigation. These costs and expenses may, among other things, include: filing fees, transcripts, investigators' charges, expert witness fees, photocopying, computer-assisted research costs, telephone charges, facsimile charges, travel

expenses, and special mailings and messenger charges. G&E will also be entitled to reimbursement of these costs and expenses (which will not include any payroll costs of G&E personnel) from any recovery. If there is no recovery, Client will owe G&E nothing.

5. **Confidentiality of Records –** G&E agrees to maintain all records provided by Client in a secure and confidential manner with access to such records limited to attorneys, employees or third parties necessary to fulfill G&E's obligations herein.

6. **Contract Period** – This Agreement shall remain in effect until terminated by either of the parties giving thirty (30) days' written notice to the other that it does not wish to continue the Agreement.

GRANT & EISENHOFER P.A.

_____ Dated: _____

[CLIENT NAME]

_____ Dated: _____
Name:
Title:

_____ Dated: _____
Name:
Title:

[CLIENT NAME]
QUARTERLY MONITORING REPORT INFORMATION

Individual who should receive quarterly monitoring reports:

Name _____

Address _____

Email _____

Please select the format in which quarterly reports should be provided:

_____Send report via email _____Send report via mail _____Send report via email and mail

Please indicate if this individual should be granted online access to the G&E Client Portal __ Y __ N

Additional individual who should receive quarterly monitoring reports:

Name _____

Address _____

Email _____

Please select the format in which quarterly reports should be provided:

_____Send report via email _____Send report via mail _____Send report via email and mail

Please indicate if this individual should be granted online access to the G&E Client Portal __ Y __ N

Additional individual(s) who should be granted online access to the G&E Client Portal for this fund:

Name _____ Email_____

Name _____ Email_____

Name _____ Email_____

As part of its marketing efforts, G&E often receives requests from potential clients to provide a representative client list. Please indicate whether Client consents to have its name included as a G&E Portfolio Monitoring Client on such lists. __Y __N

[CLIENT NAME]
CUSTODIAL CONTACT INFORMATION

Name of Custodial Bank _____

Name of Bank Contact _____

Phone Number for Contact _____

E-Mail Address for Contact _____

Name of the individual at the fund who is the primary contact with the custodial bank listed above:

Name _____

Email _____

Phone _____

May we call this person directly if questions or issues arise? ___ Y ___ N

Has the fund changed custodians within the last 5 years? ___Y ___N

If yes, may we contact the prior custodian for historical data? ___Y ___N
(If yes, please provide former Custodial Bank details below)

Name of Former Custodial Bank (if applicable) _____

Name of Former Bank Contact _____

Phone Number for Contact _____

E-Mail Address for Contact _____

Agenda Item 5.

Informational

TO: SIB Securities Litigation Committee

FROM: Dave Hunter, ED/CIO

DATE: October 30, 2018

SUBJECT: Summary of Securities Litigation Representation Firms

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The Board has currently engaged two law firms to defend the SIB in two securities litigation cases:

1.) **Kasowitz Benson Torres** on General Motors; and
2.) **K&L Gates** on Tribune.

In 2016, the Board engaged **Grant & Eisenhofer** (as a plaintiff's attorney) to recover investment losses resulting from international securities litigation involving VW and other related parties.

In 2018, the Board engaged **Financial Recovery Technologies** (FRT) to enhance our ability to recover investment losses in U.S. and international securities litigation cases including those involving anti-trust actions in addition to our continuing U.S. class action claims filing activity since March 1, 2018. Northern Trust, as our custodian, continues to seek U.S. class action claim filing recoveries prior to March 1, 2018 (when we transitioned from Northern Trust to FRT).

Since 2011, annual cash recoveries have varied significantly ranging from a low of $153,480 in fiscal 2014 to a high of $692,958 in fiscal 2012, noting the annual recoveries are often materially impacted by the occurrence (or absence) of one or two major cases in any year. Securities litigation recoveries approximated $189,000 for the SIB in the fiscal year ended June 30, 2018.

In 2018, the Securities Litigation Committee met with several prominent law firms widely considered to be leading experts in the securities litigation field including:

1.) Bernstein Litowitz Berger & Grossman;
2.) Robbins Geller Rodman & Dowd;
3.) Labaton Sucharow;
4.) Kaplan Fox; and
5.) Grant & Eisenhofer.

Committee Action

If the Committee so desires, they could identify a short list of law firms to be utilized on a case by case basis to provide expert advice when new securities litigation related cases are raised for further consideration by our global securities litigation monitoring firm, FRT.

BLB&G Bernstein Litowitz Berger & Grossmann LLP

Protecting Pension Fund Assets through Portfolio Monitoring

Presentation to:

North Dakota State Investment Board Securities Litigation Committee

Hon. Kelly Schmidt	David Hunter	Connie Flanagan	Troy Seibel	Anders Odegaard
State Treasurer	Executive Director & CIO	Fiscal & Investment Operations Manager	Chief Deputy Attorney General	Attorney General Counsel

Michael Blatchley
michaelb@blbglaw.com
(212) 554-1281

Tony Gelderman
tony@blbglaw.com
(504) 899-2339

May 10, 2018

Why do funds like North Dakota engage law firms to serve as portfolio monitoring counsel?

Because Congress passed a law encouraging them to do so.

That law is the

Private Securities Litigation Reform Act,

which encourages pension funds to take action if they lose money as a result of corporate wrongdoing.

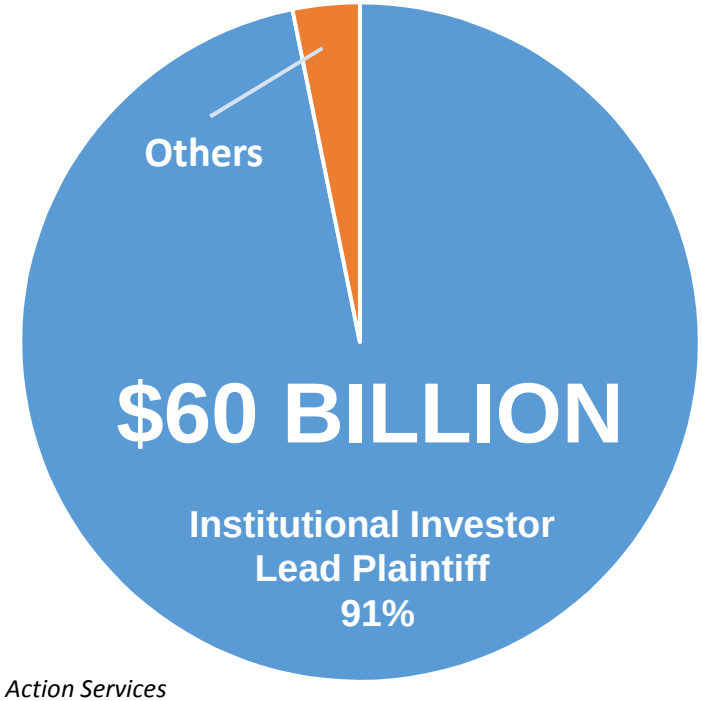
The law has worked:

- Institutional investors and pension funds have been able to obtain higher recoveries and negotiate lower legal fees through their leadership.
- Over $120B has been recovered on behalf of investors through securities litigation since the passage of the Private Securities Litigation Reform Act, or “PSLRA.”

Sources: Institutional Shareholder Services, Inc. (ISS) January 2017; Cornerstone Research, Securities Class Action Settlements: 2016 Review and Analysis

Institutional Investors are Instrumental in Maximizing Securities Fraud Recoveries

- Research shows that institutional investors negotiate higher settlements and lower legal fees than individuals.
- 91 of the top 100 recoveries in securities class actions were obtained by an institutional investor lead plaintiff.
- Institutional investor lead plaintiffs also obtain significant corporate governance reforms as part of securities settlements.



Source: ISS Securities Class Action Services

PSLRA key points:

- The PSLRA encourages institutional investor participation:
  - The PSLRA's Lead Plaintiff provisions ensure that the investors with the "largest financial interest" lead securities class actions.
- The PSLRA also:
  - Imposes a discovery stay.
  - Heightens pleading standards.
  - Provides a safe harbor for "forward-looking statements."
  - Contains apportionment-of-fault provisions.
  - Seeks to enhance the quality of representation in securities litigation while reducing legal fees.

A preponderance of public pension funds have arranged with firms like ours to actively monitor their investment portfolios.

Engaging in portfolio monitoring does NOT mean North Dakota will have to become an active litigant.

Why Monitoring Is Helpful

- There are instances where our Firm has ensured a recovery for our client without the client actually becoming actively involved.
- Public Pension Funds have begun to feel very vulnerable about foreign claims and their role in those settlements.
- It is considered best practice for funds to be aware of misconduct and litigation impacting their investments, and monitoring helps protect against scrutiny from others, including auditors, the press, and members.
- From time to time, an issue or case arises and the Fund may want to get advice or a second opinion without generating any further costs to the Fund.

The fiduciary duty of pension fund trustees

"Officers have a fiduciary obligation to recover funds lost through investments in public securities as the result of corporate mismanagement and/or fraud."

Government Finance Officers Association (U.S.) Recommended Practice

Courts expect large pension funds to engage monitoring counsel

- Courts recognize that monitoring firms provide a valuable service in helping institutional investor trustees fulfill their fiduciary duties. Indeed, courts presume that large public funds have outside counsel to monitor the status of class actions.

See, e.g., Larson v. JPMorgan Chase & Co., 530 F.3d. 578, 581 (7th Cir. 2008) (Posner, J.)

Changes in the law require pension funds to take steps to ensure they can recover losses caused by fraud

- The role monitoring counsel play is even more important now, in the wake of the U.S. Supreme Court's recent *ANZ Securities* decision—which reversed decades of law concerning class action "tolling."
- While filing a class action previously served to preserve class members' claims, that is no longer the case. Now, investors may be forced to file a "protective" lawsuit if they believe the class action will not sufficiently protect their interests.

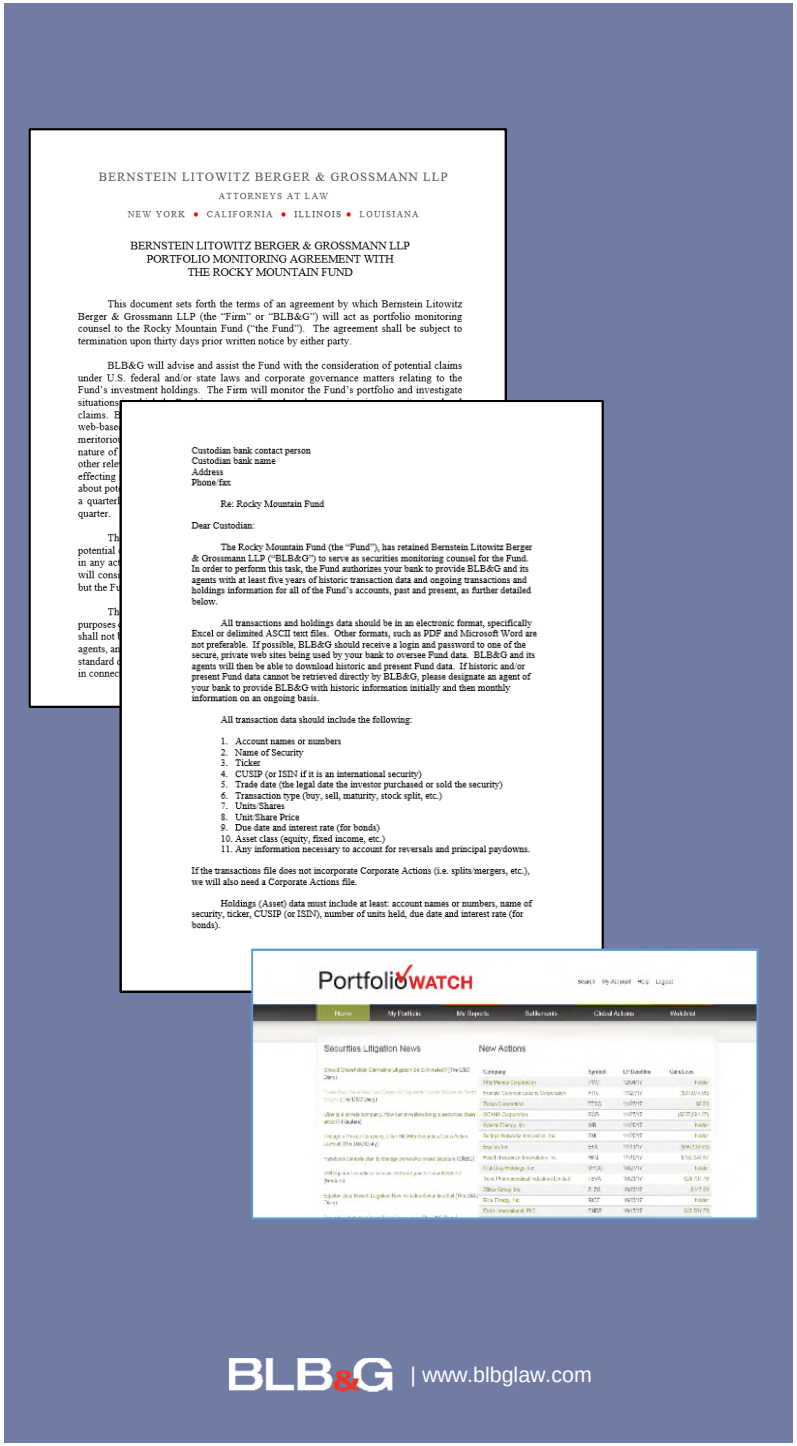
As Justice Ginsburg explained in dissent, as result of the decision, "every fiduciary who must safeguard investor assets, will have strong cause to file a protective claim, in a separate complaint or in a motion to intervene" before the limitations period expires.

Calif. Pub. Empls. Ret. Sys. v. ANZ Secs., Inc., 137 S.Ct. 2042, 2058 (2017) (Ginsburg, J., dissenting).

How does monitoring work?

Starting the process.

1. Both parties sign an Engagement Letter.
2. A Steering Letter is sent to the Custodial Bank granting the Firm access to the portfolio.
3. The data is uploaded on our secure electronic platform, *PortfolioWatch.*



BLB&G's Portfolio Monitoring Covers Both Domestic and Foreign Securities Claims

- BLB&G monitors our clients' entire portfolio, whether the securities trade domestically or abroad:
  - Our robust platform proactively identifies and informs clients of investment losses caused by misconduct, as well as available options for recovery, and the risks and benefits of each option.
  - We provide analytic case-specific memoranda addressing all legal options with respect to new and pending foreign securities actions that are potentially meritorious, and in which our clients appear to have a material financial interest.

No gap in oversight

There is no need for additional monitoring programs specific to foreign securities actions.

PortfolioWatch Monitoring Platform

In response to the PSLRA, BLB&G pioneered portfolio monitoring and case evaluation services for its pension fund clients.

- Web-based platform
- Tracks client's investments and trading activity against new and pending actions
- Shows potential losses and highlights cases where recoveries may be available
- Provides key information to assist in claims filings in settled cases
- Offers a full array of reporting functions, historical data and current news
- Covers both U.S. and foreign securities
- Triple-encrypted security, regularly audited, secured enterprise class data servers, and unique log-on credentials

BLB&G provides clients with a comprehensive suite of services

Portfolio Monitoring and Reporting

Auditing of Claims Filing

Securities Class Actions

Shareholder Derivative Cases

Corporate Governance Advice

Transaction/Deal Cases

Appraisal Rights Litigation

Direct Action and Opt-Out Cases

Foreign Law Claims

U.S. Supreme Court Advocacy

Educational Opportunities

Securities Monitoring Reporting

- Catalogue of all securities litigation initiated during the period
- Summary of meritorious cases as determined by BLB&G
- Breakdown of losses in meritorious cases
- Active litigation update
- Listing of claim filing deadlines

We are committed to only one thing – getting the best result for our clients.

Portfolio monitoring and claims evaluation services are provided at **no charge** to our clients.

Litigation services are provided on a contingency fee basis. That means:

- No out-of-pocket costs to our clients.
- Our model ensures that our clients get the legal excellence and results they seek.

What Should the Securities Litigation Committee Consider?

- Losses
- Merits
- Evidence
- Ability-to-pay
- Corporate governance
- Other potential investors
- Potential costs and resource requirements
- Jurisdictional issues
- Any other relevant facts or circumstances impacting North Dakota's ability to recover

BLB&G's Approach to Portfolio Monitoring

1

Our Firm is well situated to protect North Dakota's interests.

We are the trusted counsel to public pension funds and other institutional investors just like North Dakota.

North Dakota Retirement & Investment Office
($13.3B AUM)

Arkansas Teacher Retirement System
($16B AUM)

Arkansas Public Employees Retirement System
($8B AUM)

Public School Teachers' Pension & Retirement Fund of Chicago ($12B AUM)

Employees' Retirement System of the State of Hawaii
($16B AUM)

Louisiana State Employees' Retirement System
($12B AUM)

Teachers' Retirement System of Louisiana ($21B AUM)

Municipal Employees' Retirement System of Michigan
($10B AUM)

Public Employees' Retirement System of Mississippi
($29B AUM)

Oregon Public Employees Retirement Fund ($77B AUM)

Rhode Island State Investment Commission ($9.5B AUM)

Some of our other clients include…

- Alabama Retirement Systems
- Arizona State Retirement System
- Arkansas Public Employees Retirement System
- Arkansas Teacher Retirement System
- Boston Retirement Board
- California Public Employees Retirement System
- California State Teachers' Retirement System
- City of Miami General Employees' & Sanitation Employees' Retirement Trust
- Employee Retirement System of the City of Providence
- Fire and Police Pension Association of Colorado
- Florida State Board of Administration
- General Retirement System of the City of Detroit
- Kansas City, Missouri Employees' Retirement System
- Louisiana Municipal Police Employees' Retirement System
- Louisiana State Employees' Retirement System
- Maryland State Retirement and Pension System
- Michigan (State of) Retirement System
- Montana Board of Investment
- Municipal Employees' Retirement System of Michigan
- New York State Common Retirement System
- North Carolina Retirement System
- Ohio Public Employees Retirement System
- Oklahoma Firefighters Pension and Retirement System
- Oregon Public Employees Retirement Fund
- Pennsylvania State Employees' Retirement System
- Policemen's Annuity and Benefit Fund of Chicago
- Public School Teachers' Pension and Retirement Fund of Chicago
- San Francisco City and County Employees' Retirement System
- State Teachers' Retirement System of Ohio
- Teacher Retirement System of Texas
- Virginia Retirement System

2

We are conservative in the cases we recommend – an approach that matches the needs of our clients, and produces results.

BLB&G has recovered over

$31 billion

for investors since its founding in 1983.

There are only 13 securities litigations in history resulting in settlements in excess of $1 billion.

BLB&G represented investors as Lead or co-Lead Counsel in 6 of these billion dollar cases.

WORLDCOM SM

$6.2 BILLION

CENDANT

$3.3 BILLION

Bank of America

$2.4 BILLION

NORTEL

$1.07 BILLION

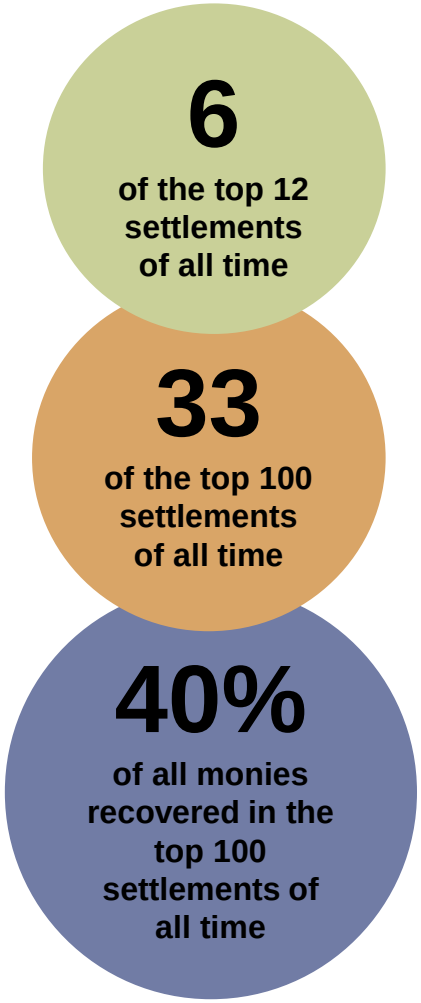
MERCK

$1.06 BILLION

McKESSON

$1.05 BILLION

More Top Recoveries Than Any Other Firm



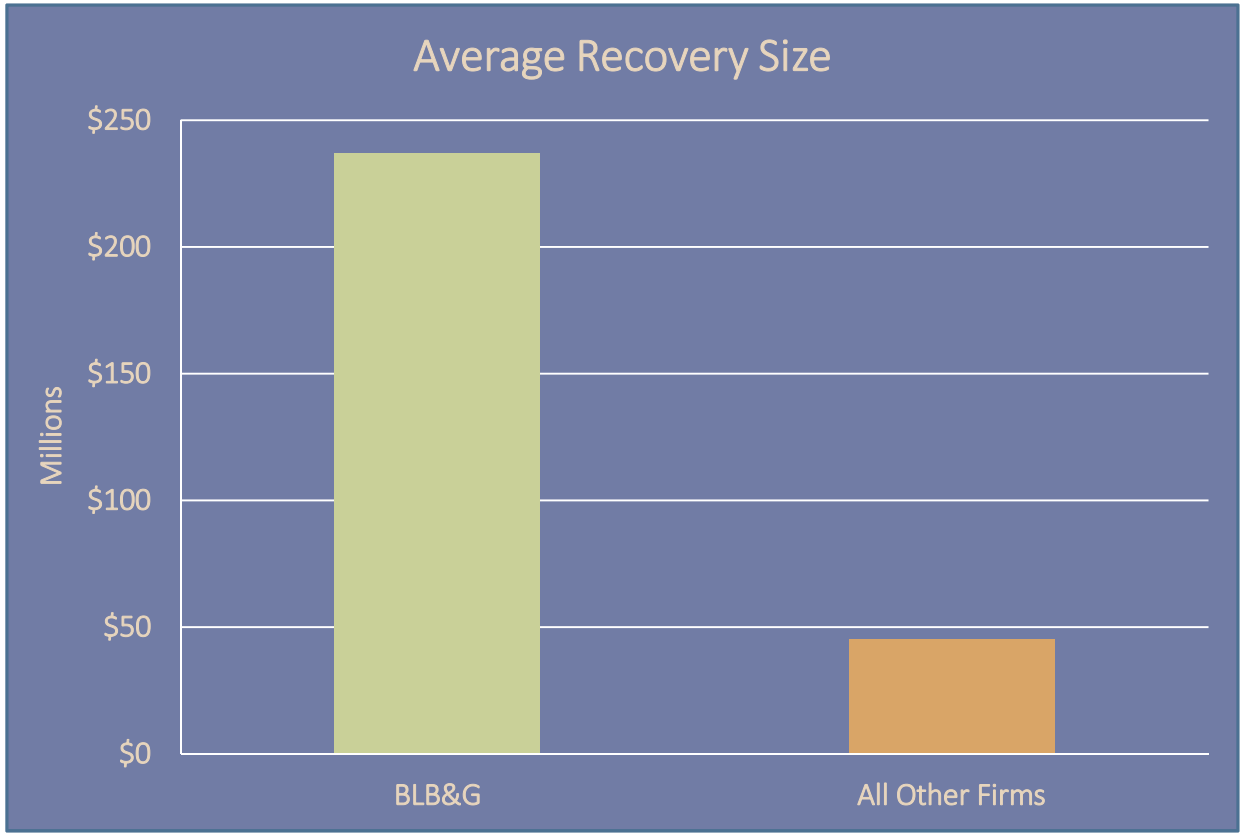
We obtained 6 of the top 12 settlements of all time.

We obtained a third of the top 100 recoveries of all time.

BLB&G eclipses all other firms in Securities Class Action Services' compiled data on the profession, having recovered 40% (nearly $25 billion) of all funds recovered in the top 100 settlements of all time.

Source: ISS/Securities Class Action Services ("SCAS"); NERA Economic Consulting

Over the past 15 years, the average securities class action recovery for cases in which BLB&G has served as Lead or co-Lead Counsel is over five times greater than the industry average.



Source: Stanford Securities Litigation Analytics

3

We have the lowest case dismissal rates in the industry.

This success rate is the best track record of any firm in the field.

Source: *Stanford Securities Litigation Analytics*

Why?

Because we only pursue meritorious cases and have a specialized in-house team of financial analysts and financial investigators who rigorously vet each potential case upfront to confirm the merits and protect our clients' interests.

Stanford Securities Litigation Analytics:

The Firm's 86% success rate is based on data from Stanford Securities litigation Stanford Securities Litigation Analytics (SSLA), a research project at Stanford Law School which tracks and collects data on securities class action litigation and SEC enforcement actions brought to enforce the disclosure requirements of the securities laws.

4

We pursue claims that others fail to identify.

BLB&G's portfolio monitoring practice helps our clients to identify claims that others may miss.

Identifying Unique Claims

- Lead Plaintiffs in the **Citigroup**, **Wachovia** and **Merrill Lynch** class actions omitted the claims of preferred stock and bond investors. As counsel for several pension funds, we identified this omission and filed claims on their behalf – obtaining over ***$1.5 billion*** in recoveries as a result.
- As a result of our investigation into certain banks' securities lending practices, we initiated a class action on behalf of our pension fund clients to recover losses suffered by securities lending program participants.
- We identified claims on unique securities and investments – such as toxic RMBS and CDOs – and pursued litigation resulting in hundreds of millions of dollars in recoveries for investors.

5

We devote the resources needed to provide our clients with the best possible advice, and to effectively investigate and prosecute their claims.

- Our attorneys are among the top practitioners in the field – over 120 attorneys with diverse experience – former prosecutors, former SEC and regulatory lawyers and attorneys who began their careers at some of the most prominent defense firms in the country.

- Our professional staff include outstanding financial and market analysts, investigators and client relations specialists.

Benchmark Litigation

New York and California "Litigation Stars"

Max Berger, Salvatore Graziano, Mark Lebovitch, Blair Nicholas, Hannah Ross, Gerald Silk and David Stickney

National "Plaintiff Attorney of the Year"

Mark Lebovitch

"Top 100 Trial Lawyers in America"

Salvatore Graziano

"Top 250 Women in Litigation in America"

Hannah Ross

"Under 40 Hot List"

Michael Blatchley, Katherine Sinderson, Jonathan Uslaner and Adam Wierzbowski

Lawdragon

The "500 Leading Lawyers in America"

Max Berger, Salvatore Graziano, Mark Lebovitch, Hannah Ross, Gerald Silk and David Stickney

"Lawdragon Legend"

Max Berger

(Practitioners selected every year since list's inception 10 years ago.)

The National Law Journal

"Litigation Trailblazer and Pioneer"

Gerald Silk

Chambers and Partners' Guide to America's Leading Lawyers for Business

"Star Individual"

Max Berger

Salvatore Graziano, Gerald Silk and Mark Lebovitch were named among an elite group of notable practitioners in the field.

Law360

"Rising Stars" in Securities Litigation

Avi Josefson, Katherine Sinderson and Jonathan Uslaner

"Class Action MVPs"

Salvatore Graziano, David Stickney and John Browne

Daily Journal

California's "Top Plaintiff Attorneys"

David Stickney

California's "Top 40 Under 40" Attorneys

Jonathan Uslaner

Legal 500

"Leading Lawyers"

Max Berger (Securities Litigation) and Mark Lebovitch (M&A Litigation)

The Recorder

California "Litigation Groundbreaker"

David Stickney

"Some of the best trial lawyers I've ever seen."

— United States District Court, Northern District of California

"The unique talents of [these] plaintiffs' lawyers...are just simply not available in the mainstream of litigators."

— United States District Court, District of Oregon

"The quality of the representation has been superb and is unsurpassed in this court's experience."

— United States District Court, Southern District of New York

"A cut above the typical lawyering I have seen."

— United States District Court, Middle District of Tennessee

"This case [Landry's] shows precisely the type of benefits that you can achieve for stockholders and how representative litigation can be a very important part of our corporate governance system…you'd put this case up as an example of what to do."

— Delaware Court of Chancery

Commitment to Investor Education

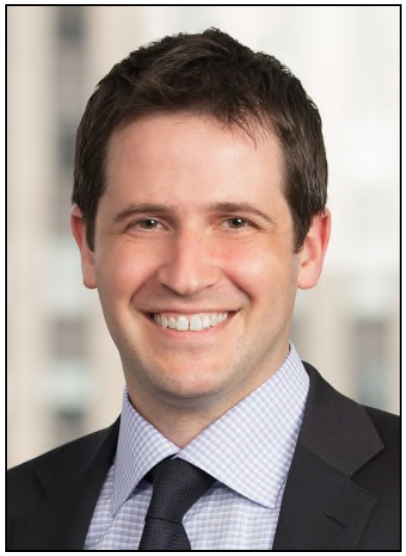
We offer an array of investor education programs to our clients to help raise awareness of issues important to the institutional investor community.

- **The Advocate for Institutional Investors:** Reporting and analysis of current securities and corporate law issues.

- **Real-Time Speaker Series:** An educational platform featuring candid online conversations with academics, policy makers and other experts about issues of importance to the institutional investor community.

- **Corporate Governance and Securities Litigation Alert:** Email bulletin on important judicial, regulatory, corporate governance and securities news and developments.

Questions?



Michael Blatchley
Partner

T: (212) 554-1281
E: michaelb@blbglaw.com

Mr. Blatchley's practice focuses on securities fraud litigation. He is currently a member of the firm's new matter department in which he, along with a team of attorneys, financial analysts, forensic accountants, and investigators, counsels the firm's clients on their legal claims.

Mr. Blatchley has also served as a member of the litigation teams responsible for prosecuting a number of the firm's significant cases. For example, Mr. Blatchley was a key member of the team that recovered $150 million for investors in *In re JPMorgan Chase & Co. Securities Litigation*, a securities fraud class action arising out of misrepresentations and omissions concerning JPMorgan's Chief Investment Office, the company's risk management systems, and the trading activities of the so-called "London Whale." He was also a member of the litigation team in *In re Medtronic, Inc. Securities Litigation*, an action arising out of allegations that Medtronic promoted the Infuse bone graft for dangerous "off-label" uses, which resulted in an $85 million recovery for investors. In addition, Mr. Blatchley prosecuted a number of cases related to the financial crisis, including several actions arising out of wrongdoing related to the issuance of residential mortgage-backed securities and other complex financial products. Currently, Mr. Blatchley is a member of the team prosecuting *In re Allergan, Inc. Proxy Violation Securities Litigation.*

Mr. Blatchley was recently named to *Benchmark Litigation's* "Under 40 Hot List," which recognizes him as one the nation's most accomplished legal partners under the age of 40.

Tony Gelderman
Counsel

T: (504) 899-2339
E: tony@blbglaw.com

Mr. Gelderman heads the firm's Louisiana office and is responsible for the firm's institutional investor and client outreach. He is a frequent speaker at U.S. and European investor conferences and has written numerous articles on securities litigation and asset protection. Previously, Mr. Gelderman served as Chief of Staff and General Counsel to the Treasurer of the State of Louisiana (1992-1996) and prior to that served as General Counsel to the Louisiana Department of the Treasury. Mr. Gelderman also coordinated all legislative matters for the State Treasurer during his tenure with the Treasury Department. Earlier in Mr. Gelderman's career, he served as law clerk to U.S. District Judge Charles Schwartz, Jr., Eastern District of Louisiana (1986-1987).

Robbins Geller Rudman & Dowd LLP

North Dakota Retirement and Investment Office

May 10, 2018
Bismarck, North Dakota

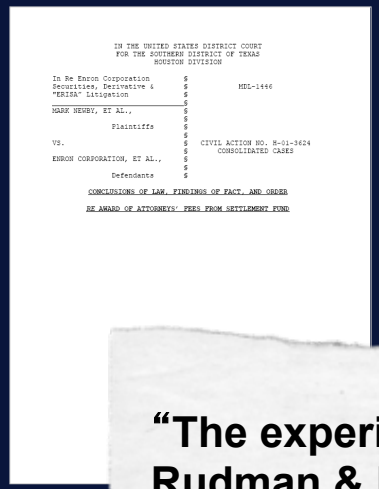
Patrick Daniels | Roxana Pierce

One Firm. Global Reach.

185 Lawyers in 10 offices including dozens of former Federal and State Prosecutors
200 Legal Support Professionals including Forensic Accountants, Economists and Investigators

Robbins Geller Rudman & Dowd LLP

Rudman & Dowd LLP



IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In Re Enron Corporation Securities, Derivative & "ERISA" Litigation — MDL-1446

MARK NEWBY, ET AL., Plaintiffs

VS. — CIVIL ACTION NO. H-01-3624 CONSOLIDATED CASES

ENRON CORPORATION, ET AL., Defendants

CONCLUSIONS OF LAW, FINDINGS OF FACT, AND ORDER

RE AWARD OF ATTORNEYS' FEES FROM SETTLEMENT FUND

United States District Judge
Melinda Harmon

"The experience, ability, and reputation of the attorneys of [Robbins Geller Rudman & Dowd] is not disputed; it is one of the most successful law firms in securities class actions, if not the preeminent one, in the country."

In re Enron Corp. Sec., Derivative & "ERISA" Litig., MDL No. 1446, Order at 130.

"[I]n the face of extraordinary obstacles, the skills, expertise, commitment, and tenacity of [Robbins Geller Rudman & Dowd] in this litigation cannot be overstated. Not to be overlooked are the unparalleled results, $7.2 billion in settlement funds, which demonstrate counsel's clearly superlative litigating and negotiating skills."

Id. at 112-13.

"As this Court has explained [this is] an extraordinary group of attorneys who achieved the largest settlement fund ever despite the great odds against them."

Id. at 203.

Robbins Geller Rudman & Dowd LLP

HSBC
The world's local bank

Case: 1:02-cv-05893 Document #: 1 Filed: 08/19/02 Page 1 of 25 PageID #:1

Jury Verdict

UNITED STATES DISTRICT COURT FOR THE

DOCKETED
AUG 2 0 2002

Bloomberg.com

Household International, Officials Misled Investors, Jury Finds

By Andrew M. Harris

May 8 (Bloomberg) -- Household International Inc. and three executives misled investors about the company's business practices, a Chicago federal court jury found after a monthlong trial.

The jury of three women and seven men returned the verdict yesterday after 3 1/2 days of

panel's findings could indicate a loss of billions of dollars.

After the verdict was read and jurors had left, defense attorney Thomas Kavaler told Guzman their decision was "fatally flawed and inconsistent."

Kavaler, a partner in New York's Cahill Gordon &

Jurors didn't award a lump sum to share
U.S.
District Judge Ronald A. Guzman, who presided over the trial, admonished them not to discuss the case publicly and told trial lawyers not to talk to the jurors because the case isn't over.

Having found Household and the executives liable for making misleading statements, the jury calculated the amount of shareholders' daily losses at as much as $23.94 a share from March 23, 2001, to Oct. 11, 2002.

Potential Loss

The company said in corporate filings that it had an average of 455.4 million shares outstanding for the three months ended Sept. 30, 2002, meaning the

"Household had no intent to deceive investors," Kavaler told the jury that same day.

Aldinger and co-defendants David Schoenholz, who was chief financial officer, and Gary Gilmer, who led the consumer-lending division, had no intent to deceive anyone, the lawyer said.

Presented with 40 alleged instances in which misleading public statements were made, the jury found the company and at times some or all three of the executives made actionable comments concerning Household's business practices 17 times.

The case is Lawrence E. Jaffe Pension Plan v. Household International Inc., 1:02-cv-05893, U.S. District Court, Northern District of Illinois (Chicago).

An incisivemedia website

AMERICAN LAWYER.COM

Robbins Geller Hails Jury Verdict in Household International Securities Class Action Trial

By Andrew Longstreth
May 07, 2009

"SEC
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lders'
chase
14, 20

and pleased
have won this historic victory," said Coughlin Stoia partner Patrick Coughlin in a statement e-mailed to the Litigation Daily. "The jury's verdict is a victory for the millions of Americans suffering as a result of deceptive predatory lending practices and a victory for all investors fighting for greater corporate transparency, honesty and integrity. The verdict is also a testament to our firm's willingness and ability to see a case through on behalf of our clients, despite facing adversaries with tremendous power and resources."

Bloomberg

Household International, Officials Misled Investors, Jury Finds

By Andrew M. Harris

May 8 (Bloomberg) – Household International Inc. and three executives misled investors about the company's business practices, a Chicago federal court jury found after a month long trial.

-1-

Robbins Geller Rudman & Dowd LLP

er Entered
s Action

In the

United States Court of Appeals

For the Seventh Circuit

No. 13-3532

GLICKENHAUS & COMPANY, *et al.*,
on behalf of themselves and all
others similarly situated,

Plaintiffs-

v.

HOUSEHOLD INTERNATIONAL, INC., *et al.*,

Defendants-

Appeal from the United States District Court
for the Northern District of Illinois, Eastern Divisio
No. 02 C 5893 — **Ronald A. Guzmán**, *Judge*.

ARGUED MAY 29, 2014 — DECIDED MAY 21, 2

Before BAUER, KANNE, and SYKES, *Circuit Judges*

SYKES, *Circuit Judge*. This securities-fraud class
tried to a jury and produced an enormous judgme

Before BAUER, KANNE, and SYKES, *Circuit Judges*.

SYKES, *Circuit Judge*. This securities-fraud class action was tried to a jury and produced an enormous judgment for the plaintiffs

IT IS ORDERED AND ADJUDGED that the claimants set forth in Exhibit A hereto shall

from defendants Household International, Inc., William F. Aldinger, David A. Schoenholz,

y Gilmer principal

dgment interest in

III. Conclusion

In sum, the defendants are entitled to a new trial limited to the two issues we've identified here: loss causation and whether the three executives "made" certain of the false statements under *Janus*'s narrow definition of that term. We reject all other claims of error.

REVERSED AND REMANDED.

4/7/2015

THE HONORABLE RONALD A. GUZMAN
UNITED STATES DISTRICT JUDGE

er
wd LLP

UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF ILLINOIS

EASTERN DIVISION

LAWRENCE E. JAFFE PENSION PLAN, On Behalf of Itself and All Others Similarly Situated, Plaintiff, vs. HOUSEHOLD INTERNATIONAL, INC., et al., Defendants.	Lead Case No. 02-C-5893 (Consolidated) CLASS ACTION Honorable Jorge L. Alonso

MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF PLAINTIFFS' UNOPPOSED MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT

HOUSEHOLD

The proposed $1,575,000,000 settlement falls well within the range of approval, representing the largest securities class action recovery ever achieved in the Seventh Circuit. *See* Securities Class Action Services, *The SCAS 100 for Q2 2010*, at 2-4 (MSCI 2010). This sum is extraordinary whether viewed in isolation or considered along with the risks that Plaintiffs and the Class would face if the parties proceeded to a second trial.

June 17, 2016

FINANCIAL TIMES

HSBC Holdings

Class action lawsuits keep companies in check

HSBC settlement is the latest example of a big win for investors

June 17, 2016 by: Brooke Masters, Companies editor

Class-action lawsuits are one of the flashpoints of the US legal system.

Business groups grumble that plaintiffs' lawyers file frivolous claims on behalf of unknown clients, bully companies into settling and keep much of the money for themselves in fees.

But consumer and investor groups see collective action as an important way to hold big companies to account. It is often prohibitively expensive for individuals to sue over defective products or misleading financial statements but, together, they can force companies to redress wrongs.

Their notable successes — ranging from a $7bn settlement over the 2001 collapse of Enron to $3.4bn for victims of faulty breast implants — have inspired investor groups elsewhere, including the UK, to lobby for similar rules.

On Thursday, HSBC became the latest company to ink a huge settlement: the UK bank paid $1.6bn to end a 14-year battle with former shareholders of Household International, a US lending company that it bought in 2003. HSBC investors had alleged that Household made financial misstatements in 2001 and 2002. Essentially, they claimed that the company lied to them about its results, its loan portfolio and its lending [illegible]

warned that the payment could be as high as $3.6bn once the additional years of accumulated interest were included. The [illegible]

[illegible] the evidence and found [illegible]

it sound. The bank is now going to pay the substantial price.

US financial companies may well have to face more class action cases. The Consumer Financial Protection Bureau last month proposed banning mandatory arbitration clauses that prevent consumers from clubbing together to bring lawsuits. It argued that fear of group action would help deter bad practices, such as unfair fees and predatory lending.

HSBC settlement proves a win for the class action system

FT

the UK bank pays $1.6bn to end a 14-year battle with former shareholders of Household International, a US lending company that it bought in 2003.

The Top Line

HSBC certainly fought the lawsuit hard. It took the case to trial in 2009 and lost resoundingly.

Companies editor

The class action system also came out a winner. Very few of these cases ever make it to trial, and business groups often argue that the long string of settlements shows that companies are being blackmailed by an unfair system. But, over the years, the courts and Congress have tightened the requirements. Now HSBC has pretty much put the system to the test. A jury heard the evidence and found there were 17 separate misstatements in 18 months. The appeals court tested that verdict and found it sound. The bank is now going to pay the substantial price.

Robbins Geller Rudman & Dowd LLP

THE AMERICAN LAWYER | THE AM LAW LITIGATION DAILY

An ALM Publication

November 4, 2015

HCA to Pay $215M in Latest Big Securities Class Settlement

By Jenna Greene

November 4, 2015

For the first six months of the year, it looked like securities class actions were in the doldrums.

Between January and June, the median settlement was a mere $5.2 million, the lowest in a decade, according to a midyear report by Gibson, Dunn & Crutcher.

New filings were down too, whether compared with the preceding six months or the 15-year historical average, another study found.

But since June 30, there have been a series of big-ticket settlements in securities class actions brought by Robbins Geller Rudman & Dowd. Among them: a pending $388 million settlement by JP Morgan Chase & Co., and a $272 million settlement by Goldman Sachs.

On Wednesday, the firm struck again, when Hospital Corporation of America agreed to pay $215 million to settle a securities class action stemming from its initial public offering in 2011.

The case is a bit different from the parade of suits against banks based on residential mortgage-backed securities.

Filed in Nashville federal court in 2011, the suit pitted the class action specialists against counsel from Latham & Watkins for HCA and Davis Polk & Wardwell for the underwriters.

By way of background: HCA is the largest for-profit hospital chain in the country. In 2000, it paid $1.7 billion to settle Medicare fraud charges by the Justice Department., and in 2012 was slammed in a New York Times article for performing medically unnecessary procedures.

At a crucial hearing in the class action—a motion to dismiss before Chief Judge Kevin Sharp of the U.S. District Court for the Middle District of Tennessee in 2013—the big dogs were out. Robbins Geller name partner Darren Robbins argued for the plaintiffs, and Everett "Kip" Johnson Jr., at the time the chair of Latham's litigation department, made the case for the defense.

The key point of contention: Did the hospital giant fail to disclose material facts before it went public on March 9, 2011? At the time, it was the largest ever private equity-backed IPO in the U.S., with $4.3 billion in securities issued.

Johnson called the allegations "typical rearview mirror, fraud by hindsight. You disclosed it on Tuesday; you must have known it on Monday. It was fraud not to disclose it on Monday. That's what this case is about," he said, according to a transcript of the proceedings.

"In this case, the only thing that's in dispute is whether HCA failed to disclose certain known trends that it was aware of before March 9, 2011, and which it reasonably believed would have an unfavorable—material unfavorable—impact on its revenues," he said.

The trends included a decline in Medicaid revenue per admission and movement away from cardiac surgical treatment into less expensive medical treatment.

"Those things are constant in medicine," Johnson argued. "There is always movement from one treatment to another. Every time somebody invents a drug or a device, there is movement. But this is like counting nosebleeds, your honor. These kinds of movements don't have any real significant effect until they become very significant over a very long period of time."

When it was Robbins' turn, he responded, "These aren't nosebleed treatments or earaches. We're talking about, you know, implants into people's hearts and cardiothoracic surgeries that were being done and were not medically necessary."

Robbins continued, "We heard a broad-brush presentation. But when you look and drill down into the cases supporting this, they don't support the law as articulated by the defendants."

Darren Robbins

He pointed to Item 303 of Regulation S-K, which requires a registrant to disclose "

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facility).

"George Barrett was instrumental to the prosecution of this case and the incredible result we ultimately achieved for shareholders. George Barrett was truly a great American," Robbins said.

Contact Jenna Greene at jgreene@alm.com or on Twitter @jgreenejenna.

HCA

Hospital Corporation of America℠

For the first six months of the year, it looked like securities class actions were in the doldrums.

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Robbins Geller Rudman & Dowd LLP

MOTOROLA

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

ERIC SILVERMAN, On Behalf of Himself and All Others Similarly Situated,

Plaintiffs,

v.

MOTOROLA, INC., et al.,

Defendants.

No. 07 C 4507

MEMORANDUM OPINION AND ORDER

AMY J. ST. EVE, District Court Judge:

Plaintiffs have filed a motion for an award of attorney's fees and expenses and reimbursement of the class representatives' expenses pursuant to 15 U.S.C. § 78u-4(a)(4). For

LEGAL STA[illegible]

"In a certified class action, the court may award reasonable attorney's fees . . . that are

U.S. 810, 110 S. Ct. 53, 107 L. Ed. 2d 22 (1989). To determine the reasonableness of the

Both class representatives were actively involved in this litigation and are, as a result, uniquely familiar with Class Counsel's work on the case.

The representation that Class Counsel provided to the class was significant, both in terms of quality and quantity.

Chicago Tribune
BUSINESS

Front Page | News | Sports | Business | Lifestyles | Opinion | A&E

Home > Featured Articles > Securities Fraud

Home>Featured Articles>Securities Fraud

Motorola Solutions to pay $200 million to settle shareholder suit

Alleged securities fraud occurred years before Motorola split into 2 companies

February 03, 2011|By Ameet Sachdev, Chicago Tribune reporter

Motorola Solutions Inc. will pay $200 million to settle a 2007 securities fraud lawsuit brought by shareholders.

Attorneys representing the shareholders disclosed the proposed settlement Thursday evening; it was also filed with a –federal court in Chicago, where the case was brought. The settlement is subject to court approval.

The suit, which sought class-action status, was filed before Motorola split into two companies last year. It alleged that Motorola had artificially inflated its stock by making misrepresentations about the company's projected revenues for the third and fourth quarters of 2006.

Motorola had denied any wrongdoing.

[illegible]ast year from the cellphone [illegible]c. The two sides had hired [illegible]ediator proposed that [illegible] million, which the parties

[illegible]he risk and distraction of [illegible]eers. "It also enables us to [illegible] to focus on delivering mission-critical communications solutions to government and enterprise customers."

The plaintiffs were led by the Macomb County Employees' Retirement System [illegible] They were represented by [illegible]nan & Dowd, which

[illegible] for investors in a case [illegible]s and Exchange [illegible]the plaintiffs' attorneys, said [illegible]They alone sought to represent the class and they led the investigation and prosecution of the action from start to finish on behalf of Motorola shareholders."

Sweers said the settlement amount is covered by a combination of previously booked reserves and insurance. In its fourth-quarter earnings announced last

Pfizer

IC Inside Counsel

Pfizer agrees to $400 million settlement in off-label marketing class action

Investors claimed Pfizer misled them concerning the government's investigation of off-label marketing of Bextra and other drugs

BY ZACH WARREN
JANUARY 28, 2015

Off-label marketing deception in the pharmaceutical industry has increasingly seen a watchful eye from regulators — Florida Attorney General Pam Bondi wrote for InsideCounsel in December of 2014 that False Claims Act prosecution was one of her biggest priorities. However, it's not just regulators who are getting in on the off-label action, as investor lawsuits over off-label marketing are now hitting companies where it hurts: the bottom line.

On Jan. 27, Pfizer announced that it had reached a $400 million settlement before trial in a class action case with investors. The company's investors had claimed that Pfizer made misleading statements connected to a government investigation of Pfizer's off-label marketing practices of Bextra and other drugs, an investigation that eventually led to a $2.3 billion settlement in 2009.

The investor settlement comes with a looming jury trial, which was expected to begin on Feb. 10 in U.S. District Court for the Southern District of New York. The judge's acceptance of the settlement is still pending.

"This resolution reflects a desire by the company to avoid the distraction of continued litigation and focus on the needs of patients and physicians," said Pfizer spokeswoman Christine Regan Lindenbloom in a statement to Reuters.

Ahead of the trial, Pfizer fought hard to block jurors from hearing testimony from one damages expert who claimed that the company's stock had been artificially inflated by $1.26 per share as a result of the off-label marketing. Pfizer had, after all, gotten one previous securities class action dismissed after the expert's testimony was barred. U.S. District Judge Alvin Hellerstein, however, ruled in early January that the expert would be allowed to testify in the case.

The investor settlement adds to what was already a high cost for Pfizer in the off-label marketing probe. As part of the $2.3 billion government settlement in 2009, the company paid a $1.95 billion criminal penalty specifically for its off-label marketing of the drug Bextra, at the time the largest criminal fine in U.S. history.

THE AM LAW LITIGATION DAILY

Litigators of the Week Michael Dowd and Jason Forge of Robbins Geller

Scott Flaherty, The Litigation Daily
January 29, 2015

Jason A. Forge (right) and Michael J. Dowd (left)

Ever since it paid $2.3 billion and pleaded guilty in 2009 to charges of illegal drug marketing, Pfizer Inc. and a phalanx of defense lawyers have tried every argument they could muster to defeat a follow on investor class action. But lawyers at Robbins Geller Rudman & Dowd kept the case alive until the threat of trial next month finally helped convince the drug maker to make a deal.

Pfizer revealed in a regulatory filing on Tuesday that it will pay $400 million, subject to court approval, to settle the class action. The deal promises to end four and a half years of legal wrangling over claims that Pfizer misled investors about its off label marketing of several drugs, including the osteoarthritis medication Bextra, and that it paid kickbacks to doctors to promote sales.

The settlement comes just two weeks before Robbins Geller name partner Michael Dowd and partner Jason Forge were set to try the investors' case before a federal jury in Manhattan. On Wednesday, Dowd and Williams & Connolly's Joseph Petrosinelli, lead counsel for Pfizer, asked U.S. District Judge Alvin Hellerstein to cancel the Feb. 10 trial. The lawyers expect to file preliminary approval papers in court within the next couple of weeks.

Robbins Geller has represented the plaintiffs since the case got off the ground in 2010, though Forge didn't make an appearance in the case until July 2013, while Dowd joined last September. The two lawyers, both former assistant U.S. attorneys, took the lead as the case propelled toward trial.

In early October, five defense firms—O'Melveny & Myers, Quinn Emanuel Urquhart & Sullivan, Davis Polk & Wardwell, Goodwin Procter and Skadden, Arps, Slate, Meagher & Flom—all joined the case as counsel for individual Pfizer executives. Forge said the individual defendants and Pfizer's lawyers at Williams & Connolly then proceeded to bury the plaintiffs in "hundreds of pages of motions."

"My sense was that, at that point, they were expecting us to blink," Forge said.

The defense lawyers challenged the investors' damages expert. And they sought summary judgment on the grounds that Pfizer's disclosures about the impact of the government's off label marketing probe were based on the advice of counsel. Pfizer pointed to advice from two lawyers in particular: inside counsel Lawrence Fox and an outside securities disclosure lawyer, Dennis Block, then at Cadwalader, Wickersham & Taft (Block is now at Greenberg Traurig).

According to Forge, however, the plaintiffs had overwhelming evidence that Fox and Block hadn't really advised Pfizer in connection with the off label marketing investigation. In their own briefs, and at a Jan. 6 hearing before Judge Hellerstein, Dowd argued that both Fox and Block testified that they themselves relied on Pfizer's investigations counsel when it came to the company's securities disclosures. But, Dowd told the judge, the plaintiffs were blocked from taking additional discovery about the chain of advice.

Hellerstein appeared skeptical at the hearing, and he hadn't yet ruled on the summary judgment motions by the time of this week's settlement. But in a Jan. 9 order, the judge rejected Pfizer's attempts to exclude the investors' damages expert. And while he ruled that Pfizer could seek to show at trial that it relied on advice from Fox and Block, he said he'd permit such argument and testimony only "to the extent that defendants allowed plaintiffs to inquire, both of Messrs. Block and Fox, as to the information upon which they relied, and as to the individuals and information each relied on."

Judging by statements made by both sides, a settlement was still far from certain at the time of the Jan. 6 hearing. But avoiding the trial and potential appeals was apparently worth $400 million to Pfizer, which insisted in a statement to us on Thursday that it never intentionally misled investors.

"Pfizer continues to believe that the company's disclosures at issue in this matter were appropriate and prepared in good faith," the company said. "This resolution reflects a desire by the company to avoid the distraction of continued litigation and focus on the needs of patients and prescribers."

In addition to Dowd and Forge, a number of Robbins Geller lawyers played roles in the case as it moved forward over the years. Partner Willow Radcliffe, for instance, helped lead the plaintiffs' successful bid for class certification in 2012. Partners Henry Rosen and Trig Smith were also closely involved along the way. And, Forge told us, the firm had already deployed an 18 member trial team to New York in advance of the scheduled trial next month.

"We were ready to try the case," said Forge.

Robbins Geller Rudman & Dowd LLP

TheStreet

Goldman's Higher Legal Risks Masked in $272 Million Settlement

By Carleton English | 08/18/15 - 04:51 PM EDT

NEW YORK (TheStreet) -- For one Illinois pension fund, a seven-year pursuit of legal claims related to the financial crisis paid off, and **Goldman Sachs** (GS - Get Report) is covering the bill.

Last week, the New York bank agreed to pay $272 million to settle class-action claims by labor union NECA-IBEW that it misled investors about the credit quality of mortgage-backed securities the pension fund purchased in 2007 and 2008. Goldman Sachs didn't respond to requests for comment but noted in the proposed agreement that it denies all of the claims as well as any wrongdoing or liability and is settling to avoid the expense of dragging the case out further.

Pursuing the case further would have carried additional risks as well. Already, an appeals court ruling during the case has set a precedent that will make it easier for financial-crisis plaintiffs to attain class-action status because they purchased similar securities. Such cases have often proved difficult to make since the applicable laws were largely drafted in the 1930s -- long before the availability of mortgage-backed securities in their current complex form.

By clarifying the law, the decision by the U.S. Court of Appeals for the Second Circuit, "assisted similarly situated investors, and some of the investors victimized here, in recovering billions of additional dollars in other cases unrelated to Goldman Sachs," said Darren Robbins, a partner with Robbins Geller Rudman & Dowd LLP who represented NECA-IBEW. Goldman Sachs appealed the ruling to the U.S. Supreme Court, which declined to review it.

The appeals court's decision allows investors in different tranches of the same security to band together. Previously, investors of one tranche could only bring a case to court with members of the same tranche, even though they were all effectively invested in the same security, with the same disclosures in its offering agreement.

Mortgage-backed securities were built by lenders who packaged groups of home loans, frequently of wildly varying credit quality, together and sold them to investors. The securities were divided into tranches based on risk and the purchaser's relative priority in receiving payments, all of which affected the price. Because of the variations between tranches, different investors were exposed to the risks of the underlying securities at different times.

Not all of the risks were made sufficiently clear, the NECA-IBEW alleged in its lawsuit, which referenced statements that lenders funded loans based on a "judgment that mortgagors or obligors will have the ability to make the monthly payments required initially." The pension fund cited evidence after the financial crisis that many banks relaxed approval standards significantly because they were no longer holding the loans on their own books and could make more money by boosting their lending and then selling mortgages for securities.

Last week, the New York bank agreed to pay $272 million to settle class-action claims by labor union NECA-IBEW that it misled investors about the credit quality of mortgage-backed securities the pension fund purchased in 2007 and 2008.

Goldman Sachs stock has fallen 5.5% to $201.33 since the July 16 earnings report, while the S&P 500 Financials index has gained 0.3%.

Many of the cases Goldman Sachs -- including the NECA-IBEW suit -- claim that its due diligence practices when reviewing loans packaged into mortgage-backed securities were insufficient.

"What the allegations are, is that in conducting that due diligence, Goldman either knew or was reckless in not knowing that the information was false -- that, in fact, the underlying collateral was not worth what Goldman was telling the investors," said Luke Olts, an attorney with Robbins Geller.

"Goldman as an underwriter of the securities has a responsibility to make sure the statements in the offering documents that outline the characteristics of the securities are correct and they're not materially false or misleading in any way," said Olts.

For instance, the plaintiffs alleged that the loans in Goldman's securities didn't always provide sufficient confirmation of the borrower's claims of income and assets. Some borrowers made statements of "purported income amounts that could not possibly be reconciled with jobs claimed on the loan applications," the plaintiff said in court filings.

"There is something fundamentally wrong," Robbins said. "What happens is you have extraordinary profits that can be extracted from a small number of people which then creates perverse incentives and you have a disconnectedness between the risk and the return because the packaging and the selling of these mortgage-based products generates huge revenues and income."

Goldman Sachs

In approving the settlement, Chief Judge Loretta Preska complimented Robbins Geller attorneys, noting: "Counsel, thank you for your papers. They were, by the way, extraordinary papers in support of the settlement, and I will particularly note Professor Miller's declaration in which he details the procedural aspects of the case and then speaks of plaintiffs' counsel's success in the Second Circuit essentially changing the law. I will also note what counsel have said, and that is that this case illustrates the proper functioning of the statute. . . . Counsel, you can all be proud of what you've done for your clients. You've done an extraordinarily good job."

NECA-IBEW Health & Welfare Fund v. Goldman Sachs & Co., No. 1:08-cv-10783 (S.D.N.Y.).

Robbins Geller Rudman & Dowd LLP

ValueWalk
July 21, 2015

in Business

JPMorgan Inks $388 Million MBS Settlement

By Mani on July 21, 2015

JPMorgan agreed to pay $388 million to settle a lawsuit brought by pension investors who claimed the bank misled them about the safety of the $10 billion worth of residential mortgage-backed securities.

The latest settlement was unveiled in a court filing on Friday and is still subject to approval by a judge. However, JPMorgan denied wrongdoing as part of the accord.

JPMorgan's settlement relates to nine 2007 MBS

The $388 million settlement pertains to nine 2007 residential mortgage-backed securities offerings issued by JPMorgan. The latest settlement brings to a successful conclusion one of the last remaining MBS purchaser class actions arising out of the global financial crisis. On a percentage basis, the settlement marks the largest recovery ever achieved in an MBS purchaser class action.

The suit was brought by investors including the $2.1 billion Fort Worth Employees' Retirement Fund and the $1.8 billion Laborer's Pension Trust Fund for Northern California in the nine offerings. The suit claimed JPMorgan misled them about the underwriting, appraisals and credit quality of home loans underlying the securities. The investors claimed following the 2008 collapse of Lehman Brothers Holdings Inc., the certificates were worth 62 cents on the dollar at most.

JPMorgan maintained that the underperformance of the investments was related to the economic downturn rather than the specific investments.

Latest in the series of out-of-court agreements

As reported by ValueWalk, in 2013, JPMorgan agreed to a separate settlement of $13 billion with the U.S. Department of Justice, after it alleged JPMorgan misled investors about the security of MBS investments.

Last year, Bank of America agreed to pay the Department of Justice and homeowners $16.65 billion over MBS sales.

JPMorgan's current settlement with the pension funds is the latest in a series of major out-of-court agreements between institutional investors and organizations responsible for selling and rating MBS.

Luke Brooks, one of the lead attorneys on the latest case, said in a statement: "We couldn't have achieved such a stellar recovery without the leadership of the Northern and Southern California Laborers Pension Funds". He added: "These funds not only stepped forward to protect their participants' hard earned retirement savings, but equally important they committed themselves to the trial of this action, which allowed us to maximize the recovery for the class".

Law firm Robbins Geller Rudman & Dowd, which filed the suit on behalf of investors and two pension funds, said the settlement was achieved after six years of hard-fought litigation and an extensive investigation into all facets of defendants' securitization practices — a process that resulted in the production of more than 80 million pages of documents from defendants and third parties.

JPMORGAN

Robbins Geller Rudman & Dowd LLP

Triple-A Failure

The New York Times

How Moody's and other credit-rating agencies licensed the abuses that created the housing bubble - and bust

FINANCIAL TIMES **By Roger Lowenstein**

Rating bodies 'broke bond of trust'

Credit agencies face attack in Congress

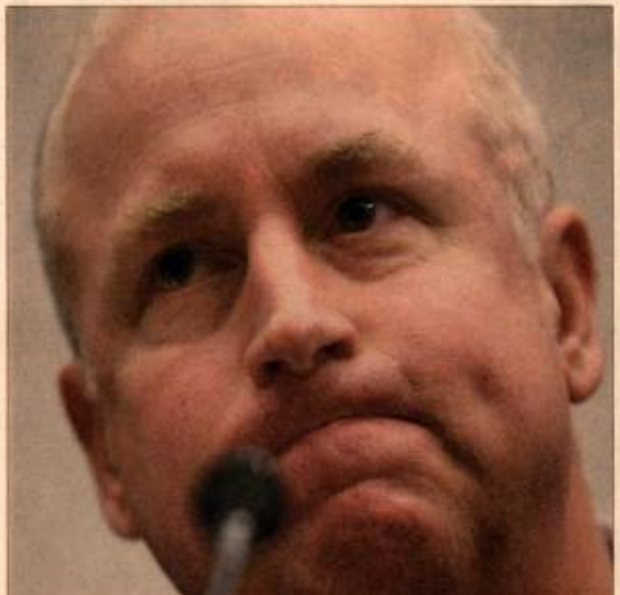
Groups knew about conflicts of interest

By Alan Beattie in Washington

Credit ratings agencies were fully aware that conflicts of interest were leading them to give unduly high scores to risky assets, threatening the stability of the entire financial system, lawmakers from a key Capitol Hill committee said yesterday.

Henry Waxman, chairman of the US House of Representatives oversight committee, said the agencies were wrong to insist that the massive downgrades of mortgage-based and other assets during the financial crisis were unforeseeable.

Questioning executives from the three leading ratings agencies, Moody's, Standard & Poor's and Fitch, Mr Waxman said: "The credit rating agencies occupy a special place in our



ings quality. "The real problem is not that the market does underweights [sic] ratings quality but rather that, in some sectors, it actually penalises quality by awarding rating mandates based on the lowest credit enhancement needed for the highest rating," Mr McDaniel's report says. "Unchecked, competition on this basis can place the entire financial system at risk."

He adds: "Moody's for years has struggled with this dilemma."

The company had various mechanisms in place to prevent such conflicts of interest, including assigning ratings by committees and preventing anyone with "market share objectives" from chairing such a committee.

"This does NOT solve the problem, though," writes Mr McDaniel. Ratings in the securities that helped cause the financial crisis "are simply the latest instance of trying to hit perfect rating pitch in a noisy marketplace of competing interests".

Mr McDaniel. An "investor-pays" model would give preferential information for bigger and wealthier investors.

"Potential conflicts exist regardless of who pays. The key is how well the rating agencies manage the potential conflicts."

Mr McDaniel and the other agency executives present yesterday, Deven Sharma of Standard & Poor's and Stephen Joynt of Fitch, said their companies were co-operating fully with reviews of the agencies' performance carried out by the US Securities and Exchange Commission and other authorities.

But they said that many parts of the financial system had underperformed, and it was disproportionate to blame the ratings agencies for their role.

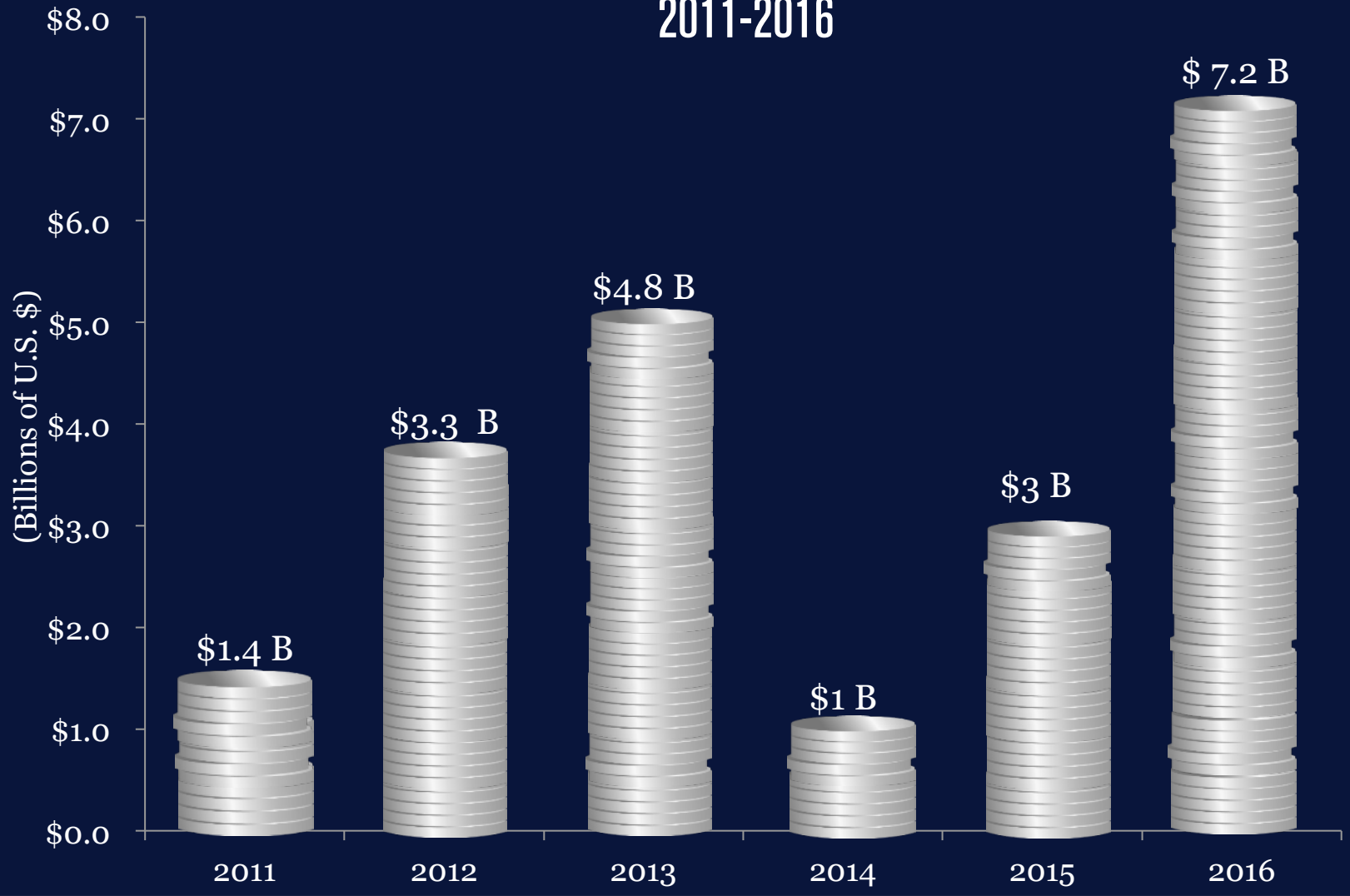
Republicans on the committee joined in the criticism of the ratings agencies, but

'Our ratings are not influenced by commercial

Why Pay Attention to Class Action Recoveries?

Annual U.S. Securities Class Action Recoveries

2011-2016



CORNERSTONE RESEARCH

2017

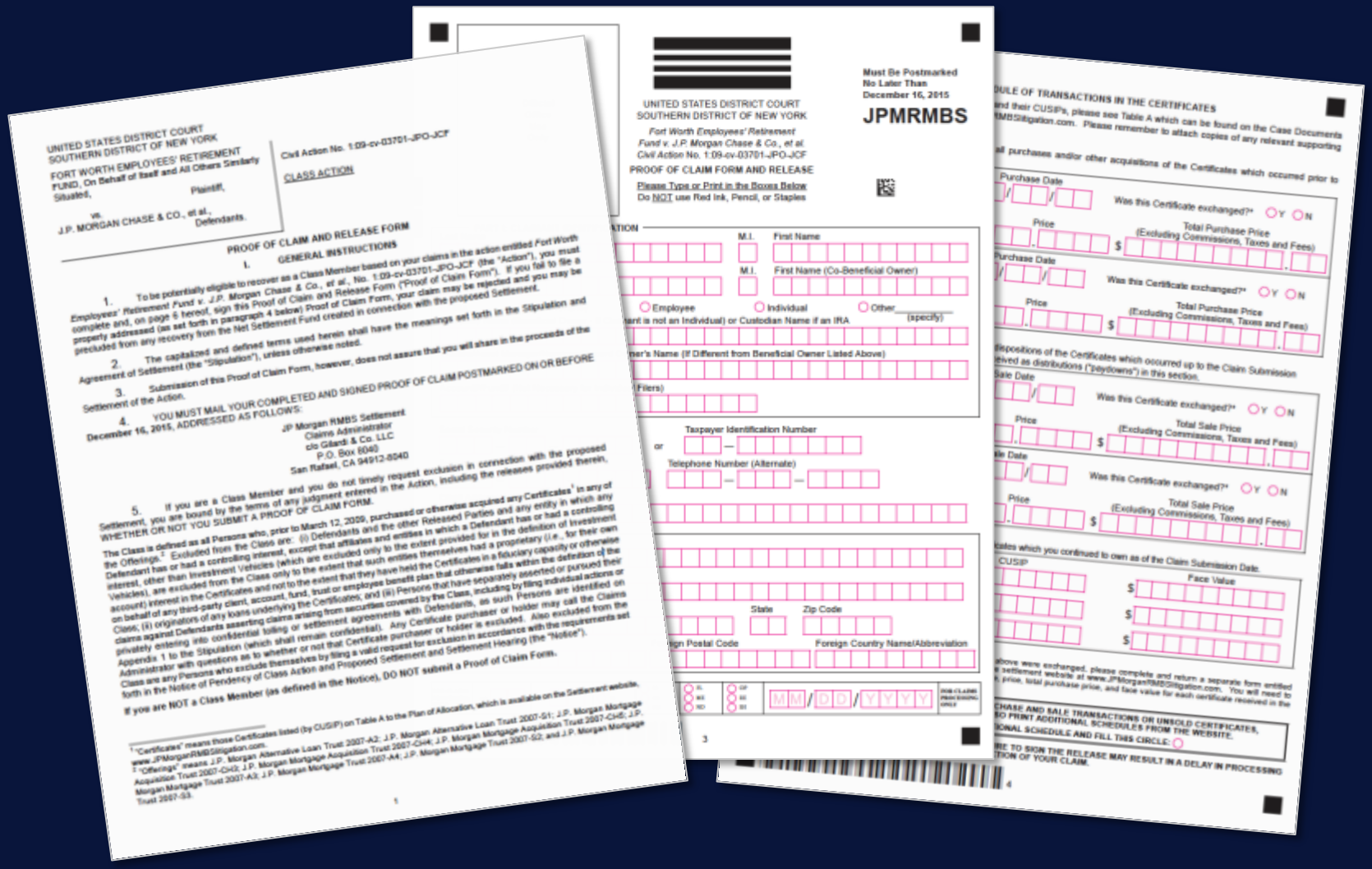
Robbins Geller Rudman & Dowd LLP

Portfolio Monitoring Program®

Know how much your institution lost

Recover money owed to your institution

Passive Recoveries: File Claim Form



UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

FORT WORTH EMPLOYEES' RETIREMENT FUND, On Behalf of Itself and All Others Similarly Situated,

Plaintiff,

vs.

J.P. MORGAN CHASE & CO., et al.,

Defendants.

Civil Action No. 1:09-cv-03701-JPO-JCF

CLASS ACTION

PROOF OF CLAIM AND RELEASE FORM

I. GENERAL INSTRUCTIONS

1. To be potentially eligible to recover as a Class Member based on your claims in the action entitled *Fort Worth Employees' Retirement Fund v. J.P. Morgan Chase & Co., et al.*, No. 1:09-cv-03701-JPO-JCF (the "Action"), you must complete and, on page 6 hereof, sign this Proof of Claim and Release Form ("Proof of Claim Form"). If you fail to file a properly addressed (as set forth in paragraph 4 below) Proof of Claim Form, your claim may be rejected and you may be precluded from any recovery from the Net Settlement Fund created in connection with the proposed Settlement.

2. The capitalized and defined terms used herein shall have the meanings set forth in the Stipulation and Agreement of Settlement (the "Stipulation"), unless otherwise noted.

3. Submission of this Proof of Claim Form, however, does not assure that you will share in the proceeds of the Settlement of the Action.

4. YOU MUST MAIL YOUR COMPLETED AND SIGNED PROOF OF CLAIM POSTMARKED ON OR BEFORE **December 16, 2015**, ADDRESSED AS FOLLOWS:

JP Morgan RMBS Settlement
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 8040
San Rafael, CA 94912-8040

5. If you are a Class Member and you do not timely request exclusion in connection with the proposed Settlement, you are bound by the terms of any judgment entered in the Action, including the releases provided therein, WHETHER OR NOT YOU SUBMIT A PROOF OF CLAIM FORM.

The Class is defined as all Persons who, prior to March 12, 2009, purchased or otherwise acquired any Certificates[1] in any of the Offerings.[2] Excluded from the Class are: (i) Defendants and the other Released Parties and any entity in which any Defendant has or had a controlling interest, except that affiliates and entities in which a Defendant has or had a controlling interest, other than Investment Vehicles (which are excluded only to the extent provided for in the definition of Investment Vehicles), are excluded from the Class only to the extent that such entities themselves had a proprietary (i.e., for their own account) interest in the Certificates and not to the extent that they have held the Certificates in a fiduciary capacity or otherwise on behalf of any third-party client, account, fund, trust or employee benefit plan that otherwise falls within the definition of the Class; (ii) originators of any loans underlying the Certificates; and (iii) Persons that have separately asserted or pursued their claims against Defendants arising from securities covered by the Class, including by filing individual actions or privately entering into confidential tolling or settlement agreements with Defendants, as such Persons are identified on Appendix 1 to the Stipulation (which shall remain confidential). Any Certificate purchaser or holder is excluded. Also excluded from the Class are any Persons who exclude themselves by filing a valid request for exclusion in accordance with the requirements set forth in the Notice of Pendency of Class Action and Proposed Settlement and Settlement Hearing (the "Notice").

If you are NOT a Class Member (as defined in the Notice), DO NOT submit a Proof of Claim Form.

[1] "Certificates" means those Certificates listed (by CUSIP) on Table A to the Plan of Allocation, which is available on the Settlement website, www.JPMorganRMBSlitigation.com.

[2] "Offerings" means J.P. Morgan Alternative Loan Trust 2007-A2; J.P. Morgan Alternative Loan Trust 2007-S1; J.P. Morgan Mortgage Acquisition Trust 2007-CH4; J.P. Morgan Mortgage Acquisition Trust 2007-CH5; J.P. Morgan Mortgage Acquisition Trust 2007-CH3; J.P. Morgan Mortgage Trust 2007-A3; J.P. Morgan Mortgage Trust 2007-A4; J.P. Morgan Mortgage Trust 2007-S2; and J.P. Morgan Mortgage Trust 2007-S3.

1

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

Fort Worth Employees' Retirement Fund v. J.P. Morgan Chase & Co., et al.
Civil Action No. 1:09-cv-03701-JPO-JCF

PROOF OF CLAIM FORM AND RELEASE

Please Type or Print in the Boxes Below
Do NOT use Red Ink, Pencil, or Staples

Must Be Postmarked No Later Than December 16, 2015

JPMRMBS

M.I. First Name

M.I. First Name (Co-Beneficial Owner)

Employee Individual Other (specify)

...nt is not an Individual) or Custodian Name if an IRA

...ner's Name (If Different from Beneficial Owner Listed Above)

...Filers)

Taxpayer Identification Number

or

Telephone Number (Alternate)

State Zip Code

...ign Postal Code Foreign Country Name/Abbreviation

MM/DD/YYYY

3

...DULE OF TRANSACTIONS IN THE CERTIFICATES

...and their CUSIPs, please see Table A which can be found on the Case Documents ...RMBSlitigation.com. Please remember to attach copies of any relevant supporting ...

...all purchases and/or other acquisitions of the Certificates which occurred prior to ...

Purchase Date / / Was this Certificate exchanged?* Y N

Price Total Purchase Price (Excluding Commissions, Taxes and Fees) $

Purchase Date / / Was this Certificate exchanged?* Y N

Price Total Purchase Price (Excluding Commissions, Taxes and Fees) $

...positions of the Certificates which occurred up to the Claim Submission ...eived as distributions ("paydowns") in this section.

...Sale Date / / Was this Certificate exchanged?* Y N

Price Total Sale Price (Excluding Commissions, Taxes and Fees) $

...le Date / / Was this Certificate exchanged?* Y N

Price Total Sale Price (Excluding Commissions, Taxes and Fees) $

...ates which you continued to own as of the Claim Submission Date.

CUSIP Face Value

$

$

$

...above were exchanged, please complete and return a separate form entitled ...a settlement website at www.JPMorganRMBSlitigation.com. You will need to ... price, total purchase price, and face value for each certificate received in the ...

...CHASE AND SALE TRANSACTIONS OR UNSOLD CERTIFICATES, ...SO PRINT ADDITIONAL SCHEDULES FROM THE WEBSITE. ...IONAL SCHEDULE AND FILL THIS CIRCLE: ○

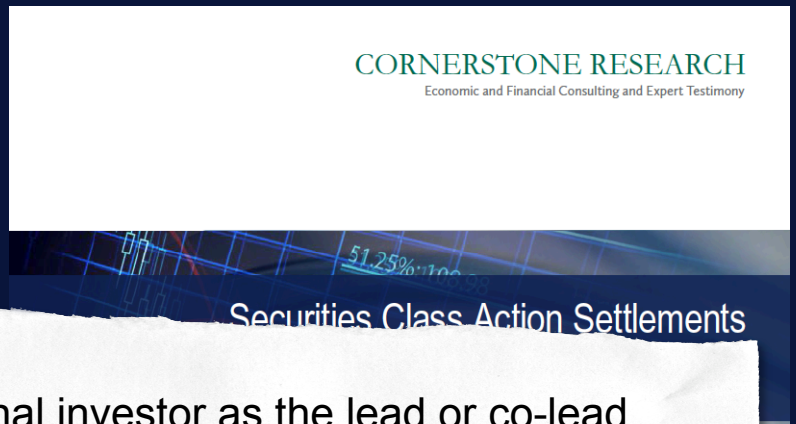
...RE TO SIGN THE RELEASE MAY RESULT IN A DELAY IN PROCESSING ...TION OF YOUR CLAIM.

4

Robbins Geller Rudman & Dowd LLP

Why Serve as Lead Plaintiff?

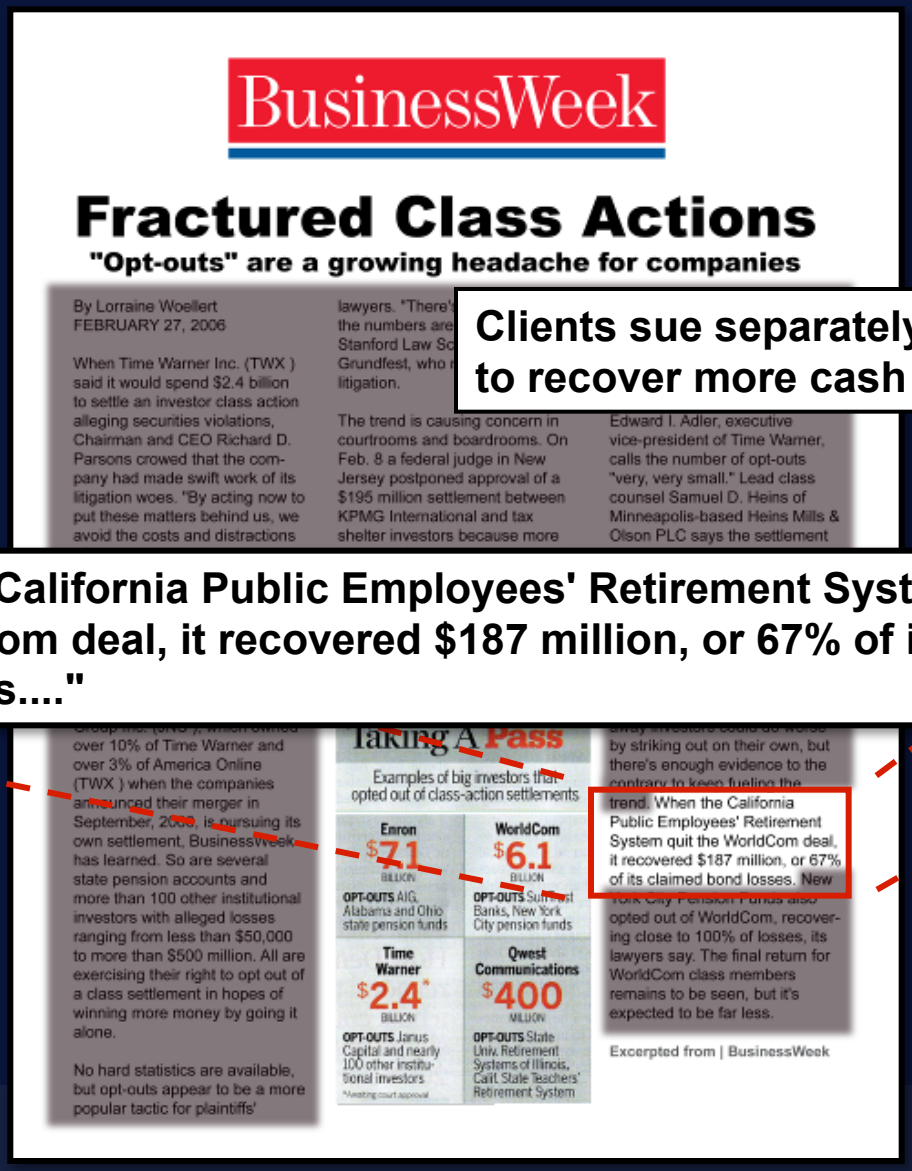
Institutional Investors as Lead Plaintiff



We observe that the filings with an institutional investor as the lead or co-lead plaintiff were **less likely to be dismissed** and more likely to reach a ruling on summary judgment than those that did not have an institutional investor as the lead or co-lead plaintiff.

- The median settlement in 2015 for cases with a public pension as a lead plaintiff was $18 million. This compares to a median settlement of $6.4 million for cases with non–public pension lead plaintiff institutional investors and $2.7 million for cases where the lead plaintiff was not an institutional investor.

Active Recoveries: U.S. Direct ("Opt-Out") Actions



BusinessWeek

Fractured Class Actions

"Opt-outs" are a growing headache for companies

By Lorraine Woellert
FEBRUARY 27, 2006

When Time Warner Inc. (TWX) said it would spend $2.4 billion to settle an investor class action alleging securities violations, Chairman and CEO Richard D. Parsons crowed that the company had made swift work of its litigation woes. "By acting now to put these matters behind us, we avoid the costs and distractions

lawyers. "There's the numbers are Stanford Law Sc Grundfest, who litigation.

The trend is causing concern in courtrooms and boardrooms. On Feb. 8 a federal judge in New Jersey postponed approval of a $195 million settlement between KPMG International and tax shelter investors because more

Edward I. Adler, executive vice-president of Time Warner, calls the number of opt-outs "very, very small." Lead class counsel Samuel D. Heins of Minneapolis-based Heins Mills & Olson PLC says the settlement

over 10% of Time Warner and over 3% of America Online (TWX) when the companies announced their merger in September, 2000, is pursuing its own settlement, BusinessWeek has learned. So are several state pension accounts and more than 100 other institutional investors with alleged losses ranging from less than $50,000 to more than $500 million. All are exercising their right to opt out of a class settlement in hopes of winning more money by going it alone.

No hard statistics are available, but opt-outs appear to be a more popular tactic for plaintiffs'

Taking A Pass

Examples of big investors that opted out of class-action settlements

Enron	WorldCom
$7.1 BILLION	$6.1 BILLION
OPT-OUTS AIG, Alabama and Ohio state pension funds	OPT-OUTS Sumitomo Banks, New York City pension funds
Time Warner	**Qwest Communications**
$2.4* BILLION	$400 MILLION
OPT-OUTS Janus Capital and nearly 100 other institutional investors	OPT-OUTS State Univ. Retirement Systems of Illinois, Calif. State Teachers' Retirement System

*Awaiting court approval

by striking out on their own, but there's enough evidence to the contrary to keep fueling the trend. When the California Public Employees' Retirement System quit the WorldCom deal, it recovered $187 million, or 67% of its claimed bond losses. New

opted out of WorldCom, recovering close to 100% of losses, its lawyers say. The final return for WorldCom class members remains to be seen, but it's expected to be far less.

Excerpted from | BusinessWeek

Clients sue separately to recover more cash

"When the California Public Employees' Retirement System quit the WorldCom deal, it recovered $187 million, or 67% of its claimed bond losses...."

Robbins Geller Rudman & Dowd LLP

Robbins Geller Rudman & Dowd LLP

One Firm. Global Reach.

1-800-449-4900

Patrick Daniels | patrickd@rgrdlaw.com
Roxana Pierce | rpierce@rgrdlaw.com

Labaton Sucharow

North Dakota State Investment Board

Overview of Portfolio Monitoring and Securities Litigation Services

Presented by Eric J. Belfi, Serena P. Hallowell, and Francis P. McConville

August 23, 2018

Labaton Sucharow's Portfolio Monitoring Services

- Robust internal infrastructure – staff and proprietary systems
- Covers developments regarding a full spectrum of securities
- Periodic monitoring reports
- LINK client portal
- Investor education and webinars

Dedicated Case Evaluation Team

- Interdisciplinary unit
- Evaluates merits of proprietary cases and recently filed actions
  - Process for developing proprietary cases
  - Notable results from proprietary cases
- Prepares detailed case-specific reports with concise recommendations
- Coordinates with other litigation teams

Litigation Experience

- Practice Areas
  - Securities Litigation:
    - class
    - direct/opt-out
    - non-U.S.
  - Antitrust & Financial Benchmark Litigation
    - Complex financial instruments and commodities manipulation
  - Corporate Governance and Derivative Litigation
  - Financial Products and Services Litigation
  - Consumer Protection and Data Privacy Litigation
  - Whistleblower Representation

Securities Litigation Successes

Case	Client (as lead or co-lead counsel)	Settlement Amount
AIG	State of Ohio and its retirement system	Over $1 billion
Countrywide	State of New York & New York City Pension Funds	$624 million
Schering Plough/ENHANCE	Massachusetts Pension Reserves Investment Management Board	$473 million
HealthSouth	State of New Mexico and its retirement system	$671 million
Bear Stearns	State of Michigan Retirement Systems	$294.9 million
Massey Energy	Massachusetts Pension Reserves Investment Management Board	$265 million
Fannie Mae	Boston Retirement System	$170 million
Satyam	Mineworkers' Pension Scheme	$150.5 million

Direct Action/Opt-Out Litigation

- Dedicated practice group
  - Composition
- Case evaluation process and claims considered
- Plus factors
- Implications of U.S. Supreme Court's *ANZ* decision
- Significant track record and current docket

Non-U.S. Securities Litigation

- Our global service enables us to facilitate client participation in non-U.S. actions, reducing burdens on clients
- Relationships with a network of law firms in major jurisdictions where procedural mechanisms exist for collective actions
- Evaluate scale of potential recoveries and any potential risks of participation
- Interests aligned with our clients
- Substantial track record serving as liaison counsel

Labaton Sucharow

Antitrust and Financial Benchmark Litigation

- Types of Cases
- Industries Impacted
- Diverse Representation
- Increased Global Scrutiny of Financial Benchmarks
- Ongoing Investigations and Litigation
- Significant Recoveries

Emerging Trends

- Class definitions have narrowed in recent years
- Fraud is being uncovered in unfamiliar contexts
- Pursuing alternative paths to recovery

Who We Are

- Offices in New York, Delaware, and Washington, D.C.
- For over 50 years, Labaton Sucharow has championed investor rights, recovering more than $12 billion on behalf of investors
- Represent broad range of institutional investors
  - Monitoring clients
  - Non-monitoring clients – case advisory services

Contact Information

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Discussion with North Dakota State Investment Board

Securities Litigation Committee

August 23, 2018

Presented by:

Donald R. Hall – Partner – dhall@kaplanfox.com
Mark McNair – Counsel – mmcnair@kaplanfox.com

KAPLAN FOX & KILSHEIMER LLP
850 Third Avenue
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Overview and Discussion of Opportunities in Securities Litigation

1. Overview of Kaplan Fox
2. An overview of a US securities class action process
   a. Monitoring your investments through Kaplan Fox
   b. Case identification
   c. Becoming a Lead Plaintiff
   d. The litigation process
3. Beyond thresholds, guidelines for evaluating cases
   a. Cases for lead plaintiff consideration
   b. When to file an individual action
   c. Achievable corporate governance changes
4. Hot topics of interest to institutional investors
   a. An overview of the statute of limitations and the statute of repose
   b. Evaluating competing groups in non-US securities cases
   c. Being a plaintiff without burdening staff
5. Kaplan Fox approach to securities litigation
   a. Understanding the unique objectives of our clients
   b. Focusing on quality cases and delivering outstanding results
   c. A consistent team throughout the process
   d. Unparalleled ethical standards

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Securities Portfolio Monitoring & Evaluation for Institutional Investors

Overview

Kaplan Fox's portfolio monitoring service provides institutional investors, at no cost, with real-time monitoring of their investments. Participating investors receive customized reports on a weekly basis which indicate their market losses in all newly-filed and newly-settled cases involving corporate fraud. Our portfolio monitoring service provides you with the information you need to make timely decisions on behalf of the fund.

ASSISTANCE MEETING FIDUCIARY RESPONSIBILITIES

As fiduciaries, institutional investors require information necessary to assist them in fulfilling their responsibilities. With respect to securities litigation, Kaplan Fox provides clients in the strictest confidence with a portfolio monitoring system at no cost.

EASY TO USE

Recognizing our clients are busy professionals, it takes just a few minutes to review Kaplan Fox's portfolio monitoring reports. Typically, our reports are emailed to our clients each Friday afternoon.

PROVIDES CRITICAL INFORMATION

Our confidential client reports provide important information regarding all new securities class action suits filed and all new securities class action suits settled each week. We will supplement this data when appropriate with specific memorandum containing case analysis and recommendations.

GETTING STARTED

You are under no obligation with our monitoring agreement and soon you should be receiving our weekly reports on a regular basis. We are always available to assist you and we will notify you if we believe you should consider taking an active role in a case.

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All New Securities Class Actions Filed

Report Details

1 SECURITY NAME

For new cases, we provide you data regarding all of the fund's holdings of securities that are subject to an action. The securities listing may include a variety of specific instruments, e.g. fixed income or equities based securities.

CLASS PERIOD 2

To have a claim under federal securities law, the fund must have purchased securities within the class period. Sometimes cases may be filed against a company with several different class periods.

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Weekly Portfolio Monitoring Report*

Public Employee Retirement System

All New Securities Class Actions Suits *Filed Week of October 22–28, 2010*

SECURITY NAME	TICKER	DATE FILED	COURT	CLASS PERIOD	LP MOTION DUE	ESTIMATED LOSSES
Regions Financial Corporation	RF	10/21/10	NDAL	2/27/2008-1/19/2009	12/20/10	$761,545.03
Thermadyne Holdings Corporation	THMD	10/19/10	Missouri Circuit Court, St. Louis County	on behalf of all holders of Thermadyne Holdings Corporation	n/a	NO HOLDINGS
Meta Financial Group, Inc.	CASH	10/23/10	NDIA	5/14/2009-10/12/2010	12/21/10	NO TRADES
PrivateBancorp, Inc.	PVTB	10/22/10	NDIL	11/2/2007-10/23/2009	12/21/10	$261,823.83
American Commercial Lines, Inc.	ACLI	10/22/10	Delaware Chancery Court	on behalf of all holders of American Commercial Lines, Inc. common stock	n/a	**Holding 4,280 shares**
Easyhome Ltd. (Canada)	EH	10/25/10	Ontario Superior Court of Justice	4/8/2008-10/15/2010	n/a	NO TRADES
Hawk Corporation	HWK	10/25/10	Delaware Chancery Court	on behalf of the holders of the common stock of Hawk Corporation	n/a	NO HOLDINGS
Pinnacle Performance Limited	PINP	10/25/10	SDNY	on behalf of a class consisting of all persons or entities who purchased Pinnacle Performance Limited series †	n/a	NO TRADES
AirTran Holdings, Inc.	AAI	09/28/10	Nevada District Court, Carson City County	on behalf of stockholders of AirTran Holdings, Inc.	n/a	**Holding 29,576 shares**
Cardiac Science Corporation	CSCX	10/22/10	Delaware Chancery Court	on behalf of the public shareholders of Cardiac Science Corporation	n/a	**Holding 35,004 shares**

* This is a hypothetical example for illustrative purposes only.

3 LEAD PLAINTIFF MOTION DUE

This is the due date to file a lead plaintiff motion if you want to have an active role in a case. Because of this relatively short time period, we provide you with information about losses each week. If we believe this is a matter you should consider, we will notify you as soon as possible.

ESTIMATED LOSSES 4

We provide you with estimated losses for lead plaintiff purposes. In cases of interest, we will monitor potential actions and calculate the fund's losses.

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All New Securities Class Actions Settled

Report Details

1 LITIGATION NAME

Typically, it is the name of the company that settled the lawsuit. We also have a column providing the ticker identification of specific securities that are part of the settlement.

CLAIMS DEADLINE 2

This information is time sensitive and, therefore, critical. The fund, or someone on its behalf, must submit a claim form by this deadline or the fund will not receive its proportionate share of recovery.

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Weekly Portfolio Monitoring Report*

Public Employee Retirement System

All Securities Class Action Suits *Settled Week of October 22–28, 2010*

LITIGATION NAME	TICKER	CLASS PERIOD	CLAIMS DEADLINE	CLAIMS ADMINISTRATOR	ESTIMATED LOSSES[1]
Merix Corp.	MERX	1/29/2004-5/13/2004	2/12/11	Strategic Claims	NO TRADES
Stolt-Nielsen S.A.	SNSA; SNI	2/1/2001-2/20/2003	1/24/11	Gilardi	NO TRADES
Safenet, Inc.	SFNT	3/31/2003-5/18/2006	2/14/11	A.B. Data	**$917,274.56**
China Sunergy Co., Ltd. (ADS)	CSUN	5/17/2007-8/23/2007	1/27/11	A.B. Data	NO TRADES
TomoTherapy, Inc.	TOMO	5/9/2007-7/31/2008	1/18/11	RSM McGladrey	NO TRADES

* This is a hypothetical example for illustrative purposes only.

3 CLAIMS ADMINISTRATOR

This informs you to whom you should submit your claims form.

ESTIMATED LOSSES 4

This is your estimated loss in the class period. If the fund has a significant loss you probably want to ensure that a claim form is being submitted on your behalf. This number is not your damages under the settlement or the amount the fund will recover if it submits a claim form.

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Portfolio Monitoring Program

Getting Started

1 COMMENCE A MONITORING AGREEMENT WITH KAPLAN FOX.

Our monitoring agreement is concise and easy to review. The service is complimentary and you are under no obligation to pursue any litigation we might recommend. If you choose to become active in an action, you aren't obligated to use our firm. Finally, you can cancel our services at any time.

2 AS PART OF OUR AGREEMENT, YOU AUTHORIZE YOUR CUSTODIAN TO ALLOW US ELECTRONIC ACCESS YOUR TRANSACTIONAL DATA.

We agree to keep your data confidential. Upon authorization, our monitoring team will begin working. Beyond this point there is nothing else you need to do.

3 YOU WILL BEGIN TO RECEIVE WEEKLY REPORTS ON A REGULAR BASIS.

Soon after we have your transactional data, you should start receiving our weekly reports. These reports will be sent to your authorized contact person.

4 WE WILL FOLLOW THROUGH ON ANY & ALL RELATED QUESTIONS OR CONCERNS.

We are always ready to answer any questions you have regarding our reports and any other inquiries you have regarding your investments or potential actions.

5 WE NOTIFY YOU IN THE EVENT OF A POTENTIAL CASE.

If we believe you should consider taking action regarding a particular case, we either call you or send you a brief memo, depending upon your preference. If there is interest, we will normally follow up with a case memorandum that provides you with a comprehensive analysis of the facts and circumstances of the case.

DONALD R. HALL

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Donald has been associated with Kaplan Fox since 1998, and became a partner of the firm in 2005. He practices in the areas of securities, antitrust and consumer protection litigation. Mr. Hall is actively involved in maintaining and establishing the firm's relationships with institutional investors and oversees the Portfolio Monitoring and Case Evaluation Program for the firm's numerous institutional investors.

Mr. Hall was a member of the trial team prosecuting In re Bank of America, which settled for $2.425 billion, the single largest securities class action recovery for violations of Section 14(a) of the Exchange Act and one of the top securities litigation settlements obtained in history. He currently represents a number of the firm's institutional investor clients in securities class actions, including in In re Eletrobras Secs. Litig., Case No. 15-cv-5754 as co-lead counsel in a class action against a Brazilian company and in Kasper v. AAC Holdings, Inc., No. 15-cv-00923, also as co-lead counsel. Mr. Hall successfully represented institutional clients in In re Merrill Lynch, which settled for $475 million; In re Fannie Mae 2008, which settled for $170 million; In re Ambac Financial Group, Inc. Securities Litigation, No. 08-cv-411 (S.D.N.Y.) ("In re Ambac"); In re Majesco Securities Litigation, No. 05-cv-3557 (D.N.J.); and In re Escala Group, Inc. Secs. Litig., No. 05-cv-3518 (S.D.N.Y.) ("In re Escala"). Additionally, he was a member of the litigation team in AOL Time Warner Cases I & II, an opt-out action brought by Institutional investors that settled just weeks before trial, resulting in a recovery of multiples of what would have been obtained had those investors remained members of the class action.

Mr. Hall has played a key role in many of the firm's securities and antitrust class actions resulting in substantial recoveries for the firm's clients, including *In re Merrill Lynch Research Reports Securities Litigation* (arising from false and misleading analyst reports issued by Henry Blodget); *In re Salomon Analyst Williams Litigation* and *In re Salomon Focal Litigation* (both actions stemming from false and misleading analyst reports issued by Jack Grubman); *In re Flat Glass Antitrust Litigation*; and *In re Compact Disc Antitrust Litigation*.

Mr. Hall graduated from the College of William and Mary in 1995 with a B.A. in Philosophy and obtained his law degree from Fordham University School of Law in 1998. During law school, Mr. Hall was a member of the Fordham Urban Law Journal and a member of the Fordham Moot Court Board. He also participated in the Criminal Defense Clinic, representing criminal defendants in federal and New York State courts on a pro-bono basis.

Bar affiliations and court admissions:

- Bar of the State of Connecticut (2001)
- Bar of the State of New York (2001)
- U.S. Supreme Court
- U.S. Court of Appeals for the Second and Eleventh Circuits
- U.S. District Court for the Southern District of New York

Professional affiliations:

- Executive Committee of the National Association of Securities and Commercial Law
- American Bar Association
- American Association for Justice
- New York State Bar Association

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Mark McNair has been associated with Kaplan Fox since 2003. He practices in the area of securities litigation. Mr. McNair is actively involved in maintaining and establishing the Firm's relationship with institutional investors and is active in the Firm's Portfolio Monitoring and Case Evaluation Program for the Firm's numerous institutional investors.

Mr. McNair is a frequent speaker at various institutional events, including the National Conference of Public Employee Retirement Systems and the Government Finance Office Association. He is very active in international issues and is a member of the Shareholder Rights Committee of the International Corporate Governance Network.

Prior to entering private practice, Mr. McNair was an Assistant General Council at the Municipal Securities Rulemaking Board where he dealt in a wide range of issues related to the trading and regulation of municipal securities. Previously, he was an attorney in the Division of Market Regulation at the Securities and Exchange Commission. At the Commission his work focused on the regulation of the options markets and derivative products.

Mr. McNair graduated from the University of Texas at Austin in 1972 with a B.A. in history and obtain his law degree from the University of Texas Law School in 1975. Mr. McNair is admitted to practice in Texas, Maryland, Pennsylvania and the District of Columbia.

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Agenda Item 6.

Committee Action Requested

TO: SIB Securities Litigation Committee

FROM: Dave Hunter

DATE: October 30, 2018

SUBJECT: **Proposed Meeting Schedule for 2019**

RIO staff suggests the Securities Litigation Committee schedule four meetings in 2019 on the following dates:

February 14, 2019 (Thursday)
May 16, 2019 (Thursday)
August 22, 2019 (Thursday)
November 7, 2019 (Thursday)

RIO invites input on the proposed meeting dates and desired meeting location (e.g. RIO or Capitol) and time (e.g. 3:00 or 3:30 pm).

If the Committee concurs, RIO's Supervisor of Administrative Services and Office Manager, Bonnie Heit, will seek to confirm Committee member availability on each of the above dates in advance of our next proposed meeting on Thursday, February 14, 2019.