the Pomerantz Monitor

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Pomerantz Sues BP Over Deepwater Horizon Explosion

by H. Adam Prussin

On April 20, 2010, BP's Deepwater Horizon drilling platform in the Gulf of Mexico exploded, killing eleven workers and dumping millions of gallons of crude oil into the Gulf. Over the next few weeks, as BP tried and failed repeatedly to cap the well, the value of BP's stock fell by over 30%. Meanwhile, investigations started uncovering evidence that BP's corner-cutting drilling methods had caused the explosion and had hindered efforts to seal the well, known as the Macondo.

It now seems abundantly clear that the company misled both regulators and the public about what happened, and why. As Marc Gross, Managing Partner of Pomerantz, has publicly stated, "BP took reckless cost-saving measures with the sealing of the Macondo well in April 2010, and an independent task force investigating the explosion concluded that BP's drilling operations were 'faster and cheaper but not better.'"

The company compounded the wrongdoing by understating the size of the spill in the immediate aftermath of the explosion. A BP employee was recently indicted for destroying emails showing internal spill estimates of over 150,000 barrels a day, many times the 5,000 barrels the company publicly disclosed on April 28th.

BP is the third-largest energy company in the world, with operations in over 80 countries. It is the largest oil and gas producer in the United States. BP is, however, a British corporation, whose shares are listed on the London Stock Exchange. Although some of its American Depositary Shares ("ADSs") trade on the New York Stock Exchange, the vast majority of its shares are traded in London.

Under the Supreme Court's *Morrison* decision, investors who bought shares on exchanges outside the U.S. cannot bring an action in the U.S. under the federal securities laws, even though in this case the explosion occurred just off our coast, and much of the misconduct, including the false public statements, occurred here. The company's world-wide oil exploration efforts, including the Deepwater Horizon, have been conducted through a U.S. subsidiary based in Texas, and all the false statements regarding the size of the spill were disseminated from there.

Morrison is a problem because, despite recent improvements in judicial enforcement of shareholder rights in many foreign jurisdictions, the U.S. remains the best jurisdiction for vindicating shareholder rights.

One possible way around *Morrison* is to bring an action here for violation of state law. Although such cases cannot be brought as class actions, many institutional investors, such as pension funds, have suffered large enough losses to make individual actions cost-effective.

For example, Pomerantz recently brought an action against BP in a Texas federal district court, on behalf of the Alameda County Employees' Retirement Association. Our complaint alleges that BP misrepresented its drilling practices, the size of the spill, and its potential liability for the disaster. ACERA had purchased some BP ADSs on the NYSE, but it had made the bulk of its BP share purchases on the London Stock Exchange.

UK pension plans might find it advisable to pursue the same strategy. As Mr. Gross stated, "It is our opinion that meritorious claims can be as-

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serted on behalf of UK pension [plans] for fraud, negligent misrepresentation and aiding and abetting under the state law, with BP failing to reform after two major accidents in 2005 and 2006, despite conducting an extensive internal investigation."

One fly in the ointment is that many state laws have a two-year statute of limitations from the date of discovery of the fraud. The statute of limitations on certain claims may have expired at the end of May, 2012, though others can be pursued for a time being thereafter. Time is of the essence, and early intervention is warranted.

Executive Compensation: Is the Glass Half Full or Half Empty?

Lots of good stuff has been going on in the endless war against out-of-control executive compensation.

Perhaps most significant, in the long term, are the potential consequences of the recent debacle at **JP Morgan Chase**, where a "London whale" derivatives trader recently lost upwards of $2 billion. The blow-back from that disaster may produce two benefits: tougher regulation of bank trading, and a potential precedent-setting "clawback" of compensation previously paid to the people responsible. At Chase's annual meeting in May, James Dimon, Chase's chairman and CEO, said that Chase "may well" demand clawbacks, and an "insider" reportedly said that clawback efforts were "likely."

While the Sarbanes-Oxley Act provides for clawbacks of incentive pay if financial reports have to be restated, what Dimon is talking about is completely different. There were no restated financial results here, and no "rogue" or unauthorized trading. Chase and other firms have policies authorizing clawbacks if an employee engages in conduct that causes outsized losses or reputational harm to the firm. But those have been rarely used to force repayments. If that changes, it's a big deal.

The New York City Comptroller, a major shareholder, issued a statement demanding that Chase "claw back every single dollar possible" from those responsible. Whatever happens, "this will be a precedent-setting case," says the founder of Johnson Associates, a compensation firm.

Citibank. Shareholders of Citibank made news in April when 55% of them voted against the pay package awarded to CEO Vikram Pandit. Citi's shares have plummeted by over 80% the past few years, and yet Pandit was set to receive not only a $12 million salary but a bonus package worth just as much.

As a *Wall Street Journal* columnist pointed out, shareholder outrage was probably piqued by the fact that the financial targets that must be met to trigger incentive awards are preposterously low: Pandit and four other senior executives would be entitled to incentive compensation totalling $18 million even if Citicorp *loses* $7 billion this year.

The negative shareholder vote was the first time that investors had rejected a compensation plan at a major U.S. bank. The *WSJ* article calls the vote "more than a stinging rebuke for its board and management. It is a shot across Wall Street's bow."

Chesapeake. Our readers may recall that a few months ago Pomerantz settled a shareholder derivative action against Aubrey McLendon, chairman and CEO of Chesapeake Energy Corp. The settlement required McLendon to buy back from the company a $12 million map collection Chesapeake had bought from him a few years ago, when McLendon was in financial trouble.

That settlement, however, did not end McLendon's compensation problems. McLendon is the beneficiary of a highly unusual "Founders Well" program that allows him to buy a 2.5% interest in all the wells drilled by the company. When the program first went into effect in 1993, Chesapeake drilled only a few dozen wells each year; now it drills about 1,700 wells annually, and McLendon has invested in all of them. The costs, obviously, have zoomed into the stratosphere, and over the years McLendon has been forced to borrow about $846 million to cover his investment expenses under the program.

Now it turns out that the company that was lending him most of this money, EIG Global Energy Partners, was simultaneously negotiating to buy hundreds of millions of dollars in Chesapeake corporate assets. Not only that, but several major Wall Street banks that had also lent him money have received lucrative work as public-offering underwriters or financial advisers to Chesapeake. In fact, in 2008 McClendon sold off over $130 million in his well assets to Wells Fargo, which later lent him money in 2010. Wells Fargo has acted as financial advisor to Chesapeake on 10 deals since 2005. All these deals created an obvious conflict of interest.

These disclosures did not sit well with either shareholders or analysts. Leading the charge was Southeastern Asset Management, an activist investment firm from Memphis that, with 17% of Chesapeake's shares, is the company's largest investor. It didn't help, either, that the SEC opened an informal inquiry into the subject.

Finally, Chesapeake's hitherto somnolent board woke up and announced that it would terminate the Founders Well program and that McLendon, while he will remain as CEO, will be replaced as chairman by an outsider.

A spokesman for the New York Comptroller issued a statement saying that the state pension fund planned to withhold votes for the company's directors in the next election. "The fund believes that there needs to be an infusion of new and independent board members."

Barclay's and Aviva. Although the U.S. has required "say on pay" votes only since Dodd-Frank was passed two years ago, England has had such a requirement for about 10 years; and some eyebrow raising votes have been occurring there recently as well. Notably, shareholders of Barclay's, a major British bank, gave only 73% approval to the CEO's pay package this year, down from 90% the previous year. This made big waves, because dissent from 25% or more of the shareholders is considered to be a sign of significant discontent. Barclays' chairman, Marcus Agius, has apologized to shareholders for not considering their views, and Barclays executives have revised components of their compensation in an attempt to address shareholder grievances.

At Aviva, Britain's leading insurance company, a majority actually voted against the pay package for CEO Andrew Moss – who promptly resigned.

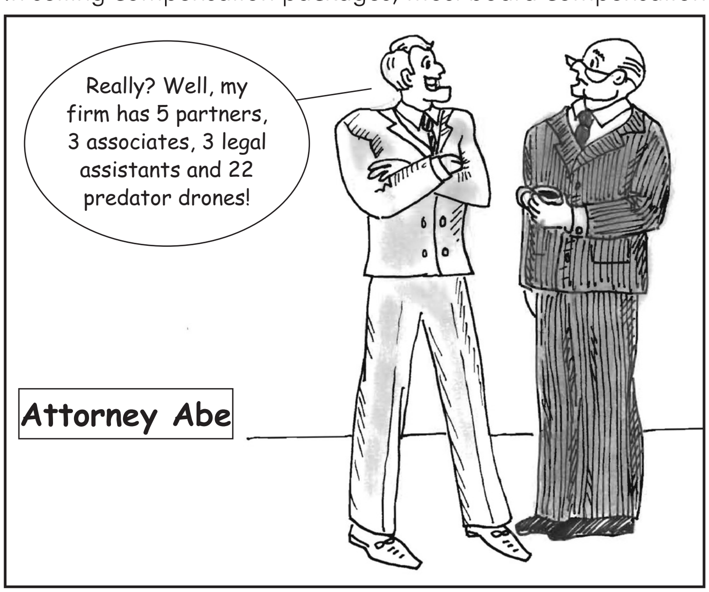
Zeroing in on the "Comparables." One of the prime agitators against excessive executive pay packages is Institutional Shareholder Services, the influential proxy advisory firm. According to the *WSJ*, ISS "consistently delivers about 25% to 35% of the say on pay vote."

In setting compensation packages, most board compensation committees – and the ISS as well – rely on analyses of what executives are being paid at "comparable" companies. Because there are no universally accepted criteria for selecting comparables for pay purposes, the opportunities for "cherry-picking" to produce a desired result are obvious. The *WSJ* reports that "disputes between publicly held companies and Institutional Shareholder Services over how those peer groups should be chosen are playing a big role in shareholders' advisory votes on pay this year, with the companies and the influential proxy advisory firm both jockeying to justify their choices."

This year so far, twenty-six companies have filed proxy supplements disputing the ISS's choices of comparable companies for arriving at its "nay" recommendation. ISS says that, in selecting "comparables," it looks at companies of the same size as the company it is analyzing, even if those companies may not be in the same business. The companies themselves, on the other hand, often look to their principal competitors, even if they are much larger than themselves. Bloomberg News quotes Thomas DiPrete, a Columbia sociologist who has studied executive compensation, as saying that "there is pretty straight forward evidence of cherry-picking, and it's pervasive." Bloomberg mentions that "CBS gave Leslie Moonves $69.9 million after looking at pay at 'comparable' companies that are, on average, twice CBS' size (the largest of which is 15 times the size of CBS), and many of which are not in the media business."

Asking shareholders to decide which are the more appropriate comparisons is an exercise in futility. That is why ISS (as well as Glass Lewis, the other major proxy advisory firm), have so much influence in this matter.

H. Adam Prussin



Here Comes the JOBS Act

On April 5, 2012, President Obama signed into law the Jumpstart Our Business Startups Act ("JOBS Act"), with the purpose of spurring job creation by improving access to the public capital markets for "emerging growth companies" ("EGCs"). The JOBS Act classifies start-up companies as EGCs until, for example, they generate $1 billion in annual gross revenues, or the fifth anniversary of its initial public offering ('IPO')."

The main effect of the JOBS Act is to make it easier for start-up companies to go public. IPO registration statements will now need to include only two years of financial statements, and only selected financial data will have to be provided for

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Here Comes the JOBS Act
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any previous period. Prior to an offering, an EGC will be able to expand communications and file with the SEC a draft IPO registration statement and amendments on a confidential basis, for its review and comment, and the EGC would not need to release those confidential filings to the investing public until just 21 days before the company's IPO "road show." Moreover, before filing a registration statement, an EGC will not be restricted to communicating only with qualified institutional buyers or institutional accredited investors. Perhaps most significantly, the EGC's auditor will not have to certify the efficacy of internal controls and procedures under Section 404(b) of Sarbanes-Oxley.

Critics contend that the JOBS Act will lead to more financial problems and fraud, and make it more difficult for shareholders to detect those problems. For example, an EGC will be able to resolve issues with the SEC without investors finding out about them until only 3 weeks prior to an IPO. Case in point: if the JOBS Act had been in effect prior to Groupon's IPO, that company probably would have been able to resolve its accounting problems with the SEC without ever disclosing them to the public. Recently, Groupon disclosed that its executives failed to reserve enough money for customer refunds on expensive offers.

According to a survey conducted by the CFA Institute, a global association of investment professionals, only 29% of its members wanted the legislation to pass and 63% believed that the bill "would create additional gaps in investor protection and transparency." The Institute believes that the Act's permission to allow brokerage firm analysts whose firms are underwriting an IPO to write and distribute research on companies "is a return to the kind of conflicted research that decimated investor confidence after the burst of the dot-com bubble."

Fei-Lu Qian

Merger Deals: When "Protections" Become Straitjackets

The Delaware Chancery Court's recent approval of a settlement in a case involving the Celera Corporation highlights the tension that occurs when companies entertain acquisition proposals. Bidders want to lock up a deal as tightly as possible, so that if they reach an agreement it will be more than just an opening bid in a free-for-all auction of the company. Targets, on the other hand, want to get the best deal they can, and therefore want as much freedom as possible to consider potentially better offers. Many volumes of case law have been devoted to trying to find a perfect balance between these competing interests.

For example, it is common for targets to open up their financial records to potential acquirers, so that they can do "due diligence" before preparing a bid for the company. However, to protect themselves, targets typically insist on a confidentiality agreement that includes "standstill" provisions prohibiting potential bidders who inspect the records from making an offer for the target without an express invitation from the target's board. These provisions also typically prevent the bidder from asking the board to waive these restrictions so that they can make an unsolicited bid.

A key feature of Delaware law is that merger agreements need to contain some kind of "fiduciary out" clause: even after a deal is signed, if a significantly better offer then comes in, the board needs to be allowed to consider it. To protect itself from such an eventuality, bidders routinely insist that the merger agreement contain deal protections, which make it more difficult – but in theory not impossible – for other companies to come in after the fact and bid against them. Among such protections are "no solicitation" clauses, which prevent the target, after a deal is signed, from soliciting a higher offer from somebody else.

The combination of standstill agreements and no solicitation deal protections in the same transaction can, however, create a huge problem: in conjunction, they provide no way for the target company to find out if anyone else is willing to make a better offer for the company. It can't ask anyone if they want to make a better bid, because that would violate the "no solicitation" clause; and other potential bidders will probably have signed confidentiality agreements that don't allow them to submit a bid unless the target asks them to do so. The result can be that there is no way for the board of the target company to find out if a better deal is out there – which they are obligated to do as part of their fiduciary duty.

In the Delaware Court of Chancery's recent ruling in the *Celera Corporation* litigation, Vice Chancellor Parsons approved a settlement of a shareholder case arising from the acquisition of the company where both a "no solicitation" clause and standstill agreements were in effect, preventing the company from finding out if anyone else was ready or willing to submit a superior bid. A major part of the settlement was defendants' agreement to waive the standstill agreements and allow other potential bidders to submit competing bids. Vice Chancellor Parson, commenting on the importance of that waiver as a benefit of the settlement, stated that, "taken together," these two commonplace devices "are more problematic." Since this mix blocked the board from inquiring further into "once-interested parties" interest, Vice Chancellor Parson stated that "[p]laintiffs have at least a colorable argument that these constraints collectively operate to ensure an informational vacuum" and that "[c]ontracting into such a state conceivably could constitute a breach of fiduciary duty."

In another recent decision involving the El Paso corporation, which we discussed in a previous issue of the *Monitor*, the Delaware Chancery Court "reluctantly" refused to enjoin a merger even though the negotiation of that merger was heavily tainted by conflicts of interest. The court didn't want to risk killing the only deal that was available to El Paso shareholders, because it would give them a substantial premium over the current market price. Chancellor Strine determined that shareholders were well-positioned to turn down this deal "if they did not like it" and that because no other bidders had materialized, the shareholders "should not be deprived of the chance to decide for themselves about this merger . . . "

The confluence of "no solicitation" and standstill provisions, such as we saw in the *Celera* case, will present this very situation: no one else can make a bid, and in the absence of other potential bidders, the court will be reluctant to enjoin consummation of the only offer that is actually on the table.

Ofer Ganot

Study Says Broker Rebates Cost Investors Billions

Stock trading in the United States stock market has not only failed to recover since the 2008 financial crisis, it has continued to fall. The *New York Times* reports that in April the average daily trades in American stocks on all exchanges stood at nearly half of its peak in 2008: 6.5 billion compared with 12.1 billion shares. In contrast, trading returned to normal within two years after the market declines of 1987 and 2001.

Declining trading leads to declining trading commissions, which has apparently led to fierce competition between trading venues for the action that remains. The latest weapon in these trading wars is rebates: exchanges are now paying brokers for sending trades to them. NASDAQ, for example, reportedly paid out $306 million in rebates in the first quarter of this year, or nearly half of its revenue. These rebates go to the brokers, not the customers. That's not good, because the lure of potentially significant rebates can entice brokers to place the trade on an exchange that does not offer the best price.

Stockbrokers are legally required to seek out the best prices for clients who pay them to buy and sell shares; but that "best execution" rule is riddled with loopholes. For example, a broker may send the first 100 shares of an order to the exchange with the best price, but the rest of the shares to the exchange where the broker will receive a larger rebate.

A new study using industry data reveals that such rebates could be costing mutual funds, pension funds and ordinary investors as much as $5 billion a year. The study, released in early May, was written by Woodbine Associates, a financial consulting firm that does business with players on all sides of the issue. Woodbine said the report was done independently, without support from industry participants.

The study estimates that investors lost an average of four-tenths of a cent on each of the 1.37 trillion shares traded last year because of orders being sent to exchanges that were not offering the best final price. This conclusion comes in the wake of a 2010 report by two former chief economists at the SEC, who concluded that "in other contexts, these payments would be recognized as illegal kickbacks."

H. Adam Prussin

Two Courts Refuse to Enjoin Proposed Class Action Settlement

Corporate transactions are typically challenged by shareholders in multiple jurisdictions. Courts will sometimes stay duplicative cases, so that defendants do not have to fight the same claims in different places at the same time, and subject themselves to duplicative proceedings and possibly inconsistent rulings. When a stay is not entered, it can lead to problems, particularly when defendants try to settle one case without involving counsel from the other(s). That is because any settlement will include a release dismissing all pending cases raising the same claims, whether the other plaintiffs like it or not.

That is exactly what happened recently in two cases involving claims that the directors of Bank of America ("B of A") breached their fiduciary duties in 2008 in connection with the $50 billion acquisition of Merrill Lynch ("Merrill"). This notorious transaction led to many lawsuits, because B of A's board proceeded with the deal even after allegedly learning before the merger closed that Merrill had suffered catastrophic losses and that Merrill was paying huge bonuses to management. Not only did B of A's board fail to abort the deal, they also allegedly misled B of A shareholders about those facts before they voted to approve the merger.

Two derivative actions pursued those claims, one in New York federal court and the other in Delaware state court. Although the Delaware case had been far more heavily litigated, with more discovery, more motion practice, and an October 2012

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Two Courts Fail to Enjoin Proposed Class Action Settlement

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trial date set, defendants chose to settle the claims with New York counsel. This decision prompted Delaware counsel to challenge the settlement, claiming that defendants had engaged in an improper "reverse auction" to settle far more cheaply than they could have in Delaware.

The proposed settlement of the New York action, reached on April 12, 2011, provided for a payment of $20 million in damages, all of which was to come from B of A's insurance coverage. Delaware counsel had demanded far more, including that the defendant directors pay some of the damages out of their own pockets, given that potential damages were alleged to be $5 billion and that the Securities and Exchange Commission had previously imposed a $150 million penalty (after the court rejected a $33 million settlement) regarding the adequacy of disclosures concerning the Merrill deal.

In order to recover anything from directors, however, plaintiffs would have had to overcome their "raincoat" legal protections, which bar the recovery of damages from them unless they are guilty of intentional wrongdoing. Moreover, counsel's submissions to the New York court have been redacted to remove discussion of applicable insurance coverage. So, it is not self-evident to non-parties exactly how much this case is really worth, given the likelihood of recovery from available sources.

Immediately after the proposed settlement was announced, Delaware counsel pursued a dual-pronged attempt to derail it. First, they asked the Delaware Chancery Court to enjoin defendants (who are parties in Delaware) from proceeding with the settlement. Second, they sought to intervene in the New York action and asked the judge to order the settling parties to justify the settlement or be enjoined from pursuing it further.

Both courts refused to enjoin the settlement. On May 4, 2012, Chancellor Strine denied the preliminary injunction motion filed in Delaware, stating that he found no irreparable harm where arguments against the settlement can be pursued in the federal courts (trial and appellate) in New York. However, he did make clear that if the settlement is not approved in New York, his October 2012 trial date will stand firm. On May 14, 2012, Judge Castel in New York denied Delaware counsel's motion as well, stating that their arguments can best be presented during the upcoming settlement fairness hearing.

The settlement approval process will undoubtedly be contentious and may give rise to an important decision on the adequacy of settlements reached under these circumstances.

Matthew L. Tuccillo

notable dates

. . . on the Pomerantz horizon

May 6-9: **Cheryl Hamer** will attend the **National Conference on Public Employee Retirement Systems (NCPERS)** Annual Conference in New York, New York.

May 21-23: **Marc Gross** and **Jeremy Lieberman** will attend the **National Association of Pension Funds (NAPF)** Local Authority Conference 2012 in Gloucestershire, United Kingdom.

June 11-13: **Cheryl Hamer** will attend the **International Foundation of Employee Benefit Funds (IFEBP)** Trustees and Administrators Conference in San Francisco, California.

June 14-16: **Jason Cowart** will participate in a panel presentation at the **American Constitution Society's (ACS)** National Convention in Washington, DC

June 25-27: **Jeremy Lieberman** and **Cheryl Hamer** will attend the **International Corporate Governance Network (ICGN)** Annual Meeting in Rio de Janiero, Brazil.

August 19-20: Cheryl Hamer will attend the **TEXPERS** Summer Educational Conference.

Cheryl D. Hamer

Marc I. Gross

Jeremy A. Lieberman

Jason S. Cowart

PomTrack© Class Actions Update

Pomerantz, through its proprietary PomTrack© system, monitors client portfolios to identify potential claims for securities fraud, and to identify and evaluate clients' potential participation in class action settlements.

NEW CASES:

A selection of recently filed securities class action cases filed by various law firms are listed below. If you believe your fund is affected by any of these cases, contact Pomerantz for a consultation.

Case Name	TICKER	Class Period	Lead Plaintiff Deadline
Career Education Corporation (2012)	CECO	January 1, 2009 - November 1, 2011	March 13, 2012
CPI Corp.	CPY	April 20, 2010 - December 21, 2011	March 13, 2012
Netflix, Inc. (2012)	NFLX	December 20, 2010 - Oct. 24, 2011	March 13, 2012
HearUSA, Inc.	HEARQ	January 18, 2011 - July 31, 2011	March 19, 2012
Cablevision Systems Corporation (2012)	CVC	February 16, 2011 - October 28, 2011	March 26, 2012
Collective Brands, Inc.	PSS	December 1, 2010 - May 24, 2011	March 26, 2012
Health Management Associates, Inc. (2012)	HMA	July 27, 2009 - January 9, 2012	March 26, 2012
TranS1 Inc.	TSON	February 21, 2008 - October 17, 2011	March 26, 2012
Walter Energy, Inc.	WLT	April 20, 2011 - September 21, 2011	March 26, 2012
K-Sea Transportation Partners L.P. (2012)	KSP	January 30, 2009 - January 27, 2010	March 27, 2012
Columbia Laboratories, Inc. (2012)	CBRX	December 6, 2010 - January 20, 2012	April 2, 2012
Hecla Mining Company	HL	October 26, 2010 - January 11, 2012	April 2, 2012
K12 Inc.	LRN	September 9, 2009 - Dec. 16, 2011	April 2, 2012
GenVec, Inc.	GNVC	March 12, 2009 - March 30, 2010	April 3, 2012
Molycorp, Inc.	MCP	March 9, 2011 - November 10, 2011	April 3, 2012
The Student Loan Corporation (2012)	STU	January 15, 2008 - Sept. 23, 2010	April 3, 2012
BioSante Pharmaceuticals Inc.	BPAX	February 8, 2010 - Dec. 15, 2011	April 6, 2012
Xcelera Inc.	XLACF		April 6, 2012
Carbo Ceramics Inc.	CRR	October 27, 2011 - January 26, 2012	April 9, 2012
Powerwave Technologies, Inc. (2012)	PWAV	February 1, 2011 - October 18, 2011	April 9, 2012
Eastman Kodak Company (2012)	EKDKQ	January 26, 2011 - Sept.23, 2011	April 10, 2012
New Energy Systems Group	NEWN	April 15, 2010 - November 14, 2011	April 10, 2012
DryShips, Inc. (2012)	DRYS	Dec. 1, 2008 - Dec. 31, 2010	April 13, 2012
Kinross Gold Corporation	KGC	February 16, 2011 - January 17, 2012	April 16, 2012
Metabolix, Inc.	MBLX	March 10, 2010 - January 12, 2012	April 17, 2012
SAIC, Inc.	SAI	April 11, 2007 - September 1, 2011	April 23, 2012
China Sky One Medical, Inc.	CSKI	April 16, 2009 - February 14, 2012	April 24, 2012
CNOOC Limited	CEO	January 27, 2011 - Sept. 16, 2011	April 30, 2012
MLP AG (Germany)	MLP	January 1, 1999 - Dece. 31, 2002	December 31, 2012

SETTLEMENTS:

The following class action settlements were recently announced. If you purchased securities during the listed class period, you may be eligible to participate in the recovery.

Case Name	Amount	Class Period	Claim Filing Deadline
Intermix Media, Inc. (2006)	$45,000,000	July 18, 2005 - September 30, 2005	March 15, 2012
Nortel Networks Corporation (SEC)	$35,500,000	October 24, 2000 - April 27, 2004	March 16, 2012
Acura Pharmaceuticals, Inc.	$1,500,000	February 21, 2006 - April 22, 2010	March 19, 2012
Westland Development Co., Inc. (D. N.M.)	$3,778,702	September 18, 2006	April 2, 2012
Focus Media Holding Limited (2007)	$2,000,000	September 27, 2007 - Nov. 19, 2007	April 5, 2012
Beckman Coulter, Inc. (2010) (C.D. Cal.)	$5,000,000	July 31, 2009 - July 22, 2010	April 12, 2012
Nalco Chemical Company (SEC)	$8,390,982	June 1, 1999 - June 28, 1999	April 13, 2012
Merrill Lynch Mortgage Investors, Inc. (Mortgage Pass-Through Certificates)	$315,000,000		April 25, 2012
CardioNet, Inc. (2010)	$7,250,000		April 27, 2012
Fidelity Ultra-Short Bond Fund	$7,500,000	June 6, 2005 - June 5, 2008	April 27, 2012
Northfield Laboratories, Inc.	$1,500,000	August 16, 2004 - March 20, 2006	May 1, 2012
Apollo Group, Inc. (2004)	$145,000,000	February 27, 2004 - Sept. 14, 2004	May 2, 2012
Lehman Brothers Holdings, Inc. (S.D.N.Y.) (Equity/Debt Securities - D&O)	$90,000,000	June 12, 2007- -September 15, 2008	May 17, 2012
Lehman Brothers Holdings, Inc. (S.D.N.Y.) (Equity/Debt Securities - Underwriters)	$426,218,000	June 12, 2007 - September 15, 2008	May 17, 2012
Motorola, Inc. (2007)	$200,000,000	July 19, 2006 - January 4, 2007	May 28, 2012
Carter's Inc.	$20,000,000	March 16, 2005 - November 10, 2009	June 1, 2012
American International Group, Inc. (2004)	$115,000,000	October 28, 1999 - April 1, 2005	June 4, 2012
Merit Securities Corp. Collateralized Bonds (Dynex Capital, Inc.)	$7,500,000	February 7, 2000 - May 13, 2004	June 4, 2012
Inyx, Inc.	$600,000	April 1, 2005 - July 2, 2007	June 8, 2012
Pilgrim's Pride Corporation	$1,500,000	May 5, 2008 - October 28, 2008	June 9, 2012
Morgan Keegan Funds (SEC)	$200,300,000	January 1, 2007 - March 31, 2008	June 16, 2012
SearchMedia Holdings Limited (f/k/a Ideation Acquisition Corp.) (S.D. Fla.)	$2,750,000	April 1, 2009 - August 20, 2010	June 22, 2012
ArthroCare Corp.	$74,000,000	Dec. 11, 2007 - February 18, 2009	June 25, 2012
Washington Mutual, Inc. (2004)	$41,500,000	April 15, 2003 - June 28, 2004	July 2, 2012
PacketPort.com, Inc. (n/k/a Wyndstorm Corp.) (SEC)	$1,075,000	December 13, 1999 - April 11, 2000	August 1, 2012

POMERANTZ
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The Law Firm Institutional Investors Trust
for Securities Monitoring and Litigation

Pomerantz is acknowledged as one of the premier firms in the areas of corporate, securities, antitrust, mergers and acquisitions, and insurance litigation. Founded by the late Abraham L. Pomerantz, known as the 'dean of the class action bar,' the firm pioneered the field of securities class actions. Today, more than 75 years later, Pomerantz continues in the tradition that Abe Pomerantz established, fighting for the rights of victims of securities fraud, breaches of fiduciary duty, and corporate misconduct. Prior results, however, do not guarantee a similar outcome in future cases.

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As of July 15, 2012, Pomerantz's Washington, DC office will relocate to:

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