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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

In re MAXIM INTEGRATED PRODUCTS, INC., SECURITIES LITIGATION

CASE NO. C-08-00832-JW

CLASS ACTION

LEAD PLAINTIFFS' REPLY IN SUPPORT OF MOTION FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT AND PLAN OF ALLOCATION AND APPLICATION FOR ATTORNEYS' FEES AND REIMBURSEMENT OF EXPENSES

Date: September 27, 2010
Time: 9:00 a.m.
Courtroom: 8, Fourth Floor
Judge: Hon. James Ware

TABLE OF CONTENTS

TABLE OF AUTHORITIES

CASES **PAGE(S)**

STATUTES AND RULES

The Court-appointed Lead Plaintiffs, the Cobb County Government Employees' Pension Plan, the DeKalb County Pension Plan and the Mississippi Public Employees Retirement System (collectively, "Lead Plaintiffs"), respectfully submit this Reply in further support of: (1) Lead Plaintiffs' Motion for Final Approval of Class Action Settlement (ECF No. 277, "Settlement Motion"), and (2) Lead Plaintiffs' Motion for Attorneys' Fees and Reimbursement of Litigation Expenses (ECF No. 278, "Fee Motion"), and in response to the corrected objection filed by objector National Automatic Sprinkler Industry Pension Fund ("Objector" or "NASI") filed on September 16, 2010 (ECF No. 284, "Corrected Objection").

Lead Plaintiffs succeeded in reaching a Settlement of this securities class action for $173 million in cash. By Order dated July 13, 2010, the Court granted preliminary approval of the Settlement. *See* Order Preliminarily Approving Settlement, Providing for Notice and Scheduling Settlement Hearing (ECF No. 276, the "Scheduling Order"). Pursuant to the Scheduling Order, beginning on July 27, 2010, nearly 200,000 copies of the Court-approved Notice of Pendency of Class Action and Proposed Settlement, Final Approval Hearing, and Motion for Attorneys' Fees and Reimbursement of Litigation Expenses (the "Notice") were mailed to potential Class Members.[1]

Also pursuant to the Scheduling Order, on August 30, 2010, Lead Plaintiffs filed the Settlement Motion and the Fee Motion, including seven sworn declarations supporting the Settlement, the Plan of Allocation, and the request for an attorneys' fee award of 17% of the net Settlement Fund. As evidenced in their sworn joint declaration, the Court-appointed Lead Plaintiffs (three sophisticated institutional investors who supervised the prosecution of this case for over two years) wholeheartedly support the Settlement and the Fee Motion. *See* Joint Declaration of George W. Neville, J. Virgil Moon and Edmund J. Wall in Support of Class Action Settlement ("Lead Plaintiffs Decl."), attached as Ex. A to the Joint Declaration.

[1] *See* Declaration of Jennifer M. Keough Re: Notice Dissemination and Publication ("Keough Decl."), attached as Exhibit ("Ex.") B to the Joint Declaration of Blair A. Nicholas and Gregory E. Keller in Support of Motion for Final Approval of Settlement and Plan of Allocation and Motion for An Award of Attorneys' Fees and Reimbursement of Expenses (ECF No. 279, "Joint Declaration").

The overwhelming positive reaction of the Class also supports the Settlement and fee request. Only 10 exclusion requests were received from potential Class Members.[2] While the deadline for submitting claims does not expire until November 24, 2010, the claims administrator has already received over 4,700 claims. There are no objections to the Settlement Motion. Only one potential Class Member has objected to the Fee Motion. (ECF No. 284).

The baseless nature of this single objection is evident on its face. As the Objector now admits, its initially-filed objection (ECF No. 282) was in error. It incorrectly asserted that objections were due prior to the filing of the Fee Motion. In truth, in accordance with the Court's Scheduling Order, the Fee Motion and supporting declarations were filed three weeks ago, prior to the objection deadline. Realizing that its initial objection was factually incorrect, the Objector now contends that the amount of time that the Fee Motion was filed prior to the objection deadline was insufficient. This contention is also baseless. Not a single court within the Ninth Circuit has endorsed the Objector's argument when the fee application was filed prior to the objection deadline. Furthermore, the Objector filed its Corrected Objection seventeen (17) days following the filing of the Fee Motion, which is more than ample time to review and object to the fee application.

While the initial objection has effectively been withdrawn, the Corrected Objection merely offers boilerplate arguments that could be universally applied to virtually any settlement, and have been regularly rejected by courts.[3] In attempting to scrutinize the precise amount of attorney time spent prosecuting this case, the Corrected Objection virtually ignores that the fee request is on a

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[2] A total of 56 exclusion requests were received, but 46 of them do not indicate that they are made on behalf of persons or entities who purchased or otherwise acquired Maxim common stock during the Class Period. Thus, there are only 10 valid exclusion requests from potential Class Members. Those who requested exclusion are listed on Exhibit 1 to the [Proposed] Final Judgment And Order Of Dismissal With Prejudice, submitted herewith.

[3] *See, e.g., In re AT&T Corp. Sec. Litig.*, 455 F.3d 160, 169 n.6 (3d Cir. 2006) (rejecting objector's argument seeking scrutiny of class counsel's time records; reasoning "we have noted the lodestar cross-check calculation need not entail 'mathematical precision' or 'bean counting' and is 'not a full-blown lodestar inquiry'") (citations omitted); *Glass v. UBS Finan. Servs., Inc.* 2007 WL 221862, at *16 n.11 (N.D. Cal. Jan. 26, 2007) (rejecting objector's request to review class counsel's time records), *aff'd*, 331 Fed. Appx. 452 (9th Cir. 2009) (unpubl.). Moreover, the Corrected Objection repeatedly refers to Local Rule 54-6(b)(2), which no longer exists, suggesting that the objection merely recycles assertions from prior briefs.

percentage-of-the-common-fund basis – as is widely accepted by the Ninth Circuit – and is below the Ninth Circuit's 25% benchmark, and fails to engage in any analysis of the factors considered by the Ninth Circuit when evaluating fee requests.

The overwhelming support by the Class, including the three sophisticated institutional investor Lead Plaintiffs, is a testament to the fairness, reasonableness and adequacy of the Settlement, Plan of Allocation and fee and expense application, which should be approved.

I. THE SETTLEMENT AND PLAN OF ALLOCATION ARE FAIR AND REASONABLE AND SHOULD BE APPROVED

The substantial monetary recovery obtained for the Class was achieved only after over two years of hard-fought litigation, through the skill, work, tenacity, and effective advocacy of Plaintiffs' Counsel to address the legal and factual issues that posed substantial risks to the claims of the Class. For the reasons explained in Lead Plaintiffs' Settlement Motion, Lead Plaintiffs' Declaration, and Lead Counsel's Joint Declaration, Lead Plaintiffs and Lead Counsel submit that the $173 million cash Settlement provides an excellent recovery and is in the best interests of the Class. In addition, as explained in Lead Plaintiffs' Settlement Motion and the declaration of expert Howard J. Mulcahey, attached as Ex. C to the Joint Declaration, the proposed Plan of Allocation is also fair and reasonable to Class Members.

Accordingly, because the Settlement and the Plan of Allocation are fair and reasonable and there are no objections, Lead Plaintiffs respectfully request that they be approved.

II. THE FEE AND EXPENSE APPLICATION WARRANTS COURT APPROVAL

A. The Relevant Factors Used By Courts In The Ninth Circuit Justify A Fee Award Of 17%

Courts in this Circuit consider the following factors when evaluating a fee request in connection with a common fund settlement: (1) the results achieved; (2) the risks of litigation; (3) the skill required and quality of work; (4) the contingent nature of the fee and financial burden carried by the plaintiffs; (5) awards made in similar cases; (6) the reaction of the class to the proposed fee and expense request; and (7) the amount of a lodestar cross-check. *See Vizcaino v. Microsoft Corp.,* 290 F.3d 1043, 1048-50 (9th Cir. 2002); *In re Omnivision Techs., Inc.,* 559 F. Supp. 2d 1036, 1046-48

(N.D. Cal. 2007). As detailed in the Fee Motion and Joint Declaration at paragraphs 18 through 63, application of these factors here confirms that the 17% fee is well justified.

Lead Counsel undertook the prosecution of this action on an entirely contingent basis. As stated in the Notice mailed to Class Members, as compensation for the efforts expended to achieve the recovery for the Class, Lead Counsel applied for fees constituting 17% of the Settlement Fund, net of Court-approved litigation expenses, and for reimbursement of $751,507.54 in out-of-pocket litigation expenses. Lead Plaintiffs, three sophisticated institutional investors with experience in prosecuting securities class actions under the Private Securities Litigation Reform Act of 1995 ("PSLRA"), negotiated, agreed to and approved the percentage fee requested after supervising the prosecution of this action for over two years. *See* Lead Plaintiffs Decl., ¶24.

The requested fee percentage is well below the Ninth Circuit's 25% benchmark, and is below the fee awards customarily granted in other similar backdating securities class actions. *See In re Brocade Sec. Litig.*, 05-cv-02042, ECF No. 496 (N.D. Cal. Jan. 26, 2009) (awarding 25% fee on $160 million settlement); *In re Monster Worldwide, Inc. Sec. Litig.*, 07-CV-02237, Docket No. 139 (S.D.N.Y. Nov. 25, 2008) (awarding 25% of the $47.5 million recovery); *In re Comverse Tech., Inc. Sec. Litig.*, 2010 WL 2653354, at *6 (E.D.N.Y. June 24, 2010) (awarding 25% fee on a $225 million settlement, observing "an improperly calibrated fee would provide a disincentive to future counsel to take risks and pursue large class settlements that the SEC cannot"); *In re Marvell Tech. Group Ltd. Sec. Litig.*, 06-06286, ECF No. 292 (N.D. Cal. Nov. 13, 2009) (awarding 20.5% fee on a $72 million settlement); *In re Broadcom Corp. Class Action Litig.*, 06-cv-05036, ECF No. 355 (C.D. Cal. Aug. 11, 2010) (awarding 18.5% fee on a $160.5 million settlement).[4]

[4] The requested fee is also well below the fee percentages granted in options backdating cases that were brought derivatively. *See, e.g., Ryan v. Gifford*, 2009 WL 18143 (Del. Ch. Jan. 2, 2009) (awarding 33% of the cash recovery); *In re Zoran Corp. Deriv. Litig.*, 2008 WL 4104517 (N.D. Cal. Sept. 2, 2008) (awarding 38% of the cash recovery); *In re Marvel Tech. Group Ltd. Deriv. Litig.*, 06-03894, ECF No. 108 (N.D. Cal. Aug. 11, 2009) (awarding 29% of the cash recovery); *In re NVIDIA Corp. Deriv. Litig.*, 2009 U.S. Dist. LEXIS 24973 (N.D. Cal. Mar. 18, 2009) (awarding $7.25 million, equal to 45.8% of the $15.8 million cash recovery); *In re Juniper Deriv. Actions*, 2008 U.S. Dist. LEXIS 109858 (N.D. Cal. Nov. 13, 2008) (awarding $9 million, equal to 39.6% of the $22.7 million cash recovery); *In re Activision, Inc. S'holder Deriv. Litig.*, CV-06-04771-MRP, ECF No. 84 (C.D. Cal. July 21, 2008) (awarding $10.75 million, equal to 44.2% of the $24.3 million cash recovery); *In*

B. The Single Objection To The Fee Motion Should Be Overruled

In class action settlements of significant amounts, it has become *de rigueur* for certain attorneys (claiming to champion the interests of class members) to file boilerplate objections to the fees being sought, whatever the amount and without regard to the specific circumstances of each particular case. *See, e.g., O'Keefe v. Mercedes-Benz USA, LLC,* 214 F.R.D. 266, 295 n.26 (E.D. Pa. 2003) ("Federal courts are increasingly weary of professional objectors"); *Shaw v. Toshiba Am. Info. Sys., Inc.,* 91 F. Supp. 2d 942, 973-74 (E.D. Tex. 2000) ("the objections were obviously 'canned' objections filed by professional objectors who seek out class actions to simply extract a fee by lodging generic, unhelpful protects"); *In re Rite Aid Corp. Sec. Litig.,* 269 F. Supp. 2d 603, 610 n.9 (E.D. Pa. 2003) (criticizing "a professional gadfly" who had "become a twelfth-hour squeaky wheel"), *vacated on other grounds,* 396 F.3d 294 (3d Cir. 2005).

Here, the Objector admits that its initially-filed objection was factually incorrect and that the Objector's counsel was merely following its prior practice of objecting to fee applications in other cases.[5] Having realized its clear error, the Objector withdrew its initial objection and filed a Corrected Objection. As explained below, the Corrected Objection asserts new equally meritless challenges to the fee application.

1. The Objection On Procedural Grounds Should Be Rejected

The initial boilerplate objection attempted to argue that the Fee Motion violated procedural due process and Fed. R. Civ. P. 23(h) because it was not filed before the deadline for filing objections.

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re McAfee, Inc. Deriv. Litig., 2009 U.S. Dist. LEXIS 29246 (N.D. Cal. Jan. 30, 2009) (awarding $13.75 million, equal to 45.8% of the $30 million cash recovery); *In re Apple Computer, Inc. Deriv. Litig.*, 2008 WL 4820784 (N.D. Cal. Nov. 5, 2008) (awarding $8.85 million, equal to 63% of the $14 million cash recovery).

[5] *See* Declaration of Niki L. Mendoza In Support Of Lead Plaintiffs' Reply In Support Of Final Approval Of Class Action Settlement And Plan Of Allocation And Application For Attorneys' Fees And Reimbursement Of Expenses ("Mendoza Decl."), ¶¶3-4, submitted herewith. Counsel to the Objector has previous experience filing objections to class action settlements. *See, e.g., UCFW Local 880 v. Newmont Mining Corp.*, No. 05-01046-MSK-BNB (D. Colo. 2008); *In re Leapfrog Enterprises, Inc. Sec. Litig.*, No. C-03-05421-RMW (N.D. Cal. 2008); *New England Carpenters Health Benefits Fund v. First Databank, Inc.*, No. 05-11148 PBS (D. Mass. 2009).

This is wrong. Pursuant to paragraph 12 of the Court's Scheduling Order (cited by the Objector), on August 30, 2010, Lead Plaintiffs filed the Settlement Motion, the Fee Motion, and all supporting documents – including seven detailed declarations – before the September 3, 2010 objection deadline. The "Corrected Objection" admits the clear error of the initial objection.[6]

The Objector now contends that the amount of time that the Fee Motion was filed prior to the objection deadline was insufficient. Not a single court within the Ninth Circuit has endorsed the argument when the fee application was filed prior to the objection deadline. Furthermore, the Corrected Objection was filed 17 days after the Fee Motion – which is ample time to review and object to the fee application.

The Objector relies heavily upon the decisions in *In re Mercury Interactive Corp. Sec. Litig.*, and *In re Leapfrog Enterprises, Inc. Sec. Litig.*, which are both factually and legally inapposite. Unlike here, both decisions were premised upon the fee application being due *after* the objection deadline. *See Mercury*, 2010 WL 3239460, at *2, *5 (9th Cir. Aug. 8, 2010) ("[t]he plain text of the rule requires a district court to set the deadline for objections to counsel's fee request on a date *after* the motion and documents supporting it have been filed"); *Leapfrog*, 2008 WL 5000208 (N.D. Cal. Nov. 21, 2008) (denying request by counsel for the Objector here for attorneys' fees in connection with objection where deadline for objecting was before the filing of the fee application). In both *Mercury* and *Leapfrog*, the fee application was filed after the objection deadline, and only one week prior to the final approval hearing, leaving class members with little time to review the application before the hearing or object in a timely manner.

Here, by contrast, the Fee Motion was filed before the objection deadline, and four weeks before the Final Approval Hearing. All Class Members, including the Objector, had the opportunity to

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[6] The Declaration of Irwin B. Schwartz In Support of Corrected Objection to Application for Attorneys' Fees and Costs ("Schwartz Decl.") now attempts to claim that its misrepresentation to the Court that the fee application was to be filed *after* the objection deadline, Schwartz Decl. ¶4, was due to a "mistaken belie[f]." The Scheduling Order is clear and unmistakable, Scheduling Order, ¶12. Moreover, the Schwartz Declaration compounds the error with a statement that Mr. Schwartz's firm checked the docket on September 7 and 8, 2010, for the Fee Motion and could not find it. Schwartz Decl. ¶5. The docket entry for the Fee Application (ECF No. 278) *immediately* preceded the initial Objection (ECF No. 282), and was clearly on the docket prior to the filing of the initial objection.

review the Fee Motion prior to deciding whether or not to object, and have had the opportunity to be heard. Only one purported Class Member, NASI, has objected. The Objector's contention that the Fee Motion violates due process and/or Fed. R. Civ. P. 23(h) is meritless and should be rejected.

2. The Objection Is Meritless

The Corrected Objection continues to demonstrate a lack of familiarity with the extensive record here. The Objector does not address the factors considered by courts in the Ninth Circuit when evaluating fee requests, and does not dispute that application of these factors to this case supports the reasonableness of the requested fee. Rather, based solely on the Objector's counsel's "review of the docket in this case," the Objector asserts that insufficient information has been provided and that courts generally should closely scrutinize counsel's timesheets. Corrected Obj. at pp. 7-10. The Objection is wrong. The Fee Motion and supporting Declarations provided more than sufficient data to support the reasonableness of the requested 17% fee, net of expenses.

For example, the Fee Motion (pp. 8-19) and Joint Declaration (¶¶19-63) detailed the work performed by Lead Counsel and a comprehensive analysis of the factors in *Vizcaino*, 290 F.3d at 1048-50 and *Omnivision*, 559 F. Supp. 2d at 1046-48.[7] The Fee Motion also explained that the fee percentage negotiated by the sophisticated Lead Plaintiffs – 17% of the net settlement fund – is less than the fee percentages typically awarded in similar backdating securities class actions.

The Fee Motion (pp. 17-19) and three supporting Fee Declarations (attached as Exs. D, E, and F to the Joint Declaration) also provided a detailed lodestar cross-check, further confirming the

[7] The Objector's reliance upon *Camacho v. Bridgeport Fin., Inc.*, 523 F.3d 973 (9th Cir. 2008), *Lockheed Minority Solidarity Coalition v. Lockheed Missiles & Space Co., Inc.*, 406 F. Supp. 828, 831 (N.D. Cal. 1976), for the proposition that the fee award applicant bears the burden of establishing to the Court that the fees requested are fair and reasonable to the class, is misplaced. The Objector's reliance upon *Purdue v. Kenny A.*, 130 S. Ct. 1662 (2010), involving the civil rights fee shifting statute, 42 U.S.C. §1988, is likewise misplaced. Both *Camacho* and *Purdue* are fee shifting cases in which the defendant pays the plaintiff's fees above the compensation it provides to the plaintiffs. In those cases, the fee award is based on lodestar, rather than a percentage, and the defendant should not be required to pay a risk multiplier absent a sufficient showing, as it did not engage the lawyer to work for it. In a class action under the PSLRA, however, there is a common fund created by the settlement and defendants do not pay fees above this common fund. Thus, the percentage of recovery awards counsel for the benefit it provided to the Class. *See, e.g., In re Activision Sec. Litig.*, 723 F. Supp. 1373, 1377-78 (N.D. Cal. 1989).

reasonableness of the requested fee. *See Glass v. UBS Fin. Servs., Inc.*, 331 Fed. Appx. 452, 456 (9th Cir. 2009) (unpubl.) (recognizing courts may use a lodestar analysis as a cross-check on the percentage method); *In re Immunex Sec. Litig.*, 864 F. Supp. 142, 144 (W.D. Wash. 1994); *In re Washington Pub. Power Supply Sys. Sec. Litig.*, 19 F.3d 1291, 1296-98 (9th Cir. 1994). Even the cases that the Objector relies upon have determined that ". . . a multiplier of some kind should apply in this litigation for any recovery obtained by class counsel. The action was prosecuted on a contingency basis. Class counsel confronted a risk of non-recovery."[8] Thus, contrary to the Objector's intimation that Lead Plaintiffs have somehow claimed that 17% is *per se* fair (Corrected Obj. at pp. 11), Lead Plaintiffs have provided a multitude of reasons demonstrating that 17% is fair, adequate and reasonable. Fee Motion at pp. 8-19.

The Objector claims that "a review of the docket in this case reflects no extraordinary efforts that would justify a $30 million fee." Corrected Obj. at 7. The Objector's "review" of the docket – which admittedly failed to turn up the Fee Motion that had been filed before the objection deadline – is insufficient to substantiate a challenge to the Fee Motion. The docket does not reflect Plaintiffs' Counsel's extensive investigation, Plaintiffs' Counsel's review of over one million pages of discovery, Plaintiffs' Counsel's preparation and participation in nine depositions, Plaintiffs' Counsel's extensive consultation with numerous experts, and the mediation and numerous related negotiations leading to the Settlement on behalf of the Class. *See* Joint Decl. ¶¶19-62.

Three weeks have now passed since the Fee Motion was filed and the Objector has failed to assert any specific basis for the objection, other than an unfounded statement untethered to any analysis of the issues in this specific case. The Objector's generalized (and regularly rejected) argument that a court must closely scrutinize counsel's timesheets ignores the Ninth Circuit's well-settled principal that the basis for the fee request is a percentage of the fund, not lodestar. The percentage method has become the prevailing method for awarding fees in common fund cases in the

[8] *In re Chiron Corp., Sec. Litig.*, 2007 WL 4249902, at *9 (N.D. Cal. Nov. 30, 2007). Whereas *Chiron* involved a lodestar multiplier of 8-10, *id.* at *6-*8, here, the multiplier is only 3.

Ninth Circuit.[9] Courts have recognized that the percentage method is preferable because it decreases the burden imposed on courts by eliminating a detailed and time-consuming lodestar analysis and assuring that the beneficiaries do not experience undue delay in receiving their share of the settlement. *See Gerstein v. Micron Tech. Inc.*, 1993 U.S. Dist. LEXIS 21215, at *14 (D. Idaho Sept. 10, 1993) ("This court favors the percentage approach [in common fund cases] because it conserves scarce judicial resources by saving the court from having to make a series of largely judgmental decisions with respect to the actual fees claimed."); *see also Activision*, 723 F. Supp. at 1377-78.

The Court need not waste limited judicial resources scrutinizing timesheets and recalculating the lodestar cross-check based solely on an Objector's rank speculation. In *In re WorldCom, Inc. Sec. Litig.*, 2004 WL 2591402, at *21 (S.D.N.Y. Nov. 12, 2004), Judge Cote rejected this same argument as follows:

> [O]ne of the benefits of using the percentage-based method for assessing an award of attorney's fees is that it relieves a court of the need to undertake a mind-numbing detailed review of time records and removes some of the incentive to pad those records . . . . There is certainly no need to retain an independent guardian to undertake a further review of Lead Counsel's time records. Such an appointment would further reduce the amount of money available to distribute to the class.

See also AT&T, 455 F.3d at 169 n.6 (rejecting objector's argument seeking scrutiny of class counsel's time records; reasoning "we have noted the lodestar cross-check calculation need not entail 'mathematical precision' or 'bean counting' and is 'not a full-blown lodestar inquiry'") (citations omitted); *Glass v. UBS Finan. Servs., Inc.* 2007 WL 221862, at *16 n.11 (N.D. Cal. Jan. 26, 2007) (rejecting objector's request to review class counsel's time records), *aff'd*, 331 Fed. Appx. 452 (9th Cir. May 14, 2009) (unpubl.).

Indeed, this same objection, by the same Objector, was recently rejected because "[the lodestar] methodology was cumbersome, time-consuming and resource intensive. It was against the weight of the caselaw which approves of percentage of the fund as the methodology for determining attorneys' fees, with a lodestar calculation as a pragmatic cross-check." *New England Carpenters*

[9] *See Glass*, 331 Fed. Appx. at 456-57 (affirming 25% fee award, overruling objection based on use of percentage-of-the-fund approach); *see also Paul, Johnson, Alston & Hunt v. Graulty*, 886 F.2d 268 (9th Cir. 1989); *Six Mexican Workers v. Arizona Citrus Growers*, 904 F.2d 1301, 1311 (9th Cir. 1990); *Torrisi v. Tucson Elec. Power Co.*, 8 F.3d 1370, 1376 (9th Cir. 1993); *Vizcaino*, 290 F.3d 1043; *Omnivision*, 559 F. Supp. 2d at 1046 (citations omitted).

Health Benefits Fund v. First Databank, Inc. et al., 2009 WL 3418628, at * 1 (D. Mass. Oct. 20, 2009) (citations omitted) (denying the Objector's request for attorneys' fees in connection with its objection, explaining that "because I fully rejected NASI's approach, its filings provided no substantial benefit to the class.").

The same is true here. Local Rule 54-5(b)(2) provides that a fee application must contain only "a statement of the services rendered by each person for whose services fees are claimed together with a summary of the time spent by each person, and a statement describing the manner in which time records were maintained." The Fee Motion and the Joint Declaration (and supporting exhibits) did just that. The Court-appointed Lead Plaintiffs, three sophisticated institutional investors who have experience in litigating securities class actions and negotiating fees, reviewed and endorse the fee request. Lead Plaintiffs oversaw Plaintiffs' Counsel's extensive work that led to the favorable Settlement. They knew that a huge undertaking by counsel was required to review and organize the over one million pages of documents produced in this case. They were also aware, and in some circumstances, witnessed first-hand, the nine depositions in this case. They also knew Lead Counsel worked extensively with experts to help assess information, prepare for depositions and class certification, and assist with settlement negotiations. And, finally, Lead Plaintiffs knew about, and participated in, the extensive negotiations in this case. Lead Plaintiffs' Decl., ¶¶20-27.

Finally, the Corrected Objection also attempts to cast aspersions on Lead Counsel's sworn declarations regarding the unreimbursed expenses incurred in the prosecution of the litigation. Corrected Obj. at pp. 10-11. The Corrected Objection is baseless. For example, the Corrected Objection speculates that the declarations contain nothing more than "sweeping generalities" about the need for computer research and travel expenses. The record is clear, however, that it was obviously necessary for counsel to travel for depositions, to travel for the mediation, and to research the complex legal issues involved in the litigation. In sum, the Objection provides no legitimate basis to challenge the sworn declarations.

III. CONCLUSION

Based on the foregoing and the entire record herein, Lead Plaintiffs respectfully request that the Court approve the Settlement and Plan of Allocation as fair, reasonable and adequate and in the

best interest of the Class, and approve the fee and expense application as requested, and overrule the single objection to the fee and expense application.

Dated: September 20, 2010

Respectfully submitted,

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