

UNITED STATES DISTRICT COURT  
DISTRICT OF MARYLAND  
BALTIMORE DIVISION

KIRAN KUMAR NALLAGONDA,	)	Case No.: 1:15-cv-03562-PX
	)	
Plaintiff,	)	
	)	Date: February 5, 2019
vs.	)	Time: 10:00 a.m.
	)	Dept.: Suite 400
OSIRIS THERAPEUTICS, INC., <i>et. al.</i>	)	Judge: Hon. Paula Xinis
	)	
Defendants.	)	
_____	)	Complaint filed November 23, 2015

**DECLARATION OF REED R. KATHREIN IN SUPPORT OF LEAD PLAINTIFF’S  
MOTION FOR AN AWARD OF ATTORNEYS’ FEES, REIMBURSEMENT OF  
EXPENSES, AND AN INCENTIVE AWARD FOR LEAD PLAINTIFF**

I, Reed Kathrein, hereby declare as follows:

1. I am over 18 years of age and am competent to testify to the matters and facts hereinafter set forth. I am an attorney duly licensed to practice before all courts of the States of California, Illinois and Florida, and am admitted *pro hac vice* to practice in this Court. I am a partner with the law firm of Hagens Berman Sobol Shapiro LLP (“Hagens Berman”), counsel for Lead Plaintiff, Dr. Raffy Mirzayan, and the Court-appointed Lead Counsel for the Class in the above-captioned action (the “Litigation”), together with Liaison Counsel Hirschler Fleischer, P.C. (“Hirschler Fleischer”) (“Class Counsel”).

2. I submit this Declaration in support of Lead Plaintiff’s Memorandum of Law in Support of Lead Plaintiff’s Motion for an Award of Attorneys’ Fees, Reimbursement of Expenses, and an Incentive Award for Lead Plaintiff, arising out of the Settlement Agreement

the Court preliminarily approved in September 2018. As discussed below, Plaintiff's recoverable costs or expenses total \$21,631.91 including the costs incurred by Hirschler Fleischer as set forth in the Declaration of Wayne Travell. Lead Plaintiff seeks attorneys' fees of 25% percent of the Settlement Fund. Lead Plaintiff submits lodestar totaling over \$1,020,829.00. Thus, the requested attorneys' fee award of \$4,625,000.00 represents a 4.53 multiplier to lodestar. I discuss the specifics of our lodestar in further detail below.

**I. EXPERIENCE AND QUALIFICATIONS OF HAGENS BERMAN ATTORNEYS**

3. Hagens Berman is one of the most well respected class action litigation firms in the country and has litigated some of the largest class actions in history. Hagens Berman has over 85 lawyers, with offices in New York, Seattle, Washington D.C., Boston, Boston, Newton Centre, Chicago, Berkeley, Los Angeles, San Diego and Phoenix. Since its founding in 1993, the firm has been recognized in courts throughout the United States for its ability and experience in handling major class litigation efficiently and obtaining outstanding results for its clients.

4. Hagens Berman is a leader in class-action litigation. (see <http://www.hbsslaw.com/>.) The firm has achieved extraordinary results for millions of consumers, investors, employees, inventors, and whistleblowers. We have extensive experience in successfully prosecuting class actions throughout the United States. The firm has represented millions of plaintiffs in large-scale, nationwide cases involving, *inter alia*, product liability, consumer protection and fraud, tort, antitrust, and securities and investment fraud, and has recovered billions for the classes it represented. Some of these groundbreaking recoveries include:

- a. *Visa-MasterCard Antitrust Litigation*, Case No. CV-96-5238 (E.D.N.Y.) – Hagens Berman was co-lead counsel in this suit that challenged the charges imposed in connection with debit cards. The result was the largest antitrust

settlement in history – a \$3.05 billion cash settlement and injunctive relief valued at over \$20 billion.

- b. *In re Toyota Motor Corp. Unintended Acceleration Mktg., Sales Practices, & Prods. Liab. Litig.*, 8:10ML2151 JVS (C.D. Cal.) – As co-lead counsel, we alleged a defect causing dozens of models spanning an eight year period to undergo sudden, unintended acceleration. The Firm’s efforts resulted in a \$1.6 billion settlement that included \$500 million in cash payments to class members; installation of a safety-enhancing brake override system on millions of vehicles; and a substantial extended warranty for millions of consumers. To our knowledge, this was the largest automobile class settlement in U.S. history.
- c. *In re Elec. Books Antitrust Litig.*, 11-md-2293 DLC (S.D.N.Y.) – Hagens Berman pioneered this litigation as lead counsel against Apple and the largest e-book publishers. We partnered with the U.S. Department of Justice and 33 state attorneys general, representing purchasers of e-books in 19 states and four U.S. territories. Consumers will receive \$560 million in benefits on single damages of \$270 million.
- d. *Average Wholesale Price Drug Litigation* – Hagens Berman was co-lead counsel to several certified classes in litigation against the nation’s largest pharmaceutical companies. The suits allege that defendants artificially inflated the Average Wholesale Price used as a benchmark for almost all prescription drug sales in the United States. Hagens Berman was lead trial counsel in a consolidated trial resulting in verdicts against AstraZeneca and BMS, and class settlements approximating \$338 million were approved in favor of consumers and health plans. Hagens Berman was also special counsel to the states of Arizona, Montana, and Nevada in their AWP suits, which have settled on terms favorable to the states.
- e. *McKesson and First DataBank Drug Litigation* – Hagens Berman was lead counsel in this RICO case alleging that McKesson and First DataBank fraudulently inflated the prices of more than 400 prescription drugs by manipulating drug-pricing benchmarks. The class action against McKesson settled for \$350 million on the eve of trial. The First DataBank settlement resulted in a four percent rollback on the prices of 95% of the nation’s retail branded drugs – a net impact of potentially billions of dollars. Building on the recovery against McKesson, Hagens Berman represents six states (Oregon, Virginia, Utah, Montana, Mississippi, and Connecticut), the City and County of San Francisco, and other local government agencies in their efforts to recoup the damages caused to their health plans by McKesson’s scheme. The county public-payor case (a class of counties) settled for \$82 million, and the City and County of San Francisco settled its claims for \$12.5 million.

- f. *Schwab: YieldPlus Funds* – Hagens Berman filed the first class action against Charles Schwab Corporation, alleging that Schwab deceived investors about the underlying risk in its YieldPlus Funds Investor Shares and YieldPlus Funds Select Shares. On July 3, 2008, the Honorable William H. Alsup of the Northern District of California appointed five members of the YieldPlus Investor Group to the position of lead plaintiff and instructed them to interview and choose lead counsel. On August 14, 2008, they submitted their decision to the court to retain Hagens Berman, and on August 18, 2008, the Court approved that decision. On April 19, 2011, Judge Alsup gave final approval to the \$235 million settlement.
- g. *Enron ERISA Litigation* – Hagens Berman was co-lead counsel in this litigation and recovered over \$220 million in settlements for the benefit of former Enron employees. This is the largest ERISA settlement in history.
- h. *DRAM Manufacturers* – Hagens Berman filed a class-action suit against the leading DRAM (Dynamic Random Access Memory) manufacturers, claiming the companies secretly agreed to reduce the supply of DRAM in order to artificially raise prices. DRAM is a necessary component in a wide variety of electronics, such as personal computers, cellular telephones, and digital cameras because it allows for the storage and retrieval of electronic data. Plaintiffs included equipment manufacturers, franchise distributors, smaller-volume customers, and consumers who purchased DRAM from any of the named defendants. The case settled for \$300 million.
- i. *Volkswagen “Clean Diesel” MDL* (N.D. Cal.) – As lead counsel for the Volkswagen Franchise Dealers, we received final approval of a settlement of \$1.2 billion, representing a result of nearly full damages for the class. Mr. Berman also serves on the Plaintiffs’ Steering Committee and played a role in obtaining a settlement of \$14.7 billion on behalf of consumers that included injunctive relief in the form of an optional buyback of the affected vehicles.
- j. *In re Stericycle, Inc. Steri-Safe Contract MDL* (N.D. Ill.) – As lead counsel in this contract-based case involving pricing for medical-waste services, we and our clients recovered \$295 million for the class after intensive discovery, litigation, and economic modeling. The late Judge Milton Shadur, a true lion of the bench, deeply honored Hagens Berman by observing: “[I]t must be said that the track record of Hagens Berman and its lead partner Steve Berman is . . . impressive, having racked up such accomplishments as a \$1.6 billion settlement in the Toyota Unintended Acceleration Litigation and a substantial number of really outstanding big-ticket results.” *In re Stericycle, Inc.*, 2013 WL 5609328, at \*2 (N.D. Ill. Oct. 11, 2013).

5. The Hagens Berman attorneys primarily responsible for this case were Reed Kathrein, former partner Peter Borkon, Karl P. Barth, Danielle Smith, Robert A. Jigarjian and Christopher A. O'Hara. Details regarding the other attorneys at Hagens Berman who assisted in litigating this case can be found in the firm resume of Hagens Berman, previously submitted as Exhibit D to Peter Borkon's Declaration In Support of Unopposed Motion for Preliminary Approval (ECF No. 94-10).

6. **Reed Kathrein** opened the Firm's Berkeley office and has been integral to the securities litigation practice at Hagens Berman since joining the Firm in 2007. Mr. Kathrein has prosecuted over 130 securities class actions since 1988. His recent notable securities cases include Hagens Berman's Madoff-related litigation, *In re JP Morgan Securities Litigation* (\$218 million settlement), *In re Tremont Securities Law, State Law and Insurance Litigation* (\$100 million partial settlement and over \$1 billion recovery from the bankruptcy trustee), *In re Reserve YieldPlus Fund Securities Litigation*, and the *In re Charles Schwab Corp. Securities Litigation* (\$235 million settlement). Mr. Kathrein is a member of the Council of Institutional Investors (CII), the National Association of Public Pension Attorneys (NAPPA), the National Conference on Public Employee Retirement Systems (NCPERS), the National Council on Teacher Retirement (NCTR), and the State Association of County Retirement Systems (SACRS). Mr. Kathrein performed much of the work on the case, worked with the damage expert, directed the mediation strategy, and guided and provided direction to Mr. Borkon, Mr. Barth, Mr. Jigarjian, Ms. Smith and Mr. O'Hara.

7. **Peter Borkon** is a former partner at Hagens Berman's Berkeley office, where his practice was focused on complex civil litigation, particularly securities class actions and shareholder derivative suits. Mr. Borkon has practiced law for 22 years and in the field for 17

years, and joined Hagens Berman in 2007. His recent cases include: *In re JP Morgan Securities Litigation*; *In re China MediaExpress Securities Litigation*; *Lawrence v. Bank of America*; *In re Northwest Biotherapeutics Securities Litigation*; *In re BigBand Networks Securities Litigation*; *In re Charles Schwab Corp. Securities Litigation*; and *In re Reserve YieldPlus Fund Securities Litigation*. While at Hagens Berman, Mr. Borkon regularly spoke on the topics of fiduciary responsibility, ethics, and developments in securities law at various educational conferences. Mr. Borkon worked on the Osiris case from its inception and was responsible for directing and performing much of the work on the case with Mr. Kathrein.

8. **Karl P. Barth** is an attorney Of-Counsel in the Seattle office of Hagens Berman. Mr. Barth's unique qualifications include that he is a licensed Certified Public Accountant and a Certified Fraud Examiner. Investor protection has been the focus of Mr. Barth's entire twenty-year career. He has been with the Firm for fifteen years, from 1994-2004, and again since 2010. Mr. Barth has performed the preliminary investigation and drafted the initial complaint in numerous high-profile securities fraud cases that have won large recoveries for his clients against companies such as Boeing, Einstein/Noah Bagel Corp., Identix, Midcom Communications, Midisoft, Oppenheimer Delta Partners, Pepsi Puerto Rico Bottling Co., PriceCostco, Templeton Vietnam Opportunities Fund, and Wall Data. His cases typically assert claims against the officers and directors of the corporate defendant, its outside auditors, and other responsible parties, and involve sophisticated financial and accounting issues. Mr. Barth has worked on the legal, financial, and accounting aspects of numerous cases and is well versed in Generally Accepted Accounting Principles (GAAP) and SEC regulations. Mr. Barth offered his expertise and experience as a member of Hagens Berman's Osiris team.

9. **Danielle Smith** is an associate at Hagens Berman's Berkeley office. Ms. Smith's practice focuses primarily on multi-state and nationwide class actions and complex commercial litigation encompassing investor and securities issues. In particular, Ms. Smith's work has focused on securities class action cases, including the BlackRock iShares ETF August 24, 2015 Flash Crash Litigation and *Colman et al. v. Theranos, Inc., et al.*, Case Number: 5:16-cv-06822, a case alleging securities fraud, unfair competition, and negligent misrepresentation in violation of the California Corporations Code, Business and Professions Code, and Civil Code. Prior to joining Hagens Berman, Ms. Smith worked as an associate in a law firm representing public entities, including school districts, cities, and other municipal entities. She is admitted to practice law in the state of California. Ms. Smith assisted in working on the Osiris case with Mr. Kathrein's and Mr. Borkon's guidance and direction.

10. **Robert A. Jigarjian** was admitted to The State Bar of California in June 1994. He is admitted to practice before all California State and District Courts and before the Second and Ninth Circuit Courts of Appeals. Mr. Jigarjian earned an A.B. degree from Hamilton College, an M.B.A. from Tulane University, and a J.D. from Golden Gate University. Before attending law school, Mr. Jigarjian worked as an institutional equity sales trader for Keefe, Bruyette and Woods. During law school, Mr. Jigarjian interned with the S.E.C. and worked for two prominent securities class action firms. During his 24-year legal career, Mr. Jigarjian has primarily focused on representing plaintiffs in securities class actions, shareholder derivative litigation, and bankruptcy estate trustee litigation. Matters on which he has worked and helped obtain recoveries include *In re Equitec Rollup Litigation* (N.D. Cal.), *In re Prison Realty Securities Litigation* (M.D. Tenn.), *In re Digex, Inc. Shareholders Litigation* (Del. Ch.), *Isco v.*

*Kraemer* (Super. Ct., Maricopa Co., Ariz.), *Saito v. McCall* (Del. Ch.), *In re Salomon Analyst Litigation* (S.D.N.Y.), and *Hermerding v. Tripathi, et al.* (Bankr. N.D. Cal.).

11. **Christopher O'Hara** is a Partner at Hagens Berman whose practice focuses on antitrust, consumer, tax and securities class actions. He served as an active member of firm's Microsoft defense team negotiating claims administration policy and processing rules in twenty consumer and antitrust class-action state settlements around the country and he currently continues to play a key role in working with claims administrators on class settlements and class notice programs. Mr. O'Hara also played a leading role for the firm on the \$235 million settlement of *In re Charles Schwab Securities Litigation* and the \$1.6 billion settlement of *In re Toyota Motor Corp. Unintended Acceleration Marketing, Sales Practices and Products Liability Litigation*. Mr. O'Hara played a leading role in the firm's successful defense of the state of Arizona against claims brought by several Arizona counties in the aftermath of the state's tobacco litigation, including the depositions of more than a dozen of Big Tobacco's expert witnesses, research scientists and marketing executives. Mr. O'Hara continues to use his expertise and experience as a member of Hagens Berman's Osiris team throughout the claims administration process.

## II. OVERVIEW OF CLASS COUNSEL'S ACTIVITIES

12. The prosecution of this case required an extensive effort by Class Counsel. The settlement is the culmination of three years of investigation, hard fought litigation, and vigorous and protracted arm's-length settlement negotiations, and extensive work with damage experts. During this time, Class Counsel marshaled firm resources and committed substantial amounts of time and expenses in the prosecution of this Litigation. Class Counsel, among other things, have (i) thoroughly reviewed and analyzed all publicly available information regarding

Osiris, the Individual Defendants, and the claims asserted; (ii) drafted and filed a Motion to Appoint Lead Plaintiff and Approve His Selection of Lead and Liaison Counsel, and opposed competing motions; (iii) thoroughly investigated and analyzed class-wide damages, including the retention and comprehensive collaboration with an experienced economic expert; (iv) assessed the risks of prevailing on Lead Plaintiff's claims at trial; (v) prepared an extensive mediation statement; (vi) engaged in protracted and vigorous settlement negotiations, spanning a five-month period, including one formal mediation presided over by an experienced mediator, as well as continued their arm's-length negotiations, and multiple follow-up conferences; (vii) investigated, researched, drafted and filed an Amended Complaint and (viii) review confidential documents supplied by Defendants.

13. My firm's compensation for the services rendered on behalf of the Class is wholly contingent, and at the inception of the litigation the firm was completely at risk that it would not receive any compensation for prosecuting these claims against the defendants.

**A. Pre-Filing Investigation and Lead Plaintiff Proceedings**

14. On November 23, 2015, the action entitled *Nallagonda v. Osiris Therapeutics, Inc. et al.*, Case No. 1:15-cv-03562-PX, was filed in the United States District Court for the District of Maryland, Baltimore Division. The action alleged violations of the federal securities laws and sought remedy under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 (the "Exchange Act") and Rule 10b-5 promulgated thereunder. Named as defendants were Osiris, Lode Debrabandere, Gregory I. Law and Philip R. Jacoby, Jr. Motions asking the Court to appoint Lead Plaintiff and to approve Lead Plaintiff's selection of lead counsel were filed on January 22, 2016, and a hearing on those motions was held on March 21, 2016 before the Honorable J. Frederick Motz. The Court entered an order granting investor Raffy Mirzayan's

motion and denying the competing motion. Accordingly, on March 21, 2016, Raffy Mirzayan was appointed as the Lead Plaintiff and the Court approved Lead Plaintiff's selection of Hagens Berman as Lead Counsel and Hirschler Fleischer as Liaison Counsel.

15. Class Counsel conducted an extensive investigation prior to filing the Amended Complaint on April 6, 2018. Rather than file an amended complaint immediately, prior to anticipated restatements, Lead Plaintiff sought permission by the Court to hold off as more information was coming in from the Company, and to save cost to the Company and preserve potential sources of recovery such as the insurance policy. This investigation included a thorough and detailed review of Osiris's public filings before, during and after the Class Period (including SEC filings, publicly available annual reports, press releases, news articles, and other media reports), review of interim financial reporting produced confidentially as part of the mediation process, research into the opinions of analysts that followed the stock and ratings agencies, and the retention of a consulting economist. The investigation also included review and analysis of pleading filed by the Securities Exchange Commission and the U.S. Attorney for the Southern District of New York (both in 2017). Class Counsel also had the restatements analyzed by its forensic accountant and fraud investigator.

**B. Mediation and Settlement**

16. On December 19, 2017, I participated in a full-day mediation with Jed Melnick ("Mr. Melnick") of J.A.M.S. in New York, New York, along with my former partner Peter Borkon. The parties were nowhere near resolution at the end of that daylong mediation. The parties disagreed on damage analysis and sources of recovery. To further the mediation's progress, Osiris shared confidential interim financial results, and the parties exchanged damage

analysis. Mr. Melnick continued to mediate between the parties, speaking to both sides on numerous occasions over the coming months.

17. Following the initial mediation session, Mr. Melnick continued further discussions with each side for a number of months. These discussions narrowed the differences between the parties, but still did not result in a settlement agreement. The parties continued to exchange information concerning damage analysis and resolve their differences. Class Counsel continued to meet with their damage expert to address Defendants points.

18. Counsel for the parties continued their negotiations and, after several additional efforts, ultimately came to a memorandum of understanding in March 2018. Pursuant to the terms of that memorandum of understanding, Class Counsel spent time negotiating and documenting the settlement agreement, drafting a motion for preliminary approval and sought permission to file that documentation with the Court.

19. This Settlement provides between 36% and 86% recovery of estimated maximum damages to the Class, which consists of Osiris investors who purchased Osiris common stock within the Class Period. This is an uncommonly large settlement in the securities fraud class action field. According to Cornerstone Research, the median settlement is 5.2% in 2017. *See* Cornerstone Research, *Securities Class Action Settlements: 2017 Review and Analysis*, <http://securities.stanford.edu/research-reports/1996-2017/Settlements-Through-12-2017-Review.pdf> at page 8.

20. This substantial recovery reduced the need to continue litigating the case and engage in formal discovery beyond the extensive informal discovery already undertaken. Instead, the Class will receive immediate and substantial compensation for the claims. In other words, the size of the settlement, in combination with risks of continuing to litigate reduces the

need for Lead Plaintiff to continue litigating the case and engaging in formal discovery, which would only delay any benefits achieved through litigation. The Settlement was nevertheless entered into only after thorough investigation and analysis by Lead Plaintiff's Counsel, and was preliminarily approved through the Court's September 4, 2018 Order.

**C. The Recovery Obtained for the Class.**

21. A substantial and certain recovery of \$18.5 million in cash (an estimated recovery of between 36% and 86% of maximum damages) has been obtained through the efforts of Class Counsel at a relatively early stage of the litigation without the substantial expense, delay, and uncertainty of continued litigation. Although the SEC and United States Attorneys' Office later brought their own cases against Defendants, this action was initially and overwhelmingly pursued without the assistance of any regulatory or governmental agency.

22. The \$18.5 million cash settlement is a highly favorable result for the Class that was achieved as a direct result of the skill and tenacity of Class Counsel's prosecution of this Litigation on behalf of the Class. Class Counsel overcame difficult obstacles and took significant risks in obtaining this favorable result for the Class. As a result of this settlement, Class Members will now receive compensation for their losses for each share of Osiris common stock they purchased or otherwise acquired during the Class Period, and will avoid the substantial expense, delay, and uncertainty of continued litigation.

23. Despite the complexity of the issues raised, the skill and acumen of Class Counsel secured an excellent result and significant benefits for the Class. Together with the complexity of the case, the duration of the case – three years of investigation, litigation, and extensive settlement negotiations – also strongly supports approval of the requested fee.

**D. The Risks Undertaken by Class Counsel.**

24. Class Counsel has spent three years investigating and litigating this case, all while assuming a risk that the case would yield no recovery and leave them uncompensated. During that time, Class Counsel still had to pay the salaries of the associates and staff working on this case, and cover non-reimbursable overhead expenses like rent. Class counsel floated these expenses while assuming the risk that there might never be *any* repayment. Hagens Berman also advanced expenses, set forth below, interest-free, prosecuting this action, including all expert fees and expenses, which are a substantial but necessary burden in any securities action.

**E. Providing Notice to Class Members**

25. Class Counsel continues to lead and oversee the settlement and claims administration process by working with Epiq Class Action & Claims Solutions, Inc. (“Settlement Administrator”), a company selected to provide formal settlement administration services for the Class. Class Counsel has spent and continues many lawyer hours and resources working with the Settlement Administrator and assisting with the communication and guidance provided to class members regarding the settlement, including working with the Settlement Administrator, Defendants, and Lead Plaintiff’s own experts to establish a website that allows class members to see expected payout amounts, specific to each class member. Class Counsel anticipates about five hours weekly working with the Settlement Administrator and class members until settlement distribution is completed, which is estimated to be in August 2019, assuming no appeals.

**F. No Class Member Has Objected To Date**

26. As of the date of this filing, and since the mailing and distribution of the Notice of Pendency and Proposed Settlement of Class Action and the publishing of the Summary Notice was approved by the Court in its September 4, 2018 Order, there have been no

objections received. As such, there is no opposition from any Class member, thus confirming the Settlement's reasonableness and adequacy.

**G. Class Counsel's Work Is Not Done – Another Ten Months of Claims Administration is Required.**

27. During the period November 23, 2015 through October 31, 2018, Hagens Berman performed more than 1,400.20 hours of relevant work in connection with this litigation, corresponding to a lodestar amount of \$1,008,218.50 based on the comparable rates to law firms specializing in this area of practice as of October 31, 2018. Based on communications I have had with the Claims Administrator, and additional counsel in the firm overseeing the claims administration, more hours will be expended over the next ten 10 months, at a minimum. We estimate attorney time will on average be 5 hours per month, plus additional time finalizing distributions, and filing papers with the court for approval.

**III. ATTORNEYS' FEES AND EXPENSES**

**A. Class Counsel's Hours Summary and Calculation of Lodestar and Expenses**

28. During the period November 23, 2015 through October 31, 2018, my firm performed 1,400.20 hours of relevant work in connection with this litigation, corresponding to a lodestar amount of \$1,008,218.50 as of October 31, 2018.

29. Attached hereto as **Exhibit A** is a schedule containing a summary indicating the amount of time from November 23, 2015 through October 31, 2018, spent by the partners, associates, attorneys and other professional support staff of my firm who were involved in this litigation, the number of hours worked, their rates and their respective lodestar values, at both current and historic rates. All attorneys, paralegals, and law clerks at my firm are instructed to keep contemporaneous time records reflecting the time spent on this and other matters. The rates at which the firm seeks compensation are its usual and customary hourly rates charged for its

attorneys' and professionals' services and do not include charges for expense items, which are billed separately. The schedule was prepared from contemporaneous, daily time records regularly prepared and maintained by my firm.

30. Hagens Berman's lodestar is calculated based on the current comparable hourly rates of the firm's attorneys and paralegals practicing in the area of complex litigation, specifically securities law class actions. These hourly rates are based on regular and ongoing monitoring of prevailing market rates for attorneys of comparable skill, experience, and qualifications in this field of practice. Hagens Berman uses different rates for different fields of practice and typically does not bill clients on an hourly basis. The lodestar for Hirschler Fleischer was calculated as described and set forth in the Declaration of Wayne G. Travell in Support of Lead Plaintiff's Motion for an Award of Attorneys' Fees, Reimbursement of Expenses, And an Incentive Award for Lead Plaintiff ("Travell Decl.").

31. All of the services performed by my firm in connection with this litigation were reasonably necessary in the prosecution of this case. There has been no unnecessary duplication of services for which the firm now seeks compensation.

32. During the period November 23, 2015 through October 31, 2018, Hagens Berman Sobol Shapiro LLP incurred unreimbursed expenses in connection with the prosecution of this litigation in the sum of \$21,397.91. These expenses were reasonably and necessarily incurred in connection with this litigation and are detailed in the chart attached as **Exhibit B**.

33. The expenses incurred are reflected on the books and records of Hagens Berman Sobol Shapiro LLP. These books and records are prepared from checks, expense vouchers, and other source materials which are regularly kept and maintained by the firm and accurately represent the expenses incurred, and none of them have been previously reimbursed.



