

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

New Jersey Carpenters Health Fund, *et al.*,

Plaintiffs,

v.

Residential Capital, LLC, *et al.*,

Defendants.

No. 08-cv-8781 (KPF)

USDC SDNY
DOCUMENT
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DATE FILED: July 31, 2015

KPF
**~~PROPOSED~~ ORDER ON LEAD COUNSEL’S MOTION FOR AN AWARD OF
ATTORNEYS’ FEES AND REIMBURSEMENT OF LITIGATION EXPENSES**

Lead Counsel’s Motion For An Award of Attorneys’ Fees and Reimbursement of Litigation Expenses (“Fee Application”) duly came before the Court for a hearing on July 31, 2015. The Court has considered the Fee Application and all supporting and other related materials, including the matters presented at the July 31, 2015 hearing. Due and adequate notice having been given to the Class as required by the Court’s February 19, 2015 Order Preliminarily Approving the Proposed Settlement And Providing For Notice (“Preliminary Approval Order, ECF No. 344), and the Court having considered all papers and proceedings had herein and otherwise being fully informed in the proceedings and good cause appearing therefor:

NOW, THEREFORE, THE COURT FINDS, CONCLUDES AND ORDERS AS FOLLOWS:

1. This Order incorporates by reference the definitions in the Stipulation and Agreement of Settlement (the “Underwriter Settlement Stipulation,” ECF No. 343), and all capitalized terms used, but not defined herein, shall have the same meanings as in the Underwriter Settlement Stipulation.

2. This Court has jurisdiction over the subject matter of the Action and over all parties to the Action, including all Members of the Underwriter Settlement Class and ResCap Settlement Class.

3. Notice of the Fee Application was directed to ResCap Settlement Class Members and Underwriter Settlement Class Members in a reasonable manner and complies with Rule 23(h)(1) of the Federal Rules of Civil Procedure, due process, and Section 27 of the Securities Act of 1933, 15 U.S.C. § 77z-1(a)(7), as amended by the Private Securities Litigation Reform Act of 1995.

4. ResCap Settlement Class Members and Underwriter Settlement Class Members have been given the opportunity to object to the Fee Application in compliance with Rule 23(h)(2) of the Federal Rules of Civil Procedure.

5. The Fee Application is hereby GRANTED

6. Lead Counsel are hereby awarded attorneys' fees in the amount of 20.75% (or \$69,512,500.00) of the Global Settlement Fund and \$3,922,092.49 in reimbursement of Lead Counsel's litigation expenses (which fees and expenses shall be paid to Lead Counsel from the Global Settlement Fund), which sums the Court finds to be fair and reasonable, plus interest earned at the same rate and for the same period as earned by the Global Settlement Fund.

7. Pursuant to paragraph 21 of the Underwriter Settlement Stipulation, the fees and expenses awarded herein shall be paid to Lead Counsel as of the entry of this Order, notwithstanding the existence of any timely filed objections thereto, if any, or potential for appeal therefrom, or collateral attack on the Underwriter Settlement or any part thereof, subject to Lead Counsel's obligation to repay all such amounts with interest should such action be ordered by the courts.

8. In making this award of attorneys' fees and reimbursement of expenses to be paid from the Global Settlement Fund, the Court has considered and found that:

- a. The Underwriter and ResCap Settlements have created a fund of \$335 million in cash that has been funded into escrow accounts for the benefit of the ResCap

Settlement Class and Underwriter Settlement Class pursuant to the terms of the Underwriter Settlement Stipulation and the ResCap Settlement Stipulation (Dkt. No. 226, June 14, 2013), and that Members of those Settlement Classes who submit acceptable Proof of Claim Forms will benefit from the Settlements that occurred because of the efforts of Lead Counsel;

- b. The fee sought by Lead Counsel has been reviewed and approved as fair and reasonable by the Court-appointed Lead Plaintiff, a sophisticated institutional investor that was substantially involved in all aspects of the prosecution and resolution of the Action;
- c. Copies of the Notice were mailed to over 5,865 potential Class Members or their nominees stating that Lead Counsel would apply for attorneys' fees in an amount not to exceed 20.75% of the Global Settlement Fund and reimbursement of Litigation Expenses in an amount not to exceed \$5.5 million, plus interest earned at the same rate and for the same period as earned by the Global Settlement Fund.
- d. Lead Counsel has conducted the litigation and achieved the Underwriter Settlement and ResCap Settlement with skill, perseverance and diligent advocacy;
- e. The Action involves complex factual and legal issues and was actively prosecuted for over six years;
- f. Had the Underwriter and ResCap Settlements not been achieved, there would remain a significant risk that Lead Plaintiff and the other members of the ResCap Settlement Class and Underwriter Settlement Class may have recovered less or nothing from Defendants;
- g. Lead Counsel devoted over 84,500 hours, with a lodestar value of over \$39 million, to achieve the Settlement; and
- h. The amount of attorneys' fees awarded and expenses to be reimbursed from the Settlement Fund are fair and reasonable and consistent with awards in similar cases.

9. Any appeal or any challenge affecting this Court's approval regarding any attorneys' fees or expenses application shall in no way disturb or affect the finality of the Order and Final Judgment entered with respect to the Underwriter Settlement.

10. Jurisdiction is hereby retained over the parties and the Class Members for all matters relating to this Action, including the administration, interpretation, effectuation or enforcement of the Underwriter Stipulation and this Order.

11. In the event that the Underwriter Settlement is terminated or the Effective Date of the Underwriter Settlement otherwise fails to occur, this Order shall be rendered null and void to the extent provided by the Stipulation and shall be vacated in accordance with terms of the Stipulation.

IT IS SO ORDERED.

Dated: New York, New York

July 31, 2015



HONORABLE KATHERINE POLK FAILLA
UNITED STATES DISTRICT JUDGE

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