

UNITED STATES DISTRICT COURT

DISTRICT OF NEW MEXICO

**IN RE THORNBURG MORTGAGE, INC.  
SECURITIES LITIGATION**

Case No. CIV 07-815JB/WDS

THIS DOCUMENT RELATES TO:

ALL ACTIONS

**SUPPLEMENTAL MEMORANDUM OF LAW IN FURTHER SUPPORT OF  
PLAINTIFFS' MOTIONS FOR FINAL APPROVAL OF PROPOSED SETTLEMENT  
AND AWARD OF ATTORNEYS' FEES AND EXPENSES TO CO-LEAD COUNSEL**

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## I. INTRODUCTION

Pursuant to Rule 23(e) of the Federal Rules of Civil Procedure, W. Allen Gage, individually and on behalf of J. David Wrather, Harry Rhodes, FFF Investments, LLC, Robert Ippolito, individually and as Trustee for the Family Limited Partnership Trust, Nicholas F. Aldrich, Sr., Betty L. Manning, John Learch and Boilermakers Lodge 154 Retirement Plan (collectively, the “Plaintiffs”), by and through their counsel Kessler Topaz Meltzer & Check, LLP and Wolf Haldenstein Adler Freeman & Herz LLP (“Co-Lead Counsel”), respectfully submit this memorandum of law in further support of (i) Plaintiffs’ Motion for Final Approval of Proposed Settlement, Plan of Allocation and Certification of Class for Settlement Purposes and (ii) Co-Lead Counsel’s Motion for an Award of Attorneys’ Fees and Expenses (together, the “Motions”), which were previously filed with the Court on July 23, 2012. *See* ECF Nos. 391 and 392.<sup>1</sup>

As the deadline for submitting objections and requests for exclusion has now passed, Co-Lead Counsel are pleased to inform the Court that - following the notice program undertaken by the Court-approved claims administrator, Strategic Claims Services (“SCS”), in connection with Plaintiffs’ proposed settlement with the Settling Defendants<sup>2</sup> (the “Settlement”) and the more than 234,000 notices mailed to potential Class Members and nominees - only five objections have been

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<sup>1</sup> ECF Nos. 391 through 393 are herein referred to collectively as the “Initial Settlement Submission.”

<sup>2</sup> The term “Settling Defendants” refers collectively to (i) Garrett Thornburg, Larry A. Goldstone, and Clarence G. Simmons (the “Individual Defendants”) and (ii) Anne-Drue M. Anderson, David A. Ater, Joseph H. Badal, Eliot R. Cutler, Paul G. Decoff, Michael B. Jeffers, Ike Kalangis, Owen M. Lopez, Francis I. Mullin III, and Stuart C. Sherman (the “Dismissed Defendants” and, together with the Individual Defendants, the “Settling Defendants”). Unless otherwise noted, capitalized terms used herein shall have those meanings contained in the Stipulation and Agreement of Settlement dated March 28, 2012 (the “Stipulation”). *See* ECF No. 386-1.

received.<sup>3</sup> Additionally, since the Initial Settlement Submission, thirty-five (35) additional requests for exclusion from the Class have been received, bringing the total number of requests for exclusion to forty-nine (49). *See* Supplemental Declaration of Paul Mulholland, CPA CVA Concerning Mailing of the Notice and Claim Form and Report on Requests for Exclusion Received (the “Supplemental SCS Declaration”).<sup>4</sup> For the Court’s convenience, a chart detailing the 49 requests for exclusion is attached hereto as Exhibit B. These 49 requests for exclusion represent approximately 0.02 percent of the total notices mailed to potential Class Members, and less than 0.001 percent of the shares outstanding during the Class Period.<sup>5</sup>

For the reasons discussed below and in Plaintiffs’ Initial Settlement Submission, the objections received in connection with the Settlement and Co-Lead Counsel’s request for an award of attorneys’ fees and expenses are meritless, are not supported by law and should be overruled. Accordingly, Plaintiffs respectfully request the Court to approve the Motions.

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<sup>3</sup> In addition to the five objections addressed herein, the non-settling, Underwriter Defendants also filed an objection to the Settlement but did not do so as Class Members. Their objection is limited to the absence of a judgment reduction provision in the Proposed Order and Final Judgment (*see* ECF No. 386-3). Co-Lead Counsel respectfully refer the Court to the Initial Settlement Submission for a discussion of the Underwriter Defendants’ objection (*see* ECF No. 391, at §III(4)(c)). The Settlement does not release any of the Class’s claims against the Underwriter Defendants.

<sup>4</sup> The Supplemental SCS Declaration, which provides updated information regarding the notice program and requests for exclusion received, is attached hereto as Exhibit A. *See also* the previously filed Declaration of Josephine Bravata Concerning (A) Mailing of the Notice and Claim Form; (B) Publication of the Summary Notice; and (C) Report on Requests for Exclusion Received to Date dated July 19, 2012 (*see* ECF No. 393-1).

<sup>5</sup> *See, e.g., In re AOL Time Warner, Inc. Sec. & ERISA Litig.*, No. MDL 1500, 2006 WL 903236, at \*10 (S.D.N.Y. Apr. 6, 2006) (requests for exclusion amounting to less than 0.2% of the putative class members weighed in favor of settlement).

## II. THE SETTLEMENT WARRANTS THE COURT'S FINAL APPROVAL

### A. The Settlement is Fair, Reasonable and Adequate

Where a settlement results from arm's-length negotiations between experienced counsel, "the Court may presume the settlement to be fair, adequate and reasonable." *Lucas v. Kmart Corp.*, Civil Action No. 99-cv-01923-JLK, 2006 U.S. Dist. LEXIS 51439, at \*22 (D. Colo. July 27, 2006) (internal quotations omitted). As set forth in the Initial Settlement Submission, Plaintiffs and their counsel believe the present Settlement – reached after nearly five years of litigation and months of settlement negotiations among experienced and knowledgeable counsel – satisfies the factors set forth in *Jones v. Nuclear Pharm., Inc.*, 741 F.2d 322, 324 (10th Cir. 1984) and is a fair, reasonable and adequate result for the Class.<sup>6</sup>

While Plaintiffs firmly believe that their claims against the Settling Defendants are meritorious, there existed a real risk of no recovery if the Litigation continued, namely in light of: (i) the absence of the corporate defendant, Thornburg Mortgage, Inc. ("TMI") from the Litigation due to its bankruptcy; (ii) the limited amount of insurance proceeds available to fund a settlement with the Individual Defendants or satisfy a future judgment;<sup>7</sup> (iii) the Court's dismissal of the negligence-based Securities Act claims asserted against the Dismissed and Underwriter Defendants;

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<sup>6</sup> In determining whether a proposed settlement is fair, reasonable and adequate, courts in the Tenth Circuit consider the following four non-exclusive factors: "(1) whether the proposed settlement was fairly and honestly negotiated; (2) whether serious questions of law and fact exist, placing the ultimate outcome of the litigation in doubt; (3) whether the value of an immediate recovery outweighs the mere possibility of future relief after protracted and expensive litigation; and (4) the judgment of the parties that the settlement is fair and reasonable." *Jones*, 741 F.2d at 324.

<sup>7</sup> Indeed, the \$2 million Settlement essentially exhausts TMI's available insurance for the relevant claims. See June 9, 2010 Hearing Transcript (ECF No. 298) at 43-44 (explaining that a substantial portion of the director and officer ("D&O") insurance had already been advanced - and will continue to be advanced - to the multiple defense counsel in this case to pay their substantial legal fees).

and (iv) the risks and uncertainty Plaintiffs faced to proving materiality, falsity, scienter and loss causation with respect to their remaining claims against the Individual Defendants. Here, there was a strong possibility that the Class would recover nothing if the Litigation continued.

**B. The Few Objections Received Provide No Basis to Disapprove the Settlement**

Five objections have been submitted in connection with the Settlement, three of which object specifically to the monetary amount obtained for the Class.<sup>8</sup> Compared to the number of potential Class Members who received notice, the number of objections is diminutive. *See In re Qwest Communs. Int'l, Inc. Sec. Litig.*, No. 01-1451-REB, 2006 U.S. Dist. LEXIS 71039, at \*20 (D. Colo. Sept. 28, 2006) (overruling ten objections, finding that class' reaction supported the settlement); *see also Banyai v. Mazur*, No. 00 Civ. 9806 (SHS), 2007 WL 927583, at \*9 (S.D.N.Y. Mar. 27, 2007) (noting that "a small number of objections received when compared to the number of notices sent weighs in favor of approval," and finding that the fact that 12 objections were received from a class

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<sup>8</sup> *See* objections of Frank C. Melfi dated July 5, 2012 ("Melfi Objection"), Donald E. and Dolores J. Wildner dated July 11, 2012 ("Wildner Objection") and Dale Crane dated July 31, 2012 ("Crane Objection") attached hereto as Exhibits C, D and E, respectively. The Melfi and Crane Objections, along with the objection of Joel E. Reed dated July 5, 2012 ("Reed Objection") attached hereto as Exhibit F, also object to Co-Lead Counsel's request for attorneys' fees and expenses. Fee and expense related objections are addressed in §III herein. The fifth objection received, from Brian W. Berman and Tierza Amizur-Berman ("Berman Objection"), is attached hereto as Exhibit G. The Berman Objection was received by Co-Lead Counsel on August 20, 2012, two weeks after the deadline for submitting objections. Not only is the Berman Objection untimely, but Brian W. Berman and Tierza Amizur-Berman are not Class Members, as their only purchase of TMI stock occurred on April 18, 2007 - prior to the start of the Class Period. Accordingly, the Bermans do not have standing to object to the Settlement. *See generally 4 Newberg on Class Actions* § 11:55 (4th Ed.) ("[A]s a general rule, only class members have standing to object to a proposed settlement."). The Berman Objection challenges the initial date of the Class Period, April 19, 2007, asserting that those who purchased TMI stock in the period prior to April 19, 2007 should be included in the Class. As set forth in the operative complaint, the first alleged false and misleading statement occurred on April 19, 2007 (*i.e.*, when reporting first quarter earnings Defendant Goldstone stated that, "in the first quarter, *we benefited from* wider spreads on new prime quality mortgage assets *caused by credit concerns concentrated in the subprime and Alt A segments of the mortgage market. . . .*" (emphases added)), and hence, this date is the first day of the Class Period.

of 100,000 demonstrated that “the Class as a whole appears to have reacted favorably”). As set forth below, none of the objections received provide any basis to disapprove the Settlement and should be overruled. *See Make a Difference Found., Inc. v. Hopkins*, Civil Action No. 10-cv-00408-WJM-MJW, 2012 U.S. Dist. LEXIS 36251, at \*4 (D. Colo. Mar. 19, 2012) (in overruling three objections, the court noted that these objections “were all very cursory in nature, not providing an adequate basis to call into question the propriety of the settlement”).

**C. The Objections to the Settlement are Meritless and Should be Overruled**

The objections submitted by Mr. Melfi, Mr. and Mrs. Wildner and Mr. Crane, respectively, attack the monetary amount of the Settlement. As the Crane Objection states, “[t]he Settlement, providing \$.01/damaged share, is so pathetically small it shouts that the action should not have been brought in the first place.” *See Crane Obj.* at 1; *see also generally Wildner Obj.* at 1 and *Melfi Obj.* at 2.<sup>9</sup> The Crane Objection, like the other two objections, however, ignore, in large part, the specific risks and circumstances present in the Litigation. These objections also make no substantive evaluation of the Settlement in the context of the allegations set forth in the operative complaint or the likelihood that Plaintiffs could ultimately prevail for a larger recovery. *See Qwest*, 2006 U.S. Dist. LEXIS 71039, at \*25 (rejecting objection that settlement fund was inadequate because class will recover small amount of its damage and noting that “[this] assumption does not necessarily make the settlement unfair, unreasonable and inadequate [because] the realistic alternatives which might lead to a greater recovery also present substantial risks, including the risk of no recovery”).

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<sup>9</sup> It should be noted that according to the transactional information provided in the Crane Objection, Mr. Crane does not appear to be a Class Member, and thus, has no standing to object to the Settlement. As Mr. Crane sets forth in his objection, L.H. Crane IRA and D. Crane Co. SEP-IRA purchased shares of TMI common stock on March 21, 2007 – several weeks prior to the start of the Class Period (*i.e.*, April 19, 2007).

Here, Plaintiffs had to balance the merits and their ability to achieve any recovery, even if successful at trial and appeal. As to the merits, Plaintiffs' Exchange Act claims did survive a motion to dismiss under the difficult and heightened pleading standards of the PSLRA after substantial briefing by the parties and careful scrutiny by the Court. This was a key factor in the Individual Defendants' willingness to negotiate any settlement. However, as the Litigation proceeded, TMI declared bankruptcy, leaving only the Individual Defendants as potential sources for recovery. In addition, Plaintiffs learned that the now bankrupt TMI was largely self insured with limited insurance coverage to fund any potential recovery by Plaintiffs against the Individual Defendants. Neither TMI's bankruptcy nor its limited insurance coverage could have been known by Plaintiffs "in the first place" and played a significant gating factor in limiting the potential recovery here.

As in any case, the monetary result obtained *must* be viewed in light of the risks of litigation and the specific circumstances of the case. *See Lane v. Page*, No. CIV 06-1071 JB/ACT, 2012 U.S. Dist. LEXIS 74273, at \*218 (D. N.M. May 22, 2012) ("Although [the roughly \$3.7 million] may not be as large a Settlement fund as members of the class hoped to receive, and is probably less than class counsel wanted upon filing this action, it is significant given the real likelihood that the class could receive nothing."). With every contingent litigation, there exists a risk of no recovery and in this case, this risk was heightened *during the course of the Litigation*. In addition to TMI's Chapter 11 bankruptcy filing, the Court dismissed Plaintiffs' negligence-based Securities Act claims against the Dismissed Defendants and the Underwriter Defendants. Even leaving aside the Individual Defendants' defenses and the risk of recovering nothing after summary judgment or trial, obvious and substantial risks existed as to Plaintiffs' ability to collect on any judgment that might be obtained through a trial of the Litigation. Furthermore, the available source of any future recovery from the Individual Defendants (*i.e.*, limited D&O insurance proceeds) was fast depleting due to

defense costs. *See* fn. 7 above; *see also Lane*, 2012 U.S. Dist. LEXIS 74273, at \*197 (“[W]ithout the Settlement, there is no guarantee that there will be funds available to satisfy any jury verdict that might be returned in the class’s favor.”).<sup>10</sup>

In negotiating the Settlement, Plaintiffs successfully obtained almost all of the remaining available D&O insurance for the Class. Indeed, Plaintiffs and their counsel have a responsibility to seek to maximize the recovery under the circumstances within the bounds of zealous advocacy, whatever the source of the funds.<sup>11</sup> Here, accepting a certain and substantial amount of available insurance proceeds is in the best interests of the Class. *See In re Skilled Healthcare Group, Inc. Sec. Litig.*, Case No. CV 09-5416 DOC (RZx), 2011 U.S. Dist. LEXIS 10139, at \*17 (C.D. Cal. Jan. 26, 2011) (overruling objection that defendant should be required to pay more money in order to settle,

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<sup>10</sup> Courts have found that similar circumstances strongly support approval of a settlement. *See, e.g., In re Am. Bus. Fin. Servs. Inc. Noteholders Litig.*, No. 05-232, 2008 WL 4974782, at \*8 (E.D. Pa. Nov. 21, 2008) (where the company was bankrupt and the individual defendants had limited assets, “[c]ontinuing to trial in the hopes of obtaining a higher penalty would merely deplete the insurance policy proceeds . . . leaving the class, if successful, with a lesser judgment, not a greater one. This factor weighs heavily in favor of settlement”); *In re Global Crossing Sec. & ERISA Litig.*, 225 F.R.D. 436, 460 (S.D.N.Y. 2004) (factor strongly supported settlement where the companies had filed for bankruptcy and the “main settlement funds available to the individuals are the insurance proceeds, which . . . would be largely consumed by defense costs if this litigation were to continue”).

<sup>11</sup> The Wildner Objection states that “[the officers of the company] should be held financially responsible for their actions,” possibly suggesting that Plaintiffs should have obtained additional contributions from the Individual Defendants themselves. *See Wildner Obj.* at 1. Obtaining cash contributions from individual defendants is rare in the context of securities litigation, and in entering the Settlement, Plaintiffs and Co-Lead Counsel weighed this prospect against: (i) the likelihood that the Individual Defendants would personally be found liable; (ii) the ease with which the material assets belonging to any Individual Defendant could be readily attached; and (iii) the experience of Co-Lead Counsel that individual defendants do not contribute to class-wide settlements out of their own pockets until, if ever, trial and its attendant costs and risks are upon them. *See, e.g., Global Crossing*, 225 F.R.D. at 457 (approving settlement based on insurance proceeds and noting that “[t]he objection that the individual defendants should have contributed more to the settlement is largely symbolic . . . most of these [individual] defendants, whatever their culpability, lack the financial ability to contribute to the fund in amounts that would materially improve the settlement.”)

noting that “the fairness of a proposed settlement must not be judged against a hypothetical or speculative measure of what might have been achieved by the negotiators” and that the objector’s “hope for a greater settlement amount – a desire unsupported by specific facts – appears to be based on little more than hypothesis or speculation”) (internal citation omitted).

Finally, the assertions contained in the Melfi and Crane Objections regarding the merits of the Litigation are, in Plaintiffs’ opinion, completely baseless. *See* Crane Obj. at 1 (noting that the \$2 million recovery “indicates the alleged illegal behavior of the Defendants with respect to federal securities law was absent or certainly not egregious”); Melfi Obj. at 2 (“The Circumstances of Settlement really states that the law suit is terrible, the chances of winning are nil and investing more time and effort is a loser.”). Plaintiffs would not have brought this action if they had believed their claims were not viable, and even at the time the Settlement was reached, Plaintiffs and their counsel believed their remaining Exchange Act claims against the Individual Defendants were meritorious. Had it not been, in large part, for the limited insurance proceeds and the real possibility that, after continued litigation against the Individual Defendants (with its costs of full blown merits and expert discovery alone), all of the available insurance would be depleted and there would be nothing left for the Class, Plaintiffs would have continued to prosecute their claims against these defendants.<sup>12</sup>

For all of the foregoing reasons, the objections to the Settlement should be denied. Thus, as further detailed in Plaintiffs’ opening papers, the Settlement is fair, reasonable and adequate, and warrants the Court’s final approval.

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<sup>12</sup> Plaintiffs continue to pursue an appeal of the Court’s dismissal of their claims against the Underwriter Defendants.

**III. CO-LEAD COUNSEL’S REQUEST FOR ATTORNEYS’ FEES AND EXPENSES IS JUSTIFIED AND THE OBJECTIONS TO THIS REQUEST SHOULD BE REJECTED BY THE COURT**

As previously mentioned, despite the dissemination of over 234,000 copies of the Notice to members of the Class and nominees, only three objections to Co-Lead Counsel’s request for attorneys’ fees and expenses have been received. *See* Reed Obj. at 1<sup>13</sup> (asserting that the maximum request for fees and expense set forth in the notice “is outrageous” and that “The Plaintiffs’ Counsel is the only party making money here. The “injured class members” are getting relatively nothing as respect to their losses. Therefore, the Plaintiffs’ Counsel does not deserve to receive a fee of any magnitude.”); Melfi Obj. at 2 (“The settlement is favorable to the attorneys.”); Crane Obj. at 1-2 (asserting that Co-Lead Counsel’s request for fees and expenses are “too high, absolutely and relative to the Settlement Amount” and suggesting that the Court “provide discipline to the securities bar by allowing [Co-Lead Counsel] neither fees nor expenses.”). As with the objections to the Settlement, none of the objections to Co-Lead Counsel’s request for fees and expenses provide any support, other than the assertion that the amount requested is too much, and are devoid of merit. *See In re Lorazepam & Clorazepate Antitrust Litig.*, 205 F.R.D. 369, 378 (D.D.C. 2002) (rejecting broad, unsupported objections because “[they] are of little aid to the Court in determining whether these settlements are fair, adequate, and reasonable”). Such objections provide no grounds to deny the request for attorneys’ fees and expenses, particularly because Co-Lead Counsel have amply supported their request with declarations and case law. *See* ECF 392, 393, 393-3 through 393-8).

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<sup>13</sup> Mr. Reed does not provide any transactional information regarding his purchases and/or acquisitions of TMI stock during the Class Period as required by the Court’s Preliminary Approval Order and the Notice. As such, it cannot be determined whether Mr. Reed is actually a Class Member with standing to object.

As detailed in the Initial Settlement Submission and as this Court is well aware, Co-Lead Counsel have vigorously prosecuted this Litigation against multiple sets of defendants for five years. Co-Lead Counsel's efforts included, *inter alia*: conducting an extensive investigation, researching and crafting two comprehensive complaints; consulting with experts and bankruptcy counsel; briefing arguments made in several motions, including extensive motions to dismiss filed by defendants and Plaintiffs' Motion for Clarification; and engaging in arm's-length settlement negotiations with the Settling Defendants over the course of several months, followed by additional months of negotiating the Stipulation and drafting the related settlement documents. Since its inception, Plaintiffs' Counsel have devoted over 11,362 hours to the Litigation, resulting in an aggregate lodestar of \$5,409,776.75. In consideration of Co-Lead Counsel's efforts and the recovery obtained for Plaintiffs and the Class, Co-Lead Counsel have respectfully moved this Court for: (i) an award of attorneys' fees in the amount of 20% of the Settlement Fund; and (ii) reimbursement of expenses incurred to prosecute the Litigation in the amount of \$243,145.93, plus interest earned thereon. This request is strongly supported by each of the relevant factors set forth in *Johnson v. Ga. Highway Express, Inc.*, 488 F.2d 714 (5th Cir. 1974).<sup>14</sup>

Moreover, Co-Lead Counsel's request for 20% of the Settlement Fund (or, \$400,000) results in a negative multiplier of 0.074 to Plaintiffs' Counsel's lodestar and amounts to *less* than 10% of the time actually spent on this case - a very substantial discount on the time Plaintiffs' Counsel spent

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<sup>14</sup> The *Johnson* factors are: (1) time and labor required; (2) novelty and difficulty of the issues; (3) skill required to perform the legal services properly; (4) preclusion of other employment; (5) customary fee; (6) whether the fee is fixed or contingent; (7) time limitations imposed by the client or the circumstances; (8) amount involved and results obtained; (9) experience, reputation, and ability of the attorneys; (10) undesirability of the case; (11) nature and length of professional relationship with the client; and (12) awards in similar cases. *Johnson*, 488 F.2d at 717-19. See *Lane*, 2012 U.S. Dist. LEXIS 74273, at \*205 (this Circuit "has adopted" the Fifth Circuit's test).

litigating the matter. *See Lane*, 2012 U.S. Dist. LEXIS 74273, at 227 (in approving counsel's request for fees and expenses the Court noted "[w]hile the attorneys' fees are a lot in isolation, in comparison to what class counsel put into the case, they did not hit a home run").<sup>15</sup> Further, a 20% fee request falls on the lower end of fees typically awarded in common fund cases. *See, e.g., McNeely v. Nat'l Mobile Health Care, LLC*, No. CIV 07-0933-M, 2008 U.S. Dist. LEXIS 86741, at \*46 (W.D. Okla. Oct. 27, 2008) (awarding 33% and noting that "[f]ees in the range of at least one-third of the common fund are frequently awarded in class action cases of this general variety"); *Robles v. Brake Masters Sys., Inc.*, No. CIV 10-0135 JB/WPL, 2011 U.S. Dist. LEXIS 14432, at \*55 (D.N.M. Jan. 31, 2011) ("Fees in the range of 30-40% of any amount recovered are common in complex and other cases taken on a contingent fee basis." (internal citation omitted)).

Here, Co-Lead Counsel have obtained \$2 million for the Class where there existed a real risk of no recovery. Co-Lead Counsel deserve to receive compensation for their efforts. *See Rosenbaum v. MacAllister*, 64 F.3d 1439, 1444 (10th Cir. 1995) (the common doctrine provides for "the successful plaintiff [to be] awarded attorney fees because his suit creates 'a common fund, the economic benefit of which is shared by all members of the class'" (internal citations omitted). In addition, the expenses incurred by Plaintiffs' Counsel during the course of the Litigation were appropriate and necessary to the advancement and ultimate resolution of the Litigation against the Settling Defendants. "As with attorneys' fees, an attorney who creates or preserves a common fund for the benefit of a class is entitled to receive reimbursement of all reasonable costs incurred." *Vaszlavik v. Storage Tech. Corp.*, Civil Action No. 95-B-2525, 2000 U.S. Dist. LEXIS 21140, at \*11

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<sup>15</sup> *See Id.* at \*224 ("Circumstances forced the class to be more realistic in terms of what damages it would likely receive and class counsel has likewise discounted their services to bring the fees in line with the recovery.").

(D. Colo. Mar. 9, 2000). Accordingly, for the reasons set forth in the Initial Settlement Submission and herein, Co-Lead Counsel's request for fees and expenses should be approved in its entirety.

**IV. THE COURT SHOULD AUTHORIZE PAYMENT OF UNPAID OUT-OF-POCKET EXPENSES INCURRED BY THE CLAIMS ADMINISTRATOR**

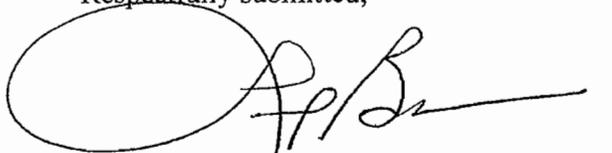
To date, SCS has unpaid out-of-pocket expenses for services rendered in connection with the administration of this Settlement in the amount of \$117,612.81. As described in the Supplemental SCS Declaration attached as Exhibit A hereto, these expenses were incurred in connection with the notice campaign and are comprised largely of printing and postage costs. Co-Lead Counsel respectfully request that the Court authorize payment of SCS's unpaid out-of-pocket expenses.

**V. CONCLUSION**

For the reasons set forth herein and in Plaintiffs' opening papers, Co-Lead Counsel respectfully submit that, in light of all of the circumstances present in the Litigation, the Settlement is fair, reasonable and adequate, and thus, warrants final approval by the Court. In addition, Co-Lead Counsel respectfully request that the Court award attorneys' fees in the amount of 20% of the Settlement Fund and reimbursement of the expenses in the amount of \$243,145.93. Co-Lead Counsel respectfully submit that this request for attorneys' fees and expenses is fully justified by the facts of this case, is fair and reasonable under applicable legal standards recognized in the Tenth Circuit and should be awarded in full. Accordingly, Plaintiffs respectfully request that the Court enter the proposed Order and Final Judgment and proposed Order Awarding Attorneys' Fees and Expenses submitted herewith.

Dated: August 20, 2012

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'T. Branch', is written over a horizontal line. The signature is stylized and cursive.

Turner W. Branch

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- and -

**WOLF HALDENSTEIN ADLER**

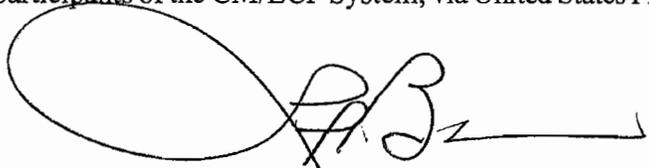
**FREEMAN & HERZ LLP**

Francis M. Gregorek  
Betsy C. Manifold  
Rachele R. Rickert  
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manifold@whafh.com  
rickert@whafh.com  
moran@whafh.com

*Co-Lead Counsel for Plaintiffs and the Class*

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that on August 20, 2012, the foregoing SUPPLEMENTAL MEMORANDUM OF LAW IN FURTHER SUPPORT OF PLAINTIFFS' MOTIONS FOR FINAL APPROVAL OF PROPOSED SETTLEMENT AND AWARD OF ATTORNEYS' FEES AND EXPENSES TO CO-LEAD COUNSEL was electronically filed with the Clerk of the court using the CM/ECF System, which will send notification of such filing to all counsel of record and declarant served the parties who are not registered participants of the CM/ECF System, via United States First Class Mail.

A handwritten signature in black ink, appearing to read 'T. Branch', is written over a horizontal line. A large, loopy flourish extends from the signature down and to the left.

Turner W. Branch

# **EXHIBIT A**

UNITED STATES DISTRICT COURT

DISTRICT OF NEW MEXICO

<p><b>IN RE THORNBURG MORTGAGE, INC. SECURITIES LITIGATION</b></p> <p>THIS DOCUMENT RELATES TO:</p> <p>ALL ACTIONS</p>	<p>Case No. CIV 07-815JB/WDS</p>
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**SUPPLEMENTAL DECLARATION OF PAUL MULHOLLAND, CPA CVA  
CONCERNING MAILING OF THE NOTICE AND CLAIM FORM AND REPORT ON  
REQUESTS FOR EXCLUSION RECEIVED**

I, Paul Mulholland, declare:

1. I am the President of Strategic Claims Services (“SCS”), a nationally recognized class action administration firm. I am a Certified Public Accountant and a Certified Valuation Analyst. I have over twenty years of experience specializing in claims administration for class action settlements and I have administered over two-hundred seventy-five (275) cases. SCS was established in April 1999 and has administered over two-hundred twenty-five (225) class actions settlements since its inception. Pursuant to the Court’s Order Preliminarily Approving Settlement and Providing for Notice dated April 23, 2012 (the “Preliminary Approval Order”), SCS was authorized to act as the claims administrator for the settlement reached with the settling defendants (“Settlement”) in the above-captioned litigation (“Litigation”).

2. I respectfully submit this declaration as a supplement to the Declaration of Josephine Bravata Concerning (A) Mailing of the Notice and Claim Form; (B) Publication of the Summary Notice; and (C) Report on Requests for Exclusion Received to Date dated July 19, 2012 (the “Initial Bravata Declaration”) previously filed with the Court and in order to provide the Court and the parties to the Litigation with additional information regarding (i) the mailing of the Notice of Pendency of Class Action, Proposed Settlement, Settlement Fairness Hearing and Motion for Attorneys’ Fees and Expenses (“Notice”) and the Proof of Claim and Release Form (“Claim Form” and, together with the Notice, the “Notice Claim Form”) and (ii) the requests for exclusion from the Class. I am over 21 years of age and am not a party to this Litigation. I have personal knowledge of the facts set forth herein.

3. Since the execution of the Initial Bravata Declaration, SCS has continued to receive requests from potential Class Members and nominees for copies of the Notice Claim Form. As a result of such requests, additional Notice Claim Forms have been mailed such that

as of August 17, 2012, SCS has mailed a total of 234,065<sup>1</sup> Notice Claim Forms to potential Class Members and nominees.<sup>2</sup>

4. Out of the 234,065 Notice Claim Forms mailed by SCS, 7,345 were returned as undeliverable. Of these, 602 had forwarding addresses provided by the post office and SCS promptly re-mailed Notice Claim Forms to each of these potential Class Members using these updated addresses. The remaining 6,743 Notice Claim Forms returned as undeliverable were “skip-traced” to obtain updated addresses. These “skip-tracing” efforts resulted in 2,823 updated addresses. SCS promptly re-mailed Notice Claim Forms to each of these 2,823 potential Class Members using the updated addresses.

5. As set forth in the Initial Bravata Declaration, SCS maintains a website ([www.strategicclaims.net](http://www.strategicclaims.net)) that includes information regarding the Settlement. On July 24, 2012, SCS posted copies of the papers filed in support of the motion for final approval of the Settlement and Co-Lead Counsel’s motion for attorneys’ fees and expenses to the website.<sup>3</sup>

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<sup>1</sup> As noted in paragraph 4, SCS also re-mailed an additional 3,425 Notice Claim Forms (602 to updated forwarding addresses provided by the post office and 2,823 to updated addresses obtained through “skip-tracing” efforts).

<sup>2</sup> Pursuant to the notice program described in the Initial Bravata Declaration, on or before May 23, 2012, SCS commenced mailing of the Notice Claim Forms to potential members of the Class, as well as banks and brokerage companies (“Nominee Account Holders”) and mutual funds, insurance companies, pension funds, and money managers (“Institutional Groups”) which may have traded Thornburg Mortgage, Inc. (“TMI”) common stock and/or preferred stock in their accounts or their clients’ accounts. As set forth in the Initial Bravata Declaration, as of July 19, 2012, SCS had mailed a total of 212,203 Notice Claim Forms to Nominee Account Holders, Institutional Groups and other individuals (including 2,146 Notice Claim Forms to individuals and organizations contained on the shareholders’ list provided by TMI’s transfer agent and 210,057 Notice Claim Forms in response to requests from Nominee Account Holders, Institutional Groups and other individuals). In addition, SCS mailed or e-mailed 1,791 Notices (along with a broker letter) to the Nominee Account Holders and Institutional Groups contained on SCS’s master mailing list. Since the execution of the Initial Bravata Declaration, SCS has received requests from Nominee Account Holders, Institutional Groups and other individuals for an additional 21,862 Notice Claim Forms.

<sup>3</sup> SCS previously posted copies of the Notice Claim Form, Plan of Allocation (Full Version), Stipulation and Agreement of Settlement (“Stipulation”), Preliminary Approval Order, the Objection of Underwriter Defendants to Proposed Order and Final Judgment, and the Proposed Order and Final Judgment (attached as an exhibit to the Stipulation) to the website.

6. Question number 13 of the Notice informed potential Class Members that in order to be excluded from the Class, a written request for exclusion must be mailed to *In re Thornburg Mortgage, Inc. Securities Litigation*, c/o Strategic Claims Services, P.O. Box 230, 600 North Jackson Street, Suite 3, Media, PA 19063, such that it is received no later than August 6, 2012. The Notice also set forth the information that must be included in each request for exclusion.

7. To date, SCS has received 48 requests for exclusion, 46 of which were received on or before the August 6, 2012 exclusion deadline set forth in the Notice. In addition, one request for exclusion was filed with the Court and was provided to SCS by Co-Lead Counsel. Accordingly, as of August 17, 2012, a total of 49 requests for exclusion have been received in connection with the Litigation. Attached hereto as **Exhibit A** is a list of the requests for exclusion received.

8. As of August 17, 2012, SCS has received 7,890 Claim Forms. As set forth in the Notice, the claims submission deadline is November 19, 2012.

9. To date, SCS has unpaid out of pocket expenses for services rendered in connection with the administration of this Settlement in the amount of \$117,612.81 as set forth in SCS's invoice attached hereto as **Exhibit B**.<sup>4</sup> These expenses cover a variety of services, including but not limited to: (1) payment of transfer agent and nominee invoices;<sup>5</sup> (2) printing of Notice Claim Forms; (3) publishing of the Summary Notice; (4) issuing the Summary Notice as a press release; (5) printing mailing labels, generating lists of nominees and potential claimants

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<sup>4</sup> Pursuant to §C.7 of the Stipulation, SCS has received payment of \$100,000 to date. This amount principally covered postage costs incurred for the initial mailing of the Notice Claim Forms and payment of nominee invoices as reflected on **Exhibit B** hereto.

<sup>5</sup> As set forth in the Notice, nominees "may obtain reimbursement for reasonable administrative costs actually incurred in connection with forwarding the Notice and which would not have been incurred but for the obligation to forward the Notice, upon submission of appropriate documentation to the Claims Administrator."

for the initial mailing of the Notice Claim Forms; (6) postage costs;<sup>6</sup> (7) fulfilling all subsequent requests from nominees and other individuals for copies of the Notice Claim Form; (8) skip tracing undeliverable Notice Claim Forms; (9) payment of invoices related to phone calls; (10) payment of website service bill; and (11) payment for other supplies necessary to complete the notification process.

Signed this 20<sup>th</sup> day of August 2012, in Media, Pennsylvania.

  
Paul Mulholland, CPA CVA

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<sup>6</sup> The Notice Claim Form contains a total of 24 pages and weighs over an ounce. The current standard postage rate for a piece of domestic mail weighing over an ounce is \$0.65. SCS was able to obtain discounted postage rates resulting in an average actual postage rate of \$.393 per mailing.

## EXHIBIT A

NAME	CITY	STATE
HOWARD S ISRAEL	BEACHWOOD	OH
PATRICIA J ISRAEL DRYER	BEACHWOOD	OH
BARRY A KILINSKI	ROCHESTER	NY
NEIL D WEISER	EMERALD HILLS	CA
LEO W WEVER JR	CONWAY	SC
EDWARD B & VICKI J GERMANN	HENDERSONVILLE	NC
JOHN L LEDING	FORT SMITH	AR
EVAN LAMP	SHORT HILLS	NJ
DANIEL BOONE JR	SANTA FE	NM
MICHAEL M REILLY	SANTA FE	NM
ARTHUR J BREAUX III	HOMESTEAD	FL
ELIZABETH ANDERSON HISHON FOUNDATION	ATLANTA	GA
ALICE D HURST TR	SUN CITY	AZ
FRANCIS R & PHILOMENA C SLATTERY	NORRISTOWN	PA
ROBERT TURRILL	LAURENS	SC
LILLIAN C KAY	ITHACA	NY
WILLIAM N CHERNISH	NEWFIELD	NY
MARGARET S CHERNISH	NEWFIELD	NY
JOHN R PAVIA	TRUMANSBURG	NY
JOHN F ISENMAN	FESTUS	MO
JUDITH GENOVA	SPENCER	NY
WILLIAM LEE & LINDA B MYERS JT TEN	ITHACA	NY
ANTHONY C MASSARO	CROWN POINT	IN
HERB STUBE	PARK CITY	UT
SUZANNE E WEST	ITHACA	NY
DIANE M KOZUB	FT WORTH	TX
HAROLD MICHAEL	CAMARILLO	CA
ROBERT H & MILDRED L REDDING	LEE'S SUMMIT	MO
LELAND L SWINEHART	ST ANNE	IL
RICHARD P & DOROTHY L FELDMAN	OCEANSIDE	NY
RPF ENTERPRISES, INC	OCEANSIDE	NY
LINDA L COOPER	LOCKE	NY
ANNA R SUSMANN	ITHACA	NY
NORMAN W LUTTRELL	BELMONT	CA
EMILY RUTH SOREL	SLATERVILLE SPRINGS	NY
CHRISTINE GAFFNEY	WORCESTER	MA
FAY HELMON	ISSAQUAH	WA
DANIEL JAMES DEJOHN	ITHACA	NY
ALAN DIAZ MD	MT VERNON	NY
SUSAN P WILLEMSSEN	ITHACA	NY
JOAN M HULLAR	TUCSON	AZ
JOHN P & SARA B REITHER	GOLD RIVER	CA
BARBARA PRUDHOMME CREDIT SHELTER TR	GOLD RIVER	CA
ROBERT W SNARE MD & JOYCE E SNARE	CHIPLEY	FL
ROCCO M SCANZA	ITHACA	NY
SHERRY L SCANZA	ITHACA	NY
CHRIS A FITZPATRICK	HOULTON	ME
JOE L SIDDON	SPANISH FORT	AL
FU SHENG WU	BELMONT	MA

Phone 866.274.4004  
610.565.9202  
Fax 610.565.7985

**Strategic  
Claims  
Services**

**EXHIBIT B**

www.strategicclaims.net

August 20, 2012

Jennifer L. Enck, Esquire  
Kessler Topaz Meltzer & Check, LLP  
280 King of Prussia Road  
Radnor, PA 19087

**Re: THORNBURG MORTGAGE, INC. SECURITIES LITIGATION SETTLEMENT**

**INVOICE FOR OUT OF POCKET CHARGES FOR NOTICE CAMPAIGN**

Printing, typesetting, and preparation of 244,000 notice and proof of claim forms.  
24 page notice/claim form and a total of 5,856,000 pages printed  
(\$0.16 per page) ..... \$96,040.48

Postage charges for mailing of 229,779<sup>1</sup> (\$.393 per mailing discounted postal rate)  
notice and proof of claim forms (with a 24 page notice weight of mailing was  
over one ounce).....\$90,241.14

Broker Charges (See Exhibit I).....\$19,522.49

Fee charged by transfer agent – American Stock Transfer & Trust (See Exhibit II) .....\$5,000.00

Publication cost in Investor’s Business Daily (\$1,837.05) and PR  
Newswire (\$1,520.00). See Exhibit III.....\$3,357.05

Skip Tracing charges (6,420 skip tracing searches at \$.25 per search)..... \$1,605.00

Telephone, overnight charges, website charges and other out of pockets  
(See Exhibit IV)..... \$1,271.65

Freight charge for shipping 10,000 notice and claims forms to  
Broadridge located in Edgewood, New York..... \$575.00

Total Amount	\$217,612.81
Amount previously paid	<u>(\$100,000.00)</u>
Net Amount Due	<u>\$117,612.81</u>

<sup>1</sup> In addition to the 229,779 mailings/re-mailings to date, SCS also shipped by freight and UPS an additional 11,060 notice and proof of claim forms directly to brokers.

## EXHIBIT I

## EXHIBIT I

<b>NOMINEE</b>	<b>AMOUNT</b>
BMO NESBITT BURNS	\$772.02
BMO NESBITT BURNS	\$700.08
BNY MELLON ASSET SERVICING	\$1,064.50
CHARLES SCHWAB	\$2,318.19
CIBC WORLD MARKETS INC	\$774.30
CIBC WORLD MARKETS-438	\$18.90
CITIGROUP GLOBAL MARKETS#418	\$1,205.40
CLEARVIEW CORRESPONDENT SERVICE:	\$100.00
D.A. DAVIDSON & CO	\$85.00
ETRADE 385	\$1,559.30
FIDELITY	\$4,812.30
FIRST CLEARING	\$3,196.20
FIRST SOUTHWEST COMPANY	\$200.00
JANNEY MONTGOMERY SCOTT LLC	\$125.00
MESIROW FINANCIAL	\$50.00
MORGAN KEEGAN	\$49.10
OPPENHEIMER & CO, INC	\$135.00
PEOPLES SECURITIES INC	\$125.00
PERSHING	\$65.00
PRIMEVEST FINANCIAL SERVICES INC.	\$85.00
RAYMOND JAMES	\$250.00
RBC CAPITAL MARKETS, LLC	\$400.00
SCOTIA CAPITAL, INC	\$31.40
SOUTHWEST SECURITIES, INC	\$50.00
STERNE AGEE & LEACH, INC	\$50.00
STIFEL NICOLAUS & COMPANY, INC	\$245.70
UBS	\$595.10
WEDBUSH SECURITIES INC	<u>\$460.00</u>
	<b><u>\$19,522.49</u></b>

*Exhibit II*



**AMERICAN STOCK**  
Transfer & Trust Company, LLC  
LINK GROUP network

# INVOICE

Please direct queries to:  
Contact: Billing / Accounts Receivable  
Phone: +1 718-921-8319  
Facsimile: +1 718-765-8729  
Email: ar@amstock.com

PAUL MULHOLLAND, CPA, CVA  
STRATEGIC CLAIM SERVICES

Invoice Number: DFE 10009287  
Invoice Date: May-08-2012  
Account Number: DBL12251

Total Due: \$5,000.00  
Date Due: Upon Receipt

PREPARATION OF LITIGATION FILES THORNBURG MORTGAGE INC. (04/19/2007-03/19/2008)

Grand Total

\$ 5,000.00  
5,000.00

*From*  
*M: Co*  
*8613011606*  
*\$ 5,000*  
*23-3062635*  
*pa. Eileen -*  
*27347*  
*pd by wire 5/11/12*

IMPORTANT: DETACH AND RETURN THIS STUB WITH YOUR PAYMENT - please do not staple your check to the payment stub  
To ensure proper credit to your account, please reference account and/or invoice number on your check or wire.

Total Due: \$5,000.00      Amount Remitted: \_\_\_\_\_

Account Name: THORNBURG MORTGAGE INC OLD  
Account Number: DBL12251  
Invoice Number: DFE 10009287

If paying by check, please make payable and remit to:

Preferred payment by wire, please follow the instructions below:

American Stock Transfer & Trust Company, ✓  
Attn: Accounts Receivable  
6201 15th Avenue  
Brooklyn, NY 11219

Sovereign Bank  
New York City, NY 10178  
ABA/Routing 231 372 691  
Account 3036002123  
Swift Code: SVRUS33 ✓

Thank you for choosing American Stock Transfer & Trust Company



AST-USA-A1

*paid -*  
*Franklin Inst. Fed*  
*credited to inv #*  
Page 1 of 1

Exhibit III

1/2

# milller

Miller Advertising Agency, Inc. • 71 Fifth Avenue • New York, New York 10003 • 212-929-2200

## REMITTANCE ADVICE

STRATEGIC CLAIMS SERVICES C/C - N260  
Attn: Paul Mulholland  
600 N. Jackson St. Ste 3  
Media, PA 19063

Client Number 123027  
Invoice Number 734247 - 077  
Invoice Date 05/30/12  
Terms: Net 30

Regarding  
**THORNBURG**

Please return this page along with your remittance of \$1,837.05.

\$1,837.05  
\$1,520.00  
\$3,357.05

*Exhibit III*

2/2



**PLEASE REMIT TO:**  
 PR NEWswire ASSOCIATION, LLC  
 G.P.O. BOX 5897, NEW YORK, NY 10087-5897

For Billing and Payment Inquiries call:  
**800-801-2147 or 888-776-0941**  
 For Wire Transfer Instructions call **201-360-6109**

# INVOICE

Please refer to conditions of service listed on reverse side.

INVOICE NUMBER: 101537045

DATE: 05/30/12

ACCOUNT NUMBER: 945679

AMOUNT DUE: \$ 1,520.00

TERMS - DUE IN FULL UPON RECEIPT

**FOR CORRESPONDENCE ONLY:**  
 ATTN: ACCOUNTS RECEIVABLE  
 PR NEWswire ASSOCIATION, LLC  
 602 PLAZA THREE  
 HARBORSIDE FINANCIAL CENTER  
 JERSEY CITY, NJ 07311-3801

86652 - 94



00000122  
 FAYE KNOWLES  
 STRATEGIC CLAIMS SERVICES  
 600 N JACKSON ST STE 3  
 MEDIA PA 19063-2564



## PR Newswire

ACCOUNT NAME	ACCOUNT NO.	LOG NO.	DATE	INVOICE
	945679	PH06822	05/30/12	101537045
SERVICE DESCRIPTION				PRICE
COMPLIMENTARY PRESS RELEASE OPTIMIZATION				\$ 0.00
US1 NEWSLINE ADDITIONAL LENGTH CHARGE				\$ 780.00
US1 NATIONAL NEWSLINE				\$ 740.00
RELEASE WATCH BASIC @ NO CHARGE				\$ 0.00
HEADLINE : Kessler Topaz Meltzer & Check, LLP and Wolf Haldenstein Adler Freeman & Herz LLP Announce Proposed Class Action Settlement on Behalf of Purchasers of Thornburg Mortgage, Inc. Common and Preferred Stock				
BILLING COMMENTS : Sender's Name: Josephine Cecala				
You can remit payment, view invoices, and print copies of press releases online through your PR Newswire Online Member Center account at <a href="https://portal.prnewswire.com/">https://portal.prnewswire.com/</a>				
STORY DATE : 05/30/2012 BUREAU CODE : PH				\$ 1,520.00
PLEASE PAY THIS AMOUNT				

We accept Visa, Mastercard, American Express and Discover Card

For Billing and Payment Inquiries call:  
**800-801-2147 or 888-776-0941**



86652-94

<b>Expense</b>	<b>Amount</b>
TELEPHONE CHARGES	\$420.32
OVERNIGHT /SHIPPING CHARGES	\$266.41
ENVELOPES	\$214.92
LABELS AND SUPPLIES	\$195.00
WEBSITE CHARGES	<u>\$175.00</u>
TOTAL	<u>\$1,271.65</u>

# **EXHIBIT B**

Exhibit B

**Requests for Exclusion**

In re Thornburg Mortgage, Inc. Securities Litigation  
Case No. CIV 07-815 JB/WDS

No	Name	Date	Information Regarding Shares	Reason for Request	Is Person a Class Member?	Documentation Provided	Potential Class Period Shares
1	<b>Patricia J. Israel Dryer</b> (Beachwood, OH)	5/30/2012	<ul style="list-style-type: none"> <li>• Purchased 200 common stock shares at \$20.29/share on 3/22/2002.</li> <li>• Shares were not sold and are still held (after the reverse 1 for 10 split in 9/2008, now has 20 shares at the same cost of \$4,058.00).</li> </ul>	None given.	No	Letter; No backup documentation provided.	0
2	<b>Howard S. Israel</b> (Beachwood, OH)	5/30/2012	<ul style="list-style-type: none"> <li>• Purchased 500 common stock shares at \$20.21/share on 3/22/2002.</li> <li>• Shares were not sold and are still held (after reverse 1 for 10 split in 9/2008, now has 50 shares at the same cost of \$10,105.00).</li> </ul>	None given.	No	Letter; No backup documentation provided.	0
3	<b>Barry A. Kilinski</b> (Rochester, NY)	7/8/2012	<ul style="list-style-type: none"> <li>• Purchased 500 shares of TMAPRF at \$10.50/share (\$5,250.00) on 3/3/2008.</li> <li>• Purchased 500 shares of TMAPRF at \$10.75/share (\$5,375.00) on 3/3/2008.</li> <li>• Purchased 1,000 shares of TMAPRF at \$3.40/share (\$3,400.00) on 3/7/2008.</li> <li>• Purchased 1,000 shares of TMAPRD at \$4.05/share (\$4,050.00) on 3/17/2008.</li> </ul>	None given.	Yes	Letter; No backup documentation provided.	3,000

No	Name	Date	Information Regarding Shares	Reason for Request	Is Person a Class Member?	Documentation Provided	Potential Class Period Shares
4	<b>Neil D. Weiser</b> (Emerald Hills, CA)	7/5/2012	<ul style="list-style-type: none"> <li>Owned 400 shares of TMI common stock at the opening of trading on 4/19/2007.</li> <li>Purchased 400 shares of TMI common stock at \$25.549/share (\$10,219.60) on 7/31/2007.</li> <li>Sold 800 shares at \$13.13/share (\$10,504.00) on 8/24/2007.</li> <li>Owned 0 shares of TMI common stock at the end of trading on 5/1/2009.</li> <li>No information given.</li> </ul>	Finds paucity of settlement offer offensive.	Yes	Claim Form; No backup documentation provided	400
5	<b>Leo W. Wever Jr.</b> (Conway, SC)	None	<ul style="list-style-type: none"> <li>No information given.</li> </ul>	Deceased, and spouse not interested. Asked to discontinue mail.	Indiscernible from information provided.	Envelope; No backup documentation provided.	0
6	<b>Edward B. Germann and Vicki J. Germann</b> (Hendersonville, NC)	7/6/2012	<ul style="list-style-type: none"> <li>Purchased shares of common stock within the time frame specified in Notice.</li> <li>Still own such shares.</li> </ul>	None given.	Yes	No backup documentation provided.	0
7	<b>John L. Leding</b> (Fort Smith, AR)	7/8/2012	<ul style="list-style-type: none"> <li>Purchased 141 shares of common stock at \$112.23 (\$16,544.60) from 7/26/2007 through 3/05/2008.</li> </ul>	None given.	Yes	Claim Form; No backup documentation provided.	141

No	Name	Date	Information Regarding Shares	Reason for Request	Is Person a Class Member?	Documentation Provided	Potential Class Period Shares
8	<b>Evan Lamp and Ellen Lefferts</b> (Short Hills, NJ)	6/29/2012	<ul style="list-style-type: none"> <li>IRA Account purchased 750 shares on 8/20/2007 for \$10,267.50 and sold them on 8/27/2007 for \$9,164.85, loss of \$1,102.65.</li> <li>Trust Account purchased 5,000 shares on 8/20/2007 for \$69,049.00 and sold them on 8/27/2007 for \$61,949.03, loss of \$7,099.97</li> <li>Trust Account purchased 5,000 shares on 8/20/2007 for \$68,925.00 and sold them on 8/27/2007 for \$61,949.04, loss of \$6,975.96</li> <li>Trust Account purchased 5,000 shares on 8/20/2007 for \$68,075.00 and sold them on 10/5/2007 for \$66,667.86, loss of \$1,407.14.</li> </ul>	None given.	Yes	Letter; No backup documentation provided.	15,750
9	<b>Daniel Boone, Jr.</b> (Santa Fe, NM)	7/10/2012	<ul style="list-style-type: none"> <li>As per telephone conversation with Claims Administrator, Strategic Claims Services, he is not including proof of purchases of TMI stock.</li> </ul>	Settlement is a joke.	Indiscernible from information provided.	Letter; No backup documentation provided.	0
10	<b>Michael M. Reilly</b> (Santa Fe, NM)	7/10/2012	<ul style="list-style-type: none"> <li>Purchased 3,500 shares of TMA stock in 2004.</li> </ul>	Wishes to be part of future suits relating to these shares.	No	Letter; No backup documentation provided.	0
11	<b>Arthur J. Breaux III</b> (Homestead, FL)	7/1/2012	<ul style="list-style-type: none"> <li>Purchased TMI stock totaling 20,000 shares via TD Ameritrade at current market price during the affected period.</li> <li>Has not sold any of these shares.</li> </ul>	None given.	Yes	Letter; No backup documentation provided.	20,000

No	Name	Date	Information Regarding Shares	Reason for Request	Is Person a Class Member?	Documentation Provided	Potential Class Period Shares
12	<b>Elizabeth Anderson Hishon Foundation</b> (Atlanta, GA)	7/2/2012	<ul style="list-style-type: none"> <li>• Purchased 200 shares of TMI on 8/26/2004.</li> </ul>	None given.	No	Letter; No backup documentation provided.	0
13	<b>Alice D. Hurst</b> (Sun City, AZ)	7/14/2012	<ul style="list-style-type: none"> <li>• In last transaction through Vanguard on 7/22/2009 sold 20 shares for \$0.00560000; Principal \$0.11.</li> </ul>	None given.	Indiscernible from information provided.	Trade Confirmation.	0
14	<b>Francis R. Slattery and Philomena C. Slattery</b> (Norristown, PA)	7/2/2012	<ul style="list-style-type: none"> <li>• Francis R. Slattery IRA: 100 shares TMI.</li> <li>• Francis R. Slattery &amp; Philomena C. Slattery JT TEN: 100 shares TMI.</li> </ul>	None given.	Indiscernible from information provided.	Letter; No backup documentation provided.	200
15	<b>John R. Pavia</b> (Trumansburg, NY)	7/18/2012	<ul style="list-style-type: none"> <li>• Owned 0 shares of TMI common stock at the opening of trading on 4/19/2007.</li> <li>• Purchased 3,000 shares at \$13.61/share (\$40,822.65) on 9/19/2007.</li> <li>• Still owned 3,000 shares at the close of trading on 5/1/2009.</li> </ul>	None given.	Yes	Claim Form; No backup documentation provided.	3,000
16	<b>Margaret S. Chernish</b> (Newfield, NY)	7/17/2012	<ul style="list-style-type: none"> <li>• Owned 800 shares of TMI common stock at the opening of trading on 4/19/2007.</li> <li>• Purchased and sold 0 shares of TMI common stock between 4/19/2007 and 5/1/2009.</li> <li>• Still owned 800 shares of TMI common stock at the end of trading on 5/1/2009.</li> </ul>	None given.	No	Claim Form; Power of Attorney; No backup documentation provided.	0

No	Name	Date	Information Regarding Shares	Reason for Request	Is Person a Class Member?	Documentation Provided	Potential Class Period Shares
17	<b>William N. Chernish</b> (Newfield, NY)	7/17/2012	<ul style="list-style-type: none"> <li>• Purchased 100 shares of TMI common stock at \$22.01/share (\$2,200.59) on 8/9/2007.</li> <li>• Purchased 100 shares of TMI common stock at \$21.97/share (\$2,196.99) on 8/9/2007.</li> <li>• Purchased 100 shares of TMI common stock at \$21.57/share (\$2,157.00) on 8/9/2007.</li> <li>• Purchased 100 shares of TMI common stock at \$21.57/share (\$2,157.00) on 8/9/2007.</li> <li>• Purchased 100 shares of TMI common stock at \$21.52/share (\$2,152.00) on 8/9/2007</li> <li>• Purchased 300 shares of TMI common stock at \$22.0199/share (\$6,605.97) on 8/9/2007.</li> <li>• Purchased 700 shares of TMI common stock at \$21.5499/share (\$15,084.95) on 8/9/2007.</li> <li>• Purchased 500 shares of TMI common stock at \$10.3659/share (\$5,182.95) on 8/16/2007.</li> <li>• Purchased 1,000 shares at \$10.4999/share (\$10,499.95) on 8/16/2007.</li> <li>• Sold 100 shares of TMI common stock at \$9.84/share (\$984.01) on 2/28/2008.</li> <li>• Sold 100 shares of TMI common stock at \$9.84/share (\$984.00) on 2/28/2008.</li> <li>• Still owned 2,800 shares of TMI common stock at the close of trading on 5/1/2009.</li> </ul>	None given.	Yes	Claim Form; No backup documentation provided.	3,000

No	Name	Date	Information Regarding Shares	Reason for Request	Is Person a Class Member?	Documentation Provided	Potential Class Period Shares
18	<b>Lillian C. Kay</b> (Ithaca, NY) c/o Anne Chernish	7/17/2012	<ul style="list-style-type: none"> <li>Owned 0 shares of TMI common stock at the opening of trading on 4/19/2007.</li> <li>Purchased 100 shares of TMI common stock at \$10.50/share (\$1,050.75) on 11/30/2007.</li> <li>Purchased 200 shares of TMI common stock at \$10.51/share (\$2,101.50) on 11/30/2007.</li> <li>Purchased 200 shares of TMI common stock at \$10.51/share (\$2,101.50) on 11/30/2007.</li> <li>Purchased 200 shares of TMI common stock at \$10.52/share (\$2,103.48) on 11/30/2007.</li> <li>Purchased 1,300 shares of TMI common stock at \$10.52/share (\$13,672.72) on 11/30/2007.</li> <li>Still owned 2,000 shares of TMI common stock at the close of trading on 5/1/2009.</li> </ul>	None given.	Yes	Claim Form; Power of Attorney; No backup documentation provided.	2,000
19	<b>Robert Turrill</b> (Laurens, SC)	None	<ul style="list-style-type: none"> <li>No information given.</li> </ul>	None given.	Indiscernible from information provided.	Letter; No backup documentation provided.	0
20	<b>John F. Isenman</b> (Festus, MO)	7/25/2012	<ul style="list-style-type: none"> <li>Currently owns both common stock and preferred stock in the Company.</li> </ul>	None given.	Indiscernible from information provided.	Letter; No backup documentation provided.	0

No	Name	Date	Information Regarding Shares	Reason for Request	Is Person a Class Member?	Documentation Provided	Potential Class Period Shares
21	<b>Judith Genova</b> (Spencer, NY)	7/17/2012	<ul style="list-style-type: none"> <li>Owned 300 shares of TMI common stock at the opening of trading on 4/19/2007.</li> <li>No purchases or sales made between 4/19/2007 and 5/1/2009.</li> </ul>	None given.	No	Claim Form; No backup documentation provided.	0
22	<b>Herb Stube</b> (Park City, UT)	7/24/2012	<ul style="list-style-type: none"> <li>Owned 60 shares at the opening of trading on 4/19/2007.</li> <li>Purchased 200 shares at \$25.54975/share (\$5,109.95) on 7/19/2007.</li> <li>Purchased 200 shares at \$14.95975/share (\$2,991.95) on 8/13/2007.</li> <li>Purchased 200 shares at \$13.44975/share (\$2,689.95) on 9/20/2007.</li> <li>Purchased 200 shares at \$13.53975/share (\$2,707.95) on 10/2/2007.</li> <li>Purchased 10 shares at \$5.868/share (\$58.68) on 10/26/2007.</li> <li>Purchased 90 shares at \$10.21444/share (\$919.30) on 10/26/2007.</li> <li>Purchased 100 shares at \$9.77970/share (\$977.97) on 10/26/2007.</li> </ul>	None given.	Yes	Letter; Broker Statement	1,000
23	<b>Linda B. Myers and William Lee Myers</b> (Ithaca, NY)	None	<ul style="list-style-type: none"> <li>Owned 0 shares of TMI common stock at the opening of trading on 4/19/2007.</li> <li>Purchased 700 shares of TMI common stock at \$26.33/share (\$18,433.95) on 7/17/2007.</li> <li>Purchased 3,000 shares of TMI common stock at \$26.30/share (\$78,909.95) on 7/17/2007.</li> </ul>	None given.	Yes	Claim Form; No backup documentation provided.	9,700

No	Name	Date	Information Regarding Shares	Reason for Request	Is Person a Class Member?	Documentation Provided	Potential Class Period Shares
24	<b>Anthony C. Massaro</b> (Crown Point, IN)	7/25/2012	<ul style="list-style-type: none"> <li>• Purchased 2,500 shares of TMI common stock at \$13.59/share (\$33,987.20) on 9/19/2007.</li> <li>• Purchased 3,500 shares of TMI common stock at \$13.30/share (\$46,533.35) on 8/23/2007.</li> <li>• Still owned 9,700 shares of TMI common stock at the close of trading on 5/1/2009.</li> <li>• Purchased 200 shares at \$26.815/share (\$5,363.00) on 7/30/2007.</li> <li>• Purchased 125 shares at \$13.016/share (\$1,627.00) on 8/21/2007.</li> <li>• Purchased 500 shares at \$2.164/share (\$1,082.00) on 3/14/2008.</li> <li>• Purchased 100 shares at \$1.330/share (\$133.00) on 3/24/2008.</li> <li>• Purchased 100 shares at \$0.934/share (\$93.43) on 5/12/2008.</li> <li>• Purchased 300 shares at \$0.259/share (\$77.78) on 6/20/2008.</li> <li>• Purchased 400 shares at \$0.277/share (\$110.68) on 6/20/2008.</li> <li>• Purchased 4,000 shares at \$0.231/share (\$923.16) on 7/1/2008.</li> <li>• Purchased 1,275 shares at \$0.307/share (\$391.41) on 7/28/2008.</li> </ul>	None given.	Yes	Letter; Broker Statement	825

No	Name	Date	Information Regarding Shares	Reason for Request	Is Person a Class Member?	Documentation Provided	Potential Class Period Shares
25	<b>Diane M. Kozub</b> (Ft. Worth, TX)	7/17/2012	<ul style="list-style-type: none"> <li>• Purchased 126 shares at \$19.74/share on 6/26/2002.</li> <li>• Purchased 73 shares at \$27.90 on 1/23/2004.</li> <li>• Made no sales.</li> </ul>	None given.	No	Letter; No backup documentation provided.	0
26	<b>Suzanne E. West</b> (Ithaca, NY)	7/20/2012	<ul style="list-style-type: none"> <li>• Owned 0 shares of TMI common stock at the opening of trading on 4/19/2007.</li> <li>• Purchased 1,000 shares of TMI common stock at \$13.21/share (\$13,217.35) on 2/12/2008.</li> <li>• Still owned 1,000 shares of TMI common stock at the close of trading on 5/1/2009.</li> </ul>	None given.	Yes	Claim Form; Power of Attorney; No backup documentation provided.	1,000
27	<b>Robert H. and Mildred L. Redding</b> (Lee's Summit, MO)	None	<ul style="list-style-type: none"> <li>• Owned 1,000 shares of TMI common stock at the opening of trading on 4/19/2007. According to AG Edwards Portfolio:</li> <li>• Sold 160 shares at \$9.63/share (\$1,466.69) on 11/19/2007.</li> <li>• Sold 640 shares at \$1.24/share (\$750.59) on 4/25/2008.</li> <li>• Sold 200 shares at \$1.24/share (\$218.93) on 4/25/2008.</li> </ul>	None given.	No	Letter; Broker Statements.	0
28	<b>Harold Michael</b> (Camarillo, CA)	7/30/2012	<p>Made the following purchases during the Class Period:</p> <ul style="list-style-type: none"> <li>• Purchased 500 shares of TMA at \$13.40/share (\$6,709.95) on 9/12/2007.</li> <li>• Purchased 500 shares at \$11.90/share (\$5,959.95) on 10/16/2007.</li> </ul>	None given.	Yes	Letter; Broker Statements.	4,800

No	Name	Date	Information Regarding Shares	Reason for Request	Is Person a Class Member?	Documentation Provided	Potential Class Period Shares
29	<p><b>Leland L. Swinehart</b> (St. Anne, IL)</p>	<p>8/2/2012</p>	<ul style="list-style-type: none"> <li>• Purchased 3,000 shares at \$1.02/share (\$3,069.95) on 3/10/2008.</li> </ul> <p>Also made the following transactions according to Ameritrade portfolio:</p> <ul style="list-style-type: none"> <li>• Purchased 800 shares at \$8.70/share (\$6,969.95) on 1/9/2008.</li> <li>• Sold 200 shares at \$10.9901/share (\$2,188.04) on 2/22/2008.</li> <li>• At this time owns 901,000 shares.</li> </ul> <ul style="list-style-type: none"> <li>• Purchased 2,000 shares of TMApF Preferred Stock at \$7.507/share (\$15,014.00) on 3/19/2007.</li> <li>• Purchased 1,000 shares of TMA common stock at \$9.887/share (\$9,887.00) on 12/20/2007.</li> <li>• Purchased 1,000 shares of TMApF Preferred Stock at \$21.267/share (\$21,267.00) on 1/15/2008.</li> <li>• Outside of the class period: Purchased 2,000 shares of TMA Common Stock at \$1.022/share (\$2,044.00) on 3/20/2008.</li> <li>• Outside the Class Period made various purchases of TMApF Preferred Stock totaling 5,000 shares valued at \$6,372.00.</li> </ul>	<p>None given.</p>	<p>Yes</p>	<p>Letter; No backup documentation provided.</p>	<p>2,000</p>

No	Name	Date	Information Regarding Shares	Reason for Request	Is Person a Class Member?	Documentation Provided	Potential Class Period Shares
30	<b>Dorothy L. Feldman and Richard P. Feldman</b> (Oceanside, NY)	8/1/2012	<ul style="list-style-type: none"> <li>• Purchased 500 shares of TMA-PRF at \$27.90/share on 9/10/2007.</li> <li>• Purchased 300 shares of TMA-PRF at \$26.10/share on 10/10/2007.</li> <li>• Purchased 400 shares of TMA-PRF at \$24.24/share on 10/17/2007.</li> <li>• Never sold any shares.</li> </ul>	None given.	Yes	Letter; No backup documentation provided.	1,200
31	<b>RPF Enterprises Inc.</b> (Oceanside, NY)	8/1/2012	<ul style="list-style-type: none"> <li>• Purchased 300 shares of TMA PRF at \$24.38/share on 10/17/2007.</li> <li>• Never sold any shares.</li> </ul>	None given.	Yes	Letter; No backup documentation provided.	300
32	<b>Linda L. Cooper</b> (Locke, NY)	7/19/2012	<ul style="list-style-type: none"> <li>• Owned 400 shares of TMI common stock at the opening of trading on 4/19/2007.</li> <li>• Did not purchase or sell any stock between 4/19/2007 and 5/1/2009.</li> <li>• Still owned 400 shares of TMI common stock at the close of trading on 5/1/2009.</li> </ul>	None given.	No	Letter; No backup documentation provided.	0
33	<b>Anna R. Susmann</b> (Ithaca, NY)	7/17/2012	<ul style="list-style-type: none"> <li>• Owned 500 shares of TMI common stock at the opening of trading on 4/19/2007.</li> <li>• Purchased 500 shares of TMI common stock at \$13.23/share (\$6,613.60) on 2/12/2008.</li> <li>• Still owned 1,000 shares of TMI common stock at the close of trading on 5/1/2009.</li> </ul>	None given.	Yes	Claim Form; No backup documentation provided.	500

No	Name	Date	Information Regarding Shares	Reason for Request	Is Person a Class Member?	Documentation Provided	Potential Class Period Shares
34	<b>Norman W. Luttrell</b> (Belmont, CA)	7/31/2012	<ul style="list-style-type: none"> <li>Owned 250 shares (pre-split) of TMI common stock at the opening of trading on 4/19/2007.</li> <li>Sold 25 shares (post-split) of TMI common stock at \$0/share (\$0) on 12/17/2008.</li> <li>Still owned 0 shares of TMI common stock at the close of trading on May 1, 2009.</li> </ul>	None given.	No	Claim Form; No backup documentation provided.	0
35	<b>Emily Ruth Sorel</b> (Slaterville Springs, NY)	7/19/2012	<ul style="list-style-type: none"> <li>Owned 500 shares of TMI common stock at the opening of trading on 4/19/2007.</li> <li>Purchased 500 shares of TMI common stock at \$13.24/share (\$6,623.65) on 2/12/2008.</li> <li>Still owned 1,000 shares of TMI common stock at the close of trading on 5/1/2009.</li> </ul>	None given.	Yes	Claim Form; No backup documentation provided.	500
36	<b>Christine Gaffney</b> (Worcester, MA)	7/28/2012	<ul style="list-style-type: none"> <li>Owned 0 shares of TMI common stock at the opening of trading on 4/19/2007.</li> <li>Purchased 100 shares of TMA at \$2.2675/share (\$233.75) on 3/18/2008.</li> <li>Purchased 100 shares of TMA at \$1.14/share (\$121.00) on 4/22/2008.</li> <li>Purchased 40 shares of TMA at \$3.36/share on 10/7/2008.</li> <li>Sold 90 shares of TMA at \$1.81/share (\$155.89) on 3/19/2008.</li> </ul>	None given.	Yes	Letter; Claim Form; Trade Confirmations.	100

No	Name	Date	Information Regarding Shares	Reason for Request	Is Person a Class Member?	Documentation Provided	Potential Class Period Shares
37	<b>Fay Helmon</b> (Issaquah, WA)	7/3/2012	<ul style="list-style-type: none"> <li>Purchased 120 shares of TMAPRC at \$24.9136/share (\$2,989.63) on 7/25/2007.</li> <li>Sold 120 shares of TMAPRC at \$2.97590/share (\$357.11) on 3/12/2008.</li> </ul>	None given.	Yes	Letter; Trade Confirmations.	120
38	<b>Daniel DeJohn</b> (Ithaca, NY)	7/31/2012	<ul style="list-style-type: none"> <li>Owned 0 shares of TMI common stock at the opening of trading on 4/19/2007.</li> <li>Purchased 200 shares at \$15.8998/share (\$3,197.95) on 8/17/2007.</li> <li>Purchased 1,400 shares at \$10.93/share (\$15,313.95) on 8/21/2007.</li> <li>Purchased 700 shares at \$13.32/share (\$9,324.63) on 8/23/2007.</li> <li>Purchased 1,500 shares at \$13.22/share (\$19,838.13) on 2/12/2008.</li> <li>Still owned 3,800 shares of TMI common stock at the close of trading on 5/1/2009.</li> </ul>	None given.	Yes	Claim Form; No backup documentation provided.	3,800
39	<b>Alan Diaz, MD</b> (Mt. Vernon, NY)	8/1/2012	<ul style="list-style-type: none"> <li>Purchased 150,000 shares between 5/20/2008 and 5/6/2011.</li> </ul>	None given.	No	Letter; Broker Statement.	0
40	<b>Susan Willemssen</b> (Ithaca, NY)	7/19/2012	<ul style="list-style-type: none"> <li>Owned 500 shares of TMI common stock at the opening of trading on April 19, 2007.</li> <li>Did not purchase or sell any shares between 7/19/2007 and 5/1/2009.</li> <li>Still owned 500 shares of TMI common stock at the close of trading on 5/1/2009.</li> </ul>	None given.	No	Claim Form; No backup documentation provided.	0

No	Name	Date	Information Regarding Shares	Reason for Request	Is Person a Class Member?	Documentation Provided	Potential Class Period Shares
41	<b>Joan Hullar</b> (Tucson, AZ)	7/24/2012	<ul style="list-style-type: none"> <li>Owned 900 shares of TMI common stock at the opening of trading on 4/19/2007.</li> <li>Sold 900 shares of TMI common stock at \$9.82/share (\$8,838.71) on 11/29/2007.</li> </ul>	None given.	No	Claim Form; No backup documentation provided.	0
42	<b>John P. and Sally Reither Family Trust</b> (Gold River, CA)	7/24/2012	<ul style="list-style-type: none"> <li>Owned 500 shares of TMI common stock at the opening of trading on 4/19/2007.</li> </ul>	None given.	No	Claim Form; No backup documentation provided.	0
43	<b>Barbara Prudhomme Credit Shelter Trust</b> (Gold River, CA) Sally Reither Trustee U/W	7/24/2012	<ul style="list-style-type: none"> <li>Owned 600 shares of TMI common stock at the opening of trading on 4/19/2007.</li> <li>Did not purchase or sell any shares between 4/19/2007 and 5/1/2009.</li> <li>Still owned 600 shares of TMI common stock at the close of trading on 5/1/2009.</li> </ul>	None given.	No	Claim Form; No backup documentation provided.	0
44	<b>Robert W. Snare, MD</b> (Chipley, FL)	7/27/2012	<ul style="list-style-type: none"> <li>Purchased 400 shares of TMAPRF at \$29.60/share (\$11,844.00) on 9/13/2007.</li> <li>Purchased 900 shares of TMAPRF at \$29.62/share (\$26,667.00) on 9/13/2007.</li> <li>Purchased 5,050 shares of TMAPRF at \$29.55/share (\$149,288.00) on 9/13/2007.</li> <li>Purchased 54,000 shares of TMAPRF at \$29.00/share (\$1,566,550.00) on 9/20/2007.</li> <li>Purchased 900 shares of TMAPRF at \$29.00/share (\$26,110.00) on 9/21/2007.</li> <li>Purchased 400 shares of TMAPRF at</li> </ul>	None given.	Yes	Letter; Broker Statements.	78,400

No	Name	Date	Information Regarding Shares	Reason for Request	Is Person a Class Member?	Documentation Provided	Potential Class Period Shares
45	<b>Rocco M. Scanza</b> (Ithaca, NY)	None	<ul style="list-style-type: none"> <li>• \$28.6300/share (\$11,452.00) on 9/24/2007.</li> <li>• Purchased 1,000 shares of TMAPRF at \$28.5600/share (\$28,570.00) on 9/24/2007.</li> <li>• Purchased 1,200 shares of TMAPRF at \$28.5800/share (\$34,296.00) on 9/24/2007.</li> <li>• Purchased 11,140 shares of TMAPRF at \$28.7000/share (\$319,855.40) on 9/24/2007.</li> <li>• Purchased 1,292 shares of TMAPRF at \$23.60/share (\$30,491.20) on 12/19/2007.</li> <li>• Purchased 2,118 shares of TMAPRF at \$23.60/share (\$49,984.80) on 12/19/2007</li> <li>• No shares were sold.</li> <li>• Owned 800 shares of TMI common stock at the opening of trading on 4/19/2007.</li> <li>• Purchased 1,000 shares of TMI common stock at \$15.34/share (\$15,348.25) on 8/13/2007.</li> <li>• Purchased 200 shares of TMI common stock at \$13.30/share (\$2,661.43) on 2/12/2008.</li> <li>• Still owned 2,000 shares of TMI common stock at the close of trading on 5/1/2009.</li> </ul>	None given.	Yes	Claim Form; No backup documentation provided.	1,200

No	Name	Date	Information Regarding Shares	Reason for Request	Is Person a Class Member?	Documentation Provided	Potential Class Period Shares
46	<b>Sherry L. Scanza</b> (Ithaca, NY)	None	<ul style="list-style-type: none"> <li>Owned 300 shares of TMI common stock at the opening of trading on 4/19/2007.</li> <li>Purchased 500 shares of TMI common stock at \$13.25/share (\$6,623.65) on 2/12/2008.</li> <li>Did not sell any shares between 4/19/2007 and 5/1/2009.</li> <li>Still owned 800 shares of TMI common stock at the close of trading on 5/1/2009.</li> </ul>	None given.	Yes	Claim Form; No backup documentation provided.	500
47	<b>Chris A. Fitzpatrick</b> (Houlton, ME)	7/24/2012	<ul style="list-style-type: none"> <li>Owned 0 shares of TMI common stock at the opening of trading on 4/19/2007.</li> <li>Purchased 1,000 shares of TMI common stock at \$1,229.90/share (\$1,229.90) on 4/1/2008.</li> <li>Did not sell any shares between 4/19/2007 and 5/1/2009.</li> <li>Still owned 1,000 shares of TMI common stock at the close of trading on 5/1/2009.</li> </ul>	None given.	No	Claim Form; No backup documentation provided.	0
48	<b>Joe L. Siddon</b> (Spanish Fort, AL) (late request)	Dated 8/11/2012 Received 8/16/2012	<ul style="list-style-type: none"> <li>Purchased 300 shares in 2007 for total of \$8,120.85.</li> <li>Sold 300 shares on 12/27/2007 at \$9,891.00/share (\$2,895.58).</li> </ul>	None given.	Indiscernible from information provided.	Letter; Trade Confirmation for sale, but not for purchase.	300
49	<b>Fu Sheng Wu</b> (Belmont, MA) (late request)	Dated 8/3/2012 Received 8/20/2012	<ul style="list-style-type: none"> <li>Purchased 200 shares of TMA common stock on 8/13/2007.</li> <li>Purchased 200 shares of TMA common stock on 8/14/2007.</li> </ul>	None given.	Yes	Letter; No backup documentation provided.	400

No	Name	Date	Information Regarding Shares	Reason for Request	Is Person a Class Member?	Documentation Provided	Potential Class Period Shares
<b>Total Number of Shares Requesting Exclusion Purchased During Class Period:</b>							
							<b>154,136</b>

# **EXHIBIT C**

Frank C. Melfi  
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(505) 247-2384

Clerk of the Court  
United States District Court  
District of New Mexico  
United States Courthouse  
333 Lomas Blvd. N.W.  
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Andrew L. Zivitz  
Benjamin J. Sweet  
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Jonathon A. Shapiro  
Elizabeth H. Skey  
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Betsy C. Manifold  
Patrick H. Moran  
Wolf Haldenstein Adler Freeman & Herz  
750 B Street  
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Los Angeles, CA 90071

IN RE: Thornburg Mortgage Inc.  
Case No. CIV 07-815JB/WDS

July 5, 2012

Your Honor:

I started purchasing Thornburg preferred stock on October 9, 2007 with the last purchase occurring on November 11, 2008. I purchased a total of 6000 preferred shares. I paid as high as \$27.37 and as low as \$1.24 per share for a total cost of \$36,771.02. When Thornburg requested the preferred owners to convert to the common to try and save the company, I agreed and I now own 18,000 shares of the common stock. If required, I will supply copies of my brokerage confirmations.

I would like to object to the proposed settlement for the following reasons.

Basic facts

- 1- It was clearly stated that Thornburg was issuing the preferred shares in an attempt to raise capital to meet margin calls. Obviously, this was a high risk underwriting and the interest rate was priced high to compensate for the risk.

RJM  
7/9/12  
Sued. 7-6-12

- 2- It was clearly deteriorating market conditions that caused Thornburg's bankruptcy, not management actions. Prices for the mortgages dropped way beyond what one would reasonably expect. Thornburg was caught in a vicious market rout and it was impossible to continue to meet the future margin calls.
- 3- Plaintiff's attorneys clearly state they undertook risk when they took the case on a contingent basis.
- 4- Thornburg filed for bankruptcy three years ago and it has been obvious for a long time that the lenders wiped out the equity holder.

My objections to the settlement are;

- 1- These facts were generally available when the plaintiffs filed suit and assumed the risk that they may receive nothing.
- 2- The settlement is favorable to the attorneys. \$500,000 payment for their services, \$260,000 for expenses and \$?? for interest due.
- 3- Shareholders will not receive a penny a share. The payments to the attorneys must first be deducted leaving only \$1.2 million to be split amongst 200 million shares or 6/10 of a penny. In addition, footnote 3, page 2 states that it is likely you will even receive a much lower amount as the class will be substantially larger.
- 4- Trying to divide the remaining \$1.2 million between the obviously much larger class than the 200 million shares is a fool's errand.
- 5- The Circumstances of Settlement really states that the law suit is terrible, the chances of winning are nil and investing more time and effort is a loser. Not only are fact against them but the company is bankrupt. There is no money.
- 6- Describing a half penny settlement as "an immediate benefit to the class" is like a mosquito braggng that he made mad, passionate love to an elephant.
- 7- Shareholder benefits? Miniscule is an over statement. It's a fig leaf to justify the settlement.
- 8- There are just too many hit and run lawsuits like this one. It just raises the cost of doing business. At the end of the day, it's the shareholders that end up paying the costs to make the lawsuits go away.

I obviously took a risk in purchasing Thornburg. The attorneys admitted that they also took a risk in filing the lawsuit. Shareholders are not benefiting, neither should they.

I suggest that you simply dismiss the suit.

One last comment. To my knowledge, I do not know or have or had any business relationship with any director, officer or employee of Thornburg. I've made my investment decision and this one hurt.

Thank you for your time.

Sincerely,



Frank C. Meli

Frank Meiff  
20 First Plaza Ctr. NW, Ste. 308  
Albuquerque, NM 87102-3390



Clerk of the Court  
United States District Court  
District of N.M.  
United States Courthouse  
333 Lomas Blvd NW  
Suite 270  
Albuquerque, NM 87102  
87102227470

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JUL 06 2012

MATTHEW J. DYKMAN  
C-594



# **EXHIBIT D**

July 11, 2012

To: Clerk of the Court  
U.S. District Court  
District of New Mexico

From: Donald E. and Dolores j. Wildner  
1306 SW 18 Terrace  
Cape Coral, Florida 33991

Subject: Thornburg Mortgage Inc. Securities Litigation  
Case: CIV07-815JB/WDS

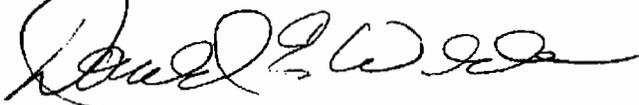
Dear Clerk of the Court:

The officers of Thornburg Mortgage Inc. (TMA) lost billions of dollars, took enormous salaries and overextended the company. Now they want to be released from responsibility by paying pennies on the dollar.

We trusted their ability. The settlement should be much greater and they should be held financially responsible for their actions.

The ones benefitting from this settlement are the attorneys and the officers of the company who are released from responsibility.

Sincerely,

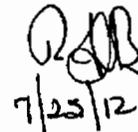


Donald E. Wildner

Phone Number 239-772-2606



Attached is documentation requested.

  
7/25/12  
Sec 6.7-17-12



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Account

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Fri Jul 06 2012 3:37:23 PM EDT

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### Message Center |

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Inbox (1 new)

Sent

Trash

Linked Accts | What's this?

(2)

(1)

### Re: Purchase history for Thornburg Mortgage | Back to INBOX

| Next >

< Previous

Move to... Reply Delete

Download | Print | New window

From: Message Center Client Services | Date: 07/05/12 7:58 PM Message available until 07/05/14.

Dear Dolores and Donald Wildner,

Thank you for your request regarding your TD Ameritrade account ending in [redacted]. Included below is the purchase information you requested. If you have questions regarding your tax liability or need assistance with determining your cost basis, please consult with a qualified tax advisor.

TMA PRF  $\zeta$  Thornburg Mortgage Inc. Preferred F Shares

10/11/2007	Purchased	1,000 shares	at \$26.00 per share	for a total of \$26,009.99
01/07/2008	Purchased	2,000 shares	at \$23.59 per share	for a total of \$47,189.99
01/07/2008	Purchased	2,000 shares	at \$23.62 per share	for a total of \$47,249.99
08/18/2008	Voluntary Exchange	5,000 shares TMA PRF	for 5,000 shares cusip 885218990	
11/21/2008	3:1 Voluntary exchange	removed 5,000 shares cusip 885218990	received 15,000 new TMA common shares	

If we can be of any further assistance, please log on to your account and click  $\zeta$ Message Center $\zeta$  (under Home) to write us. A Client Services representative will respond to your query through your Message Center inbox. You can also call Client Services at 800-669-3900. We're available 24 hours a day, seven days a week.

Sincerely,

Eric Somervill  
Resource Specialist  
TD Ameritrade

This information is furnished as part of a general information service and TD Ameritrade shall not be liable for any damages arising out of any inaccuracy in the information. Because this information may differ from your TD Ameritrade monthly statement, you should rely only on the TD Ameritrade monthly statement as the official record of your TD Ameritrade account.

TD Ameritrade does not provide legal or tax advice. Please consult your legal or tax advisor regarding tax consequences of your transactions.

Market volatility, volume, and system availability may delay account access and trade executions.

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TDA 1721 L 06/11

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PO BOX 2209  
OMAHA NE 68103-2209



1

C4-010049665  
DOLORES J & DONALD E WILDNER TRS  
FBO DOLORES J WILDNER REVOCABLE  
LIVING TRUST UA MAY 04, 2005  
1306 SW 18 TER  
CAPE CORAL FL 33991-3225

00003019 28 8162

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**Confirmation Notice**



ACCOUNT NO.	OTHER INFO	TRANSACTION NUMBER	CAP CODES	YOUR REPRESENTATIVE		
			5	FF		
ACTIVITY	QUANTITY	CUSIP NUMBER	PRICE	PRINCIPAL AMOUNT	FEES	SALES FEE
YOU BOUGHT	2,000	885218701	23.590	47,180.00		
AS OF TRADE DATE	TRADE DATE	SETTLEMENT DATE	INTEREST	COMMISSION	NET AMOUNT	
	01/07/2008	01/10/2008		9.99	47,189.99	
TRADE DESCRIPTION			SYMBOL			
THORNBURG MORTGAGE INC COM			TMA PRF			
THIS IS AN UNSOLICITED TRADE						

ACCOUNT NO.	OTHER INFO	TRANSACTION NUMBER	CAP CODES	YOUR REPRESENTATIVE		
			5	FF		
ACTIVITY	QUANTITY	CUSIP NUMBER	PRICE	PRINCIPAL AMOUNT	FEES	SALES FEE
YOU BOUGHT	2,000	885218701	23.620	47,240.00		
AS OF TRADE DATE	TRADE DATE	SETTLEMENT DATE	INTEREST	COMMISSION	NET AMOUNT	
	01/07/2008	01/10/2008		9.99	47,249.99	
TRADE DESCRIPTION			SYMBOL			
THORNBURG MORTGAGE INC COM			TMA PRF			
THIS IS AN UNSOLICITED TRADE						



Account

ACCOUNT NO.		OTHER INFO		TRANSACTION NUMBER		CAP CODES		YOUR REPRESENTATIVE	
						5		FF	
ACTIVITY		QUANTITY		CUSIP NUMBER		PRICE		PRINCIPAL AMOUNT	
YOU BOUGHT		1,000		885218701		26		26,000.00	
AS OF TRADE DATE		TRADE DATE		SETTLEMENT DATE		INTEREST		COMMISSION	
		10/11/2007		10/16/2007				9.99	
TRADE DESCRIPTION						SYMBOL			
THORNBURG MORTGAGE INC COM						TMA PRF			
THIS IS AN UNSOLICITED TRADE									

TERMS AND CONDITIONS		ACCOUNT NO. SUFFIX							
<p>IT IS AGREED BETWEEN THE EXECUTING BROKER AND THE CUSTOMER NAMED HEREIN THAT:</p> <ol style="list-style-type: none"> <li>TD AMERITRADE Clearing, Inc., member of NASD/SIPC acts as the clearing agent.</li> <li>This confirmation is a transaction advice, not an invoice. Remittance of funds or securities is due on or before settlement date.</li> <li>You will report any errors immediately and/or notify us if not entirely in accordance with your understanding.</li> <li>All transactions are subject to the rules, regulations, requirements (including margin requirements) and customs of the Federal Reserve Board, the Securities and Exchange Commission, the Exchange or market (and its clearing house, if any) where executed, and of any association whose rules and regulations govern transactions in said market, and to all the terms or our general customer's agreements between you and us. Wisconsin customers' agency trades are unsolicited.</li> <li>The securities described are or may be hypothecated under circumstances which will permit the commingling thereof with securities carried for the account of the other customers. Such commingling, if any, ceases upon payment by you for these securities in the net amount due.</li> <li>The name of the other party or broker in the transaction, the date, the time of execution, source and amount of remuneration will be furnished upon request.</li> <li>If this transaction is a sale and the securities are not already in our possession and do not represent a short sale, please forward them immediately to avoid possible payment of premium on securities borrowed.</li> <li>If payment is not made on or prior to the date required by Regulation T of the Federal Reserve Board, we reserve the right without further notice, to cancel this transaction, or at our option, to sell the securities covered hereby and hold you liable for resulting loss.</li> <li>Misc. Fees will be explained upon request. TD Ameritrade charges a sales fee on certain self transactions. The sales fee is assessed at a rate consistent with Section 31 of the Securities and Exchange Act of 1934.</li> <li>If the transaction involves callable securities, the call features could affect yield. Complete information will be provided upon request. On zero coupon, interest and multiplier securities, no periodic payments of interest or principal are generally made. These securities may be callable below maturity value, without notice by mail to holder unless the securities are held in registered form. On CMOs, yields are subject to fluctuation depending on prepayment; specific information is available upon request.</li> <li>The firm receives payment for order flow on certain listed, NASDAQ and over-the-counter securities. The source and nature of payment received in connection with a particular transaction will be furnished upon written request.</li> </ol>		<p>TYPE OF ACCOUNT</p> <table border="0"> <tr> <td>1. Cash</td> <td>2. Margin Long</td> </tr> <tr> <td>3. Margin Short</td> <td>4. Income</td> </tr> <tr> <td>5. Withholding</td> <td>6. Special</td> </tr> </table>		1. Cash	2. Margin Long	3. Margin Short	4. Income	5. Withholding	6. Special
1. Cash	2. Margin Long								
3. Margin Short	4. Income								
5. Withholding	6. Special								
		<p>CAP CODES</p>							
		<p>WHERE TRANSACTION WAS MADE AND CAPACITIES IN WHICH WE ACTED</p> <ol style="list-style-type: none"> <li>Options Exchange - as agent</li> <li>New York Stock Exchange - as agent</li> <li>American Stock Exchange - as agent</li> <li>Other Stock Exchange - as agent</li> <li>As principal for our own account</li> <li>Over-The-Counter - as agent</li> <li>Over-The-Counter - as agent for both buyer and seller - commissions charged to both parties</li> <li>Over-The-Counter - riskless principal</li> <li>Over-The-Counter - as principal</li> <li>Mutual Funds Trade - as agent</li> </ol>							

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333 HOWAS BLVD. MATTHEW J. DYKMAN  
SUITE 270 CLERK

ALBUQUERQUE, NM 87102

TMA RITHTION 87102227470

# **EXHIBIT E**

DALE CRANE  
PO Box 92817  
Southlake, Texas 76092  
817-481-3052

July 31, 2012

Clerk of the Court  
United States District Court  
District of New Mexico  
US Courthouse  
333 Lomas Blvd. NW, Suite 270  
Albuquerque, NM 87102

RE: Thornburg Mortgage, Inc. Securities Litigation  
Case No. CIV 07-815JB/WDS

To Whom it May Concern:

We object to the proposed Settlement.

The Settlement, providing \$.01/damaged share, is so pathetically small it shouts that the action should not have been brought in the first place.

The Co-Lead Counsels' ("CLC") requests for fees and expenses are too high, absolutely and relative to the Settlement Amount. Having brought this action "...on a contingent basis..." CLC undertook this action at their own risk. Now, having realized that the likelihood of substantial recovery (providing large fees to themselves) is disproportionate to the risks and expenses of moving forward, CLC disingenuously claims the Settlement "...is to provide an immediate benefit to the **Class**. The proposed settlement allocation, providing at least 38% to CLC, is self-serving to CLC and unfair to the Class.

The undersigned all lost money investing in securities of Thornburg. However, recovery of a whopping \$.01/share indicates the alleged illegal behavior of the Defendants with respect to federal securities law was absent or certainly not egregious. Perhaps the Court will weigh in this case whether the greater threat to the Commonwealth is from: (i) such contingent fee-driven suits tenuously alleging violations of securities laws; or (ii) actual violations of securities laws.

In considering whether to bring suits such as this one, sound public policy should lead law firms to consider the calculus of the risk of recovering nothing. We urge the

Court in this case to provide discipline to the securities bar by allowing CLC neither fees nor expenses.

Information regarding purchases/sales of TMI common stock:

<u>Entity</u>	<u>Date</u>	<u>Action</u>	<u>Shares</u>	<u>Price</u>
L. H. Crane IRA	3/21/07	bought	400	\$25.99
	3/04/08	sold	400	3.86
D. Crane Co. SEP-IRA	3/21/07	bought	2000	\$25.95
	10/25/07	sold	2000	9.90

L.P. Crane (Information in long term storage-not available)

Sincerely,



Dale Crane

cc: Andrew L. Zivitz  
Benjamin J. Sweet  
✓ Kessler Topaz et al  
280 King of Prussia Road  
Radnor, PA 19087

Betsy C. Manifold  
Patrick H. Moran  
Wolf Haldenstein et al  
750 B Street, Ste. 2770  
San Diego, CA 92101

Jonathan A. Shapiro  
Elizabeth H. Skey  
Wilmer Cutler et al  
950 Page Mill Road  
Palo Alto, CA 94304

P. Patty Li  
Wilmer Cutler et al  
350 S. Grand Ave. Ste. 2100  
Los Angeles, CA 90071

# **EXHIBIT F**

Joel E. Reed  
6706 Winnipeg Cove  
Austin, Texas 78759

July 5, 2012

United States District Court  
District of New Mexico  
Clerk of Court  
333 Lomas Blvd. N.W.  
Suite 270  
Albuquerque, NM 87102

Re: Thornburg Mortgage, Inc. Securities Litigation  
Case No. CIV 07-815JB/WDS  
Class Action

Dear Sir or Madam:

I wish to register my objection to the attorney fees in this settlement. Plaintiff's lead counsel is expected to petition the Court for 25% of the settlement award plus up to \$260,000 of expenses.

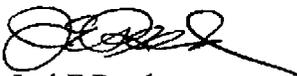
This is outrageous! The settlement that they have negotiated for the injured class members amounts to less than \$0.01 per share. My "damage" (loss) per share amounted to almost \$10.00 per share. The settlement is an insult to the class members and is nothing more than a waste of time for damages that won't amount to enough to buy a sandwich for the average class member!

I ask the Court, why is this type of corporate extortion allowed?

The Plaintiffs' Counsel is the only party making money here. The "injured class members" are getting relatively nothing as respect to their losses. Therefore, the Plaintiffs' Counsel does not deserve to receive a fee of any magnitude.

I ask you please, send a message, don't allow this type of **nonsense** to continue. The injured class has not received an amount that is significant and therefore, the Plaintiffs' Counsel should not either.

Very truly yours,

  
Joel E Reed

cc: Kessler Topaz Meltzer & Check, LLP  
Wolf Haldenstein Adler Freeman & Herz LLP  
Wilmer Cutler Pickering Hale and Dorr LLP

---

Telephone (512) 338-0011

Fax (512) 857-0592

Email:

6706 Winnipeg Cv  
Austin, Tx 78759

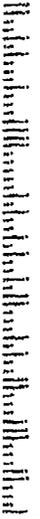
United States District Court  
District of New Mexico  
Clerk of Court  
333 Lomas Blvd. N.W.  
Suite 270  
Albuquerque, NM 87102



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# **EXHIBIT G**

August 17, 2012

**Claims Administrator**  
Strategic Claims Services  
PO Box 230  
600 N. Jackson Street, Suite 3  
Media PA 19063

**Settlement Objection**  
**In re Thornburg Mortgage, Inc. Securities Litigation**  
Case No. CIV 07-815JB/WDS

We are mailing to you our original signed **Proof of Claim and Release Form**, with attachments showing ownership of the relevant securities, in the above referenced litigation. A scanned copy is enclosed herewith in support of this Objection.

**We write to place before the Court our object to the commencement date of April 19, 2007, and the consequent exclusion of a specific sub-set of “prior purchase” stock holders, and request that the Court (i) extend the Class Period to include an earlier purchase date and (ii) consequently, that those who purchased stock during the extended period be eligible for compensation under this Class action.**

We submit to the Court that purchasers should *also* be included in the settlement, if they purchased TMI’s securities in the period prior to April 19, 2007, and if such purchases were at prices that can reasonably be judged to have been influenced by the well-known “price run-up phenomenon” prior to a stock offering, which in this case is the TMI offering of May 2007.

It is a well-known practice in the Securities industry, that intensified “Investor Relations” activity is undertaken prior to a stock offering, usually by the offering company’s executives and/or the company’s agents. Such activity (of course, conducted under the relevant legislated constraints) could include “road shows,” meetings with securities analysts, institutional investors, authors and publishers of investment advisory subscription newsletters, etc. Underwriters are known to informally encourage this Investor Relations activity.

We therefore submit for the Court’s consideration that it is a very reasonable assumption that prior to PMI’s May 2007 issue such activity was in all probably conducted by TMI executives and/or other employees (and possibly its consultants and its agents), and that this resulted in a stock price run-up.

We submit that the Court will find supporting evidence of the stock price run-up, during the period prior to the offering, in the historic stock price records, available to the Court, and that this run-up will *preceded* April 19, 2007, and by a *material* time period.

We submit to the Court that our purchase of TMI’s common stock, on April 18, 2007 at \$26.75 (proof of purchase enclosed), is clear evidence of the stock price run up, and that the stock price was influenced by the market’s knowledge of the intended stock offering. Such knowledge, we suggest, having been obtained through Investor Relations and related company activity targeted at the proposed offering.

As a further indicator of such probably activity, we submit to the Court that investment advisory newsletters and other securities analysts’ BUY recommendations for TMI’s stock, issued prior to the intended stock offering, were *not a coincidence*, but a direct result of this activity, and that the stock price run-up in the period before the actual date of the offering, was a direct result of such BUY recommendations.

**Settlement Objection - In re Thornburg Mortgage, Inc. Securities Litigation**

---

As further support for our Objection, we submit to the Court, that the BUY advice we received in an investment advisory newsletters that we then subscribed to (authored by Dr. Steve Sjuggerud and published by Stansberry & Associates Investment Research, Baltimore MA.), is just such a result of this Investment Relations activity. Intriguingly, if we recall correctly, in that newsletter there was no mention of the upcoming stock offering. We also recall the author's praise for the management, written in a way that the reader would understand that he was well acquainted with some members of TMI's senior executive team – so well acquainted, in fact, that in hindsight, this author *may very well have been aware* of the intended stock offering.

We are certain that if such an intended stock offering had been disclosed in the BUY recommendation, we would *not have bought the stock* ahead of the offering or even immediately after the stock issue. This is one of our personal stock purchase "rules," and is *not* wisdom in hindsight.

We have not retained a copy of that newsletter, but it (and others that may have been issued by this same publisher during the period covered by this litigation), could be obtained from the publisher.

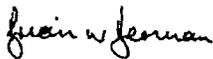
We also wish to propose to the Court that this newsletter, that there is a high probability that was not the only advisory newsletter that signaling a BUY during the time prior to TMI's stock offering of May 2007.

**As a side note**, our above statements are not intended in any way to imply that any analyst, or any such newsletter author or publisher, who issued a BUY recommendation around that time for TMI's stock, did anything illegal, or were "co-conspirators" with any of the current defendants and/or TMI.

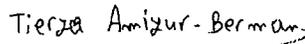
**It is for all these reason that we submit our Objection that the selection of April 19, 2007 as the commencement date of the Class Period, detrimentally excludes a class of TMI's stock purchasers relevant to this litigation. Therefore, all those who made stock purchases during an extened period prior to April 19, 2007 (the exact time period to be determined by the Court based on the stock price record), and subsequently suffered losses, should also be considered as eligible for inclusion in this Class Action.**

We are aware that the August 6 date has passed. Nevertheless we request that the Court consider our objection.

Yours sincerely



Brian W. Berman



Tierza Amizur-Berman

**Encl.: 6 pages**

PO Box 500  
Kfar Saba  
44104 Israel  
Tel: +972 54 4631011  
Fax: + 972 9 741 9298

c.c: **Clerk of the Court – Albuquerque NM**  
**Kessler Topaz Meltzer & Check LLP - Radnor PA**  
**Wolf Haldenstein Adler Freeman & Herz LLP -**  
**San Diego CA**  
**Wilmer Culter Pickering Hale & Dorr LLP - Palo**  
**Alto & Los Angeles CA**

**UNITED STATES DISTRICT COURT  
DISTRICT OF NEW MEXICO**

**IN RE THORNBURG MORTGAGE, INC.  
SECURITIES LITIGATION**

Case No. CIV 07-815JB/WDS

THIS DOCUMENT RELATES TO:  
ALL ACTIONS

**PROOF OF CLAIM AND RELEASE FORM**

**I. GENERAL INSTRUCTIONS**

A. To recover as a member of the Class based on your claim in the action entitled *In re Thornburg Mortgage, Inc. Securities Litigation*, Case No. CIV 07-815JB/WDS (the "Litigation"), you must complete this Proof of Claim and Release form ("Proof of Claim"). If you fail to submit a Proof of Claim by the submission deadline, your claim may be rejected and you may be precluded from any recovery from the Settlement Fund created in connection with the proposed settlement of the Litigation ("Settlement"), as set forth in the Stipulation and Agreement of Settlement ("Stipulation") dated March 28, 2012.

B. Submission of this Proof of Claim, however, does not ensure that you will share in the proceeds of the Settlement Fund created in this Litigation.

C. YOU MUST COMPLETE AND SUBMIT YOUR PROOF OF CLAIM VIA MAIL POSTMARKED ON OR BEFORE NOVEMBER 19, 2012, ADDRESSED TO THE CLAIMS ADMINISTRATOR AS FOLLOWS:

*In re Thornburg Mortgage, Inc. Securities Litigation*  
c/o Strategic Claims Services  
P.O. Box 230  
600 N. Jackson Street, Suite 3  
Media, PA 19063

If you are NOT a member of the Class, as defined in the Notice of Pendency of Class Action, Proposed Settlement, Settlement Fairness Hearing and Motion for Attorneys' Fees and Expenses (the "Notice"), then DO NOT submit a Proof of Claim.

D. If you are a member of the Class, you are bound by the terms of any judgment entered in the Action, WHETHER OR NOT YOU SUBMIT A PROOF OF CLAIM.

**II. INSTRUCTIONS FOR CLAIMANT IDENTIFICATION SCHEDULE**

A. If you purchased or otherwise acquired Thornburg Mortgage, Inc. ("TMI") common stock and/or preferred stock in the open market and/or in or traceable to the Offerings during the period between April 19, 2007 and March 19, 2008, inclusive, and were damaged thereby (the "Class"), and held the stock in your name, you are the beneficial purchaser as well as the record purchaser. If, however, the stock was registered in the name of a third party, such as a nominee or brokerage firm, you are the beneficial purchaser and the third party is the record purchaser.

B. Use "Part I" of this form (below) entitled "Claimant Identification" to identify each owner of record ("nominee"), if different from the beneficial owner of the TMI common stock and/or preferred stock which form the basis of this claim. THIS CLAIM MUST BE FILED BY THE ACTUAL BENEFICIAL OWNER(S), OR THE LEGAL REPRESENTATIVE OF SUCH OWNER(S) OF THE TMI COMMON STOCK AND/OR PREFERRED STOCK UPON WHICH THIS CLAIM IS BASED.

C. All joint purchasers must sign this claim. Executors, administrators, guardians, conservators, and trustees must complete and sign this claim on behalf of persons or entities represented by them and their authority must accompany this claim and their titles or capacities must be stated. The Social Security (or taxpayer identification) number and telephone number of the beneficial owner may be used in verifying the claim. Failure to provide the foregoing information could delay verification of your claim or result in rejection of the claim.

**III. INSTRUCTIONS FOR SCHEDULE OF TRANSACTIONS**

A. In the space provided below, supply all required details of your transaction(s) in TMI common stock and TMI preferred stock. If you need more space, attach separate sheets giving all of the required information in substantially the same form. Sign and print or type your name on each additional sheet.

B. Please provide all of the requested information with respect to *all* of your purchases and acquisitions of TMI common stock and TMI preferred stock, regardless of whether such transactions resulted in a profit or a loss. Failure to report all such transactions may result in the rejection of your claim.

C. List each transaction separately and in chronological order by trade date, beginning with the earliest. You must accurately provide the month, day, and year of each transaction you list.

D. Broker confirmations or other documentation of your transactions in TMI common stock and TMI preferred stock should be attached to your claim. Failure to provide this documentation could delay verification of your claim or result in rejection of your claim.

E. The requests are designed to provide the minimum amount of information necessary to process the most simple claims. The Claims Administrator may request additional information as required to efficiently and reliably calculate your losses. In some cases where the Claims Administrator cannot perform the calculation accurately or at a reasonable cost to the Class with the information provided, the Claims Administrator may condition acceptance of the claim upon the production of additional information and/or the hiring of an accounting expert at the claimant's cost.

UNITED STATES DISTRICT COURT  
DISTRICT OF NEW MEXICO

In re Thornburg Mortgage, Inc. Securities Litigation  
Case No. CIV 07-815JB/WDS

PROOF OF CLAIM AND RELEASE

Must be Postmarked No Later Than: November 19, 2012

Please Type or Print

PART I: CLAIMANT IDENTIFICATION

Beneficial Owner's Name (First, Middle, Last)

BRIAN WAYNE BERMAN & TIERZA AMIZUR-BERMAN

Record Owner's Name (if different from beneficial owner listed above)

Address

PO BOX 500, KEFAR  
KEFAR SABA

City: KEFAR SABA State: ~~IL~~ Zip Code: 44104

Foreign Province and Postal Code: 44104 Foreign Country: ISRAEL

Social Security Number or Taxpayer Identification Number (if U.S. Citizen/Resident)

Social Security Number (for individuals)

Taxpayer Identification Number (for estates, trusts, corporations, etc.)

COUNTRY CODE 972

Area Code Telephone No. (Day) 09 745-6135

Area Code Telephone No. (Night) 054 463-1011

Area Code Facsimile Number 09 741-9298

Email Address

berman2005@gmail.com

Check One:

Individual  Corporation  Joint Owners  IRA  Estate  Other (specify)

**PART II: SCHEDULE OF TRANSACTIONS IN TMI COMMON STOCK**

A. **BEGINNING HOLDINGS:** At the opening of trading on April 19, 2007, I owned 90 shares of TMI common stock. (If none, write 0).

B. **PURCHASES AND ACQUISITIONS:** I made the following purchases/acquisitions of TMI common stock between April 19, 2007 and May 1, 2009, inclusive.<sup>1</sup> Check the box next to any purchase or acquisition that was made pursuant to one of the Offerings (i.e., TMI's May 2007 offering, TMI's June 2007 offering, TMI's September 2007 offering and TMI's January 2008 offering). (Must be documented):

Check Box if result of one of TMI's Offerings	Trade Date(s) of Purchase(s)/ Acquisition(s) (List Chronologically) Month/Day/Year	Number of Shares of TMI Common Stock Purchased and/or Acquired	Purchase/Acquisition Price Per Share of TMI Common Stock	Aggregate Cost (excluding commissions, taxes and fees)
<input type="checkbox"/>	04/18/07	90	\$ 26.75	\$ 2420.45
<input type="checkbox"/>			\$	\$
<input type="checkbox"/>			\$	\$
<input type="checkbox"/>			\$	\$
<input type="checkbox"/>			\$	\$

C. **SALES:** I made the following sales of TMI common stock between April 19, 2007 and May 1, 2009, inclusive. (Must be documented):

Trade Date(s) of Sale(s) (List Chronologically) Month/Day/Year	Number of Shares of TMI Common Stock Sold	Sale Price Per Share of TMI Common Stock	Total Proceeds (excluding commissions, taxes and fees)
08/14/07	90	\$ 10.67	\$ 947.33
		\$	\$
		\$	\$
		\$	\$
		\$	\$

D. **UNSOLD HOLDINGS:** At the close of trading on May 1, 2009, I still owned 0 shares of TMI common stock. (If none, write 0). (Must be documented).

YOU MUST READ THE RELEASE AND SIGN THE CERTIFICATION ON PAGE 20. FAILURE TO SIGN THE CERTIFICATION MAY RESULT IN A DELAY IN PROCESSING OR THE REJECTION OF YOUR CLAIM.

If you require additional space, attach extra schedules in the same format as above. Copies of broker's confirmations or other documentation evidencing your transactions in TMI common stock should be attached.

**PART III: SCHEDULE OF TRANSACTIONS IN TMI PREFERRED STOCK**

A. **BEGINNING HOLDINGS:** At the opening of trading on April 19, 2007, I owned the following amounts of TMI 8% Series C Cumulative Redeemable Preferred Stock ("Series C"); TMI Series D Adjusting Rate Cumulative Redeemable Preferred Stock ("Series D"); TMI 7.5% Series E Cumulative Convertible Redeemable Preferred Stock ("Series E"); and TMI 10% Series F Cumulative Convertible Redeemable Preferred Stock ("Series F"). Please write the number of shares you held of each type of Preferred Stock in the table below. (If none, write 0).

Series C <u>0</u>	Series D <u>0</u>	Series E <u>0</u>	Series F <u>0</u>
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<sup>1</sup> **Please note:** Information requested with respect to your purchases/acquisitions of TMI common stock between March 20, 2008 and May 1, 2009, inclusive, is needed in order to balance your claim; purchases/acquisitions during this period, however, are not eligible to participate in the Settlement as these purchases/acquisitions are outside the Class Period (i.e., the period between April 19, 2007 and March 19, 2008, inclusive) and will not be used for purposes of calculating your Recognized Loss(es) pursuant to the Plan of Allocation.

**B. PURCHASES AND ACQUISITIONS:** I made the following purchases/acquisitions of TMI preferred stock between April 19, 2007 and May 1, 2009, inclusive.<sup>2</sup> Check the box next to any purchase or acquisition that was made pursuant to one of the Offerings (*i.e.*, TMI's May 2007 offering, TMI's June 2007 offering, TMI's September 2007 offering and TMI's January 2008 offering). (Must be documented):

Check Box if result of one of TMI's Offerings	Type of Preferred Stock Purchased/Acquired (Series C, D, E or F)	Trade Date(s) of Purchase(s)/Acquisition(s) (List Chronologically) Month/Day/Year	Number of Shares of TMI Preferred Stock Purchased and/or Acquired	Purchase/Acquisition Price Per Share of TMI Preferred Stock	Aggregate Cost (excluding commissions, taxes and fees)
<input type="checkbox"/>	_____	□□/□□/□□	□□□□□□	\$ □□□.□□□□	\$ □□□□□□.□□
<input type="checkbox"/>	_____	□□/□□/□□	□□□□□□	\$ □□□.□□□□	\$ □□□□□□.□□
<input type="checkbox"/>	_____	□□/□□/□□	□□□□□□	\$ □□□.□□□□	\$ □□□□□□.□□
<input type="checkbox"/>	_____	□□/□□/□□	□□□□□□	\$ □□□.□□□□	\$ □□□□□□.□□
<input type="checkbox"/>	_____	□□/□□/□□	□□□□□□	\$ □□□.□□□□	\$ □□□□□□.□□

**C. SALES:** I made the following sales of TMI preferred stock between April 19, 2007 and May 1, 2009, inclusive. (Must be documented):

Trade Date(s) of Sale(s) (List Chronologically) Month/Day/Year	Number of Shares of TMI Preferred Stock Sold	Sale Price Per Share of TMI Preferred Stock	Total Proceeds (excluding commissions, taxes and fees)
□□/□□/□□	□□□□□□	\$ □□□.□□□□	\$ □□□□□□.□□
□□/□□/□□	□□□□□□	\$ □□□.□□□□	\$ □□□□□□.□□
□□/□□/□□	□□□□□□	\$ □□□.□□□□	\$ □□□□□□.□□
□□/□□/□□	□□□□□□	\$ □□□.□□□□	\$ □□□□□□.□□
□□/□□/□□	□□□□□□	\$ □□□.□□□□	\$ □□□□□□.□□

**D. UNSOLD HOLDINGS:** At the close of trading on May 1, 2009, I still owned the following amount of shares of TMI preferred stock. Please write the number of shares you held of each type of Preferred Stock in the table below. (If none, write 0).

Series C ○	Series D ○	Series E ○	Series F ○
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YOU MUST READ THE RELEASE AND SIGN THE CERTIFICATION ON PAGE 20. FAILURE TO SIGN THE CERTIFICATION MAY RESULT IN A DELAY IN PROCESSING OR THE REJECTION OF YOUR CLAIM.

If you require additional space, attach extra schedules in the same format as above. Copies of broker's confirmations or other documentation evidencing your transactions in TMI preferred stock should be attached.

<sup>2</sup> **Please note:** Information requested with respect to your purchases/acquisitions of TMI preferred stock between March 20, 2008 and May 1, 2009, inclusive, is needed in order to balance your claim; purchases/acquisitions during this period, however, are not eligible to participate in the Settlement as these purchases/acquisitions are outside the Class Period (*i.e.*, the period between April 19, 2007 and March 19, 2008, inclusive) and will not be used for purposes of calculating your Recognized Loss(es) pursuant to the Plan of Allocation.

#### **PART IV: SUBMISSION TO JURISDICTION OF COURT AND ACKNOWLEDGEMENTS**

1. I (We) submit this Proof of Claim and Release under the terms of the Stipulation and Agreement of Settlement described in the Notice. I (We) also submit to the jurisdiction of the United States District Court for the District of New Mexico with respect to my (our) claim as a Class Member and for purposes of enforcing the release set forth herein and any judgment which may be entered in the Action. I (We) further acknowledge that I (we) am (are) bound by and subject to the terms of any judgment that may be entered in the Action.

2. I (We) agree to furnish additional information to the Claims Administrator to support this claim if required to do so.

#### **PART V: DEFINITIONS AND RELEASE**

1. I (We) hereby acknowledge full and complete satisfaction of, and do hereby fully, finally and forever settle, discharge and release all "Settled Claims" against all "Released Parties," including "Unknown Claims," as defined below.

(a) "Settled Claims" means any and all claims, debts, demands, liabilities, rights and causes of action of every nature and description whatsoever (including but not limited to any claims for damages, interest, attorneys' fees, expert or consulting fees, and any other costs, expenses or liability whatsoever), whether based on federal, state, local, statutory or common law or any other law, rule or regulation, whether fixed or contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity, matured or unmatured, whether class or individual in nature, including both known claims and Unknown Claims (as defined below), (i) that have been asserted in the Litigation by the Plaintiffs and/or Class Members or any of them against any of the Released Parties; or (ii) that could have been alleged, asserted or contended in any forum by Plaintiffs and/or Class Members or any of them, or the successors and assigns of any of them against the Released Parties which arise out of or are based upon the allegations, transactions, facts, matters or occurrences, representations or omissions involved, set forth, or referred to in the Complaint (or any preceding complaints) and which relate to the purchase or acquisition of TMI common stock and/or preferred stock in the open market and/or in or traceable to the Offerings during the Class Period; provided, however, that Settled Claims do not include (i) any claims to enforce any of the terms of this Settlement, and any claims that could be asserted in response to such a claim to enforce or (ii) any claims against the Non-Settling Defendants.

(b) "Released Parties" means TMI, the Individual Defendants, the Dismissed Defendants, and any of their current or former, subsidiaries, affiliates, partners, joint ventures, officers, directors, principals, shareholders, members, agents (acting in their capacity as agents), employees, attorneys, insurers, including the Insurer, reinsurers, advisors, accountants, associates and/or any other individual or entity in which any of TMI, the Individual Defendants, or the Dismissed Defendants has a controlling interest or which is related to or affiliated with any of TMI, the Individual Defendants, or the Dismissed Defendants and the current or former legal representatives, heirs, successors in interest or assigns of any of TMI, the Individual Defendants, or the Dismissed Defendants; provided, however, that "Released Parties" does not include any of the Non-Settling Defendants, nor any of their respective parents, successors, subsidiaries, and affiliates and any entity in which any of them have or had a controlling interest and the officers and directors thereof.

(c) "Unknown Claims" means any and all Settled Claims which Plaintiffs and/or any member of the Class does not know or suspect to exist in his, her or its favor as of the Effective Date, which if known by him, her or it, might have affected his, her or its decision(s) with respect to the Settlement, and any Settled Defendants' Claims which any Released Party does not know or suspect to exist in his, her or its favor as of the Effective Date, which if known by him, her or it might have affected his or its decision(s) with respect to the Settlement. With respect to any and all Settled Claims and Settled Defendants' Claims, the Settling Parties stipulate and agree that upon the Effective Date, the Plaintiffs, the Individual Defendants, and Dismissed Defendants shall expressly waive, and each Class Member and Released Party shall be deemed to have waived and by operation of the Order and Final Judgment shall have expressly waived, any and all provisions, rights and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable or equivalent to Cal. Civ. Code § 1542, which provides: "A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor." The Settling Parties acknowledge, and Class Members and Released Parties by operation of law shall be deemed to have acknowledged, that the inclusion of "Unknown Claims" in the definition of Settled Claims and Settled Defendants' Class was separately bargained for and was a key element of the Settlement.

2. This release shall be of no force or effect unless and until the Court gives final approval to the Settlement and the Effective Date occurs.

**PART VI: REPRESENTATIONS AND CERTIFICATION**

1. I (We) hereby warrant and represent that I (we) have not assigned or transferred or purported to assign or transfer, voluntarily or involuntarily, any matter released pursuant to this release or any other part or portion thereof.

2. I (We) hereby warrant and represent that I (we) have included information about all of my (our) purchases, acquisitions and sales transactions in TMI common stock and/or TMI preferred stock which occurred between April 19, 2007 and May 1, 2009, inclusive, as well as the number of shares of TMI common stock and/or TMI preferred stock held by me (us) at the opening of trading on April 19, 2007 and the close of trading on May 1, 2009.

3. I (We) certify that I am (we are) not subject to backup withholding under the provisions of Section 3406(a) (1) (c) of the Internal Revenue Code.

NOTE: If you have been notified by the Internal Revenue Service that you are subject to backup withholding, please strike out the language that you are not subject to backup withholding in the certification above.

I (We) declare under penalty of perjury under the laws of the State of New Mexico and the United States of America that the foregoing information supplied by the undersigned is true and correct and that this Proof of Claim and Release form was executed this 16th day of August 2012 in Kfar Saba, ISRAEL  
(month, year) (City, State, Country)

Juan W. Berman  
(Sign your name here)

Tierza Amizur-Berman  
(Sign your name here)

BRIAN WAYNE BERMAN  
(Type or print your name here)

TIERZA AMIZUR-BERMAN  
(Type or print your name here)

Beneficial purchaser  
(Capacity of persons signing, e.g., Beneficial Purchaser, Executor or Administrator)

Beneficial purchaser  
(Capacity of persons signing, e.g., Beneficial Purchaser, Executor or Administrator)

**ACCURATE CLAIMS PROCESSING  
TAKES A SIGNIFICANT AMOUNT OF TIME  
THANK YOU FOR YOUR PATIENCE**

*charles* SCHWAB

Trade Confirmation

101 Montgomery Street San Francisco California 94104 800 435 4000 www.schwab.com

Retain for Your Records

Account Number:  
Page 1 of 1

**Mail To**

BRIAN WAYNE BERMAN &  
TIERZA AMIZUR-BERMAN JT TEN  
PO BOX 500  
KFAR SABA 44104  
ISRAEL\*AIRMAIL\*



Going paperless is easy. Log on to [www.schwab.com/paperless](http://www.schwab.com/paperless).



**Security Description**

	<i>Action</i>	<i>BOUGHT</i>		
THORNBURG MORTGAGE INC REIT	Symbol:	TMA	Trade Date:	4/18/07
	Security No./Cusip:	885218-10-7	Settlement Date:	4/23/07
	Branch Code:	EOFR	Type:	Cash

<i>Quantity</i>	<i>Price</i>	<i>Principal</i>	<i>Fees &amp; Charges</i>	<i>Total Amount</i>
90	\$26.75	\$2,407.50	Commission: \$12.95	\$2,420.45

**For all of the above:**  
 Unless you have already instructed us differently, we will hold this security in your account.  
 Executed Over The Counter  
 Unsolicited trade  
 Capacity code A

000002320101



*charles* SCHWAB

Trade Confirmation

101 Montgomery Street San Francisco California 94104 800 435 4000 www.schwab.com

Retain for Your Records

Account Number:  
Page 2 of 2

Security Description					
		Action	SOLD		
THORNBURG MORTGAGE INC REIT		Symbol:	TMA	Trade Date: 8/14/07	
		Security No./Cusip:	885218-10-7	Settlement Date: 8/17/07	
		Branch Code:	EOFR	Type: Cash	
Quantity	Price	Principal	Charges and/or Interest		Total Amount
90	\$10.67	\$960.30	Exch Proc Fee**:	\$0.02	\$947.33
			Commission:	12.95	
<b>Totals</b>	<b>90</b>	<b>\$960.30</b>		<b>\$12.97</b>	<b>\$947.33</b>

For all of the above:  
 Unless you have already instructed us differently, we will hold these proceeds in your account.  
 Executed Over The Counter  
 Unsolicited trade  
 \*\* Exch Proc Fee: This fee offsets processing costs incurred by Schwab for the exchange of securities - including those relating to assessments on broker-dealers by an exchange or other SRO - for equity, option, or other covered security sell transactions.  
 Capacity code A



G000002410202

