UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

In re VEON Ltd. Securities Litigation	Case No.: 1:15-cv-08672-ALC-OTW

MEMORANDUM OF LAW IN SUPPORT OF LEAD COUNSEL'S MOTION FOR AN AWARD OF ATTORNEYS' FEES, REIMBURSEMENT OF EXPENSES, AND COMPENSATORY AWARD TO LEAD PLAINTIFF

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Lead Plaintiff Boris Lvov ("Lead Plaintiff") and Lead Counsel The Rosen Law Firm, P.A. ("Rosen") ("Lead Counsel" and, together with prior counsel Gainey McKenna & Egleston, "Plaintiffs' Counsel") respectfully submit this memorandum in support of their motion for: (i) an award of attorneys' fees of one-third of the Settlement Amount, or $6,656,666.67 plus accrued interest; (ii) reimbursement of necessary and reasonable litigation expenses of $130,000, plus accrued interest; and (iii) a compensatory award of $10,000 to Lead Plaintiff, plus accrued interest.[1]

I. INTRODUCTION

By zealously representing the Settlement Class for more than a decade—investing more than 5,400 professional hours with a lodestar value of $4.3 million—Lead Plaintiff and Plaintiffs' Counsel secured a settlement of $19.97 million in cash for the Settlement Class's benefit. As set out below and in the Final Approval Brief, this is an excellent result where recovery was far from assured.

Plaintiffs' Counsel seeks an award of one third of the Settlement Amount, or approximately $6.7 million. The award is well earned. Courts in this District and throughout the country regularly grant one-third awards. Plaintiffs' Counsel has received no compensation during the decade it took to litigate the case. Moreover, despite a thorough notification campaign that sent notice to more than 25,000 potential Settlement Class Members informing them that Plaintiffs' Counsel would

[1] Unless otherwise defined herein, all capitalized terms shall have the meanings provided in the Stipulation of Settlement (the "Stipulation"). ECF No. 289. Unless otherwise indicated, all emphasis is added and all internal citations and quotations marks are omitted. The "Final Approval Brief" is the Memorandum of Law in Support of Lead Plaintiff's Motion for Final Approval of Class Action Settlement, filed herewith. Citations to "Horne Dec.", "Lvov Dec.", and "Evans Dec." are to the Declarations of Jonathan Horne, Boris Lvov, and Sarah Evans, filed herewith. VEON does not necessarily agree with any statement made herein.

seek an award of up to one third of the Settlement Amount, none have objected, or sought exclusion from the Settlement.[2]

In addition, the Court should award reimbursement of $130,000 in out-of-pocket expenses Counsel incurred in prosecuting this action. These expenses were reasonable and necessary to successfully prosecute this Action. Counsel had no incentive to incur unnecessary expenses because they could only recover their expenses if they won at trial or reached a settlement.

Finally, the Court should grant Lead Plaintiff $10,000, or 0.05% of the Settlement Amount, to compensate him for his time and service to the Settlement Class. He researched the facts of the case, reviewed filings, and conferred with Lead Counsel about litigation and settlement strategies. Without his efforts, there would be no Settlement.

II. PROCEDURAL HISTORY

A. The Parties Engage In Extensive Litigation Over A Decade

This securities class action was filed on November 4, 2015, after VEON recognized a $900 million accounting charge over allegations that it violated the Foreign Corrupt Practices Act ("FCPA") and foreign analogs. Mr. Lvov and Westway Alliance Corp. ("Westway") both timely moved for appointment as lead plaintiff. ECF Nos. 8, 18. The Court granted Westway's motion and denied Mr. Lvov's. ECF No. 31.

Westway filed its amended complaint ("AC") in December 2016. ECF No. 45. VEON timely moved to dismiss the AC. ECF No. 47. Though the AC named 5 Individual Defendants, the parties deferred the individuals' motions to dismiss until after the Court resolved VEON's. ECF Nos. 54, 60.

[2] Settlement Class Members have until April 28 to object or seek exclusion

In September 2017, the Court entered an order granting in part and denying in part VEON's motion to dismiss ("2017 MTD Order"). ECF No. 63. The Court upheld the majority of the AC but found that VEON's first actionable statement was in June 2011—after Westway's last purchase. ECF No. 125 at 1.

While the Court's decision might cause Westway to lose standing, by the time of the Court's Order, the Individual Defendants had appeared. So before considering Westway's standing, the parties briefed the Individual Defendants' motions to dismiss. ECF No. 67. In August 2018, the Court granted these motions in full and entered judgment in favor of the Individual Defendants. ECF Nos. 123, 124. No appeal was taken.

With the Individual Defendants' motion resolved, Westway and VEON briefed Westway's standing. In December 2018, Westway and VEON filed competing pre-motion letters. VEON sought leave to file a motion for judgment on the pleadings against Westway's individual claim; Westway sought leave to file an amended complaint to add three additional named plaintiffs. ECF Nos. 125, 126. The Court ordered VEON to file its motion for judgment on the pleadings. ECF No. 130.

VEON's December 2018 letter suggested that Westway was subject to a unique defense. In September 2019, with VEON's motion for judgment on the pleadings pending, Westway and VEON disclosed that they would hold a mediation seeking to settle all claims in this action. ECF No. 141. Because Westway risked having its individual claims thrown out, it had an incentive to agree to a settlement that disserved the class but ensured that Westway received compensation. So Mr. Lvov sought an order postponing the mediation until after the Court's decision on Westway's motion to dismiss. ECF No. 142. The Court held a status conference and expressed "concern[] about the issue raised by" Mr. Lvov, but after hearing oral argument, allowed the mediation to

proceed. ECF No. 152 at 3:19, 21:18-20. The parties did not reach a settlement at the mediation. ECF No. 150.

In March 2020, the Court denied VEON's motion without prejudice while allowing Westway to file an amended complaint asserting that VEON had an affirmative obligation to disclose its wrongdoing from the beginning of the Class Period ("SAC"). ECF No. 155. VEON then moved to dismiss the SAC. ECF No. 161. In March 2021, the Court rejected the SAC's new theory and granted VEON's motion. ECF No. 170 at 12.

In its March 2021 order granting VEON's motion to dismiss, the Court also reopened the lead plaintiff selection process. ECF No. 170 at 14. There were two competing motions: one filed by Mr. Lvov and another filed by other clients of Westway's counsel, Leonard Karpowich, Stan Sinitsa, and Sherman Steele. ECF Nos. 173, 176. In April 2022, Judge Wang granted Mr. Lvov's motion. ECF No. 186. In February 2023, Judge Wang denied the motion for reconsideration of Messrs. Karpowich, Sinitsa, and Steele. ECF No. 219.

While Westway's motion for reconsideration was pending, Mr. Lvov sought to advance the case. Mr. Lvov drafted, served, and sought to file an amended complaint which contained new allegations based on the results of an internal investigation conducted by a sovereign wealth fund that was a large VEON shareholder. ECF No. 201. The amended complaint pled six new corrective disclosures. *Id.* Mr. Lvov sought to compel VEON to attend a Rule 26(f) conference, which would allow discovery to begin. ECF No. 208. Judge Wang denied these requests without prejudice as premature. ECF No. 217. Mr. Lvov also sent letters to brokers requesting that they suspend document destruction policies as to transactions in VEON securities to permit class members' ability to file claims. Because discovery had not yet begun, Mr. Lvov could not serve preservation subpoenas on his own initiative, so he sought leave to do so. ECF No. 205. Judge Wang denied

the request to authorize subpoenas, finding that Mr. Lvov needed to affirmatively show that the letters requesting preservation were insufficient. ECF No. 218.

After Judge Wang's February 2023 order denying reconsideration of her decision to appoint him as lead plaintiff, Mr. Lvov filed his amended complaint. ECF No. 221. Mr. Lvov and VEON then filed competing requests for pre-motion conferences. Mr. Lvov sought leave to file a motion for an order finding that discovery could proceed; VEON sought leave to file a motion to dismiss, arguing that the statute of repose barred amendment. ECF Nos. 232, 236. The Court denied Mr. Lvov's request and allowed VEON leave to file its motion. ECF No. 239.

On September 30, 2024, the Court entered an order finding that because of the statute of repose, Mr. Lvov could only proceed on statements that the AC had pled were actionable—tolling the statute of repose—("Timely Statements") but that he could seek to recover for newly alleged corrective disclosures that revealed the falsity of the Timely Statements. ECF No. 247. The Court requested briefing to determine whether the new corrective disclosures related to the Timely Statements. ECF Nos. 247, 249. In January 2025, the Court found that three of the new corrective disclosures corrected the Timely Statements and that three did not. ECF No. 252.

Discovery started. The Parties negotiated the terms of a protective order, a Rule 502 clawback order, and a stipulation concerning the production of electronically stored information. ECF Nos. 261, 266, 267. After holding a Rule 26(f) conference, Lead Plaintiff served requests for production, and the Parties held numerous sessions to negotiate the scope of Defendants' production. Lead Plaintiff also served requests for admission and interrogatories which, among other things, confirmed the identity of the primary wrongdoer, identified as Executive 1 in a Deferred Prosecution Agreement ("DPA") entered between VEON and the United States. Judge Wang then held an initial pretrial conference on April 23, 2025. ECF No. 257.

B. The Parties Reach the Settlement Seven Months After an Unsuccessful Mediation

The Parties agreed to hold a mediation shortly after the Court entered the September 2024 Motion to Dismiss Order. The Parties selected a mediator—David Murphy—and a date in February 2025. To prepare for the mediation, the Parties first exchanged expert damages report and then updated damages report after the Court's January 2025 Order. Mr. Lvov shared VEON's expert report with his own expert, who provided analysis. Informed by the experts' reports and analyses, the Parties then served opening and reply mediation briefs. Though the mediation was productive, the Parties did not reach a settlement. Horne Dec. ¶9.

The Parties continued discussions over the next 7 months even as they conducted discovery. After several exchanges of offers and counteroffers, on September 8, 2025, Mr. Murphy made a double-blind proposal to settle claims in this action for $19.97 million. Both parties accepted, though Mr. Lvov reserved the right to obtain further discovery from VEON and terminate the Settlement within sixty days in his sole discretion based on his analysis thereof. Mr. Lvov targeted his analysis of the documents Defendant produced to the largest remaining question on which documents might bear: whether Executive 1's scienter could be imputed to VEON. So Mr. Lvov attempted to determine Executive 1's responsibilities and involvement in the making of actionable statements. Finding no documents that showed he would clearly prevail in imputing Executive 1's scienter to VEON, on November 24, 2025, Mr. Lvov agreed to consummate the Settlement. Horne Dec. ¶10.

The Parties prepared the documentation necessary to consummate a class action settlement. Plaintiff drafted a settlement stipulation, proposed preliminary and final approval orders, and the long notice, summary notice, postcard notice, and claim form. Plaintiff then negotiated the terms and contents of each document with VEON. Plaintiff also drafted a memorandum of law in support

of preliminary approval of settlement. He filed the documents on December 23, 2025. ECF No. 286. The Court granted preliminary approval on January 22, 2026. ECF No. 292.

III. ARGUMENT

A. The Court Should Award Plaintiffs' Counsel Attorneys' Fees and Expenses from the Common Fund

The Supreme Court and Second Circuit have long recognized that "a litigant or a lawyer who recovers a common fund for the benefit of persons other than himself or his client is entitled to a reasonable attorney's fee from the fund as a whole." *Boeing Co. v. Van Gemert*, 444 U.S. 472, 478 (1980); *accord Goldberger v. Integrated Res., Inc.*, 209 F.3d 43, 47 (2d Cir. 2000). "The purpose of the common fund doctrine is to fairly and adequately compensate class counsel for services rendered and to ensure that all class members contribute equally towards the costs associated with litigation pursued on their behalf." *Goldberger*, 209 F.3d at 47; *City of Providence v. Aéropostale, Inc.*, 2014 WL 1883494, at *10 (S.D.N.Y. May 9, 2014), *aff'd* 607 F. App'x 73 (2d Cir. 2015). In addition to providing just compensation, awarding attorneys' fees from common funds encourages skilled counsel to represent plaintiffs in class actions and deters misconduct. *See, e.g.*, *Aéropostale*, 2014 WL 1883494, at *10-11; *Maley v. Del Glob. Techs. Corp.*, 186 F. Supp. 2d 358, 369 (S.D.N.Y. 2002).

B. The Court Should Use the Percentage Method to Set Fees

The Supreme Court has held that courts may properly set attorneys' fees as a percentage of the settlement fund recovered. *Blum v. Stenson*, 465 U.S. 886, 900 n.16 (1984) ("[U]nder the 'common fund doctrine,'… a reasonable fee is based on a percentage of the fund bestowed on the class…."). The Second Circuit has also held that district courts may employ the percentage-of-the-fund method to set fees in common fund cases. *See, e.g.*, *Goldberger*, 209 F.3d at 50.

"The trend among district courts in the Second Circuit is to award fees using the percentage method." *Aéropostale*, 2014 WL 1883494, at *11. The percentage method has several advantages. First, it "aligns the interests of class counsel with those of the class." *Hayes v. Harmony Gold Min. Co.*, 509 F. App'x 21, 24 (2d Cir. 2013). Second, because attorneys in individual contingency cases are paid a percentage of the recovery, the percentage method serves "as a proxy for the market in setting counsel fees." *In re Am. Bank Note Holographics, Inc., Sec. Litig.*, 127 F. Supp. 2d 418, 432 (S.D.N.Y. 2001). Third, the alternative method—the lodestar method— "proved vexing" and resulted in "an inevitable waste of judicial resources." *Goldberger*, 209 F.3d at 48-49.

The Private Securities Litigation Reform Act of 1995 ("PSLRA") also supports using the percentage-of-recovery. It limits fee awards to "a reasonable percentage of the amount" recovered for the class." 15 U.S.C. § 78u-4(a)(6). Some courts have concluded that the PSLRA therefore "implicitly supports the use of the percentage of the fund method." *In re EVCI Career Colleges Holding Corp. Sec. Litig.*, at *16 (S.D.N.Y. July 27, 2007).

When they use the percentage method to set a fee, courts use the lodestar as a cross-check to ensure that the award is reasonable. *Goldberger*, 209 F.3d at 50. When used "as a mere cross-check, the hours documented by counsel need not be exhaustively scrutinized by the district court." *Id.* Being able to rely on "summaries submitted by the attorneys [rather than] actual billing records," *In re Rite Aid Corp. Sec. Litig.*, 396 F.3d 294, 306–07 (3d Cir. 2005), *as amended* (Feb. 25, 2005) "relieves the court of the cumbersome, enervating, and often surrealistic process of evaluating fee petitions." *Johnson v. Brennan*, 2011 WL 4357376, at *14–15 (S.D.N.Y. Sept. 16, 2011).

For all these reasons, the Court should follow the overwhelming trend in this Circuit and use the percentage of the fund method to set attorneys' fees, employing the lodestar as a cross-check.

C. The *Goldberger* Factors Support Plaintiffs' Counsel's Fee Request

The *Goldberger* factors the Second Circuit established to evaluate fee requests support a one-third fee. The *Goldberger* factors are: (i) the risks of the litigation; (ii) the magnitude and complexity of the litigation; (iii) the requested fee in relation to the settlement; (iv) the quality of representation; (v) public policy considerations; and (vi) the time and labor expended by counsel. *Wal-Mart Stores, Inc. v. Visa U.S.A., Inc.*, 396 F.3d 96, 121 (2d Cir. 2005) (*citing Goldberger*, 209 F.3d at 50).These factors show that an award of $6,656,667 is fair and reasonable.

1. The Requested Fee Is Consistent With Awards In Other Cases

"When determining whether a fee request is reasonable in relation to a settlement amount, the court compares the fee application to fees awarded in similar securities class-action settlements of comparable value." *In re Comverse Tech., Inc. Sec. Litig.*, 2010 WL 2653354, at *3 (E.D.N.Y. June 24, 2010); *Alaska Elec. Pension Fund v. Bank of Am. Corp.*, 2018 WL 6250657, at *2 (S.D.N.Y. Nov. 29, 2018) (same).

Here, Plaintiffs' Counsel's request for one third of the Settlement Fund is fair and reasonable. Indeed, it falls well within the range of percentages that courts in this Circuit routinely award in similar securities class action and complex litigation settlements of this size. *See e.g.*, *In re Deutsche Bank AG Sec. Litig.*, 2020 WL 3162980, at *1 (S.D.N.Y. June 11, 2020) (awarding attorneys' fees of one-third of $18.5 million settlement); *In re Gen. Instrument Sec. Litig.*, 209 F. Supp. 2d 423, 433–34 (E.D. Pa. 2001) (awarding attorneys' fees of $16 million in a case with $48 million settlement); *Lea v. Tal Education Grp.*, 2021 WL 5578665, at *12 (S.D.N.Y. Nov. 30, 2021) ("one-third … has been approved as reasonable in this Circuit" and citing cases);

Aéropostale, 2014 WL 1883494, at *12 (awarding 33% of $15 million); *Becher v. Long Island Lighting Co.*, 64 F. Supp. 2d 174, 182 (E.D.N.Y. 1999) (one-third award is "well within the range accepted by courts in this circuit"); *In re Crazy Eddie Sec. Litig., 824 F. Supp. 320, 325–26 (E.D.N.Y. 1993)* ("In this case, the fees sought of $14.2 million represent 33.8% of the proposed settlement fund. The request is reasonable.").[3]

Thus, Plaintiffs' Counsel's request is in line with fees awarded in similar securities class action settlements and should be granted.

2. The Magnitude and Complexity of the Action

Courts recognize the "notorious complexity" of securities fraud class actions. *In re AOL Time Warner, Inc. Sec. & "ERISA" Litig.*, 2006 WL 903236, at *8 (S.D.N.Y. Apr. 6, 2006); *Lea*, 2021 WL 5578665, at *9 ("Class action suits have a well-deserved reputation as being most complex, and securities class actions are notably difficult and notoriously uncertain …."); Moreover, "the legal requirements for recovery under the securities laws present considerable challenges, particularly with respect to loss causation and the calculation of damages." *AOL*, 2006 WL 903236, at *9

This was a hard-fought, expensive, decade-long litigation, with between $35 million and $149 million at stake, and it required considerable skill and resources to litigate. VEON raised complicated issues concerning the statute of repose, loss causation, and damages. Addressing these issues, and planning for cross-border third-party discovery and class certification, required substantial efforts and expertise from Plaintiffs' Counsel. *Aéropostale*, 2014 WL 1883494, at *16 ("[T]he complex and multifaceted subject matter involved in a securities class action such as this supports the fee request.").

[3] Adjusted for inflation, the $19.97 million Settlement is smaller than both the *Deutsche Bank* and *Aéropostale* settlements.

3. The Risks of Litigation

When setting fees, courts within the Second Circuit understand that plaintiffs' counsel "invest[] a substantial amount of time and money to prosecute the Action without a guarantee of compensation or even the recovery of expenses." *Aéropostale*, 2014 WL 1883494, at *14. "No one expects a lawyer whose compensation is contingent upon his success to charge, when successful, as little as he would charge a client who in advance had agreed to pay for his services, regardless of success." *Id.* (*quoting City of Detroit v. Grinnell Corp.*, 495 F.2d 448, 470 (2d Cir. 1974)). "Little about litigation is risk-free, and class actions confront even more substantial risks than other forms of litigation." *Tchrs.' Ret. Sys. of La. v. A.C.L.N., Ltd.*, 2004 WL 1087261, at *3 (S.D.N.Y. May 14, 2004). Thus, it is "appropriate to take this [contingent fee] risk into account in determining the appropriate fee to award." *Am. Bank Note*, 127 F. Supp. 2d at 433; *In re Prudential Sec. Inc. Ltd. P'ships Litig.*, 985 F. Supp. 410, 417 (S.D.N.Y. 1997) ("[A]ttorney's contingent fee risk is an important factor in determining the fee award.").

Law firms handling complex contingent litigation frequently lose, whether on a motion to dismiss, class certification, or summary judgment. Here, Plaintiffs' Counsel pursued claims on behalf of the Settlement Class for a decade, risking $163,294 in expenses and 5,408.91 in attorney time. The risk that counsel might never recover a penny for their efforts was substantial.

Start with the motion to dismiss. In setting fees in class actions alleging securities fraud, courts take into account that "[l]egal precedents are continually making it more difficult to plead securities class actions." *Yedlowski v. Roka Bioscience, Inc.*, 2016 WL 6661336, at *21 (D.N.J. Nov. 10, 2016). That's because the PSLRA imposes uniquely high pleading standards at the motion to dismiss stage. *In re BP p.l.c. Sec. Litig.*, 852 F. Supp. 2d 767, 820 (S.D. Tex. 2012) ("The Court is acutely aware that federal legislation and authoritative precedents have created for plaintiffs in all securities actions formidable challenges to successful pleading."). These standards

make pleading a case a challenge: in each year between 2016 and 2021 (the last year in which almost all cases have been resolved), more than half of securities class actions were dismissed. Horne Dec. Ex. 5 at 15. Sixty-two percent of decisions on motions to dismiss from 2016 through 2025 granted the motion in full. *Id.* at 18. Thus, Plaintiff risked that the Court would enter judgment on a motion to dismiss. That the risk was real is shown by the Court's order dismissing every individual defendant and the complete dismissal, affirmed on appeal, of another action brought in the wake of revelations that a telecommunications company paid bribes to Karimova to access the Uzbekistan market. *Salim v. Mobile Telesystems PJSC*, 2021 WL 796088, at *15 (E.D.N.Y. Mar. 1, 2021), *aff'd* 2022 WL 966903 (2d Cir. Mar. 31, 2022).

On to class certification. As more fully set out in the Final Approval Brief, since 2014, defendants have had the ability to rebut class certification by showing that misrepresentations did not have price impact. *Halliburton Co. v. Erica P. John Fund, Inc.*, 573 U.S. 258, 267 (2014). Twin decisions, one from the Supreme Court and the other from the Second Circuit, have made the right more potent. *Goldman Sachs Grp., Inc. v. Arkansas Tchr. Ret. Sys.*, 594 U.S. 113, 123 (2021) (holding that courts should consider the content of statements themselves in determining whether they had no price impact); *Arkansas Tchr. Ret. Sys. v. Goldman Sachs Grp., Inc.*, 77 F.4th 74, 93 (2d Cir. 2023) (holding that courts should, under certain circumstances, consider whether the corrective disclosure is more specific than the allegedly false statements). Thus, class certification presents a significant risk.

Then, summary judgment. When pleading a case, plaintiffs cannot know what the evidence will ultimately show. Moreover, in cases relying significantly on cross-border discovery, even if the facts plaintiffs allege are true, they may not be able to obtain admissible evidence to prove them. Here, Plaintiff will not be able to take evidence from the two executives who arranged for

bribes to be paid or the bribes' recipient because they reside, respectively, in Russia and in an Uzbekistan prison. Horne Dec. ¶¶4-5. Thus, there is no guarantee that Plaintiff will obtain the admissible evidence necessary to survive summary judgment.

Next, trial. A securities class action raises numerous issues that are well outside jurors' typical experience. Plaintiffs must prove that securities traded on an efficient market, that defendants' statements artificially inflated the company's stock price and, in this case, that Executive 1's scienter can be imputed to VEON. None of these judgment calls have a counterpart in a typical juror's experience. Moreover, jurors will be called upon to adjudicate between competing Ph.D.-holding experts. Plaintiffs should not be confident that they would win such a battle of the experts. *In re Bear Stearns Cos. Sec., Deriv., & ERISA Litig.*, 909 F. Supp. 2d 259, 267-68 (S.D.N.Y. 2012) (noting in a battle of the experts "victory is by no means assured" and the Defense experts could sway the jury and minimize damages). Moreover, trial brings the risk of a mistrial that would further delay litigation and increase its costs.

Post-trial motions and appeal also present risks. An unpreserved objection can spell doom for a case that counsel might otherwise have won. Moreover, securities class actions are so lengthy and complex that plaintiffs risk that the law will shift beneath their feet, eliminating a victory that was unimpeachable under the standards that existed when it was secured. *See, e.g., In re Vivendi Universal, S.A. Sec. Litig.*, 765 F. Supp. 2d 512, 533 (S.D.N.Y. 2011), *aff'd sub nom.* 838 F.3d 223 (in case brought in 2002 and affirmed in 2016, Supreme Court decision after entry of verdict in Plaintiffs' favor reduced the billion-dollar verdict to an approximately $78 million recovery); *Glickenhaus & Co. v. Household Int'l, Inc.*, 787 F.3d 408, 414, 433 (7th Cir. 2015) (reversing and remanding securities class action jury verdict of $2.46 billion after 13 years of litigation on error in jury instruction created by intervening change in the law); *Anixter v. Home-Stake Prod. Co.*, 77

F.3d 1215, 1231-32 (10th Cir. 1996) (case filed in 1973 and tried to a verdict for plaintiffs in 1988 with jury instructions compelled by then-controlling precedent which the Supreme Court overruled in a 1994 opinion causing the court to vacate the jury verdict in 1996).

For all these reasons, it is common for securities class action counsel to spend thousands of hours and receive no remuneration despite diligence and expertise. *In re Xcel Energy, Inc., Sec., Deriv. & "ERISA" Litig.*, 364 F. Supp. 2d 980, 994 (D. Minn. 2005) ("Precedent is replete with situations in which attorneys representing a class have devoted substantial resources in terms of time and advanced costs yet have lost the case despite their advocacy."). *See also Hubbard v. BankAtlantic Bancorp, Inc.*, 688 F.3d 713, 730 (11th Cir. 2012) (affirming judgment as a matter of law on the basis of loss causation following a jury verdict partially in plaintiffs' favor); *Robbins v. Koger Props., Inc.*, 116 F.3d 1441, 1448-49 (11th Cir. 1997) (jury verdict of $81,000,000 for plaintiffs against an accounting firm reversed on appeal on loss causation grounds and judgment entered for defendant); *In re Apple Comput. Sec. Litig.*, 1991 WL 238298, at *1 (N.D. Cal. Sep. 6, 1991) (verdict against two individual defendants, but court vacated judgment on motion for judgment notwithstanding the verdict); *Berkey Photo, Inc. v. Eastman Kodak Co.*, 603 F.2d 263, 309 (2d Cir. 1979) (multimillion dollar judgment after lengthy trial reversed on appeal).

Finally, even if Lead Plaintiff overcame all these significant risks and prevailed at trial, such a victory would not have guaranteed the Settlement Class an ultimate recovery larger than the $19.97 million Settlement. *See, e.g.*, *Gruber v. Gilbertson*, 692 F. Supp. 3d 303, 311 (S.D.N.Y. 2023) (in calculating damages offset after trial, finding that defendants who had reached a pretrial settlement had overestimated potential liability and overpaid, leaving defendant who had lost at trial with minimal liability).

4. The Settling Parties Were Represented by Experienced, High-Caliber Counsel

Court should also consider the results achieved, counsel's experience and skill, and the quality of opposing counsel, in setting the fee. *Goldberger*, 209 F.3d at 50; *In re Warner Commc'ns Sec. Litig.*, 618 F. Supp. 735, 745, 748 (S.D.N.Y. 1985).

Despite the significant risk to recovery in this Action, Plaintiffs' Counsel successfully obtained a substantial $19.97 million cash settlement for the Settlement Class, or approximately 13.4% of estimated maximum recoverable damages—almost twice the median recovery in similarly sized securities class actions. Final Approval Brief, at 17.

Moreover, Lead Counsel's work had a direct and appreciable impact on the recovery. Upon appointment, Lead Counsel reviewed news about VEON in greater detail. By painting a fuller picture of what investors would have known about VEON and learned over the course of the four-year class period, Lead Counsel identified additional corrective disclosures. Horne Dec. ¶2. Lead Plaintiff's expert estimates that, without these new disclosures, total damages were $75.5 million, or about half the damages Lead Plaintiff was able to assert. Horne Dec. ¶ 12.c.

The experience of counsel is also relevant in determining fair compensation. *See, e.g.*, *City of Detroit*, 495 F.2d at 470–71; *Eltman v. Grandma Lee's, Inc.*, 1986 WL 53400, at *9 (E.D.N.Y. May 28, 1986). As its firm resume demonstrates, Rosen has extensive experience in securities litigation, having recovered $2 billion for their clients. Horne Dec. Ex. 1.[4] Rosen's experienced attorneys used the firm's resources to advance the Action and negotiate the Settlement.

The quality and vigor of opposing counsel also matter. *Warner Commc'ns*, 618 F. Supp. at 749. *See, e.g.*, *In re Flag Telecom Holdings, Ltd. Sec. Litig.*, 2010 WL 4537550, at *28 (S.D.N.Y.

[4] Rosen secured a $740 million settlement which is not reflected in its Firm Resume because it is pending final approval.

Nov. 8, 2010) (standing of opposing counsel underscores complexity of litigation and challenges faced by class counsel); *In re Adelphia Commc'ns Corp. Sec. & Deriv. Litig.*, 2006 WL 3378705, at *3 (S.D.N.Y. Nov. 16, 2006) (settlements "obtained from defendants represented by formidable opposing counsel … evidences the high quality of lead counsels' work."), *aff'd*, 272 F. App'x 9 (2d Cir. 2008). Opposing counsel in this case was Herbert Smith Freehills Kramer (US) LLP, whose reputation needs no burnishing here. That Plaintiffs' Counsel achieved the Settlement for the Settlement Class against skilled adversaries further shows the quality of their efforts. *In re MetLife Demutualization Litig.*, 689 F. Supp. 2d 297, 362 (E.D.N.Y. 2010).

The Settlement Class Members' positive reaction confirms the quality of Lead Counsel's representation. To date, no Settlement Class Members have objected to the Settlement or requested exclusion from the Settlement Class. Evans Dec. ¶¶14-15; Horne Dec. ¶21; *Silverstein v. AllianceBernstein, L.P.*, 2013 WL 7122612, at *9 (S.D.N.Y. Dec. 20, 2013) (that no class member objected to one-third fee request supported its approval). This positive reaction supports the requested award.

5. Public Policy Considerations: Private Securities Suits Are an "Essential Supplement" to Criminal Prosecution and Civil Enforcement

"Congress, the Executive Branch, and [the Supreme] Court…have recognized that meritorious private actions to enforce federal antifraud securities laws are an essential supplement to criminal prosecutions and civil enforcement actions brought, respectively, by the Department of Justice and the Securities and Exchange Commission." *Amgen Inc. v. Conn. Ret. Plans & Tr. Funds*, 568 U.S. 455, 478 (2013) (*quoting Tellabs, Inc. v. Makor Issues & Rts., Ltd.*, 551 U.S. 308, 313 (2007)); *Bateman Eichler, Hill Richards, Inc. v. Berner*, 472 U.S. 299, 310 (1985) (emphasizing that private securities actions provide "a most effective weapon in the enforcement of the securities laws and are a necessary supplement to [SEC] action").

To preserve this essential supplement, courts must award fees sufficient to encourage private lawsuits. *Basic Inc. v. Levinson*, 485 U.S. 224, 230–31, 108 S. Ct. 978, 99 L. Ed. 2d 194 (1988). Courts in this District recognize the public policy interest in awarding sufficient fees when attorneys succeed. *See, e.g.*, *Hicks v. Stanley*, 2005 WL 2757792, at *9 (S.D.N.Y. Oct. 24, 2005); *In re Worldcom, Inc. Sec. Litig.*, 388 F. Supp. 2d 319, 359 (S.D.N.Y. 2005) ("In order to attract well-qualified plaintiffs' counsel who are able to take a case to trial … it is necessary to provide appropriate financial incentives."). "A large segment of the public might be denied a remedy for violations of the securities laws if contingent fees awarded by the courts did not fairly compensate counsel for the services provided and the risks undertaken." *In re Union Carbide Corp. Consumer Prods. Bus. Sec. Litig*., 724 F. Supp. 160, 169 (S.D.N.Y. 1989). Thus, the public interest also weighs in favor of the requested fee.

6. Time and Labor Plaintiffs' Counsel Expended/Lodestar Cross-Check

A lodestar cross-check confirms the reasonableness of the requested fee award. *Goldberger*, 209 F.3d at 50. The "lodestar" is the dollar value of the attorneys' services had they been paid by the hour. It is calculated by multiplying the number of hours expended on the litigation by each particular attorney or paralegal by their current reasonable and customary hourly rate, and totaling the amounts for all time-keepers. Additionally, "[u]nder the lodestar method of fee computation, a multiplier is typically applied to the lodestar." *In re Glob. Crossing Sec. & ERISA Litig*., 225 F.R.D. 436, 468 (S.D.N.Y. 2004). "The multiplier represents the risk of the litigation, the complexity of the issues, the contingent nature of the engagement, the skill of the attorneys, and other factors." *Id*. (citing *Goldberger*, 209 F.3d at 47). Thus, "[w]here, as here, counsel has litigated a complex case under a contingency fee arrangement, they are entitled to a fee in excess of the lodestar." *Comverse Tech.*, 2010 WL 2653354, at *5.

Here, Plaintiffs' Counsel collectively devoted a total of 5,408.91 hours to the prosecution of this Action, resulting in a lodestar of $4,335,151.31. Horne Dec. ¶17. A one-third fee award (or $6,656,666.67) yields a lodestar multiplier of 1.54. This multiplier is well within the range of multipliers commonly awarded in securities class actions and other complex litigation, including by courts in this District. *See, e.g.*, *Maley*, 186 F. Supp. 2d at 369 (awarding one-third fee resulting in 4.65 multiplier, finding that it was "well within the range awarded by courts in this Circuit and courts throughout the country"); *In re Bisys Sec. Litig.*, 2007 WL 2049726, at *3 (S.D.N.Y July 16, 2007) (finding 2.99 multiplier "falls well within the parameters set in this district and elsewhere" and awarding fee of 30% of $65.9 million settlement over settlement class member's objection); *Cornwell v. Credit Suisse Grp.*, 2011 WL 13263367, at *2 (S.D.N.Y. July 18, 2011) (awarding multiplier of 4.7 on lodestar of $4.0 million, for fees of approximately $19 million, which amounted to 27.5% of settlement amount).

The hours spent reflect the amount of work that needed to be completed, not excessive billing. As Judge Wang aptly observed at the scheduling conference, "I think you also win the award for the highest ECF number for a 26(f) report." ECF No. 272 at 13-14. The case's lengthy procedural history is set out above. See 2-7, above. By the numbers:

- Plaintiffs' Counsel collectively filed three amended complaints;
- VEON and the individual defendants filed 8 dispositive motions;
- The parties filed 9 other motions (including the final approval and fee motions);
- The parties attended 4 court conferences;
- The parties filed 7 discovery letter motions;
- The parties served 68 requests for production, 8 interrogatories, and 4 requests for admission, Horne Dec. ¶11;

- Lead Counsel reviewed more than 84,000 pages of documents, Horne Dec. ¶11; and
- The parties held two mediations.

Throughout the litigation, Plaintiffs' Counsel advanced the Action to bring about the most successful outcome for the Settlement Class, by the most efficient means possible. Accordingly, the time and effort devoted to this case by Plaintiffs' Counsel to obtain the $19.97 million recovery confirms that the request for one third of the Settlement Fund is reasonable.

D. Lead Counsel's Expenses Are Reasonable and Were Necessarily Incurred to Achieve the Benefit Obtained

Lead Counsel also requests reimbursement of $130,000 in expenses incurred while prosecuting the Action. In support of this request, Lead Counsel is submitting a declaration categorizing and attesting to the accuracy of these expenses, which are properly recovered by counsel.

"It is well accepted that counsel who create a common fund are entitled to the reimbursement of expenses that they advanced to a class." *Flag Telecom*, 2010 WL 4537550, at *30. "Attorneys may be compensated for reasonable out-of-pocket expenses incurred and customarily charged to their clients, as long as they were incidental and necessary to the representation of those clients." *In re Indep. Energy Holdings PLC Sec. Litig.*, 302 F. Supp. 2d 180, 183 n.3 (S.D.N.Y. 2003)

Plaintiffs' Counsel incurred expenses of $163,294. Of these, $129,407.1 (or almost the entire amount Plaintiffs' Counsel are requesting) are either fees paid to financial experts ($69,385.91) or the mediators ($60,021.17). The remaining expenses were for legal and factual research, translation, notice to the class, and travel. Horne Dec. ¶18. These expenses are customary and necessary expenses in securities class action, are reasonable in amount, and are customarily

reimbursed. *Ashe v. Arrow Fin. Corp.*, 2025 WL 487427, at *3 (N.D.N.Y. Feb. 13, 2025) (reimbursing costs including for legal research, expert, investigator, travel expenses, press releases and newswires); *In re Signet Jewelers Ltd. Sec. Litig.*, 2020 WL 4196468, at *22 (S.D.N.Y. July 21, 2020). As such, they should be reimbursed. *Flag Telecom*, 2010 WL 4537550, at *30; *In re Glob. Crossing Sec. & ERISA Litig.*, 225 F.R.D. 436, 468 (S.D.N.Y. 2004) ("The expenses incurred—which include investigative and expert witnesses, filing fees, service of process, travel, legal research and document production and review—are the type for which 'the paying, arms' length market' reimburses attorneys" and are "properly chargeable to the Settlement fund").

E. The Proposed Compensatory Award to Lead Plaintiff Is Reasonable

Mr. Lvov requests an award of $10,000, or 0.05% of the Settlement Fund, to compensate him for his work in bringing about the Settlement. The PSLRA permits an "award of reasonable costs and expenses (including lost wages) directly relating to the representation of the class[]." 15 U.S.C. § 78u-4(a)(4). "Courts in this Circuit routinely award such costs and expenses both to reimburse the named plaintiffs for expenses incurred through their involvement with the action and lost wages, as well as to provide an incentive for such plaintiffs to remain involved in the litigation and to incur such expenses in the first place." *In re Giant Interactive Grp., Inc. Sec. Litig.*, 279 F.R.D. 151, 165 (S.D.N.Y. 2011). In accordance with the PSLRA and their inherent powers, courts routinely grant reimbursement of substantial sums to lead plaintiffs and class representatives. *In re Bank of Am. Corp. Sec., Deriv., & Emp. Ret. Income Sec. Act (ERISA) Litig.*, 2013 WL 12091355, at *2 (S.D.N.Y. Apr. 8, 2013) (awarding $259,610 to one plaintiff and $125,688 to a second plaintiff), *aff'd*, 772 F.3d 125 (2d Cir. 2014); *In re Veeco Instruments Inc. Sec. Litig.*, 2007 WL 4115808, at *12 (S.D.N.Y. Nov. 7, 2007) (awarding lead plaintiff approximately $15,900 of $5,500,000 settlement and characterizing such awards as "routine[]").

Here, Mr. Lvov diligently and capably represented the Settlement Class and an award of $10,000 is appropriate. It is a *de minimis* portion of the settlement fund. *Metlife*, 689 F. Supp. 2d at 370 (finding that courts consider size of the award in relation to size of the settlement and finding that awards of similar percentages of settlement funds were justified). Moreover, the work Mr. Lvov performed and the hours he spent justify an award. As detailed in his Declaration, Mr. Lvov has actively and diligently pursued the Settlement Class's claims for more than five years. Lvov estimates that he devoted 180 hours total to these tasks. Lvov Dec. ¶8. Among other things, he: (a) communicated with counsel regarding the case, as well as strategy; (b) discussed my obligations as lead plaintiff with counsel; (c) reviewed information about VEON; (d) researched and reviewed public documents about VEON; (e) reviewed and approved significant filings; (f) consulted with counsel regarding settlement negotiations and, after discussions with counsel, provided settlement authority; and (g) evaluated and approved the Settlement. Lvov Dec. ¶4. These efforts provided a significant benefit to the Settlement Class and are "precisely the types of activities that support awarding reimbursement of expenses to class representatives." *In re Marsh & McLennan Cos., Inc. Sec. Litig.*, 2009 WL 5178546, at *21 (S.D.N.Y. Dec. 23, 2009).

Mr. Lvov's request for an award of $10,000 to compensate him for his time and service to the Settlement Class throughout his time as Lead Plaintiff is reasonable and should be granted.

F. TIMING OF PAYMENTS

The Court should approve immediate payment of attorneys' fees and reimbursement of expenses. The immediate payment of attorney's fees to class counsel upon settlement approval (referred to as "quick pay") is common and "does not harm the class members in any discernible way, as the size of the settlement fund available to the class will be the same regardless of when the attorneys get paid." *In re Lumber Liquidators Chinese-Manufactured Flooring Prods. Mktg., Sales Pracs. & Prods. Liab. Litig.*, 952 F.3d 471, 487 (4th Cir. 2020) (quoting *Pelzer v. Vassalle*,

655 F. App'x 352, 365 (6th Cir. 2016)); Brian T. Fitzpatrick, *The End of Objector Blackmail*?, 62 Vand. L. Rev. 1623, 1643 (2009) (finding that over one-third of federal class action settlement agreements in 2006 included quick-pay provisions and arguing that such provisions are advisable on policy grounds because they prevent objectors from blackmailing counsel by holding up attorneys' fees on appeal).

IV. CONCLUSION

For the foregoing reasons, the Court should: (a) award attorneys' fees of 33 and 1/3%, or one-third, of the gross Settlement Fund, plus interest; (b) reimburse Litigation Expenses of $130,000, plus interest; and (c) grant an award to Lead Plaintiff of $10,000, plus interest.

Dated: April 14, 2026

Respectfully Submitted,

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WORD COUNT CERTIFICATE

Pursuant to Local Civil Rule 7.1(c), I certify that the foregoing document contains 6,756 words, excluding the exempted portions, and that it complies with the applicable word count limitation.

/s/ Jonathan Horne
Jonathan Horne