the Pomerantz Monitor

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Inside This Issue

Love's LIBOR Lost

by H. Adam Prussin

A few weeks ago news erupted of what may be the worst financial scandal in years: the systematic manipulation of interest rates by the largest banks in Europe and the U.S. On June 27 the Department of Justice and regulators in the U.S. and England announced that they had reached a settlement with Barclay's, the giant British bank, in a case involving the fraudulent fixing of the so-called LIBOR interest rate. LIBOR (short for "London interbank offered rate") is the benchmark for trillions of dollars of loans worldwide – mortgage loans, small-business loans, personal loans, and interest rate derivatives contracts called swaps.

The regulators allege that Barclay's made false daily submissions to the British Bankers' Association – which calculates LIBOR – probably from 2005 to 2009. The submissions are not based on an actual market rate of interest for interbank loans. Rather, submitters estimate what they think they would have to pay.

Obviously, since all the big banks submit data, Barclay's normally could not manipulate LIBOR by itself; they would all have had to cooperate. And now, in its settlement agreement, Barclay's has admitted that this is exactly what happened, with the result that LIBOR deliberately underestimated the interest rates that the banks were paying for loans.

This is no ordinary scandal, because this time there are likely to be big-time consequences. Barclay's has paid $453 million to settle the cases; and its Chairman, CEO and CFO have all been forced to resign. The four top executives of the firm reportedly voluntarily agreed to give up their bonuses this year. But that is only the tip of the iceberg.

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Obamacare Found Constitutional

by D. Brian Hufford

On June 28, 2012, the U.S. Supreme Court finally issued its much anticipated decision on the constitutionality of Patient Protection and Affordable Care Act, otherwise known as "Obamacare." The focus of the challenge to the bill was on its controversial "individual mandate," whereby individuals would be subjected to a financial penalty if they did not purchase insurance. As soon as the bill was signed on March 23, 2010, 14 state attorneys general, with support from the Republican Party, filed suit to strike down the law, contending that this provision in particular was unconstitutional. Ironically, the individual mandate was originally a Republican idea, first raised in a 1989 proposal by the conservative Heritage Foundation, then, in 1993, as part of the Republicans' proposed alternative to then-President Clinton's health reform bill, and finally, and most famously, as an integral part of Governor Romney's health care plan for Massachusetts. However, by the time President Obama's proposed healthcare overhaul began to gain traction, every single Republican Senator went on record declaring the individual mandate unconstitutional.

In its landmark decision, written by Chief Judge John Roberts, the Court upheld the mandate by a 5-4 vote. The fact that Justice Roberts chose to find that the individual mandate exceeds federal authority under the Commerce Clause, but is indeed constitutional as a tax, has pundits shaking their heads. Some see this as proof of Robert's alleged desire to gut the Commerce Clause – the clause that has provided national protection for civil liberties such as desegregated facilities and labor laws – and as such, a gift to conservatives and libertarians anxious to limit the role of the federal government. As Justice Ginsberg wrote in her opinion, "[Justice Robert's] rigid

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This is this is not one of those "neither admit nor deny" settlement agreements that have been pilloried in some quarters: *Barclay's admits that it did it*. That will cripple its ability to fight the avalanche of civil litigation that will inevitably follow.

The manipulation of LIBOR has resulted in distorted interest rates being charged for trillions of dollars of loans, and it has also affected thousands of transactions in derivative securities, including interest rate swaps whose profitability depended directly on movements in the LIBOR rate. Anyone who came out on the short end of those deals will have a great case.

For example, Charles Schwab, the brokerage firm and investment manager, has sued 11 major banks, claiming they conspired to manipulate LIBOR. Schwab contends that these banks altered the interest rates for LIBOR-based securities and deprived investors of the returns they would have earned had the numbers been accurate. The firm also alleges that by falsely depressing their borrowing costs, the banks "provided a false or misleading impression of their financial strength to investors" during the financial crisis of 2008.

Municipalities, pension funds and hedge funds have also filed actions alleging that they received smaller payments under their financial contracts with banks (typically, interest rate swaps) than they would have received had LIBOR been set honestly. According to *The New York Times*, one of the most significant actions was filed by traders and hedge funds that entered into futures contracts, traded over the Chicago Mercantile Exchange, that make payments calculated in reference to LIBOR. Pomerantz is currently working with banks that were not involved in reporting LIBOR, but received lower interest payments on floating-rate loans due to the manipulation of LIBOR rates. We anticipate filing a case on behalf of injured lenders shortly.

There is serious potential here for criminal liability. The Justice Department case against Barclay's, for example, was a criminal case; and Barclay's entered into a so-called "non-prosecution" agreement with the Department as part of the settlement. This agreement does not, however, immunize individual officers and employees of Barclay's from criminal prosecution, which now seems to be inevitable. How far up the ladder the cases will go remains to be seen. The U.S. Department of Justice is also continuing its probe into whether other banks and individuals rigged LIBOR and the Euro Interbank Offered Rate as well, and has made it clear that it is contemplating bringing criminal actions, most likely later this year. Across the pond, on July 6, the U.K. Serious Fraud Office announced it had officially opened a criminal investigation into the country's banking industry in the wake of Barclay's settlement.

Barclay's was forced to capitulate because, from all reports, the evidence of its culpability was overwhelming. Reportedly, Barclays' traders' emails give a chilling picture of how easily they got their colleagues to go along with this scheme. Robert Diamond, Jr., the former Barclays CEO who was forced to resign, testified to Congress after the settlement was announced that these emails made him "physically ill." Among them is a series of exchanges between the bank's traders and the bank's LIBOR submitters, with traders expressing gratitude for fudged numbers in terms like, "Dude. I owe you big time! Come over one day after work and I'm opening a bottle of Bollinger." Another one reportedly said that "Coffees will be coming your way either way, just to say thank you for your help." Yet another said, "When I retire and write a book about this business your name will be written in golden letters." The submitter responded: "I would prefer this not be in any book!"

Why would they do it? Fear played a big part. During the period just before the financial crisis, around 2007, as the financial condition of the banks deteriorated seriously, Barclays and other banks lowballed their rate estimates in order to disguise how much trouble they were in. Had they been truthful, that would have been a red flag of their weak financial condition. Barclay's seems to have been in the worst shape, and was unwilling to disclose that its borrowing costs were higher than its rivals'. It therefore asked its employees to lower the rates submitted to the Libor committee to keep the bank's reported borrowing rates in line with those of other big banks.

Simple greed also played a major role in this scandal. Starting around 2005, the banks were rigging LIBOR in whatever way necessary to assure their bets on derivatives would be profitable, including bets on interest rate swaps. The fact that banks could buy and sell such swaps, while at the same time setting the rates that the swaps were betting on, is a colossal, and obvious, conflict of interest. At other times, the banks had entered into agreements with institutional investors requiring the payment of interest at a rate based on LIBOR. By lowering that rate, the banks were saving themselves a boatload of money - at the expense of their counterparties.

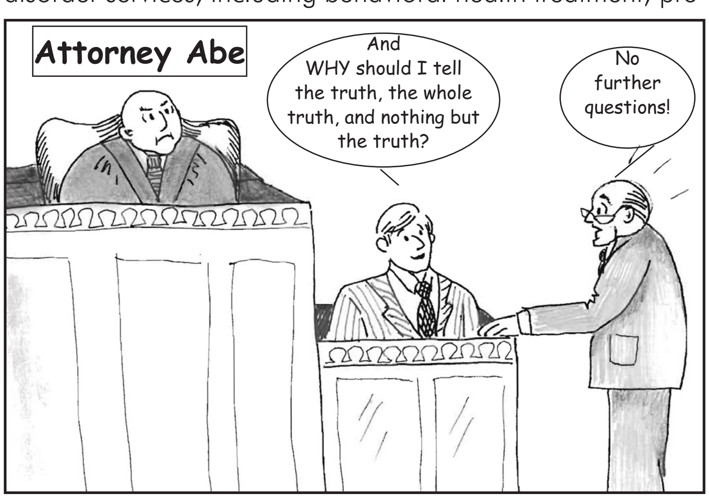
While Barclay's was the first bank to settle, it won't be the last. JPMorgan Chase & Co., Citigroup Inc., Bank of America, HSBC and Deutsche Bank AG, are all reportedly in the crosshairs. More settlements, and more horrific disclosures, are probably in the forecast for the foreseeable future.

It's Constitutional (from Page 1)

reading of the [Commerce] Clause makes scant sense and is stunningly retrogressive."The Court upheld not only the mandate but also the rest of the Affordable Care Act, including: eliminating exclusions based on pre-existing conditions for children up to age 19; allowing young people up to the age of 26 to be covered under their parents' policies; phasing out annual and lifetime limits on most benefits; prohibiting cancellation of insurance policies based on honest mistakes in applications; requiring insurance companies to publicly justify rate hikes as a means to combat unreasonable increases; requiring that the bulk of insurance premiums be spent on health care, not administrative costs; permitting access to emergency care to hospitals outside the insurer's network; and requiring preventive care at no cost to the subscriber.

The one notable provision that was not upheld concerned the significant expansion of Medicaid, which will now cover anyone earning up to 138% of the federal poverty level (including individuals without children who previously were excluded). The Act sought to compel states to go along by threatening to withdraw federal funding of all Medicaid payments to any state that didn't agree to the expansion. By a 7-2 vote, however, the Supreme Court found that, while expanding Medicaid was fine, the financial penalty imposed on the states was not. Thus, the federal government cannot take away current funding to compel states to accept expanding Medicaid coverage, but they can voluntarily agree to do so and accept additional funding. A number of Republican Governors have already announced that they will not agree with the Medicare expansion in their states, leaving millions of people in an uncertain position as to what insurance coverage will be available to them.

In addition, the Affordable Care Act establishes ten categories of "essential health benefits" which must be included in the individual and small group market policies, including ambulatory patient services; emergency care; hospitalization; maternity and newborn care; mental health and substance use disorder services, including behavioral health treatment; prescription drugs; rehabilitative and habilitative services and devices; laboratory services; preventive and wellness services and chronic disease management; and pediatric services, including oral and vision care. According to the Department of Health and Human Services, these provisions will mean that 8.7 million Americans will gain maternity coverage; 4.8 million will gain substance abuse coverage; 2.3 million will gain mental health coverage; and 1.3 million prescription drug coverage.



The new law also allows the Department of Labor to adopt regulations to govern all claims processing, reimbursement, denials and appeals for nearly all healthcare claims accept those falling under Medicare. Thus, whereas current regulations under the Employee Retirement Income Security act of 1974 ("ERISA") applies only to insurance policies issued by private employers, they now will extend to non-ERISA plans, including those issued by governments and individual policies. Regulations issued under the Act also establish that if health care plans fail to adhere strictly to all of the requirements, they will be entitled to file lawsuit immediately, rather than having to proceed through internal appeals first. This incorporates a "deemed exhaustion" provision previously applied under ERISA, but exchanges a strict compliance requirement for a previously permitted "substantial" compliance, which offered an easier hurdle for insurers to exceed. As for Medicare, the Act expands rights there as well, by allowing free wellness exams; excluding preventive services, such as mammograms, bone scans and depression and diabetes screenings, from deductibles and copays; and gradually closing the current "doughnut hole" gap in drug coverage, including continued discounts on drug costs.

Seizing Property To Unseize Property Markets

For years the economy has been dragged down by a sagging real estate market. Millions of home owners are underwater, where they are defaulting on a massive scale. As foreclosures have swept across America, they have helped depress real estate values for everyone.

Many economists have concluded that the best way out of this problem is to get lenders to reduce the principal balance on these mortgages to reflect the actual value of the real estate. The government has tried several times to push such a process along, but with very little success. Not only have lenders been reluctant to swallow losses on these mortgages, in many cases the banks don't even own the mortgages. Millions of them have been sliced and diced into mortgage-backed securities, which are owned by thousands of investors. Getting them all

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to agree to modify particular mortgages in their portfolios is impossible. As *Irrational Exuberance* author Robert Shiller has said, owners of securitized mortgages "live all over the world and have no way of communicating with each other, let alone coming to an agreement to give homeowners a break."

One possible way around this problem would be for local governments to employ a novel legal tactic: use their eminent domain power to acquire these mortgages from the holders, a process that would not require their consent. Governmental entities would have to pay "fair value" for these mortgages, but in this market fair value would be far less than the outstanding principal balance on these underwater mortgages. Once the localities acquire these mortgages, using money provided by private investors, they could refinance them for the homeowners, letting them hold onto their homes while making more reasonable payments.

According to a July 5 article in the *Wall Street Journal*, some county and city officials in California are giving serious consideration to doing this. New investors can expect to be repaid by homeowners who are issued new mortgages and who are no longer underwater.

Credit for this idea probably belongs to Cornell Law Professor Robert Hockett. Joe Nocera of *The New York Times* recently interviewed professor Hockett, who has served as an adviser to Mortgage Resolution Partners, a company consulting with California municipalities on the issue. Hockett told Nocera that to invoke eminent domain powers, the governmental entity has to show merely that it is paying fair value for the property, and that it is acquiring it for a legitimate public purpose.

Keeping people in their homes and salvaging real estate markets could well be construed as a legitimate public purpose. "This is a yoke around the American economy," said Steven Gluckstern, the chairman of Mortgage Resolution Partners.

The eminent domain solution is already getting pushback from investors in mortgage backed securities who, obviously, don't want to suffer the losses such transactions would impose on them. A draft of proposed rules circulating among members of the Securities Industry and Financial Markets Association, a trade association of mortgage bond investors, would threaten municipalities thinking of using eminent domain to acquire underwater mortgages. The rules would disqualify mortgages from those communities from being packaged into certain types of mortgage backed securities. In response, Gluckstern called this maneuver "reprehensible and immoral," and also "probably illegal."

Jay Douglas Dean

Consumers Dodge a Bullet as Supreme Court Dismisses Cert in Consumer Fraud Case

On the same day the Court issued its decision on President Obama's healthcare law, it also dismissed its own grant of certiorari in a case called *First American*. It may sound odd, but this act of forbearance could have a profound effect on consumer fraud cases arising under countless federal statutes and regulations.

First American is a class action alleging that a title insurance underwriter paid illegal kickbacks to insurance agents in order to get their title insurance business. Such kickbacks would violate the Real Estate Settlement Procedures Act of 1974 ("RESPA"). Because title insurance rates are fixed by statute, the rate has to be the same, no matter who the insurer is. Although consumers therefore were not overcharged for their insurance, under RESPA they have the statutory right to recover three times the total insurance premium charged.

First American moved to dismiss the action on the ground that the plaintiff lacked standing under the constitution to bring the action, because she had not been economically injured by the alleged RESPA violations. The lower courts held that a violation of RESPA is sufficient to confer standing to assert a private right of action notwithstanding the fact that the violation may not have caused the plaintiff any economic injury. The lower courts in First American joined the Third and Sixth Circuits in ruling that RESPA confers standing on private litigants regardless of whether they were overcharged as a result of the defendants' conduct. In these courts' reasoning, RESPA confers standing on such litigants merely through its creation of a statutory cause of action. In other words, the violation of the plaintiff's statutory rights constituted the injury that conferred standing.

When the Supreme Court granted certiorari, many assumed that the conservative wing of the Court, which has been notoriously hostile to class action litigation, viewed the case as an opportunity to further restrict the ability of plaintiffs to bring such actions. By dismissing its writ of certiorari, the Court preserved the lower courts' holding that standing derives from the violation of the statute, not from the injury that results from that violation. That distinction is critical because it is often difficult for a plaintiff to demonstrate that he or she was directly damaged by a defendant's violation of a statute or regulation.

The same reasoning could presumably apply to other statutes and regulations that create private rights of action with damages calculations based on anything other than economic injury. For that reason, the Supreme Court's decision to leave the circuit court precedent unmolested should be taken by the plaintiff's bar as a very welcome appearance of "the dog who didn't bark" (or, better perhaps, "the dog who didn't bite").

Anthony F. Maul

The Failure of Self-Regulation

In 1938, then SEC general counsel Chester Lane told a group of bond dealers that the Commission believed that the job of regulating broker-dealers "can best be handled … by placing the primarily responsibility on the organized associations of securities dealers throughout the country." Ever since, the financial services industry has spent billions of dollars on lobbyists ($101 million in 2011 alone, according to opensecrets.org), and has succeeded in getting lawmakers to delegate important oversight functions to self-regulatory organizations (SROs) such as the National Futures Association (NFA) and the Financial Industry Regulatory Authority (FINRA). Unfortunately, as recent history proves, self-regulation all too often means lax regulation that perpetuates misconduct rather than protecting customers.

For example, the NFA has twice in the last two years failed to notice that member brokers were stealing hundreds of millions of dollars of customer funds from segregated accounts. It is not for lack of regulatory authority – the NFA receives daily reports from each of its member brokers describing the custody and amounts of all customer funds, audits each of these brokers on a periodic basis, and has full authority to investigate any suspected deficiencies. However, the NFA is either not competent or not willing to effectively use those tools to root out misconduct within its own ranks.

Most recently, on July 9, 2012 the NFA disclosed that about 95%, or $220 million, of customer funds were "missing" from a segregated account that futures brokerage PFGBest (formerly Peregrine Financial Group) maintained at US Bank. NFA documents conceded that most of these funds were also missing when the NFA audited PFGBest in February 2010 and again in March 2011. The fraud was not uncovered in either audit, apparently because the NFA auditor accepted manipulated copies of bank documents provided by PFGBest rather than independently verifying the balances with US Bank. Whether this lack of diligence was caused by ineptitude, or the fact that PFGBest CEO Russell Wasendorf, Sr. sat on the NFA's board of advisors, is not clear.

If the story of missing customer funds at a futures brokerage sounds familiar, it should. Less than a year ago, customers of MF Global (including the author of this article) learned that hundreds of millions of dollars of purportedly segregated funds had been pilfered by that firm's management to margin their own proprietary speculations on European debt. NFA regulators also failed to notice those transfers.

Self-regulation has fared no better in the securities industry. Ron Rhoades, chairman-elect of the National Association of Personal Financial Advisors, was recently quoted as saying that FINRA "is a colossal failure, by any measure." Internal FINRA reports confirm that FINRA regulators failed to adequately probe into the Madoff fraud, though FINRA oversaw Madoff's principal entity, Madoff Securities, for more than two decades, and also repeatedly disregarded tips about Allen Stanford's $7 billion fraud.

PFG, MF Global, Madoff, and Stanford all teach the same lesson: industry SROs cannot be trusted to protect customer funds or ferret out misconduct. If we really want to regulate the financial industry, there is no substitute for strong, independent regulators.

Joshua B. Silverman

Maintaining Tradition While Moving Forward

Our Firm has a new name: Pomerantz Grossman Hufford Dahlstrom & Gross LLP. Meet the people behind the names:

Abraham **Pomerantz** founded the Firm in 1936. He relentlessly championed investor rights and secured numerous investor protections now enshrined in the laws applied to class-action and derivative lawsuits.

Marc I. **Gross**, Managing Partner, leads an experienced team across three offices. A Vice President of the Institute of Law and Economic Policy, Marc has three decades of experience in the most sophisticated securities fraud and derivative matters.

Patrick V. **Dahlstrom**, Senior Partner, was Lead Counsel in *Comverse Technology*, which settled for $225 million. Patrick's deep knowledge of the PLSRA and class-action procedures make him extremely effective in getting clients appointed as Lead Plaintiff over multiple, competing candidates.

D. Brian **Hufford**, the Senior Partner overseeing the Firm's Insurance Practice Group, is one of the most respected healthcare provider counsel in the country. Brian's team achieved two landmark settlements, with a combined value of $600 million, in disputes with healthcare insurers.

Stanley M. **Grossman**, Senior Counsel, is a recognized leader in the plaintiffs' securities bar. He has litigated securities, derivative and antitrust actions with the Firm for thirty-nine years.

With our new name comes a new address. We are pleased to announce that our New York office has moved to more spacious quarters at 600 Third Avenue, New York, NY 10016.

the Pomerantz Monitor

Late-Breaking Pomerantz News!

Ginormous Antitrust Settlement. Friday the 13th is reputed to bring bad luck, but for U.S. retailers across the country, Friday the 13th, 2012 was an exceptionally good day. A seven-year litigation concerning collusively set interchange fees was resolved for over $6 billion. This is the largest antitrust class action settlement in the more than 100-year history of the Sherman Antitrust Act. The case is *In re: Payment Card Interchange Fee and Merchant Discount Antitrust Litigation*, in the U.S. District Court for the Eastern District of New York, MDL 172. Pomerantz represented the largest class representative plaintiff – Payless ShoeSource, Inc. More details to follow in the next *Monitor* . . .

Pom Shorts

Things Get Rough in Mr. Rogers' Neighborhood. Recently Duke Energy acquired Progress Energy. When their proposed merger was announced 18 months ago, the two companies said that Johnson, head of Progress, would take over as chief of Duke. But hours after the deal was done on July 2, the board, dominated by continuing Duke directors, ousted Johnson and reinstalled former Duke CEO Jim Rogers in the top job. Johnson's surprise dumping may be tempered a bit by the fact that he is due to receive up to almost $45 million in severance, pension benefits, deferred compensation, and stock awards. Utility regulators in North Carolina were investigating whether this bait and switch routine was a fraud on Progress shareholders.

The Perils of Peregrine. When Peregrine Financial Group, a futures brokerage firm, recently collapsed, auditors discovered that over $200 million of customer money was missing. So was founder and chairman Russell Wasendorf Sr., who was later found in his car outside the company's headquarters in Cedar Falls, Iowa, where he had apparently attempted suicide. In the car police found a suicide note to his wife. He had also sent a note to his son, the company CEO, admitting that he had embezzled over $100 million from the company over a 20 year period, in part by personally doctoring bank statements. If this is true, Peregrine was sort of a cross between MF Global and Bernie Madoff. The plan collapsed when a regulator insisted that the company start using a system for verifying accounts, which would have revealed the fraud.

JP Morgan Chase Announces Clawback. After announcing that the trading losses resulting from the misadventures of its infamous "London Whale" have now risen to $5.8 billion, and may rise above $7 billion, Chase has been forced to restate its first quarter financial results. Evidence has also surfaced to the effect that traders may have tried to cover up these losses. Now Chase has announced that it will be "clawing back" $30 million in compensation, about two years' worth, from the four supervisors who let this happen. Ina R. Drew, the former chief investment officer of the company, was the only executive in this group that Chase has identified so far.

notable dates

. . . on the Pomerantz horizon

August 19-21: **Cheryl Hamer** will attend the Texas Association of Public Employee Retirement System (**TEXPERS)** Summer Educational Conference in San Antonio, Texas.

Sept. 20: **Marc Gross** will speak on the British Petroleum action at a Pomerantz-sponsored lecture in Brussels, Belgium.

Sept. 11-14: **Cheryl Hamer** will attend the Association of Canadian Pension Management **(ACPM)** Conference in Victoria, British Columbia.

October 3-5: **Cheryl Hamer** will attend the Council of Institutional Investors (**CII**) Fall Conference in Seattle, Washington.

October 17: **Marc Gross** will speak on securities litigation in the United States at the **NAPF** Annual Conference in Liverpool, England.

Nov. 11-14: **Cheryl Hamer** will attend the International Foundation of Employee Benefit Plans (**IFEBP**) Annual Conference in San Diego, California.

Nov. 13-16: **Cheryl Hamer** will attend the State Association of County Retirement Systems (**SACRS)** Fall Conference in Hollywood, California.

December 2-4: **Jeremy Lieberman** will speak on corporate governance at the Annual Provident Funds Coalition Conference in Eilat, Israel.

Cheryl D. Hamer

Marc I. Gross

Jeremy A. Lieberman

PomTrack© Class Actions Update

Pomerantz, through its proprietary PomTrack© system, monitors client portfolios to identify potential claims for securities fraud, and to identify and evaluate clients' potential participation in class action settlements.

NEW CASES:

A selection of recently filed securities class action cases filed by various law firms are listed below. If you believe your fund is affected by any of these cases, contact Pomerantz for a consultation.

Case Name	TICKER	Class Period	Lead Plaintiff Deadline
Olympus Corporation (Japan) (DRRT Action)	7733	June 29, 2001 - March 31, 2012	July 20, 2012
Facebook, Inc. (N.D. Cal.)	FB	January 2, 2000 - December 31, 1999	July 23, 2012
Facebook, Inc. (S.D.N.Y.)	FB	January 2, 2000 - December 31, 1999	July 23, 2012
ViroPharma Incorporated (2012)	VPHM	December 14, 2011 - April 9, 2012	July 23, 2012
China-Biotics, Inc. (2012)	CHBT	February 9, 2011 - July 1, 2011	July 24, 2012
Orrstown Financial Services, Inc.	ORRF	March 24, 2010 - October 27, 2011	July 24, 2012
VelocityShares Daily 2x VIX Short Term Exchange Traded Notes	TVIX	November 30, 2010 -March 22, 2012	July 24, 2012
ChinaCast Education Corporation	CAST	February 14, 2011 - April 2, 2012	July 25, 2012
KIT digital, Inc.	KITD	November 8, 2011 - May 3, 2012	July 25, 2012
Tibet Pharmaceuticals, Inc. (D. V.I.) and (S.D.N.Y.)	TBET	January 2, 2000 - December 31, 1999	July 25, 2012
Deckers Outdoor Corporation	DECK	October 27, 2011 - April 26, 2012	July 31, 2012
DJSP Enterprises, Inc. (2012)	DJSP	February 16, 2010 - November 15, 2010	August 6, 2012
Central European Distribution Corporation (2012)	CEDC	March 1, 2010 - June 4, 2012	August 7, 2012
Ambow Education Holding Ltd.	AMBO	May 18, 2011 - May 16, 2012	August 10, 2012
EasyLink Services International Corp. (N.D. Ga.)	ESIC	On behalf of all holders	August 13, 2012
LHC Group, Inc.	LHCG	July 30, 2008 - October 26, 2011	August 13, 2012
ModusLink Global Solutions, Inc.	CMGI, MLNK	September 26, 2007 - June 8, 2012	August 13, 2012
St. Jude Medical, Inc. (2012)	STJ	December 15, 2010 - April 4, 2012	August 13, 2012
AEterna Zentaris Inc.	AEZS	February 3, 2010 - April 1, 2012	August 14, 2012
THQ Inc. (2012)	THQI	May 3, 2011 - February 3, 2012	August 14, 2012
Tempur-Pedic International, Inc. (2012)	TPX	January 25, 2012 - June 5, 2012	August 20, 2012
American Oriental Bioengineering, Inc.	AOBI	November 9, 2009 - June 15, 2012	August 21, 2012
UBS AG (2012)	UBS	March 15, 2011 - September 15, 2011	August 21, 2012
General Maritime Corporation	GMR	May 10, 2010 - November 16, 2011	August 27, 2012
Centene Corporation (2012)	CNC	February 7, 2012 - June 8, 2012	August 28, 2012
Vestas Wind Systems A/S (Netherlands)	VWS	October 27, 2009 - October 25, 2010	August 30, 2012
GPT Group (Australia)	GPT	February 27, 2008 - July 6, 2008	August 31, 2012
PolyMedix, Inc.	PYMX	March 7, 2011 - May 10, 2012	August 31, 2012
Big Lots, Inc.	BIG	February 2, 2012 - April 23, 2012	September 7, 2012
Barclays PLC	BCS	July 10, 2007 - June 27, 2012	September 10, 2012
General Motors Corp. (2012)	GM	January 2, 2000 - December 31, 1999	September 10, 2012
Kosmos Energy Ltd.	KOS	January 2, 2000 - December 31, 1999	September 10, 2012
Bridgepoint Education, Inc.	BPI	May 3, 2011 - July 6, 2012	September 11, 2012
MLP AG (Germany)	MLP	January 1, 1999 - December 31, 2002	December 31, 2012

SETTLEMENTS:

The following class action settlements were recently announced. If you purchased securities during the listed class period, you may be eligible to participate in the recovery.

Case Name	Amount	Class Period	Claim Filing Deadline
Allscripts-Misys Healthcare Solutions, Inc.	$10,150,000	May 8, 2007 -February 13, 2008	July 18, 2012
Reddy Ice Holdings, Inc. (2008)	$1,000,000	August 10, 2005 - Sept. 15, 2008	July 18, 2012
American Capital Ltd.	$18,000,000	October 31, 2007 - Nov. 7, 2008	July 20, 2012
Cell Therapeutics, Inc. (2010)	$19,000,000	March 25, 2009 - March 22, 2010	July 28, 2012
Meta Financial Group, Inc.	$2,100,000	May 14, 2009 - October 18, 2010	July 30, 2012
PacketPort.com, Inc. (n/k/a Wyndstorm Corp.) (SEC)	$1,075,000	December 13, 1999 - April 11, 2000	August 1, 2012
Tongxin International, Ltd.	$3,000,000	May 18, 2009 - December 17, 2010	August 1, 2012
International Game Technology	$12,500,000	November 1, 2007 - Oct. 30, 2008	August 6, 2012
Koss Corporation	$1,000,000	July 12, 2005 -December 21, 2009	August 6, 2012
Liberty Media Corporation	$10,000,000	October 9, 2009 - October 9, 2009	August 7, 2012
Deutsche Alt-A Securities, Inc.	$32,500,000	May 1, 2006 - May 31, 2008	August 10, 2012
State Street Global Advisors (Yield Plus Fund)	$6,250,000	July 1, 2005 - May 31, 2008	August 14, 2012
Delphi Financial Group, Inc.	$49,000,000	July 20, 2011 - May 15, 2012	August 15, 2012
Lehman Brothers Holdings, Inc. (S.D.N.Y.) (Mortgage-Backed Securities)	$40,000,000	Sept.26, 2005 - December 31, 2099	August 20, 2012
Coinstar, Inc.	$6,000,000	October 29, 2010 - February 3, 2011	August 21, 2012
HeartWare, Inc.	$1,125,000	January 2, 1900 - December 31, 2099	August 24, 2012
RINO International Corporation	$7,000,000	March 31, 2009 - November 17, 2010	August 27, 2012
Arbitron, Inc.	$7,000,000	July 19, 2007 - November 26, 2007	August 30, 2012
Sonoco Products Co.	$13,000,000	February 7, 2007 - Sept. 18, 2007	August 30, 2012
SLM Corp. (Sallie Mae)	$35,000,000	January 18, 2007 - January 23, 2008	August 31, 2012
Allwaste, Inc. (2005)	$3,350,000	July 30, 1997 - June 25, 1999	September 10, 2012
Arctic Glacier Income Fund (Canada)	$13,206,875	March 13, 2002 - September 16, 2008	September 11, 2012
Ormat Technologies, Inc.	$3,100,000	May 7, 2008 - February 24, 2010	September 24, 2012
Sturm, Ruger & Company, Inc.	$3,000,000	April 23, 2007 - October 24, 2007	September 24, 2012
Zynex, Inc.	$2,500,000	May 21, 2008 - March 31, 2009	October 1, 2012
IMAX Corp.	$12,000,000	February 27, 2003 - July 20, 2007	October 12, 2012
Bear Stearns Companies, Inc. (S.D.N.Y.)	$294,900,000	December 14, 2006 - March 14, 2008	October 25, 2012
E*TRADE Financial Corp. (2007)	$79,000,000	April 19, 2006 - November 9, 2007	October 31, 2012
Thornburg Mortgage, Inc. (2007)	$2,000,000	April 19, 2007 - March 19, 2008	November 19, 2012

POMERANTZ
GROSSMAN HUFFORD DAHLSTROM & GROSS LLP

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Cheryl D. Hamer, Esq.
chamer@pomlaw.com 858.792.3481

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