

Law360 Once Again Names BLB&G Among the Nation's "Most Feared Plaintiffs' Firms"

September 28, 2015

For the third consecutive year, *Law360* has once again named BLB&G one of the "Most Feared Plaintiffs Firms" in the country, praising the firm for racking up hundreds of millions of dollars in a number of "eye-popping recoveries" in securities fraud class actions and mortgage-backed securities litigation. The firm is recognized among a "handful of plaintiffs firms [that] have won some of the largest and most impactful judgements and settlements over the past year."

In commenting about the firm's selection to this prestigious ranking, partner Salvatore Graziano tells *Law360* that the firm's strong reputation is a result of "being very humble and working incredibly hard to make the best outcomes possible," and not "resting on past successes."

"It's actually a deep dive into every case to make the most out of any given case," said Mr. Graziano.

This approach has not only helped build the firm's sterling record and reputation, but it has also served to earn the respect from prominent and reputable defense attorneys across the negotiating table. According to Robert Sacks, managing partner at Sullivan & Cromwell, "[BLB&G] represent their clients aggressively, as they should, but I find them to be very forthright and able adversaries. When I litigate with them, I can argue and litigate the substance of the case, but I don't have to worry about inappropriate conduct or dirty tricks or things like that."

In its extensive profile of BLB&G, *Law360* delves into several of its remarkable achievements over the course of the year, including the \$500 settlement in *Bear Stearns*, "the largest in a U.S. class action against a bank for its packaging and sale of mortgage securities at the center of the 2008 crisis." It also highlights the significant settlements achieved by BLB&G in other mortgage-backed securities cases against JPMorgan (\$280 million) and Morgan Stanley (\$95 million), acknowledging that the firm "at the outset faced a highly uncertain legal landscape as little precedent existed for purchasers of residential mortgage-backed securities under federal securities laws. And no court had at the time certified a class of RMBS buyers."

Law360 also praised BLB&G's role in achieving over \$204 million in partial settlements in the case against MF Global, stemming from the company's \$1.6 billion collapse due to bad bets on European sovereign debt. According to *Law360*, of particular note was the firm's "third blockbuster" settlement with John Corzine, the former governor of New Jersey and former CEO of MF Global, who agreed to pay \$64.5 million to settle the case even though his insurance funds were "rapidly depleted by costs of defending numerous related matters."

Mr. Graziano, the lead prosecutor working on the case, said, "the remarkable thing is out of all those competing plaintiffs, we are the only ones to have settled."

The profile also discusses BLB&G's role in pushing for change on behalf of investors and breaking with tradition in several Chancery cases that were resolved in the past year. For example, in a rare victory for shareholders challenging a stock-for-stock M&A transaction, BLB&G obtained a \$70 million settlement in the case against Jefferies Group. The settlement, considered among the highest ever obtained in a merger-related breach of fiduciary duty lawsuit, is unique in that the settlement money will go directly to investors and will not be affected

by any legal fees or settlement expenses. Partner Mark Lebovitch, head of the firm's corporate governance litigation practice and lead partner on the case, explained, "The Court seemed to like the net fund approach; the shareholders definitely like it and the practice is now catching on. It's an example of being disruptive to traditional practice in a smart way."

Mr. Lebovitch also oversaw the case against Freeport-McMoRan Copper & Gold Inc., which settled for \$153.75 million and is the second largest derivative settlement in the history of the Delaware Court of Chancery. The settlement, which also includes certain corporate governance reforms to be implemented by Freeport, is also unique because the proceeds will go directly to investors by means of a special dividend. It was "the first-ever settlement in which shareholders receive direct payments to resolve their derivative claims."

Mr. Lebovitch remarks that BLB&G prides itself as an advocate for investors, and brings cases that have impact, whether it's recovering losses or enhancing shareholder rights. "We try to be aggressive in a smart way in the sense of bringing meaningful lawsuits and within those lawsuits pushing the envelope in a way that makes sense."