

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

ARKANSAS TEACHER RETIREMENT SYSTEM,)
on behalf of itself and all others)
similarly situated,)
Plaintiff)

v.)

STATE STREET BANK AND TRUST COMPANY,)
Defendants.)

C.A. No. 11-10230-MLW

ARNOLD HENRIQUEZ, MICHAEL T.)
COHN, WILLIAM R. TAYLOR, RICHARD A.)
SUTHERLAND, and those similarly)
situated,)
Plaintiff)

v.)

STATE STREET BANK AND TRUST COMPANY,)
Defendants.)

C.A. No. 11-12049-MLW

THE ANDOVER COMPANIES EMPLOYEE)
SAVINGS AND PROFIT SHARING PLAN, on)
behalf of itself, and JAMES)
PEHOUSHEK-STANGELAND and all others)
similarly situated,)
Plaintiff)

v.)

STATE STREET BANK AND TRUST COMPANY,)
Defendants.)

C.A. No. 12-11698-MLW

ORDER

WOLF, D.J.

April 23, 2018

On March 1, 2018, the court granted the Master, Retired United States District Judge Gerald Rosen, what the Master characterized as a "final request" for an extension of time until April 23,

2018, to file his Report and Recommendation ("Report"). See Mar. 1, 2018 Order (Docket No. 216).

The court has now received the attached April 23, 2018 letter from the Master.¹ He requests an extension to May 14, 2018 to submit his Report and related exhibits. The Master states that he may need additional time to submit the complete record of all of the evidence in both documentary and electronic form as required by the March 1, 2018 Order. The Master explains that his request for a further extension is justified by the the unanticipated, recent designation of eight additional experts by the law firms whose conduct is being investigated, related required additional discovery, and the need to be responsive to the court's request that the Master submit his Report in a searchable, electronic form.

The court continues to be satisfied that the Master has been working diligently. It also finds that providing the Master additional time to finish both his Report and its Executive Summary, and to convert both into an electronic, searchable form, will contribute to the court's ability to make informed decisions

¹ The April 23, 2018 letter concerning this administrative matter resulted from communications between the Master and the court permitted by paragraph 6 of the March 8, 2017 Order (Docket No. 173).

efficiently. Therefore, the Master's request for an extension to May 14, 2018, to file his Report is being allowed.

The Master also explains that the emergence of unforeseen, issues and related discovery require an additional approximately \$300,000 to provide complete, reasonable compensation for his work through filing his Report. He also requests a reserve of at least \$500,000 for his anticipated participation in proceedings after his Report is filed. Having reviewed and approved the bills of the Master and those he employs, the court finds that he has been working efficiently and that the request for \$800,000 additional funding is justified.

Accordingly, it is hereby ORDERED that:

1. The Master shall file his Report and Recommendation by May 14, 2018, and may request reasonable additional time to file the complete record of the related evidence. See Mar. 8, 2017 Order (Docket No. 173), ¶¶4, 11; Mar. 1, 2018 Order (Docket No. 216).

2. The Master's request for an additional \$800,000 is ALLOWED. Labaton Sucharow LLP shall, pursuant to paragraph 13 and 14 of the March 8, 2017 Order, pay \$800,000 to the Clerk of the United States District Court for the District of Massachusetts by May 11, 2018.

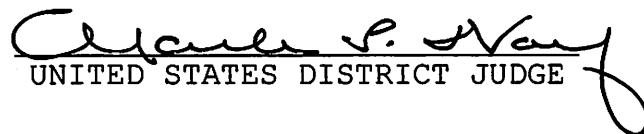

UNITED STATES DISTRICT JUDGE

EXHIBIT 1

**HON. GERALD E. ROSEN (Ret.)
150 WEST JEFFERSON, SUITE 850
DETROIT, MI 48226
(313) 872-1100**

April 23, 2018

Honorable Mark L. Wolf
United States District Court
Boston, Massachusetts 02210

RE: Status of Special Master's Report and Recommendations

Dear Judge Wolf:

I write to update you on the status of my Special Master's Report and Recommendations. The current due date, granted by you in March, is today, April 23, 2018. We were prepared to file under seal with the Court by today a hard copy of the Report and Recommendations, together with all exhibits.

We are aware, however, based on the Court's March 1, 2018 Order, that the Report and Recommendations should also be submitted on a searchable disk, with hyperlinks to the exhibits, and we will effect such formatting in order to facilitate your review. However, we have determined that doing so will require the use of an outside electronic document firm and will require additional time and expense. We are confident that the additional time and cost will result in a better and more efficient product for the Court's use.

In addition, we will provide an executive summary to the report which will take additional time. The entire submission, to include the hard copy report and exhibits, a searchable electronic report with hyperlinked exhibits, and the executive summary, will be filed as one package. In light of the above factors, we respectfully request an extension until **May 14, 2018**. Barring technical or logistical issues arising, we anticipate an earlier submission, but believe it prudent to err on the side of caution.

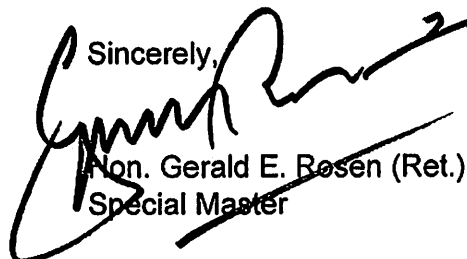
We are also cognizant that the Court's original Order of March 8, 2017 contemplates the submission of the entire record and, once we are able to ascertain the timing and expense for converting the remainder of the full record, we will report back to the Court as to when we can expect this to be completed, and the attendant additional cost.

Beyond this, while the law firms have remained cooperative in meeting accelerated discovery schedules, our work has been made considerably more extensive and costly by a number of factors, including that the law firms collectively retained eight experts covering a wide range of relevant issues. The discovery, submissions, preparation for and conducting of depositions of these experts, as well as post-deposition and pre- and post-oral argument briefs, some of which are voluminous, concluded only last week. In this context, I must observe that the depositions, argument, and additional document discovery involving the firms' experts, as well as the Special Master's expert, have been of tremendous assistance to the Special Master in obtaining a more complete and informed view of the case and, ultimately, a more thorough and balanced Report and Recommendations. Nevertheless, as valuable as the additional work has been, this has been an all-consuming process and has resulted in a substantial commitment of additional time and resources. As a consequence of this additional commitment of time and resources, the Special Master's team has been required to expend far greater resources than anticipated, and we expect additional resources to be necessary in the near future and, certainly, in addressing any post-filing proceedings that may occur.

Based upon current estimates of time and expenditures through April 16 and projected through the filing of the Report and Recommendations, we anticipate that an additional allocation of approximately \$300,000 will be necessary. Beyond this, we believe that a reserve of at least \$500,000 should be set aside for any post-filing proceedings. We emphasize that these are projections and, of course, the costs of post-filing proceedings will be largely dictated by the responses of the law firms to the Special Master's Report and Recommendations.

Accordingly, we request an additional allocation totaling \$800,000. Of course, if all of this allocation is not needed, we anticipate that the unspent balance will revert to the law firms. As we bring the investigative and reporting phase of our assignment to a close, we extend our deep appreciation to the Court for its thoughtful consideration of these requests.

With best wishes, I am

Sincerely,

Hon. Gerald E. Rosen (Ret.)
Special Master