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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

CHARTER TOWNSHIP OF
CLINTON POLICE AND FIRE
RETIREMENT SYSTEM,
Individually and on Behalf of All
Others Similarly Situated,

Plaintiff,

v.

LPL FINANCIAL HOLDINGS INC.,
et al.,

Defendants.

Case No.: 16cv685 BTM(BGS)

**ORDER GRANTING MOTION
FOR APPOINTMENT AS LEAD
PLAINTIFF AND APPROVAL OF
SELECTION OF LEAD
COUNSEL**

Plaintiff Soft Drink and Brewery Workers Union Local 812 Retirement Fund (the "Retirement Fund") has filed a motion for appointment as lead plaintiff and approval of lead plaintiff's selection of lead counsel. No competing motions were filed, and no opposition was filed. For the reasons discussed below, The Retirement Fund's motion is **GRANTED**.

I. BACKGROUND

On March 22, 2016, Plaintiff Charter Township of Clinton Police and Fire

1 Retirement System commenced this action on behalf of itself and all others
2 similarly situated.

3 This action is a securities class action on behalf of all purchasers of common
4 stock of LPL Financial Holdings Inc. (“LPL”) between December 8, 2015 and
5 February 11, 2016, inclusive (“Class Period”).

6 The Complaint alleges that during the Class Period, Defendants issued false
7 and misleading statements and/or failed to disclose adverse information regarding
8 LPL’s business and prospects, artificially inflating common stock prices during the
9 Class Period. The Complaint asserts claims for violations of section 10(b) of the
10 Exchange Act, 17 U.S.C. § 78j(b), and Rule 10b-5, 17 C.F.R. § 240.10b-5, as well
11 as violations of section 20(a) of the Exchange Act, 17 U.S.C. § 78t(a).

12 13 **II. DISCUSSION**

14 **A. Lead Plaintiff Analysis**

15 **1. Governing Law**

16 Under the Private Securities Litigation Reform Act (“PSLRA”), no later than
17 20 days after filing a class action securities complaint, a private plaintiff or plaintiffs
18 must publish a notice advising members of the purported plaintiff class of the
19 pendency of the action, the claims asserted, and that any member of the purported
20 class may move the court to serve as lead plaintiff.¹ 15 U.S.C. § 78u-4(a)(3)(A)(i).
21 Not later than 60 days after the date on which the notice is published, any member
22 of the purported class may move the court to serve as lead plaintiff of the purported
23 class. Id. Within 90 days after publication of the notice, the Court shall consider
24 any motion made by a class member to serve as lead plaintiff. 15 U.S.C. § 78u-

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27 ¹ On March 22, 2016, Robbins Geller Rudman & Dowd LLP, published a notice advising
28 the public of the nature of the lawsuit and the deadline for filing a motion to be appointed lead
plaintiff. (Ex. C. to McCormick Decl.)

1 4(a)(3)(B)(i).

2 The Court shall appoint as lead plaintiff “the member or members of the
3 purported plaintiff class that the court determines to be most capable of adequately
4 representing the interests of class members.” 15 U.S.C. § 78u-4(a)(3)(B)(i). The
5 presumptively most adequate plaintiff is the one who “has the largest financial
6 interest in the relief sought by the class” and “otherwise satisfies the requirements
7 of Rule 23 of the Federal Rules of Civil Procedure.” 15 U.S.C. § 78u-
8 4(a)(3)(B)(iii)(I). “In other words, the district court must compare the financial
9 stakes of the various plaintiffs and determine which one has the most to gain from
10 the lawsuit. It must then focus its attention on that plaintiff and determine, based
11 on the information he has provided in his pleadings and declarations, whether he
12 satisfies the requirements of Rule 23(a), in particular those of ‘typicality’ and
13 ‘adequacy.’” In re Cavanaugh, 306 F.3d 726, 730 (9th Cir. 2002).

14 The presumption that a plaintiff is the most adequate lead plaintiff may be
15 rebutted only upon proof by a member of the purported plaintiff class that the
16 plaintiff will not fairly and adequately protect the interests of the class or is subject
17 to unique defenses that render such plaintiff incapable of adequately representing
18 the class. 15 U.S.C. § 78u-4(a)(3)(B)(iii)(II).

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20 2. Financial Interest

21 The Retirement Fund believes that with its losses of approximately \$78,902
22 in connection with its purchase of 12,500 shares of LPL common stock (Exs. A-B
23 to McCormick Decl.), it has the largest financial interest in the relief sought by the
24 class. Because no competing motions have been filed and no opposition has been
25 filed, the Court has no basis for finding otherwise.

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1 3. Typicality and Adequacy

2 Claims are “typical” under Rule 23 if they are “reasonably co-extensive with
3 those of absent class members; they need not be substantially identical.” Hanlon
4 v. Chrysler Corp., 150 F.3d 1011, 1019 (9th Cir. 1998). Here, the Retirement
5 Fund’s claims are premised on the same types of misrepresentations and
6 omissions and legal theories as the class claims. Both sets of claims allege that
7 Defendants’ fraudulent representations and omissions artificially inflated the price
8 of LPL common stock during the Class Period, resulting in violations of the
9 securities laws and damage to the plaintiffs. Accordingly, the “typicality”
10 requirement has been satisfied.

11 Representation is “adequate” when the interests of the plaintiffs and their
12 counsel do not conflict with the interests of other class members, and the plaintiffs
13 and their counsel will prosecute the action vigorously on behalf of the class.
14 Hanlon, 150 F.3d at 1020. It appears that the interests of the Retirement Fund are
15 aligned with those of the other class members, and that the Retirement Fund is
16 willing and able to serve as Lead Plaintiff. (Ex. A to McCormick Decl.) As
17 discussed in greater detail below, the Retirement Fund’s retained counsel,
18 Robbins Gellar Rudman & Dowd LLP (“Robbins Gellar”), is experienced in the area
19 of complex securities class action litigation, and the Court has no doubt that
20 counsel will vigorously prosecute this action on behalf of the class. Therefore, the
21 Retirement Fund is the presumptive Lead Plaintiff under the PSLRA.

22 No movant has come forward with proof rebutting the presumption that the
23 Retirement Fund is the most adequate Lead Plaintiff. Accordingly, the Court
24 appoints the Retirement Fund as Lead Plaintiff.

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26 B. Lead Counsel Analysis

27 Under the PSLRA, once the court has designated a lead plaintiff, that plaintiff
28 “shall subject to the approval of the court, select and retain counsel to represent

1 the class.” 15 U.S.C. § 78u-4(a)(3)(B)(v). If the lead plaintiff has made a
2 reasonable choice of counsel, the district court should generally defer to that
3 choice. Cohen v. U.S. Dist. Court, 586 F.3d 703, 712 (9th Cir. 2009).

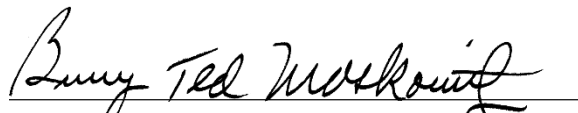
4 The Retirement Fund asks the Court to approve its selection of Robbins
5 Gellar as Lead Counsel. Robbins Gellar has litigated hundreds of securities class
6 actions or large institutional-investor cases and has obtained substantial
7 recoveries on behalf of investors in many cases. (Ex. D to McCormick Decl.) The
8 firm clearly has the expertise and the resources to adequately represent the class.
9 Therefore, the Court approves the Retirement Fund’s choice of counsel and
10 appoints Robbins Gellar as Lead Counsel.

11
12 **III. CONCLUSION**

13 For the reasons discussed above, the Court **GRANTS** the Retirement
14 Fund’s motion to be appointed Lead Plaintiff. The Court appoints Soft Drink and
15 Brewery Workers Union Local 812 Retirement Fund as Lead Plaintiff in this class
16 action. The Court also **GRANTS** the Retirement Fund’s motion for approval of
17 lead counsel and appoints Robbins Geller Rudman & Dowd LLP as Lead Counsel.

18 **IT IS SO ORDERED.**

19 Dated: July 21, 2016

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21 Barry Ted Moskowitz, Chief Judge
22 United States District Court
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