

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

ARISTA RECORDS LLC; ATLANTIC RECORDING CORPORATION; ARISTA MUSIC, fka BMG MUSIC; CAPITOL RECORDS LLC fka CAPITOL RECORDS, INC.; ELEKTRA ENTERTAINMENT GROUP INC.; INTERSCOPE RECORDS; LAFACE RECORDS LLC; MOTOWN RECORD COMPANY, L.P.; PRIORITY RECORDS LLC; SONY MUSIC ENTERTAINMENT, fka SONY BMG MUSIC ENTERTAINMENT; UMG RECORDINGS, INC.; VIRGIN RECORDS AMERICA, INC.; and WARNER BROS. RECORDS INC.,

Plaintiffs,

v.

LIME WIRE LLC; LIME GROUP LLC; MARK GORTON; and M.J.G. LIME WIRE FAMILY LIMITED PARTNERSHIP,

Defendants

06 Civ. 05936 (KMW)
ECF CASE

**DECLARATION OF KELLY M. KLAUS IN SUPPORT OF PLAINTIFFS' MOTION TO
DISQUALIFY WILLKIE FARR & GALLAGHER LLP AS COUNSEL FOR
DEFENDANTS**

I, Kelly M. Klaus, hereby declare as follows:

1. I am a partner in the law firm of Munger, Tolles & Olson LLP, counsel of record for Plaintiffs. I make this Declaration in support of Plaintiffs' Motion to Disqualify Willkie Farr & Gallagher LLP as Counsel for Defendants. The contents of this Declaration are based upon my own personal knowledge, and if called upon to do so, I could and would testify competently to the matters stated herein.

2. Attached hereto as Exhibit A is a true and correct copy of portions of the transcript of proceedings held before this Court on January 5, 2011.
3. Attached hereto as Exhibit B is a true and correct copy of a December 16, 2010 letter, with three enclosed letters, from Roger Netzer of Willkie Farr & Gallagher to the Court.
4. Attached hereto as Exhibit C are true and correct excerpts from the deposition of Todd Cosenza taken on January 4, 2011.
5. Attached hereto as Exhibit D are true and correct excerpts from the deposition of Jeffrey Korn taken on January 4, 2011.
6. Attached hereto as Exhibit E are true and correct excerpts from the deposition of Francis Menton taken on January 5, 2011.
7. Attached hereto as Exhibit F are true and correct excerpts from the deposition of Tariq Mundiya taken on January 4-5, 2011.
8. Attached hereto as Exhibit G is a true and correct copy of a document produced by Willkie and marked as Willkie Exhibit 1 at Mr. Korn's deposition.
9. Attached hereto as Exhibit H is a true and correct copy of a document produced by Willkie and marked as Willkie Exhibit 2 at Mr. Korn's deposition.
10. Attached as Exhibit I is a true and correct copy of a document produced by Willkie and marked as Willkie Exhibit 22 at Mr. Menton's deposition.
11. Attached as Exhibit J is a true and correct copy of Willkie's Second Supplemental Privilege log, served on January 7, 2011.
12. Attached as Exhibit K is a true and correct copy of Willkie's Supplemental Privilege Log, served on December 23, 2010.

13. Attached hereto as Exhibit L is a true and correct copy of a printout from the website of Lime Brokerage LLC (<http://www.limebrokerage.com>).

14. Attached hereto as Exhibit M is a true and correct copy of a document produced by Tower Research Capital LLC.

15. Attached hereto as Exhibit N is a true and correct copy of a document that Willkie produced at Mr. Menton's deposition, and that was marked as Willkie Exhibit 21 at that deposition.

16. Attached hereto as Exhibit O is a true and correct copy of a document produced by Willkie and marked as Willkie Exhibit 12 at Mr. Cosenza's deposition.

17. Attached as Exhibit P is a true and correct copy of a document produced by Willkie and marked as Willkie Exhibit 23 at Mr. Menton's deposition.

18. Attached as Exhibit Q are a true and correct copies of two lists of matters that Willkie produced to our firm. The first is a list that Willkie produced on January 3, 2011, and that purports to list the matters to which both Mr. Korn and one or more of four Willkie lawyers who have appeared in this action (Joseph Baio, Mary Eaton, Mr. Mundiya and Mr. Cosenza) have recorded time, as well as a breakdown of the total hours recorded by each, for the period September 10, 2007 through December 31, 2010. This document was marked as Willkie Exhibit 3 at Mr. Korn's deposition. The second is a similar list, covering the period June 1, 2010 to December 20, 2010. Willkie produced this list to our firm on December 21, 2010.

19. Attached hereto as Exhibit R is a true and correct copy of a document produced by Willkie and marked as Willkie Exhibit 15 at Mr. Mundiya's deposition.

20. Attached hereto as Exhibit S is a true and correct copy of a document produced by Willkie and marked as Willkie Exhibit 16 at Mr. Mundiya's deposition.

CERTIFICATE OF SERVICE

I hereby certify that on January 14, 2011, a copy of the foregoing document was served on the following via the Court's ECF system and by email per the parties' agreement:

Joseph T. Baio, Esq.
Tariq Mundiya, Esq.
Mary Jane Eaton, Esq.
Todd G. Cosenza, Esq.
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- **DECLARATION OF KELLY M. KLAUS IN SUPPORT OF PLAINTIFFS' MOTION TO DISQUALIFY WILLKIE FARR & GALLAGHER LLP AS COUNSEL FOR DEFENDANTS**

/s/ Shari Lorand

Shari Lorand