

UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA

BEAVER COUNTY EMPLOYEES')
RETIREMENT FUND; ERIE COUNTY)
EMPLOYEES' RETIREMENT SYSTEM;)
and LUC DE WULF, Individually and on)
Behalf of All Others Similarly Situated,)

Plaintiffs,)

vs.)

TILE SHOP HOLDINGS, INC.; ROBERT)
A. RUCKER; THE TILE SHOP, INC.;)
TIMOTHY C. CLAYTON; PETER J.)
JACULLO III; JWTS, INC.; PETER H.)
KAMIN; TODD KRASNOW; ADAM L.)
SUTTIN; WILLIAM E. WATTS;)
ROBERT W. BAIRD & CO.)
INCORPORATED; CITIGROUP)
GLOBAL MARKETS INC.; CJS)
SECURITIES, INC.; HOULIHAN LOKEY)
CAPITAL, INC.; PIPER JAFFRAY &)
CO.; SIDOTI & COMPANY, LLC;)
TELSEY ADVISORY GROUP LLC; and)
WEDBUSH SECURITIES, INC.,)

Defendants.)

Civ. No. 0:14-cv-00786-ADM-TNL
CLASS ACTION

**DECLARATION OF LUC DEWULF IN SUPPORT OF: (A) CLASS
REPRESENTATIVES' MOTION FOR FINAL APPROVAL OF CLASS ACTION
SETTLEMENT; (B) CLASS COUNSEL'S MOTION FOR ATTORNEYS' FEES
AND EXPENSES; AND (C) HIS REQUEST FOR REIMBURSEMENT
OF COSTS AND EXPENSES**

I, Luc DeWulf, hereby declare under penalty of perjury as follows:

1. I respectfully submit this declaration in support of (a) Class Representatives' motion for final approval of the proposed settlement reached with Defendants in the above-captioned action (the "Settlement"); (b) Class Counsel's motion for attorneys' fees and expenses; and (c) my request for reimbursement of costs and expenses incurred in connection with my representation of the Class in this Action.¹ I have personal knowledge of the matters set forth in this declaration and, if called upon, I could and would testify competently thereto.

2. On February 13, 2014, I was appointed by the Court as one of the Lead Plaintiffs. Thereafter, on July 28, 2016, the Court appointed me, along with Erie County Employees' Retirement System and Beaver County Employees' Retirement Fund, as Class Representatives for the Class.

3. As set forth below, I closely monitored and participated in this Action, also providing guidance to Plaintiffs' Counsel on various economic issues given my work history and background. I was kept apprised of important developments in this matter and provided input on significant case decisions and events, including in connection with negotiations regarding the Settlement and ultimately resolving this Action.

A. My Oversight of this Action

4. As noted above, I actively monitored and oversaw this Action. Specifically, throughout the course of this litigation, I engaged in the following activities:

¹ Unless otherwise indicated, capitalized terms used herein shall have the meanings ascribed to them in the Stipulation of Settlement dated January 13, 2017, entered into by and among Class Representatives and Defendants. ECF No. 381.

(a) regularly communicated with my lawyers at Robbins Geller Rudman & Dowd LLP, as well as Johnson & Weaver, LLP, concerning strategic and other aspects of this litigation;

(b) requested and received regular updates on material events, such as the preparation of the Consolidated Amended Complaint, discovery developments, class certification matters, the summary judgment phase, motions directed to striking experts, pretrial proceedings and trial preparation, and discussions concerning the potential resolution of this matter;

(c) revised and contributed to the preparation of various court papers, including responses to discovery requests and the class certification motion;

(d) gathered documents that were responsive to document requests, and worked through production issues with my counsel concerning the scope and manner of production, as well as the issue of whether particular documents were, in fact, responsive;

(e) extensively prepared for an all-day deposition that took place in New York on February 25, 2016, which involved numerous communications with counsel by email, telephone and in-person during the weeks and days preceding the deposition, including full days of preparation before the deposition;

(f) extensively discussed with counsel the potential damages reasonably achievable in this action based on models prepared by the parties' respective experts; and

(g) discussed, evaluated and approved the proposed Settlement for \$9,500,000 in cash.

5. Additionally, drawing on my background as an economist, I discussed with my counsel various issues of potential importance in this litigation concerning, among other things, transfer pricing, supply chains, international commerce and stock price performance. These issues were important given that the China-based entity at issue in

this case, known as Beijing Pingxiu, was alleged at the outset to have enabled Tile Shop to manipulate its financial results and condition.

B. My Support of the Settlement

6. Based on my involvement in this Action, I endorse the proposed Settlement and believe it is fair, reasonable and adequate to the Class. This Settlement provides a good recovery for the Class, particularly in light of the substantial risks and uncertainties of continued litigation, including the outcome of the Parties' summary judgment motions that were pending when the Settlement was reached, and trial.

C. My Support of Class Counsels' Motion for Fees and Expenses

7. Although my retainer agreement with Robbins Geller contains a provision regarding a potential application for an award of fees and expenses to Plaintiffs' Counsel in this Action, I understand that Class Counsel's fee request for 24% of the Settlement Fund is made in accordance with a retainer agreement that Erie County entered into with Kessler Topaz at the beginning of this case. I have discussed the requested fee and expense application with my counsel and believe that the request is fair and reasonable in light of the work Plaintiffs' Counsel performed and the result obtained for the benefit of the Class. Thus, I support the request.

D. My Request for an Award of Costs

8. Previously, I was employed as a Principal Economist for the World Bank. Now, I perform consulting services for the World Bank and other entities in the field of international development. I typically receive \$1,000 per day for my consulting work, which equates to \$125 per hour for an eight-hour work day.

9. I dedicated over 100 hours to the prosecution of this case, which, as noted above, including supervising and assisting counsel and preparing for, and attending, a deposition in connection with class certification proceedings. The time that I devoted to the

representation of the Class in this Action was time that I otherwise expected to spend on other work. As such, I respectfully request an award of \$10,000, which is below the total amount to which I might otherwise be entitled if all of my time in assisting this case were taken into account.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on March 13, 2017.



Luc DeWulf

Responses and Replies

[0:14-cv-00786-ADM-TNL Beaver County Employees' Retirement Fund et al v. Tile Shop Holdings, Inc. et al](#)

CV,PROTO

U.S. District Court

U.S. District of Minnesota

Notice of Electronic Filing

The following transaction was entered by Russello, Joseph on 3/20/2017 at 5:04 PM CDT and filed on 3/20/2017

Case Name: Beaver County Employees' Retirement Fund et al v. Tile Shop Holdings, Inc. et al

Case Number: [0:14-cv-00786-ADM-TNL](#)

Filer: Beaver County Employees' Retirement Fund
Erie County Employees Retirement System
Luc De Wulf

Document Number: [395](#)

Docket Text:

[Declaration of Luc DeWulf in Support of \[386\] MOTION for Approval of Settlement - Class Representatives' Motion for Final Approval of Class Action Settlement and Plan of Distribution, \[389\] MOTION for Attorney Fees - Class Counsel's Motion for Attorneys' Fees and Expenses and Reimbursement of Class Representatives' Costs and Expenses filed by Beaver County Employees' Retirement Fund, Erie County Employees Retirement System, Luc De Wulf.\(Russello, Joseph\)](#)

0:14-cv-00786-ADM-TNL Notice has been electronically mailed to:

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