

EXHIBIT B

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3 **UNITED STATES DISTRICT COURT**
NORTHERN DISTRICT OF CALIFORNIA

4 STEVEN LEVENTHAL, Individually and
on Behalf of All Others Similarly Situated,

5 Plaintiff,

6 vs.

7 CHEGG, INC., DANIEL L.
8 ROSENSWEIG, ANDREW J. BROWN,
and NATHAN SCHULTZ,

9 Defendants.

Case No.: 5:21-cv-09953-PCP

**DECLARATION OF PAUL
O'CONNELL IN SUPPORT OF (1)
LEAD PLAINTIFFS' MOTION FOR
FINAL APPROVAL OF CLASS
ACTION SETTLEMENT AND PLAN
OF ALLOCATION; AND (2) LEAD
COUNSEL'S MOTION FOR AN
AWARD OF ATTORNEYS' FEES
AND REIMBURSEMENT OF
LITIGATION EXPENSES**

1 I, Paul O’Connell, declare as follows:

2 1. I am the Chairman of Pompano Beach Police and Firefighters’ Retirement System
3 (“Pompano P&F” or the “Fund”), a public pension fund based in Pompano Beach, Florida.
4 Pompano P&F along with KBC Asset Management NV (“KBC”) are the Court-appointed Lead
5 Plaintiffs in the above-captioned action (the “Action”).

6 2. I respectfully submit this Declaration in support of (1) Lead Plaintiffs’ Motion for
7 Final Approval of Class Action Settlement and Plan of Allocation, and (2) Lead Counsel’s Motion
8 for an Award of Attorneys’ Fees and Reimbursement of Litigation Expenses.¹ Pompano P&F is
9 aware of and understands the requirements and responsibilities of a lead plaintiff in a securities
10 class action, including those set forth in the Private Securities Litigation Reform Act of 1995
11 (“PSLRA”). Pompano P&F has been directly involved in monitoring and overseeing the
12 prosecution and settlement of this Action, and could and would produce myself or another
13 representative to testify competently thereto.

14 **Pompano P&F’s Oversight of the Action**

15 3. Pompano P&F understands that the PSLRA was intended to encourage
16 institutional investors with large losses to seek to manage and direct securities fraud class
17 actions. Pompano P&F is a public pension fund that provides retirement benefits to regular and
18 permanent firefighters employed by the City of Pompano Beach and former City of Pompano
19 Beach Police Officers who transferred to the Broward County Sheriff’s Office and elected to
20 remain in the Pompano P&F system. Pompano P&F was established in 1972, and as of September
21 2024 had approximately \$276,000,000 in assets under management.

22 4. Pompano P&F purchased Chegg stock during the Settlement Class Period and
23 suffered substantial losses as a result. As a public pension fund, Pompano P&F is accustomed to
24 serving as a fiduciary, and believes that its active participation in appropriate litigation, such as
25 this Action, is necessary to protect the interests of its participants.

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28 ¹ All capitalized terms used herein, unless otherwise defined, have the same meanings as set forth
in the Stipulation and Agreement of Settlement (the “Stipulation”) (ECF No. 189-2).

1 5. On behalf of Pompano P&F, Pompano P&F's Executive Director Debra
2 Tocarchick, her staff, myself and other members of the Fund's Board of Trustees, and the Fund's
3 outside fiduciary counsel, Rossman Legal ("Rossman") regularly communicated with Court-
4 appointed Lead Counsel Saxena White P.A. ("Saxena White" or "Lead Counsel") throughout the
5 course of the Action.

6 6. In its capacity as Lead Plaintiff, Pompano P&F provided value by, among other
7 things: (a) conferring with Saxena White on the overall strategy for prosecuting the Action and
8 maximizing the value of the recovery for the Class; (b) reviewing pleadings and court filings;
9 (c) collecting discovery documents and information on behalf of the Fund; (d) evaluating regular
10 status reports from Saxena White regarding developments in the Action; (e) analyzing and
11 responding to settlement proposals; and (f) consulting with Lead Counsel and Rossman regarding
12 these matters. After the Parties reached an agreement in principle to resolve the Action, as part of
13 Pompano P&F's fiduciary duties to the Class, and independent of Lead Counsel's
14 recommendation, the Fund considered the reasonableness of the \$55 million Settlement and Lead
15 Counsel's proposed fee request, and our Board of Trustees voted unanimously to approve the
16 Settlement.

17 **Pompano P&F Strongly Endorses Approval of the Settlement**

18 7. Based on its participation throughout the prosecution and resolution of the claims
19 in the Action, Pompano P&F believes that the proposed Settlement is fair, reasonable, and
20 adequate to the Settlement Class. Because Pompano P&F believes that the proposed Settlement
21 represents a substantial recovery for the Class, particularly in light of the substantial risks of
22 continuing the Action, it endorses approval of the Settlement by the Court.

23 8. The risk of no recovery was very real here, and there was no guarantee that all (or
24 any) of Lead Plaintiffs' claims would survive a motion for class certification or motion for
25 summary judgment, much less succeed at trial or potential appeals. The risk of no recovery was
26 compounded by Chegg's rapidly deteriorating business and financial condition, and, as I
27 understand, imminent erosion of its available insurance at the time the Settlement was reached.

1 9. For these and additional reasons set forth in Lead Plaintiffs' moving papers,
2 Pompano P&F firmly believes that settling the Action with Defendants at this stage of the litigation
3 is in the best interests of the Settlement Class.

4 **Pompano P&F's Approval of the Attorneys' Fee Request and Litigation Expenses**

5 10. Pompano P&F further believes that the request for an award of attorneys' fees in
6 the amount of 25% of the Settlement Fund is fair and reasonable. A 25% award is particularly
7 appropriate here because of the work performed by Lead Counsel, the complex issues involved,
8 the substantial recovery achieved, and the significant risks in the litigation. The Fund understands
9 that Lead Counsel will also devote additional time in the future to administrating the Settlement
10 and distributing the Net Settlement Fund. Pompano P&F takes seriously its role as a Lead Plaintiff
11 to ensure that attorneys' fees are fair in light of the result achieved for the Settlement Class and
12 authorized the requested 25% fee award to the Court for its ultimate determination.

13 11. The Fund further believes that the litigation expenses being requested for payment
14 to Lead Counsel are reasonable, and represent costs and expenses necessary for the prosecution
15 and resolution of the claims in the Action. Based on the foregoing, and consistent with its
16 obligation to obtain the best result at the most efficient cost on behalf of the Class, Pompano P&F
17 fully supports the request for attorneys' fees and expenses.

18 12. In addition, Pompano P&F understands that reimbursement of a class
19 representative's reasonable costs and expenses, including lost wages, directly relating to the
20 representation of the class, is authorized under the PSLRA, 15 U.S.C. § 78u-4(a)(4). Accordingly,
21 in connection with Lead Counsel's request for payment of litigation expenses, Pompano P&F
22 seeks reimbursement in the amount of \$1,400 for the costs that it incurred in connection with its
23 efforts in this Action, as described herein.

24 13. Pompano P&F respectfully submits that its oversight of counsel in this Action, its
25 active participation in the litigation and resolution of the case, and the time Fund representatives
26 devoted to pursuing claims on behalf of the Settlement Class helped to achieve this Settlement and
27 justify this request.

1 14. The time that Pompano P&F's staff members devoted to the oversight of this Action
2 was time that otherwise would have been devoted to other work for the Fund, and thus represents
3 a direct cost to Pompano P&F. In particular, Ms. Tocarchick, who served as the primary point of
4 contact with Saxena White and Rossman in regards to the Action, devoted approximately 19 hours
5 to the prosecution and settlement of this Action. In calculating the total cost of this time to the
6 Fund, Pompano P&F applied an hourly rate of approximately \$73.45 per hour to the amount of
7 time Ms. Tocarchick devoted to the prosecution and settlement of the Action, which is based on
8 her annual salary. This calculation resulted in a total cost of approximately \$1,400 to Pompano
9 P&F, for which we respectfully request reimbursement.²

10 **Conclusion**

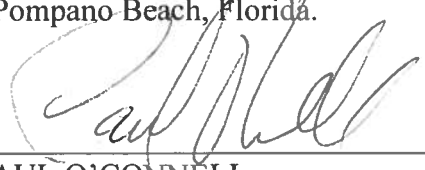
11 15. In conclusion, Pompano P&F endorses the Settlement as fair, reasonable, and
12 adequate, and believes it represents a very favorable recovery for the Class. The Fund further
13 supports Lead Counsel's attorneys' fee and litigation expense request and believes that it
14 represents fair and reasonable compensation for counsel in light of the extensive work performed,
15 the recovery obtained for the Class, and the attendant litigation and financial risks. Finally,
16 Pompano P&F requests reimbursement for its costs in the amount of \$1,400. Accordingly,
17 Pompano P&F respectfully requests that the Court approve the motion for final approval of the
18 proposed Settlement and the motion for an award of attorneys' fees and reimbursement of litigation
19 expenses.

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25 ² The Fund's request for reimbursement of costs is based on a conservative estimate of the amount
26 of time we collectively, including Ms. Tocarchick, spent on this litigation as supported by our and
27 Saxena White's records. We have not included the time of employees of Pompano P&F, other than
28 Ms. Tocarchick, in this request. We have also not included the time of Rossman in this request. It
is our understanding that Saxena White will compensate Rossman for its work on behalf of the
Fund in this Action from the attorneys' fees the Court approves, in an amount commensurate with
Rossman's work in the Action.

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I declare under penalty of perjury that the foregoing is true and correct.

Executed this 20th day of February, 2025 in Pompano Beach, Florida.



PAUL O'CONNELL
Chairman
Pompano Beach Police and Firefighters'
Retirement System