

CAUSE NUMBER XYZ

ABC and DEF,

Plaintiffs,

v.

123

Defendant,

§
COURT
§
§
§
DISTRICT
§
§
§

IN THE DISTRICT

XXth JUDICIAL

JUSTICE COUNTY, TX

AFFIDAVIT OF PLAINTIFFS’ LEGAL FEES

THE STATE OF TEXAS §

COUNTY OF UPSHUR §

BEFORE ME, the undersigned authority, on this day personally appeared attorney Chris Bebel, of Tefteller Law, PLLC, who, being by me duly sworn on oath, deposed and said that he has read this affidavit and that every statement contained in this affidavit is within his personal knowledge and is true and correct. Mr. Bebel further deposed, upon his oath, as follows:

1. My name is Christopher J. Bebel; I am over 21 years of age, of sound mind, and I am fully qualified to sign this affidavit. I am an attorney licensed to practice law in the State of Texas * * *

Professional Background

2. In December 1986, I earned an LL.M. (Securities Regulation) from Georgetown University Law Center. I received my J.D. from the Mitchell Hamline School of Law in June 1985, graduating “with honors” and in the top 5% of my class. I obtained a B.S. from the University of Minnesota, Carlson School of Management, in August 1981.

3. After completing my graduate legal studies in the securities law area, while at the same time serving as a tutor of first and second year law school students at Georgetown, I began working as a regulator of the securities industry. Specifically, in February 1987, I became an attorney for the U.S. Securities & Exchange Commission (Division of Enforcement). Initially, I worked for the SEC in the Southwest Region. During my first year of service, I received the highest performance evaluation rating of any attorney in the office. Additionally, my graduate thesis on securities law, which I had written while attending Georgetown, was published by the Texas Tech Law Review, Texas Tech University, where it was named “Best Article of the Year” by the Texas Tech Law Review editorial staff.

4. Following my first year of service as a regulator of the securities industry, I transferred to the SEC, Division of Enforcement, Washington, D.C. While serving as an SEC attorney in Washington, D.C., I received the highest performance evaluation rating of any attorney in the branch to which I was assigned. I also received the highest possible performance evaluation rating. Additionally, the Director of the Division of Enforcement selected me as the only attorney to represent the SEC, Division of Enforcement, in connection with the Washington, D.C. American Inns of Court program. During my term of service at the SEC headquarters in Washington, D.C., I also co-authored an article on securities law, which was published as a lead article by the West Virginia Law Review, West Virginia University.

5. In October 1989, I became an Assistant U.S. Attorney, District of Minnesota. During my tenure with the U.S. Attorney’s Office, I was assigned to many cases involving securities law and financial matters generally. While serving as a U.S. Department of

Justice attorney, I received sustained superior performance and civil servant of the year awards. As a result of my achievements in the securities law area, I also received commendations from the Director of the Federal Bureau of Investigation (FBI), the Director, U.S. Securities and Exchange Commission, Division of Enforcement, and federal law enforcement officers. Based upon my performance, work ethic, and trial skills – together with my overall knowledge of securities law and the securities industry in general, I was given primary responsibility over some of the most significant cases within the District of Minnesota involving securities/finance matters.

6. In September 1996, I joined the NASD (k/n/a FINRA), Division of Enforcement, District 6 (Texas) as Senior Regional Attorney; I was thereafter promoted to Regional Counsel. While serving as an NASD/FINRA attorney, Division of Enforcement, I was asked by both the Office of the Solicitor General, U.S. Department of Justice, and the U. S. Attorney's Office, District of Minnesota, to serve as a Special Assistant United States Attorney on securities law cases. After being asked to serve as a Special Assistant U. S. Attorney on securities law proceedings, I worked on appellate matters relating to *United States v. O'Hagan* (a case that from the perspective of some observers could not be won by the government), which I had prosecuted in its entirety, then briefed and argued before the Eighth Circuit Court of Appeals. I also provided advice and expertise to various federal prosecutors who were working on high profile cases involving alleged violations of the federal securities laws.

7. During my term of service at the NASD/FINRA, I was selected to serve on the subcommittee which prepared the NASD/FINRA Sanction Guidelines (the sole representative of District 6); and I also wrote an article relating to securities law, which

was published as the lead article in Volume 59, Book 1 of the Louisiana Law Review, Louisiana State University (LSU). While working in a regulatory capacity at the NASD/FINRA, I maintained oversight responsibilities with respect to the securities industry and I initiated, or participated in, formal disciplinary proceedings against numerous NASD/FINRA member firms, along with registered representatives and supervisory personnel who were associated with those brokerage firms. Sanctions imposed in connection with these disciplinary actions related to a wide range of offenses, including failure to supervise, the maintenance of inadequate written supervisory procedures, private securities transactions (selling away), outside business activities, conversion, improper use of customer funds, fraud and deception, misleading advertising, recordkeeping violations, registration violations, trade reporting, and the violation of just and equitable principles of trade (an expansive, elastic principle that captures numerous forms of misconduct, including violations of federal securities law). Based on the organizational structure which was employed at the NASD/FINRA, my responsibilities went far beyond the analysis and prosecution of securities industry activities which served as a basis for formal disciplinary action; I regularly served as a *de facto* supervisor of NASD/FINRA supervisory personnel who oversaw the work of NASD/FINRA examiners. During the period in which I served as a NASD/FINRA lawyer, I made a series of presentations to members of the securities industry, along with those involved in the representation of NASD/FINRA member firms, wherein I addressed federal securities law issues, NASD/FINRA rules, and official NASD/FINRA pronouncements.

8. In October 2000, I entered private practice with Shepherd & Smith, which shortly thereafter was renamed Shepherd, Smith & Bebel. While practicing in the

securities law area and working on cases throughout the nation, I also served as a securities litigation consulting expert to the U.S. Department of Justice and I was retained as a consulting and testifying expert by a trustee of the Securities Investor Protection Corp. (SIPC) in a case against Bear, Stearns Securities Corp. As an additional matter, I was appointed to the Council of the Houston Bar Association Securities Law Section.

9. In February 2004, I joined Sacks, Bebel & Boll, PLLC, and then in August 2004, I started my own law firm, Christopher Bebel, Esq. P.C. While practicing at Christopher Bebel, Esq. P.C., I continued to focus on matters involving securities law. Further, I continued to serve on the Council of the Houston Bar Association Securities Law Section, and at the same time I served as the Chairperson of the Membership Committee of the Public Investors Advocacy Bar Association (PIABA), a national organization comprised of attorneys representing investors in securities law proceedings. Following the time at which I formed my own law firm, I accepted an invitation to serve on the Advisory Board of the Corporate Compliance Center, South Texas College of Law Houston. In addition, I was retained as an expert witness by the State Bar of Texas in two separate proceedings involving potential securities law violations by licensed attorneys. I am currently an attorney at Tefteller Law, PLLC, where I have worked on cases situated across Texas since January 2011.

10. I have lectured on an array of securities law topics to students at approximately one-half dozen law schools and graduate degree programs, including Baylor University School of Law; Texas Tech University School of Law; Mitchell Hamline School of Law; University of Houston School of Law; and the University of Dallas. I have also lectured on securities law issues at seminars and events hosted by the SEC and the Texas State

Securities Board; NASD/FINRA; the State Bar of Texas; U.S. Attorney's Office, N.D. Texas; FBI Academy; South Texas College of Law Houston; Practising Law Institute (PLI); Dallas Bar Association; and the Houston Bar Association. Additionally, I have served on the Advisory Board to the Texas Tech Student Managed Investment Fund – a component of the Texas Tech University School of Business responsible for investing millions of dollars.

11. My publications include the following:

- **A Detailed Analysis of *United States v. O'Hagan*: Onward Through the Evolution of the Federal Securities Laws, 59 La. L. Rev. 1 (1998);**
- **State Takeover Laws, Insider Trading, and the Interplay Between the Two: A New Perspective, 91 W. Va. L. Rev. 1001 (1989) (co-authored);**
- **Why the Approach of *Heckman v. Ahmanson* Will Not Become the Prevailing Greenmail Viewpoint; Race to the Bottom Continues, 18 Tex. Tech. L. Rev. 1083 (1987) (named Best Article of the Year by the Texas Tech Law Review editorial staff);**
- **Effective Supervision, Investor Confidence and Capital Formation, Practising Law Institute, Corporate Law and Practice, Securities Arbitration 2006, Vol. 2, 95 (2006) (co-authored).**

12. My legal commentary and analysis has been featured in Time Magazine, Wall Street Journal, New York Times, Washington Post, Los Angeles Times, San Francisco Chronicle, Chicago Tribune, The Times of London, The Financial Times of London, USA Today, Dallas Morning News, Houston Chronicle, Christian Science Monitor, National Law Journal, Agence France Presse, National Post of Canada, Financial Times of Germany, Australian Financial Review, Montreal Gazette, Bloomberg News, Dow Jones Newswires, Reuters, and numerous other publications.

13. My legal interpretation and analysis has also been highlighted on NBC's "Today Show," NBC's "Nightly News Tonight," ABC's "World News Tonight," CBS's

“Nightly News,” CBS’s “The Early Show,” CNBC, MSNBC, Public Television’s “Nightly Business Report,” Bloomberg Television, Bloomberg Radio, National Public Radio’s “All Things Considered,” National Public Radio’s “Morning Edition,” National Public Radio’s “Marketplace,” National Public Radio’s “Weekend Edition,” CBS’s “Marketwatch,” BBC Television, BBC Radio, and numerous other media outlets.

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FURTHER, Affiant sayeth not.

CHRIS BEBEL