

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF KANSAS**

BUDICAK, INC., BLUE MARLIN
ARBITRAGE, LLC, and PRIME TRADING,
LLC, individually, and on behalf of others
similarly situated,

Plaintiffs,

v.

LANSING TRADE GROUP, LLC,
CASCADE COMMODITY CONSULTING,
LLC, and JOHN DOES NOS. 6-10,

Defendants.

Case No. 2:19-cv-02449

District Judge Toby Crouse

Magistrate Judge Angel D. Mitchell

**DECLARATION OF PRIME TRADING, LLC IN SUPPORT OF PLAINTIFFS'
MOTION FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENTS AND CLASS
COUNSEL'S MOTION FOR AWARD OF ATTORNEYS' FEES, REIMBURSEMENT
OF EXPENSES, AND SERVICE AWARDS FOR CLASS REPRESENTATIVES**

Pursuant to 28 U.S.C. § 1746, I, Thomas Chlada, hereby declare as follows:

1. I am the Chief Operating Officer of Prime Trading, LLC (“Prime”), one of the class representatives in the above-referenced case (the “Action”). I respectfully submit this Declaration in support of Plaintiffs’ motion for final approval of the class action settlements with Lansing Trade Group, LLC (“Lansing”) and Cascade Commodity Consulting, LLC (“Cascade” and together with Lansing, “Defendants”) and Class Counsel’s motion for approval of an award of attorneys’ fees, reimbursement of expenses and service awards for class representatives.

2. The statements herein are true to the best of my personal knowledge, information and belief based on information received from Prime’s personnel. If called upon and sworn as a witness, I could competently testify thereto.

3. **Background:** Prime is an industry-leading, privately held, proprietary trading firm. Prime’s traders employ disciplined strategies to maximize profits while limiting risk across a diverse range of financial instruments both in the United States and globally.

4. Prime is a member firm of the Chicago Board of Trade (“CBOT”) and was an active trader of CBOT Wheat Futures or Options during the Class Period.

5. **Retention of Counsel:** As an industry-leading trading firm, Prime has a strong interest in ensuring that financial markets, including the market for CBOT Wheat Futures or Options, are free from anticompetitive, manipulative practices and effects. The firm, however, does not frequently elect to serve as a named class representative in class actions relating to market manipulation.

6. After the initial filing of the Action and after evaluating that the firm likely traded CBOT Wheat Futures or Options at artificial prices directly and proximately caused by Defendants’ alleged manipulation, Prime elected to serve as a named class representative on behalf

of the proposed Class despite the potential risks involved in prosecuting a class action. Prime hoped that its involvement as a class representative would help maximize the recovery for itself and other Class Members and deter future actors from engaging in similar anticompetitive or manipulative conduct in the CBOT Wheat Futures or Options or other financial market. Prime formally retained Lowey Dannenberg, P.C. (“Lowey”) in July 2018, who with Cafferty Clobes Meriwether & Sprengel, LLP (together “Class Counsel”) were leading the efforts to prosecute claims related to manipulation of CBOT Wheat Futures or Options in the Action.

7. **Contributions to the Prosecution of the Action:** Since July 2018, Prime has been an active participant in the litigation. Lowey spent several days with Prime personnel discussing the nature and scope of Prime’s exposure to CBOT Wheat Futures or Options during the Class Period and relayed to us their estimates concerning the potential impact of the alleged manipulation. The key items from those discussions were used to draft the Prime-specific allegations that were included in the Amended Class Action Complaint, which also added Prime as a Plaintiff, filed on October 1, 2018. ECF No. 37.

8. Prime has kept itself fully informed of case developments based on discussions with Lowey and its review of Court filings. Prime staff played roles in helping Class Counsel to obtain and respond to discovery, gather information needed for class certification, prepare responses to Defendants’ motions to dismiss, prepare for Prime’s deposition as a class representative, and negotiate settlements with Defendants.

9. **Discovery:** Prime participated in party discovery. Prior to reaching a settlement, Lansing directed over 20 document requests to Plaintiffs. Prime worked with Lowey to identify and gather transactional data, communication, and information responsive to Lansing’s discovery

requests. This work resulted in the production of more than 36,500 pages of trading records, communications, and other documents.

10. On October 30, 2020, Lansing indicated that it intended to depose each named plaintiff, including Prime. Lowey collaborated with Prime staff to find reasonable times to schedule the deposition. The deposition targets then spent several hours working with Lowey to prepare for the deposition and spent additional hours independently reviewing relevant information.

11. **Settlement Negotiations:** Prior to settlement negotiations with Cascade and Lansing, Prime conferred with Lowey concerning the strengths and weaknesses of Plaintiffs' claims, potential defenses, and potential settlement strategies. During the settlement negotiations, Prime stayed in frequent contact with Lowey to receive updates on the current settlement posture and to provide input as Class Counsel considered how to respond to various arguments, demands and counteroffers. Prime was fully informed of the terms of the potential settlements with both Lansing and Cascade, and ultimately authorized the agreements reached with both Defendants.

12. **Prime Supports the Proposed Settlements and Fee Request:** Throughout this litigation, Prime has had numerous discussions with Lowey regarding the scope of potential damages. Given Prime's role as a proprietary trading firm, it understands the challenges associated with constructing a data-driven damages model based on expert work and analysis.

13. Prime believes the Settlements are fair and adequate. The \$18 million settlement by Lansing will provide Class Members reasonable compensation for harms caused by Lansing's alleged manipulation. The non-monetary consideration provided by Cascade is also reasonable, as the cooperation provided by Cascade aided in the continued prosecution of the Action, leading to the recovery from Lansing.

14. In light of these factors, Prime supports Plaintiffs' motion for final approval of the Settlements.

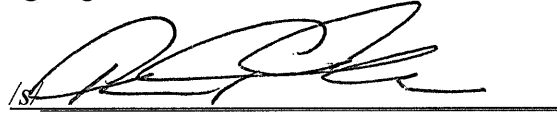
15. Prime has also reviewed Class Counsel's motion for an award of attorneys' fees and reimbursement of expenses. The attorneys' fee request is reasonable in light of the duration, complexity and risks involved with the Action, and adequately compensates counsel for the level of skill brought to bear in the case and the risks involved in taking this Action on a contingent basis. Similarly, Prime believes that Class Counsel's expenses should be paid from the Settlement Fund, as such expense were reasonably incurred to prosecute the Action.

16. Plaintiffs, including Prime, request that the Court grant service awards for their time and effort in this Action. As described above, Prime has been an active litigant in this Action for over four years. During the Action, Prime actively participated in, supervised and approved the work performed by its staff and that of Class Counsel. By serving as a class representative, Prime willingly took the responsibility of advocating for the Class's best interests and working to ensure an adequate recovery for the Class's harms caused by Defendants' alleged manipulation. The resulting Settlements are in part due to Prime's efforts to carry out its responsibility.

17. Prime's staff have expended significant time and effort in direct support of this Action on behalf of the Class, including reviewing and approving pleadings and court documents, participating in strategic discussions, participating in discovery—including reviewing Prime's documents and data and producing relevant items to Class Counsel, preparing for deposition, and engaging with Class Counsel regarding settlement negotiations. Prime's work in support of the Action could have otherwise been spent on core revenue generating activities for the firm. In light of its substantial participation in the Action, Prime requests that the Court grant the service award request.

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

Executed on: March 27, 2023
Chicago, IL

A handwritten signature in black ink, appearing to read 'T. Chlada', is written over a solid horizontal line.

Thomas Chlada on behalf of Prime Trading,
LLC