

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

JEFFREY LAYDON, on behalf of himself and all others
similarly situated,

Docket No. 12-cv-3419
(GBD)

Plaintiff,

- against -

THE BANK OF TOKYO-MITSUBISHI UFJ, LTD., THE
SUMITOMO TRUST AND BANKING CO., LTD., THE
NORINCHUKIN BANK, MITSUBISHI UFJ TRUST AND
BANKING CORPORATION, SUMITOMO MITSUI
BANKING CORPORATION, J.P. MORGAN CHASE & CO.,
J.P. MORGAN CHASE BANK, NATIONAL
ASSOCIATION, J.P. MORGAN SECURITIES PLC,
MIZUHO CORPORATE BANK, LTD., DEUTSCHE BANK
AG, THE SHOKO CHUKIN BANK, LTD., SHINKIN
CENTRAL BANK, UBS AG, UBS SECURITIES JAPAN CO.
LTD., THE BANK OF YOKOHAMA, LTD., SOCIETE
GENERALE SA, THE ROYAL BANK OF SCOTLAND
GROUP PLC, THE ROYAL BANK OF SCOTLAND PLC,
RBS SECURITIES JAPAN LIMITED, BARCLAYS BANK
PLC, CITIBANK, NA, CITIGROUP, INC., CITIBANK,
JAPAN LTD., CITIGROUP GLOBAL MARKETS JAPAN,
INC., COOPERATIEVE CENTRALE RAIFFEISEN-
BOERENLEENBANK B.A., HSBC HOLDINGS PLC, HSBC
BANK PLC, LLOYDS BANKING GROUP PLC, ICAP
EUROPE LIMITED, R.P. MARTIN HOLDINGS LIMITED,
MARTIN BROKERS (UK) LTD., TULLETT PREBON PLC,
AND JOHN DOE NOS. 1-50,

Defendants.

FUND LIQUIDATION HOLDINGS LLC as assignee and successor-in-interest to Sonterra Capital Master Fund, Ltd., HAYMAN CAPITAL MASTER FUND, L.P., JAPAN MACRO OPPORTUNITIES MASTER FUND, L.P., and CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM, on behalf of themselves and all others similarly situated,

Docket No. 15-cv-5844
(GBD)

Plaintiffs,

- against -

UBS AG, UBS SECURITIES JAPAN CO. LTD., SOCIÉTÉ GÉNÉRALE S.A., NATWEST GROUP PLC, NATWEST MARKETS PLC, NATWEST MARKETS SECURITIES JAPAN LTD, NATWEST MARKETS SECURITIES, INC., BARCLAYS BANK PLC, BARCLAYS PLC, COÖPERATIEVE RABOBANK U.A., LLOYDS BANKING GROUP PLC, LLOYDS BANK PLC, NEX INTERNATIONAL LIMITED, ICAP EUROPE LIMITED, TP ICAP PLC, BANK OF AMERICA CORPORATION, BANK OF AMERICA, N.A., MERRILL LYNCH INTERNATIONAL, AND JOHN DOE NOS. 1-50,

Defendants.

DECLARATION OF JEFF KNOWLTON IN SUPPORT OF JAPAN MACRO OPPORTUNITIES MASTER FUND, L.P.'S APPLICATION FOR AN ADDITIONAL SERVICE AWARD

I, Jeff Knowlton, pursuant to 28 U.S.C. § 1746, hereby declare as follows:

1. I am the Chief Financial Officer of Hayman Capital Management, L.P. (“HCM”). HCM acted as manager of Japan Macro Opportunities Master Fund, L.P. (“JMOF”), which has been a Representative Plaintiff in *Sonterra Capital Master Fund Ltd., et al. v. UBS AG, et al.*, No. 15-cv-5844 (GBD) (“*Sonterra*”)¹ since March 29, 2016. ECF No. 217. I submit this Declaration in support of JMOF’s request for an additional service award in connection with the pending Motion for Final Approval of Class Action Settlements with Barclays Bank PLC, Barclays Capital Inc., and Barclays PLC (collectively, “Barclays”), Nex International Limited (f/k/a ICAP plc) and ICAP Europe Limited (collectively, “ICAP”), TP ICAP plc (f/k/a Tullett Prebon plc and n/k/a TP ICAP Finance plc (“Tullett Prebon,” and together with Barclays and ICAP, the “Settling Defendants”) to recoup certain expenses incurred in litigating the Action on behalf of the Class.

2. Around the time HCM learned of the misconduct alleged against Defendants in this Action, HCM was also considering whether to maintain JMOF as a going concern. In light of the potential impact of the alleged misconduct on JMOF’s and other Class Members’ transactions and the potential recovery available through the Action, HCM decided to serve as a class representative and maintain JMOF and its feeder funds in service of pursuing claims against the Defendants.

3. As JMOF remained an operating fund, HCM was required to ensure that the fund complied with various legal, audit and tax rules and regulations, including those imposed by Cayman Islands law. Compliance with these requirements involved a variety of expenses: costs associated with engaging outside professionals to perform annual accounting audits of JMOF and its feeder funds; charges from JMOF’s outside tax professionals to determine the relevant annual tax obligations and ensure compliance with the application tax regulations; costs of maintaining

¹ *Sonterra* is referred to herein as the “Action.”

JMOF's registered agent; legal fees associated with maintaining the operations of the fund; as well as certain vendor and reporting costs.


4. JMOF's litigation claim was its only asset for 6 years. HCM accordingly advanced funds to JMOF to enable it to cover the expenses described above, so that JMOF could remain a going concern and remain a class representative. Had HCM closed JMOF when its final securities were sold (and deprived the class of JMOF as a representative), none of these expenses would have been incurred.

5. On November 10, 2016, the Court awarded the Representative Plaintiffs in this Action an award of \$580,000 for their service and efforts in the Action. *Sonterra*, ECF No. 297. From that award, JMOF received \$80,000. JMOF used the funds to pay \$12,642.94 of expenses directly and sent the remaining \$67,357.06 back to HCM to offset previous advances HCM had made to JMOF.

6. From 2016 through 2021, HCM advanced a total of \$428,691.95 to JMOF to cover operating expenses, for which HCM has not yet been reimbursed. HCM accordingly seeks reimbursement of that sum as a service award in recognition of JMOF's contributions to the Actions.

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

Executed on January 23, 2023
Dallas, Texas


/s/ Jeff Knowlton
Jeff Knowlton