

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE: AMARANTH NATURAL GAS
COMMODITIES LITIGATION

MASTER FILE NO. 07 Civ. 6377 (SAS)

ECF CASE

This Document Relates To:

ALL ACTIONS

DECLARATION OF ALAN HARRIS MARTIN

I, Alan H. Martin, pursuant to 28 U.S.C. §1746, hereby declare as follows:

1. I respectfully submit this declaration in support of class counsel's application to the Court for a class representative incentive award for the contributions I made in connection with this action as a proposed class representative. I have personal knowledge of the statements herein and, if called as a witness, could competently testify about such statements.

2. Lovell Stewart Halebian Jacobson LLP ("Lovell Stewart")—one of the law firms appointed by the Court to act as co-lead counsel for the class—filed an initial complaint herein on my behalf on or about August 24, 2007. Dkt. No. 1, 07-cv-7592.

3. I first contacted class counsel in or around January 2007 regarding Amaranth's trading, which was approximately six months prior to the announcement that the Federal Energy Regulatory Commission ("FERC") was formally investigating Amaranth's trading and before any actions had been filed against Amaranth.

4. I continued to be actively involved in significant aspects of the litigation from the time of the filing of my initial complaint in August 2007 through the final settlement in December 2011. In June 2010 the class definition was modified such that my natural gas futures

trading would no longer qualify for membership in the proposed class. Dkt. No. 286. Despite this change in the class definition, I continued to contribute through the time of the settlement in December 2011 (although I am not seeking any compensation for such time).

5. Significantly, I prepared and submitted a declaration in support of plaintiffs' motion for an order of attachment. The order of attachment was successfully obtained (in the amount of \$72.4 million) and, in my opinion, was instrumental in protecting the interests of the class. The Court's May 3, 2010 written decision (Judge Scheindlin) approving that order of attachment specifically cited my declaration in support of the motion.¹

6. I performed additional important work as a proposed class representative that included, but was not limited to, the following: pre-complaint work and investigation, detailed review of Court filed complaints and motions (including drafts), review of deposition transcripts both in this action and the related FERC proceedings against Amaranth, detailed review of Amaranth trading records, preparing and appearing for my deposition, and other work.

7. As a long time participant in the futures markets, it is important to me that the commodity futures markets operate fairly and free from manipulation. I have been actively involved in the trading and analysis of commodity futures contracts since 1992, including approximately ten years with Morgan Stanley (1992-2002) and thereafter as an independent trader and fund manager.

¹ *In re Amaranth Nat. Gas Commodities Litig.*, 711 F. Supp. 2d 301, 310 (S.D.N.Y. 2010) (“Plaintiffs, through the declarations of named plaintiff Alan Martin and plaintiffs’ commodities trading expert Charles Robinson, refute this policy justification. Martin and Robinson declare that the market looked to the account holders—here, the Fund rather than the trader—here, Advisors—as those with ultimate responsibility for trades. I conclude that policy concerns favor plaintiffs’ position. Not only does the market appear to expect the “passive” investor to be responsible for all trades, but to adopt the Fund’s policy rationale would permit account holders to reap all the benefits of their traders’ wrongful conduct without shouldering any of the responsibility when such conduct is discovered.”)

8. In my opinion, my extensive commodity futures markets experience put me in a unique position to make substantial contributions to this case, which involved allegations that Amaranth manipulated certain New York Mercantile Exchange (“NYMEX”) natural gas futures contracts. My experience includes, but is not limited to, trade execution, trade settlement and clearing, fundamental market analysis, technical market analysis, trading strategies, exchange rules and regulations, Commodity Futures Trading Commission (“CFTC”) rules and regulations, commodity trading advisor fund structures, and commodity pool operator structures.

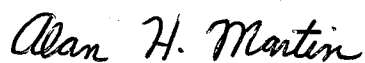
9. During approximately January 30, 2007 through June 25, 2010, I spent at least 122.25 hours performing work as a proposed class representative. If I had contracted to perform work similar to the work I did on behalf of the Amaranth class, I would estimate my compensation at a rate of \$475 per hour.

10. Due to the change in the class definition (*see* ¶4 above), I was not able to seek to share in the settlement proceeds. Accordingly, any incentive award approved by the Court will be the only compensation I am able to receive for my contributions detailed herein on behalf of the class.

11. I respectfully request that the Court approve an incentive award in an amount commensurate with my contributions, time and experience in all the circumstances detailed herein, which I believe helped result in the \$77.1 million settlement of the action that conferred a substantial benefit to the class.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information and belief.

Executed on June 23, 2016



Alan H. Martin