

THE ROSEN LAW FIRM, P.A.

Phillip Kim, Esq.
Laurence M. Rosen, Esq.
275 Madison Avenue, 40th Floor
New York, New York 10016
Telephone: (212) 686-1060
Fax: (212) 202-3827
Email: philkim@rosenlegal.com
Email: lrosen@rosenlegal.com

Counsel for Plaintiff

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ALABAMA

_____, Individually and on behalf of all others
similarly situated,

Plaintiff,

v.

ENCOMPASS HEALTH CORPORATION,
MARK J. TARR, and DOUGLAS E.
COLTHARP,

Defendants.

Case No:

**CLASS ACTION COMPLAINT FOR
VIOLATIONS OF THE FEDERAL
SECURITIES LAWS**

JURY TRIAL DEMANDED

Plaintiff _____ (“Plaintiff”), individually and on behalf of all other persons similarly situated, by Plaintiff’s undersigned attorneys, for Plaintiff’s complaint against Defendants (defined below), alleges the following based upon personal knowledge as to Plaintiff and Plaintiff’s own acts, and information and belief as to all other matters, based upon, among other things, the investigation conducted by and through his attorneys, which included, among other things, a review of the Defendants’ public documents, public filings, wire and press releases published by and regarding Encompass Health Corporation (“Encompass Health”, “Encompass,” or the “Company”), and information readily obtainable on the Internet. Plaintiff believes that

substantial evidentiary support will exist for the allegations set forth herein after a reasonable opportunity for discovery.¹

NATURE OF THE ACTION

1. This is a class action on behalf of persons or entities who purchased or otherwise acquired publicly traded Encompass Health securities between February 26, 2022 and July 15, 2025, both dates inclusive (the “Class Period”). Plaintiff seeks to recover compensable damages caused by Defendant’s violations of the federal securities laws under the Securities Exchange Act of 1934 (the “Exchange Act”)

JURISDICTION AND VENUE

2. The claims asserted herein arise under and pursuant to Sections 10(b) and 20(a) of the Exchange Act (15 U.S.C. §§ 78j(b) and 78t(a)) and Rule 10b-5 promulgated thereunder by the SEC (17 C.F.R. § 240.10b-5).

3. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. § 1331, and Section 27 of the Exchange Act (15 U.S.C. § 78aa).

4. Venue is proper in this judicial district pursuant to 28 U.S.C. § 1391(b) and Section 27 of the Exchange Act (15 U.S.C. § 78aa(c)) as the alleged misstatements entered and the subsequent damages took place in this judicial district.

5. In connection with the acts, conduct and other wrongs alleged in this complaint, Defendants, directly or indirectly, used the means and instrumentalities of interstate commerce, including but not limited to, the United States mails, interstate telephone communications and the facilities of the national securities exchange.

¹ Unless otherwise stated, all emphasis is added and internal citations are omitted.

PARTIES

6. Plaintiff ___, as set forth in the accompanying certification, incorporated by reference herein, purchased Encompass Health securities during the Class Period and was economically damaged thereby.

7. Defendant Encompass Health describes itself as follows:

We are a national leader in post-acute healthcare services and the nation's largest owner and operator of inpatient rehabilitation hospitals in terms of patients treated, revenues, and number of hospitals."

8. Encompass Health is incorporated in Delaware and its head office is located at 901 Liberty Parkway, Birmingham, Alabama 35242. Encompass Health's common stock trades on the New York Stock Exchange (the "NYSE") under the ticker symbol "EHC".

9. Defendant Mark J. Tarr ("Tarr") served as the Company's Chief Executive Officer ("CEO") and President at all relevant times.

10. Defendant Douglas E. Coltharp ("Coltharp") served as the Company's Chief Financial Officer ("CFO") at all relevant times.

11. Defendants Tarr and Coltharp are collectively referred to herein as the "Individual Defendants."

12. Each of the Individual Defendants:

- (a) directly participated in the management of the Company;
- (b) was directly involved in the day-to-day operations of the Company at the highest levels;
- (c) was privy to confidential proprietary information concerning the Company and its business and operations;

- (d) was directly or indirectly involved in drafting, producing, reviewing and/or disseminating the false and misleading statements and information alleged herein;
- (e) was directly or indirectly involved in the oversight or implementation of the Company's internal controls;
- (f) was aware of or recklessly disregarded the fact that the false and misleading statements were being issued concerning the Company; and/or
- (g) approved or ratified these statements in violation of the federal securities laws.

13. Encompass Health is liable for the acts of the Individual Defendants and its employees under the doctrine of *respondeat superior* and common law principles of agency because all of the wrongful acts complained of herein were carried out within the scope of their employment.

14. The scienter of the Individual Defendants and other employees and agents of the Company is similarly imputed to the Company under *respondeat superior* and agency principles.

15. Encompass Health and the Individual Defendants are collectively referred to herein as "Defendants."

SUBSTANTIVE ALLEGATIONS

Materially False and Misleading Statements Issued During the Class Period

16. On February 25, 2022, after the market closed, the Company filed with the SEC its annual report on Form 10-K for the period ended December 31, 2021 (the "2021 Annual Report"). Attached to the 2021 Annual Report were certifications pursuant to the Sarbanes-Oxley Act of 2002 ("SOX") signed by Defendants Tarr and Coltharp attesting to the accuracy of financial

reporting, the disclosure of any material changes to the Company's internal control over financial reporting and the disclosure of all fraud.

17. The 2021 Annual Report contained the following risk disclosure, which in pertinent part stated:

If we are unable to provide a consistently high quality of care, our business will be adversely impacted. (Emphasis in original).

Providing quality patient care is fundamental to our business. We believe hospitals, physicians and other referral sources refer patients to us in large part because of our reputation for delivering quality care. Clinical quality is becoming increasingly important within our industry. Effective October 2012, Medicare began to impose a financial penalty upon hospitals that have excessive rates of patient readmissions within 30 days from hospital discharge. ***We believe this regulation provides a competitive advantage to post-acute providers who can differentiate themselves based upon quality, particularly by achieving low acute-care hospital readmission rates and by implementing disease management programs designed to be responsive to the needs of patients served by referring hospitals.*** If we should fail to attain our goals regarding acute-care hospital readmission rates and other quality metrics, we expect our ability to generate referrals would be adversely impacted, which could have a material adverse effect upon our business and consolidated financial condition, results of operations and cash flows.

18. The statement in ¶ 17 was materially false and misleading at the time it was made because, contrary to Defendants' representation, Encompass's facilities were beset with material safety issues, which ultimately resulted in multiple preventable patient deaths. It was further misleading because it discussed patient readmission rates while omitting that Encompass was at material risk of excessive rates due to the foregoing issues with failing to properly care for patients at Encompass facilities.

19. On March 27, 2023, the Company filed with the SEC its annual report on Form 10-K for the year ended December 31, 2022 (the "2022 Annual Report"). Attached to the 2022 Annual Report were certifications pursuant to SOX signed by Defendants Tarr and Coltharp attesting to the accuracy of financial reporting, the disclosure of any material changes to the Company's internal control over financial reporting and the disclosure of all fraud.

20. The 2022 Annual Report contained a substantially similar risk disclosure to the one discussed in ¶ 17.

21. As such, the risk disclosure was materially false and misleading at the time it was made for the reasons discussed in ¶ 18.

22. On February 28, 2024, the Company filed with the SEC its annual report on Form 10-K for the year ended December 31, 2023 (the “2023 Annual Report”). Attached to the 2023 Annual Report were certifications pursuant to SOX signed by Defendants Tarr and Coltharp attesting to the accuracy of financial reporting, the disclosure of any material changes to the Company’s internal control over financial reporting and the disclosure of all fraud.

23. The 2023 Annual Report contained a substantially similar risk disclosure to the one discussed in ¶ 17.

24. As such, the risk disclosure was materially false and misleading at the time it was made for the reasons discussed in ¶ 18.

25. On February 28, 2025, the Company filed with the SEC its annual report on Form 10-K for the year ended December 31, 2024 (the “2024 Annual Report”). Attached to the 2024 Annual Report were certifications pursuant to SOX signed by Defendants Tarr and Coltharp attesting to the accuracy of financial reporting, the disclosure of any material changes to the Company’s internal control over financial reporting and the disclosure of all fraud.

26. The 2024 Annual Report contained a substantially similar risk disclosure to the one discussed in ¶ 17.

27. As such, the risk disclosure was materially false and misleading at the time it was made for the reasons discussed in ¶ 18.

28. The statements contained in ¶¶ 17, 20, 23, and 26 were materially false and/or

misleading because they misrepresented and failed to disclose the following adverse facts pertaining to the Company's business, operations, and prospects, which were known to Defendants or recklessly disregarded by them. Specifically, Defendants made false and/or misleading statements and/or failed to disclose that: (1) Encompass Health's hospitals were beset with material safety issues that resulted in numerous preventable patient deaths, including in circumstances where state regulators had previously warned of the specific issue that would later lead to a preventable patient death at an Encompass facility; (2) Encompass Health knew that its hospitals were beset with material safety issues; (3) Despite the foregoing, Encompass Health falsely represented to its investors that it had no issues with patient safety; and (4) as a result, Defendants' statements about its business, operations, and prospects, were materially false and misleading and/or lacked a reasonable basis at all times.

THE TRUTH BEGINS TO EMERGE

29. On July 15, 2025, *The New York Times* published an article entitled "Even Grave Errors at Rehab Hospitals Go Unpenalized and Undisclosed." (the "Article"). The Article stated the following:

Rehab hospitals that help people recover from major surgeries and injuries have become a highly lucrative slice of the health care business. ***But federal data and inspection reports show that some run by the dominant company, Encompass Health Corporation, and other for-profit corporations have had rare but serious incidents of patient harm and perform below average on two key safety measures tracked by Medicare.***

30. The Article further stated the following:

In the most serious problems documented by regulators, ***rehab hospital errors involved patient deaths.***

In Encompass Health's hospital in Huntington, W.Va., Elizabeth VanBibber, 73, was fatally poisoned by a carbon monoxide leak during construction of the facility.

At its hospital in Jackson, Tenn., a patient, 68, ***was found dead overnight, lying on the floor in a “pool of blood” after an alarm that was supposed to alert nurses that he had gotten out of bed had been turned off.***

In its hospital in Sioux Falls, S.D., a nurse gave Frederick Roufs, 73, the wrong drug, one of 26 medication errors the hospital made over six months. He died two days later at another hospital.

31. The Article quoted Mr. Roufs’ widow, Susan Roufs, as saying “I can still see Fred laying on the bed as they shut each little machine off[.] They clicked four of them, ***and then the love of my life was gone.***”

32. The article further stated the following about the circumstances of Elizabeth VanBibber’s tragic death at an Encompass Health facility:

Ms. VanBibber was admitted to Encompass’s Huntington, W.Va., hospital in 2021 ***for therapy to strengthen her lungs. At the time, the hospital was undergoing a \$3 million expansion, and state regulators had warned the company that areas of the hospital occupied by patients had to be isolated from construction “using airtight barriers,”*** according to a health inspection report.

In her room, which was about 66 feet from the construction zone, ***she began having trouble breathing, the report said. When she told the staff, they ignored her and shut her door, according to a lawsuit brought by her estate.*** Staff members eventually noticed that she was “lethargic and gasping for air,” and called 911.

When the emergency medical squad arrived, the carbon monoxide detectors they wore sounded. By that time, Ms. VanBibber’s blood oxygen levels were dangerously low, the inspection report said. She died three days later from respiratory failure and carbon monoxide poisoning, according to the inspection report and the lawsuit. A plumber had been using a gas-powered saw in the construction area, but there were no carbon monoxide detectors in the hallways, the report said.

* * *

Inspectors determined Encompass failed to maintain a safe environment for all patients during construction and didn’t properly evaluate other patients for signs of poisoning, the report said.

33. The Article further the following about certain bed alarms used by the Company, the failure of which led to patient deaths at the Company’s Morgantown, West Virginia and Jackson, Tennessee facilities:

An alert called a bed alarm was at the root of immediate jeopardies at Encompass hospitals in Morgantown, W.Va., and Jackson, Tenn. The devices are pressure- and motion-sensitive and emit a sound and display a light to alert staff members that someone at a high risk of falls has left his or her bed.

In its Morgantown hospital, a nurse technician discovered a patient facedown on the floor with a large gash on her head after a defective alarm did not go off, an inspection report said. ***After she died, the nurse told inspectors: “We are having a lot of problems with the bed alarms.”***

34. The Article further stated:

Since 2021, the federal Centers for Medicare and Medicaid Services, or C.M.S., which oversees health inspections, has found that 10 Encompass hospitals, including the one that cared for Ms. VanBibber, had immediate jeopardy violations, federal records show. Such violations—like the ones that Medicare also found in connection with the deaths of Mr. Roufs and the patient who fell after leaving his bed—***mean a hospital’s failure to comply with federal rules has put patients at risk for serious injury, serious harm, serious impairment or death.***

35. The Article revealed the following information, obtained via Freedom of Information Act (“FOIA”), regarding medication harms at Company hospitals, which led to the death of Mr. Roufs, as discussed above:

Rehab hospital inspection reports are not posted on Care Compare, Medicare’s online search tool for consumers. KFF Health News had to sue C.M.S. under [FOIA] to obtain all its inspection reports for rehab hospitals.

In contrast, Care Compare publishes all nursing home inspection reports and assigns each facility a star rating for its adherence to health and safety rules.

So people now choosing a rehab hospital would not know that at the Encompass hospital in Sioux Falls, S.D., in 2021, ***a nurse accidentally gave Mr. Roufs a blood pressure drug called hydralazine instead of hydroxyzine, his prescribed anti-anxiety medication, according to an inspection report.*** Mr. Roufs went into cardiac arrest. This type of error, called a “look-alike/sound-alike,” is one hospitals and staff members are supposed to be especially alert to.

36. Mr. Roufs’ tragic death as a result of an error with his medication was not an isolated incident. In fact, Encompass’s internal safety committee identified a trend of medication errors. The Article stated the following:

Months before [Mr. Roufs’ death], ***an internal safety committee had identified a trend of medication errors, including when a nurse accidentally gave a patient 10 times as much the prescribed amount of insulin***, sending him to the hospital, the inspection report said. The nurse had misread four units as 40. Since Mr. Roufs’s death, inspectors have faulted the hospital six times for various lapses, most recently in April 2024 for improper wound care.

An Encompass hospital in Texarkana, Texas, misused antipsychotic medications to pacify patients, resulting in an immediate jeopardy finding from C.M.S., the report said. And the company’s hospital in Erie, Pa., was issued an immediate violation for not keeping track of medication orders in 2023, when a patient had a cardiac arrest after not receiving all of his drugs, according to the inspection report.

37. The Article further stated the following (under the heading “Deadly Bedsores”) about Paul Webb Jr., who was treated at the Encompass hospital in Erie, Pennsylvania, in 2021:

The family of Paul Webb Jr., 74, claimed in a lawsuit that the Encompass hospital in Erie, Pa., left Mr. Webb unattended in a wheelchair for hours at a time, putting pressure on his tailbone, in 2021. His medical records, provided to reporters by the family, list a sitting tolerance of one hour.

Mr. Webb—who had been originally hospitalized after a brain bleed, a type of stroke—developed skin damage known as a pressure sore, or bedsore, on his bottom, the lawsuit said. The suit said the sore worsened after he was sent to a nursing home, which the family is also suing, then home, and he died later that year. In his final weeks, Mr. Webb was unable to stand, sit or move much because of the injury, the lawsuit said.

In court papers, Encompass and the nursing home denied negligence, as Encompass has in some other pending and closed lawsuits that accused it of failing to prevent pressure sores because nurses and aides failed to regularly reposition patients, or notice and treat emerging sores.

* * *

One of Mr. Webb’s sons [. . .] recalled a warning given to the family as they left an appointment their father had with wound specialists: A doctor brought up Christopher Reeve, the actor who played Superman in movies in the 1970s and 1980s. “He goes, ‘Remember, Superman was paralyzed from falling off the horse, but he died from a bedsore’,” he said.

38. The Article stated in pertinent part that data from Medicare revealed that ***“Encompass owns many of the rehabs with worse rates of potentially preventable, unplanned readmissions to general hospitals.*** Medicare evaluated how often patients are rehospitalized for

conditions *that might have been averted with proper care*, including *infections, bedsores, dehydration and kidney failures.*”

39. The Article further stated that “Encompass accounts for about one in seven rehab facilities nationally, *but owned 34 of the 41 inpatient rehab facilities that Medicare rated as having statistically significantly worse rates of potentially preventable readmissions for discharged patients.*”

40. In addition, the Article stated that Encompass owned “*28 of the 87 rehab facilities—65 of which were for-profit—that had worse rates of potentially preventable readmissions to general hospitals during patient stays.*”

41. On this news, the price of Encompass Health stock fell \$12.39 per share, or 10.35%, to close at \$107.28 per share on July 15, 2025.

42. As a result of Defendants’ wrongful acts and omissions, and the precipitous decline in the market value of the Company’s common shares, Plaintiff and the other Class members have suffered significant losses and damages.

PLAINTIFF’S CLASS ACTION ALLEGATIONS

43. Plaintiff brings this action as a class action pursuant to Federal Rule of Civil Procedure 23(a) and (b)(3) on behalf of a class consisting of all persons other than defendants who acquired Encompass Health securities publicly traded on the NYSE during the Class Period, and who were damaged thereby (the “Class”). Excluded from the Class are Defendants, the officers and directors of the Company, members of the Individual Defendants’ immediate families and their legal representatives, heirs, successors or assigns and any entity in which Defendants have or had a controlling interest.

44. The members of the Class are so numerous that joinder of all members is impracticable. Throughout the Class Period, the Company's securities were actively traded on the NYSE. While the exact number of Class members is unknown to Plaintiff at this time and can be ascertained only through appropriate discovery, Plaintiff believes that there are hundreds, if not thousands of members in the proposed Class.

45. Plaintiff's claims are typical of the claims of the members of the Class as all members of the Class are similarly affected by Defendants' wrongful conduct in violation of federal law that is complained of herein.

46. Plaintiff will fairly and adequately protect the interests of the members of the Class and has retained counsel competent and experienced in class and securities litigation. Plaintiff has no interests antagonistic to or in conflict with those of the Class.

47. Common questions of law and fact exist as to all members of the Class and predominate over any questions solely affecting individual members of the Class. Among the questions of law and fact common to the Class are:

- whether the Exchange Act was violated by Defendants' acts as alleged herein;
- whether statements made by Defendants to the investing public during the Class Period misrepresented material facts about the business and financial condition of the Company;
- whether Defendants' public statements to the investing public during the Class Period omitted material facts necessary to make the statements made, in light of the circumstances under which they were made, not misleading;
- whether the Defendants caused the Company to issue false and misleading filings during the Class Period;

- whether Defendants acted knowingly or recklessly in issuing false filings;
- whether the prices of the Company's securities during the Class Period were artificially inflated because of the Defendants' conduct complained of herein; and
- whether the members of the Class have sustained damages and, if so, what is the proper measure of damages.

48. A class action is superior to all other available methods for the fair and efficient adjudication of this controversy since joinder of all members is impracticable. Furthermore, as the damages suffered by individual Class members may be relatively small, the expense and burden of individual litigation make it impossible for members of the Class to individually redress the wrongs done to them. There will be no difficulty in the management of this action as a class action.

49. Plaintiff will rely, in part, upon the presumption of reliance established by the fraud-on-the-market doctrine in that:

- the Company's securities met the requirements for listing, and were listed and actively traded on the NYSE, an efficient market;
- as a public issuer, the Company filed public reports;
- the Company communicated with public investors via established market communication mechanisms, including through the regular dissemination of press releases via major newswire services and through other wide-ranging public disclosures, such as communications with the financial press and other similar reporting services;
- the Company's securities were liquid and traded with moderate to heavy volume during the Class Period; and

- the Company was followed by a number of securities analysts employed by major brokerage firms who wrote reports that were widely distributed and publicly available.

50. Based on the foregoing, the market for the Company securities promptly digested current information regarding the Company from all publicly available sources and reflected such information in the prices of the common units, and Plaintiff and the members of the Class are entitled to a presumption of reliance upon the integrity of the market.

51. Alternatively, Plaintiff and the members of the Class are entitled to the presumption of reliance established by the Supreme Court in *Affiliated Ute Citizens of the State of Utah v. United States*, 406 U.S. 128 (1972), as Defendants omitted material information in their Class Period statements in violation of a duty to disclose such information as detailed above.

COUNT I
For Violations of Section 10(b) And Rule 10b-5 Promulgated Thereunder
Against All Defendants

52. Plaintiff repeats and realleges each and every allegation contained above as if fully set forth herein.

53. This Count asserted against Defendants is based upon Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5 promulgated thereunder by the SEC.

54. During the Class Period, Defendants, individually and in concert, directly or indirectly, disseminated or approved the false statements specified above, which they knew or deliberately disregarded were misleading in that they contained misrepresentations and failed to disclose material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

55. Defendants violated §10(b) of the 1934 Act and Rule 10b-5 in that they:

- employed devices, schemes and artifices to defraud;
- made untrue statements of material facts or omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or
- engaged in acts, practices and a course of business that operated as a fraud or deceit upon plaintiff and others similarly situated in connection with their purchases of the Company's securities during the Class Period.

56. Defendants acted with scienter in that they knew that the public documents and statements issued or disseminated in the name of the Company were materially false and misleading; knew that such statements or documents would be issued or disseminated to the investing public; and knowingly and substantially participated, or acquiesced in the issuance or dissemination of such statements or documents as primary violations of the securities laws. These defendants by virtue of their receipt of information reflecting the true facts of the Company, their control over, and/or receipt and/or modification of the Company's allegedly materially misleading statements, and/or their associations with the Company which made them privy to confidential proprietary information concerning the Company, participated in the fraudulent scheme alleged herein.

57. Individual Defendants, who are or were senior executives and/or directors of the Company, had actual knowledge of the material omissions and/or the falsity of the material statements set forth above, and intended to deceive Plaintiff and the other members of the Class, or, in the alternative, acted with reckless disregard for the truth when they failed to ascertain and disclose the true facts in the statements made by them or other Company's personnel to members of the investing public, including Plaintiff and the Class.

58. As a result of the foregoing, the market price of the Company's securities was artificially inflated during the Class Period. In ignorance of the falsity of Defendants' statements, Plaintiff and the other members of the Class relied on the statements described above and/or the integrity of the market price of the Company's securities during the Class Period in purchasing the Company's securities at prices that were artificially inflated as a result of Defendants' false and misleading statements.

59. Had Plaintiff and the other members of the Class been aware that the market price of the Company's securities had been artificially and falsely inflated by Defendants' misleading statements and by the material adverse information which Defendants did not disclose, they would not have purchased the Company's securities at the artificially inflated prices that they did, or at all.

60. As a result of the wrongful conduct alleged herein, Plaintiff and other members of the Class have suffered damages in an amount to be established at trial.

61. By reason of the foregoing, Defendants have violated Section 10(b) of the 1934 Act and Rule 10b-5 promulgated thereunder and are liable to the plaintiff and the other members of the Class for substantial damages which they suffered in connection with their purchase of the Company's securities during the Class Period.

COUNT II
Violations of Section 20(a) of the Exchange Act
Against the Individual Defendants

62. Plaintiff repeats and realleges each and every allegation contained in the foregoing paragraphs as if fully set forth herein.

63. During the Class Period, the Individual Defendants participated in the operation and management of the Company, and conducted and participated, directly and indirectly, in the

conduct of the Company's business affairs. Because of their senior positions, they knew the adverse non-public information about the Company's business practices.

64. As officers of a public business, the Individual Defendants had a duty to disseminate accurate and truthful information with respect to the Company's financial condition and results of operations, and to correct promptly any public statements issued by the Company which had become materially false or misleading.

65. Because of their positions of control and authority as senior executives and/or directors, the Individual Defendants were able to, and did, control the contents of the various reports, press releases and public filings which the Company disseminated in the marketplace during the Class Period concerning the Company's results of operations. Throughout the Class Period, the Individual Defendants exercised their power and authority to cause the Company to engage in the wrongful acts complained of herein. The Individual Defendants therefore, were "controlling persons" of the Company within the meaning of Section 20(a) of the Exchange Act. In this capacity, they participated in the unlawful conduct alleged which artificially inflated the market price of Company securities.

66. By reason of the above conduct, the Individual Defendants are liable pursuant to Section 20(a) of the Exchange Act for the violations committed by the Company.

PRAYER FOR RELIEF

WHEREFORE, plaintiff, on behalf of himself and the Class, prays for judgment and relief as follows:

(a) declaring this action to be a proper class action, designating plaintiff as Lead Plaintiff and certifying plaintiff as a class representative under Rule 23 of the Federal Rules of Civil Procedure and designating plaintiff's counsel as Lead Counsel;

(b) awarding damages in favor of plaintiff and the other Class members against all defendants, jointly and severally, together with interest thereon;

(c) awarding plaintiff and the Class reasonable costs and expenses incurred in this action, including counsel fees and expert fees; and

(d) awarding plaintiff and other members of the Class such other and further relief as the Court may deem just and proper.

JURY TRIAL DEMANDED

Plaintiff hereby demands a trial by jury.

Dated: _____

THE ROSEN LAW FIRM, P.A.

Phillip Kim, Esq.
Laurence M. Rosen, Esq.
275 Madison Avenue, 40th Floor
New York, New York 10016
Telephone: (212) 686-1060
Fax: (212) 202-3827
Email: philkim@rosenlegal.com
Email: lrosen@rosenlegal.com

Counsel for Plaintiff