

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
EASTERN DISTRICT OF NEW YORK

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

Plaintiff,

v.

BARCLAYS PLC, C.S.
VENKATAKRISHNAN, and ANNA CROSS,
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 Plaintiff’s attorneys, which included, among other things, a review of the Defendants’ public documents, public filings, wire and press releases published by and regarding Barclays PLC (“Barclays”, 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 Barclays securities between February 10, 2026 and March 5, 2026, 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 Barclays securities during the Class Period and was economically damaged thereby.

7. Defendant Barclays's principal executive offices are located at 1 Churchill Place London E14 5HP England. Within this judicial district, Barclays conducts business by, among other means, advertising its name at the Barclays Center sports arena, where the Brooklyn Nets and the New York Liberty play professional basketball. Additionally, the statements at issue were transmitted into this judicial district over the internet. Further, while Barclays is a British bank, it conducts additional business in the United States through online banking services (including high yield savings accounts). Inevitably, this would include residents of this judicial district. In addition, the misconduct at issue in this action took place in England. As a result, this judicial district is a convenient forum to litigate the action, as New York City's international airports are located in Queens.

8. The Company's American Depositary Shares ("ADS") trade on the New York Stock Market (the "NYSE") under the ticker symbol "BCS".

9. Defendant Barclays is a British universal bank.

10. Defendant C.S. Venkatakrisnan ("Venkatakrisnan") served as the Company's Group Chief Executive at all relevant times.

11. Defendant Anna Cross ("Cross") served as the Company's Group Finance Director at all relevant times.

12. Defendants Venkatakrisnan and Cross are collectively referred to herein as the "Individual Defendants."

13. 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.

14. Barclays 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.

15. 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.

16. Barclays and the Individual Defendants are collectively referred to herein as "Defendants."

SUBSTANTIVE ALLEGATIONS

Materially False and Misleading Statements Issued During the Class Period

17. On February 10, 2026, during market hours, Barclays filed with the SEC its annual report on Form 20-F for the year ended December 31, 2025 (the “2025 Annual Report”). Attached to the 2025 Annual Report were certifications pursuant to the Sarbanes-Oxley Act of 2002 (“SOX”) signed by Defendants Venkatakrishnan and Cross 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.

18. The 2025 Annual Report stated the following about Barclays’ risk culture:

Risk culture can be defined as the norms, attitudes and behaviours related to risk awareness, risk taking and management. This is reflected in how the Group identifies, escalates and manages risk matters.

Barclays is committed to maintaining a robust risk culture in which:

- management expect, model and reward the right behaviours from a risk and control perspective
- *colleagues identify, manage and escalate risk and control matters, and meet their responsibilities around risk management.*

The Group CEO *works with the Executive Management to embed a strong risk culture within the firm, with particular regard to the identification, escalation and management of risk matters, in accordance with the ERMF*. This is supported by our Purpose, Values and Mindset, as well [by] setting a standard of consistent excellence. Specifically, all employees regardless of their positions, functions or locations must play their part in the Group’s risk management. Employees are required to be familiar with risk management policies which are relevant to their responsibilities, know how to escalate actual or potential risk issues, and have a role-appropriate level of awareness of the risk management process as defined by the ERMF.

19. The statement in ¶ 18 was materially false and misleading when it was made because it overstated Barclays’ commitment to risk management, considering that Barclays had failed to control material risk exposure to Market Financial Solutions Ltd. (“MFS”), a UK-based mortgage lender that has collapsed due to malfeasance, which other organizations had identified

as early as 2024 (and had cut their exposure to MFS accordingly).

20. The 2025 Annual Report stated the following about Credit risk:

Credit risk is the risk of loss to the Group from the failure of clients, customers or counterparties, including sovereigns, to fully honour their obligations to the Group, including the whole and timely payment of principal, interest, collateral, and other receivables. Credit risk is impacted by a number of factors outside the Group's control, including wider economic conditions.

a) Impairment

Impairment is calculated in line with the requirements of IFRS9. Loss allowances, based on ECLs, are measured on a forward-looking basis using a broad range of financial metrics and application of complex judgements. Accordingly, impairment charges are potentially volatile and may not successfully predict actual credit losses, particularly under stressed conditions. ***Failure by the Group to accurately estimate credit losses through ECLs could have a material adverse effect on the Group's business, results of operations, financial condition, and prospects.***

b) Specific portfolios, sectors and concentrations

The Group is subject to risks arising from changes in credit quality and recovery rates for loans and advances due from borrowers and counterparties. Additionally, the Group is subject to a concentration of those risks where it has significant exposures to borrowers and counterparties in specific sectors, or to particular types of borrowers and counterparties. ***Any deterioration in the credit quality of such borrowers and counterparties could lead to lower recoverability from loans and advances, and higher impairment charges.*** Accordingly, any of the following areas of uncertainty could have a material adverse impact on the Group's business, results of operations, financial condition, and prospects:

* * *

- Private Credit: the private credit industry operates largely outside of the traditional banking system and public markets, and is characterised by risks associated with the use of leverage, illiquid investments, structural complexity and limited disclosure.

As a result, certain other risks to which the Group is exposed may be amplified by its activities in the private credit sector. In addition, due to the interconnectedness between private credit and other areas of economic activity and second order losses resulting from private credit exposure, private credit presents a risk to financial system stability.

The Group also has large individual exposures to single name counterparties (such as brokers, central clearing houses, dealers, banks, mutual and hedge funds, and other institutional clients) in both its lending and trading activities, including derivative trades.

The default of one such counterparty could cause contagion across clients involved in similar activities and/or adversely impact asset values should margin calls necessitate rapid asset disposals by that counterparty to raise liquidity. In addition, where such counterparty risk has been mitigated by taking collateral, credit risk may remain high if the collateral held cannot be monetised or has to be liquidated at prices which are insufficient to recover the full amount of the loan or derivative exposure.

Any such defaults could have a material adverse effect on the Group's results due to, for example, increased credit losses and higher impairment charges.

Impact to the creditworthiness of the Group's clients, customers and counterparties (particularly in high carbon sectors), can also arise out of climate-related legal actions or investigations commenced against the Group's clients, customers and counterparties (particularly in high carbon sectors), where outcomes of such actions have material financial impacts, which can in turn increase credit risk within Group portfolios.

21. The statement in ¶ 20 was materially false and misleading when it was made because it discussed Barclays' credit risks in general and hypothetical terms, when, in reality, Defendants knew that they had material financial exposure to MFS. In fact, Barclays' had ceased doing business with MFS in late 2025.

22. The statements contained in ¶¶ 18 and 20 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) Defendants recklessly overstated Barclays commitment to risk management; (2) Defendants recklessly understated the risk of their exposure to smaller mortgage lenders, given malfeasance at Market Financial Solutions Ltd., which was known to Defendants during the Class Period; and (3) as a result, Defendants' statements about Barclays's business, operations, and prospects were materially false and misleading and/or lacked a reasonable basis at all relevant times.

THE TRUTH BEGINS TO EMERGE

23. On February 26, 2026, during U.S. market hours, The Times published a story entitled “Barclays’ £600m exposure as mortgage firm collapses amid fraud claims[.]” The story stated that Barclays reportedly had “multimillion pound exposures to a UK mortgage provider that has collapsed amid allegations of fraud.”

24. The article further stated the following about Barclays:

The FTSE 100 bank is said to have an exposure of £600 million to Market Financial Solutions, which entered administration after a High Court judge said “very serious” *allegations of fraud needed to be investigated, prompting the latest source of alarm about the private credit industry.* [. . .]

Market Financial Solutions, a provider of bridging loans and buy-to-let mortgages, applied to enter a form of insolvency earlier this week, citing an unexpected banking issue which led to a restriction on its facilities.

Paresh Raja, its founder, said at the time the measure did “not reflect a failure of the underlying business or the quality of our assets, but rather a technical and procedural impasse that has temporarily limited our access to everyday banking facilities”.

However, *insolvency practitioners from Alix Partners were subsequently appointed after two lenders to Market Financial Solutions, Amber Bridging and Zircon Bridging, alleged that there were “serious irregularities” in its finances.*

Chief insolvency and companies court judge Nicholas Briggs approved Amber and Zircon’s administration application *after allegations of fraud, according to a report of a High Court hearing by 9fin, a provider of debt market analysis.*

These are purported to include claims that loans have been “double pledged” to property assets. Amber and Zircon have reportedly alleged there is a “significant shortfall” in their mortgage collateral as a result of Market Financial Solutions’ actions.

“*The allegations of fraud are very serious,*” Briggs is reported as saying, and that claims of “double pledging” needed to be investigated urgently.

* * *

Barclays declined to comment.

25. On this news, Barclays ADSs fell \$0.34 per ADS, or 1.3%, to close at \$25.29 on February 26, 2026.

26. On February 27, 2026, before the market opened, Reuters published a story entitled “Wall Street hit by UK mortgage lender collapse, raising fears of more credit ‘cockroaches’.”

27. The article stated that “Wall Street lenders on Friday were rocked by the implosion of little-known UK mortgage provider Market Financial Solutions Ltd, fuelling concerns about wider losses among banks and reviving warnings of more "cockroaches" in the booming private credit industry.”

28. It further stated that the “collapse of MFS hammered the shares of Barclays and Jefferies, and accelerated a broader selloff in financial firms and alternative asset managers on Friday, *as the market grappled with the prospect of a widening credit contagion, amid concerns about lending standards in the industry.*”

29. The article further stated that “London-based MFS specialised in complex property-backed loans. It had applied for administration, a form of UK insolvency protection, after it ran into difficulties, according to previous media reports and court documents seen by Reuters.” Further, “[c]reditors who successfully applied to have the company put into administration on Wednesday *cited financial irregularities and mismanagement in court documents.*”

30. On this news, Barclays ADSs fell \$1.01 per ADS, or 3.99%, to close at \$24.28 per ADS on February 27, 2026.

31. On March 2, 2026, Financial Times published an article entitled “Barclays blocked transactions linked to property lender MFS months before collapse.” The article revealed that Barclays had knowledge of MFS’ malfeasance for months.

32. The article stated that Barclays “*began blocking months ago certain transactions linked to a UK-based mortgage provider that collapsed suddenly last week amid fraud allegations, before freezing all accounts tied to the firm in early January.*”

33. The article further stated that Barclays is “among lenders [. . .] *that identified issues with London-based Market Financial Solutions after the back-to-back failures of US companies* [Tricolor and First Brands,] according to people familiar with the situation.”

34. Further, the article stated that the “collapse of these US companies, which now both face fraud investigations by the [DOJ], sent shockwaves through the global financial sector last year and triggered due diligence checks in the loan books of lenders to MFS.”

35. The article stated that “MFS’s collapse last week reignited fears of poor underwriting standards in the booming market for asset-backed lending and prompted a sell-off in the shares of Barclays[.]” Additionally, it stated that “*Barclays and other lenders first recognised financial irregularities relating to their investments in MFS – which collapsed into insolvency on Wednesday amid accusations of double-pledging of its collateral – in November, according to people familiar with the situation.*”

36. The article stated that “Barclays, which also provided banking services to MFS and has amassed roughly [600 million British pounds] of exposure to the group,” had “*began blocking certain transactions for the lender in late 2025 before freezing its accounts in January, according to multiple people familiar with the matter.*”

37. On this news, Barclays ADSs fell \$0.57 per ADS, or 2.3%, to close at \$23.71 on March 2, 2026.

38. On May 6, 2026, Financial Times published an article entitled “Bank of England grills lenders over collapsed mortgage provider MFS.” The article stated that the “Bank of

England *is grilling lenders over their exposure to a UK-based mortgage lender that collapsed abruptly last week amid fraud allegations*, prompting supervisors to check if creditors carried out sufficient risk assessments and due diligence.”

39. The article stated that “[o]fficials at the central bank’s Prudential Regulation Authority have requested more information from banks, including Barclays, about the money they lent to MFS to fund its offer of ‘complex, property-backed lending’ consisting of short-term bridging loans, according to people familiar with the situation.”

40. The article stated that the “*PRA is worried there may have been insufficient risk assessment and due diligence checks* carried out by the banks on MFS and its sister companies, which have been *linked to a property scandal involving a Bangladeshi politician*.”

41. Also on March 6, 2026, before the market opened, *The Wall Street Journal* published an article entitled “How a British Mortgage Company Became Private Credit’s Latest Black Eye.”

42. The article stated that “[w]hen *Market Financial Solutions went to raise money from private-credit funds in 2021*, it was a little-known British mortgage company specializing in short-term loans for quick property purchases.” Further, “[MFS] fundraising materials *provided sparse details on its chief executive, Paresh Raja, and offered financial information that diverged widely from its public financial reporting*, according to documents reviewed by The Wall Street Journal.”

43. The article stated that MFS’ efforts to raise money from private-credit funds were not successful, but “Market Financial Solutions found plenty of other banks and private-credit firms eager to lend it money. Wall Street was hungry to make asset-based loans—a booming sector in recent years—and MFS seemed to fit the bill.” The article noted that MFS had “said its

mortgage-lending business *had tripled in size since 2022* to more than £2.4 billion, or more than \$3 billion, last year.”

44. The article noted that MFSs founders are presently in Dubai, and “the lenders want to know what happened to their money.”

45. The article stated the following, revealing how Barclays had stopped processing MFS-related transactions in 2025 due to MFS’ failure to provide additional information on various loans, but that other entities had cut their exposure to MFS in 2024 based on similar conduct by MFS:

In 2025, MFS accounted for around one-fifth of all bridge lending done in the U.K., according to figures from the company and an industry tracker.

In late 2025, some of the lenders had become concerned about their loans and the information flow from Market Financial Solutions, according to people familiar with the matter. *When they sought additional information, it didn’t arrive, the people said.*

Barclays stopped processing some MFS-related transactions and froze the accounts it handled, the people said.

* * *

Some lenders to MFS exited before it collapsed. Centerbridge Partners, a private-credit fund manager, *found the company unresponsive to information requests in late 2024, according to people familiar with the matter. The New York-based fund asked for its money back and got it well before MFS fell into insolvency.*

46. On this news, Barclays ADSs fell \$0.57 per ADS, or 2.54%, on March 6, 2026.

47. Due to the partial disclosures outlines above, Barclays ADSs went from a closing price of \$25.63 on February 25, 2026 to a closing price of \$21.86 on March 6, 2026, a 14.7% decline.

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

PLAINTIFF'S CLASS ACTION ALLEGATIONS

49. 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 Barclays 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.

50. 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.

51. 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.

52. 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.

53. 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.

54. 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.

55. 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.

56. 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.

57. 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

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

59. 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.

60. 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.

61. 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.

62. 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.

63. 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.

64. 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.

65. 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.

66. 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.

67. 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

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

69. 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

70. 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.

71. 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.

72. 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