

**UNITED STATES DISTRICT COURT
DISTRICT OF LOUISIANA**

ANTHONY CAIAFA, Individually and on Behalf of All Others Similarly Situated,	:	
	:	CIVIL ACTION
	:	
	:	CASE NUMBER _____
	:	
Plaintiff,	:	CLASS ACTION COMPLAINT
	:	FOR VIOLATION OF FEDERAL
vs.	:	SECURITIES LAWS
	:	
HORNBECK OFFSHORE SERVICES, INC.:	:	
and TODD M. HORNBECK,	:	<u>JURY TRIAL DEMANDED</u>
	:	
Defendants.	:	

Plaintiff, by and through his attorneys, alleges the following upon information and belief, except as to those allegations concerning Plaintiff, which are alleged upon personal knowledge. Plaintiff's information and belief are based upon, among other things, his counsel's investigation, which includes without limitation: (a) review and analysis of regulatory filings made by Hornbeck Offshore Services, Inc. ("Hornbeck Offshore" or the "Company") with the United States Securities and Exchange Commission ("SEC"); (b) review and analysis of securities analysts' reports concerning; (c) review and analysis of press releases and media reports issued by and disseminated by Hornbeck Offshore; and (d) review of other publicly available information concerning Hornbeck Offshore.

1. This is a class action against Hornbeck Offshore and certain of its officers and directors for violation of the federal securities laws. Plaintiff brings this action on behalf of himself and all other persons or entities, except for Defendants and certain of their related parties

as described below, who purchased Hornbeck Offshore securities (the “Class”) during the period November 1, 2006 through January 10, 2007, inclusive (the “Class Period”).

JURISDICTION AND VENUE

2. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§ 1331, and 1367, and Section 27 of the Securities Exchange Act of 1934 (the “Exchange Act”) (15 U.S.C. § 78aa).

3. This action arises under Sections 10(b) and 20(a) of the Exchange Act (15 U.S.C. §§ 78j(b) and 78t(a)) and Rule 10b-5 promulgated under Section 10(b) (17 C.F.R. § 240.10b-5).

4. Venue is proper in this District pursuant to Section 27 of the Exchange Act (15 U.S.C. § 78aa) and 28 U.S.C. § 1391(b) and (c). Substantial acts in furtherance of the alleged fraud and/or its effects have occurred within this District, and the Company maintains its principal executive offices in this District.

5. In connection with the acts and omissions alleged in this Complaint, Defendants, directly or indirectly, used the means and instrumentalities of interstate commerce, including, but not limited to, the mails, interstate telephone communications, and the facilities of the national securities markets.

PARTIES

6. Plaintiff purchased Hornbeck Offshore common stock during the Class Period, as set forth in the certification attached hereto.

7. Hornbeck Offshore Services, Inc. is a leading provider of technologically advanced, new generation offshore supply vessels primarily in the U.S. Gulf of Mexico and select international markets, and is a leading transporter of petroleum products through its fleet of ocean-going tugs and tank barges primarily in the northeastern U.S. and in Puerto Rico.

Hornbeck Offshore currently owns a fleet of over 60 vessels primarily serving the energy industry. Hornbeck Offshore is located at 103 Northpark Boulevard, Covington, Louisiana. Hornbeck Offshore common stock is traded in an efficient market on the New York Stock Exchange under the symbol "HOS".

8. Defendant Todd M. Hornbeck, has served as our President and Secretary and as a director since he co-founded the Company in June 1997. Until February 2002, he also served as Chief Operating Officer. In February 2002, Hornbeck was appointed Chief Executive Officer and in May 2005, he was appointed Chairman of the Board of Directors.

9. Defendant Hornbeck who is the Company's CEO and Chairman, controlled Hornbeck Offshore and its public disclosures. He made false and misleading statements and/or failed to disclose material adverse information concerning the Company's business and operations during the Class Period, as detailed herein. Because of his position with the Company, he had access to the adverse undisclosed information about its business, operations, products, operational trends, financial statements, markets, and present and future business prospects via access to internal corporate documents (including the Company's operating plans, budgets, and forecasts and reports of actual operations compared thereto), conversations and connections with other corporate officers and employees, attendance at management and/or Board of Directors meetings and committees thereof, and via reports and other information provided to them in connection therewith.

10. By virtue of his high level positions with the Company, he directly participated in the management of the Company, and was directly involved in the day-to-day operations of the Company at the highest levels, and was privy to confidential proprietary information concerning the Company and its business, operations, products, growth, financial statements, and financial

condition, as alleged herein. Said Defendant was involved in drafting, producing, reviewing and/or disseminating the false and misleading statements and information alleged herein, were aware or deliberately disregarded that the false and misleading statements were being issued regarding the Company, and approved or ratified these statements in violation of the federal securities laws.

11. As an officer and director and controlling persons of a publicly held company whose common stock was, and is, registered with the SEC pursuant to the Exchange Act, traded on the New York Stock Exchange, and governed by the provisions of the federal securities laws, the Defendant Hornbeck had a duty to disseminate promptly accurate and truthful information with respect to the Company's financial condition and performance, growth, operations, financial statements, business, products, markets, management, earnings, and present and future business prospects, and to correct any previously issued statements that had become materially misleading or untrue, so that the market price of the Company's common stock would be based upon truthful and accurate information. Defendant Hornbeck's misrepresentations and omissions during the Class Period violated these specific requirements and obligations.

12. Defendant Hornbeck participated in the drafting, preparation and/or approval of the various public, shareholder and investor reports and other communications complained of herein, and were aware of, or deliberately disregarded, the misstatements contained therein and omissions therefrom, and were aware of their materially false and misleading nature. Defendant Hornbeck had access to the adverse, undisclosed information about the Company's operations, the financial condition and performance of the Company as particularized herein and knew (or deliberately disregarded) that these adverse facts rendered the positive representations made by

or about Hornbeck Offshore and its business issued or adopted by the Company materially false and misleading.

13. Defendant Hornbeck was able to and did control the content of the various SEC filings, press releases and other public statements pertaining to the Company during the Class Period. Defendant Hornbeck was provided with copies of the documents alleged herein to be misleading prior to or shortly after their issuance and/or had the ability and/or opportunity to prevent their issuance or cause them to be corrected. Accordingly, Defendant Hornbeck is responsible for the accuracy of the public reports and releases detailed herein and are therefore primarily liable for the representations contained therein.

14. Defendant Hornbeck is liable as a participant in a wrongful scheme and course of business that operated as a fraud or deceit on those who purchased or otherwise acquired Hornbeck Offshore common stock during the Class Period by disseminating materially false and misleading statements and/or concealing material adverse facts. The scheme deceived the investing public regarding Hornbeck Offshore business, operations, and the intrinsic value of the Company's common stock, and caused plaintiff and other members of the Class to purchase Hornbeck Offshore common stock at artificially inflated prices.

CLASS ACTION ALLEGATIONS

15. Plaintiff brings this as a class action pursuant to Federal Rule of Civil Procedure 23(a) and (b)(3) on behalf of all persons who purchased Hornbeck Offshore securities during the Class Period. Excluded from the Class are Defendants, officers and directors of the Company, members of the immediate families of the Defendant Hornbeck and his legal representatives, heirs, successors or assigns and any entity in which any he has or has had a controlling interest.

16. This action is properly maintainable as a class action because:

a. the members of the proposed Class in this action are dispersed throughout the United States and are so numerous that joinder of all Class members is impracticable. While the exact number of Class members is unknown to Plaintiff at this time and can only be ascertained through appropriate discovery, Plaintiff believes that Class members number in the thousands. Millions of Hornbeck Offshore shares were traded publicly on the New York Stock Exchange (“NYSE”) under the symbol “HOS”. As of December 31, 2005 Hornbeck Offshore had 27,169,367 shares of common stock outstanding.

b. Plaintiff’s claims are typical of those of all members of the Class because all have been similarly affected by Defendants’ actionable conduct in violation of federal securities laws as alleged herein;

c. Plaintiff will fairly and adequately protect the interests of the Class and has retained counsel competent and experienced in class action litigation. Plaintiff has no interests antagonistic to, or in conflict with, the Class that Plaintiff seeks to represent;

d. A class action is superior to other available methods for the fair and efficient adjudication of the claims asserted herein because joinder of all members is impracticable. Furthermore, because the damages suffered by individual members of the Class may be relatively small, the expense and burden of individual litigation make it virtually impossible for Class members to redress the wrongs done to them. The likelihood of individual Class members prosecuting separate claims is remote;

e. Plaintiff anticipates no unusual difficulties in the management of this action as a class action; and

f. the questions of law and fact common to the members of the Class predominates over any questions affecting individual members of the Class.

Among the questions of law and fact common to the Class are:

- i. whether Defendants' acts and/or omissions as alleged herein violated the federal securities laws;
- ii. whether the Company's Class Period public statements and filings misrepresented and/or omitted material facts;
- iii. whether Defendants acted with knowledge or with reckless disregard for the truth in misrepresenting and/or omitting material facts;
- iv. whether Defendants participated in and pursued the common course of conduct complained of herein;
- v. whether the market price of Hornbeck Offshore securities was inflated artificially as a result of Defendants' material misrepresentations and/or omissions during the Class Period; and
- vi. to what extent the members of the Class have sustained damages and the proper measure of damages.

SUBSTANTIVE ALLEGATIONS COMMON TO ALL COUNTS

17. On May 4, 2006, Hornbeck Offshore announced its financial results for its first quarter ended March 31, 2006. First quarter revenues increased 61.2% to \$61.1 million compared to \$37.9 million for the first quarter of 2005. Operating income was \$24.5 million, or 40.2% of revenues, for the first quarter of 2006 compared to \$12.5 million, or 33.0% of revenues, for the prior-year quarter. These results were driven by record dayrates in the U.S. Gulf of Mexico (GoM) for the Company's offshore supply vessel (OSV) fleet and a 60.6% increase in the average barrel-carrying capacity of the Hornbeck Offshore tug and tank barge (TTB) fleet. Operating income, as reported, includes a \$1.2 million charge for stock-based

compensation expense related to the impact of FAS 123R, which became effective January 1, 2006. Excluding this charge, operating income was \$25.7 million, or 42.1% of revenues, for the first quarter of 2006. EBITDA for the first quarter of 2006 was \$32.0 million, which was a 73.0% increase over the first quarter 2005 EBITDA of \$18.5 million and exceeded the high-end of the Company's first quarter 2006 guidance range of \$28.0 million to \$30.0 million.

18. In the first quarter press release defendant Hornbeck, was quoted as stating:

Our first quarter results reflect the continued expansion of dayrates in our OSV segment to historically high levels. We believe that demand for new generation vessels, driven by the increased offshore activity in the Gulf of Mexico, especially in deepwater regions, support a robust dayrate environment lasting through at least 2007. In addition, the combination of switching from contracts of affreightment (COAs) to time charters and the diversification of new double-hulled tank barges into upstream services, such as deepwater well-testing, has helped drive the substantial improvement in our operating margins in the TTB segment.”

Over the past eight years, our proprietary vessels have brought new technology and capabilities to the oilfield. We have recently experienced demand for these vessels beyond traditional applications and are just beginning to tap the potential of the numerous service offerings that our equipment can provide outside of the oilfield. Our current expansion programs will provide the capacity necessary to service these markets and continue to enhance our design features.

19. On August 3, 2006, Hornbeck Offshore announced its results for its second quarter ended June 30, 2006. Second quarter revenues increased 72.0% to \$70.7 million compared to \$41.1 million for the second quarter of 2005. Operating income was \$32.4 million, or 45.8% of revenues, for the second quarter of 2006 compared to \$13.8 million, or 33.6% of revenues, for the prior-year quarter. These results were driven by record dayrates in each of the Company's business segments and a 45.3% increase in the average barrel-carrying capacity of the Hornbeck Offshore tug and tank barge (TTB) fleet. Net income for the second quarter of 2006 was \$20.3 million, or \$0.73 per diluted share, compared to \$7.7 million, or \$0.36 per diluted share in the year-ago quarter. Excluding the impact of FAS 123R, adjusted net income

for the second quarter of 2006 was \$21.2 million, or \$0.77 per diluted share. Diluted EPS for the second quarter of 2006 was double the diluted EPS for second quarter of 2005, despite having an additional 6.4 million diluted shares outstanding in the second quarter of 2006.

20. In connection with the announcement of the Company's second quarter financial results defendant Hornbeck was quoted at stating:

We are very pleased with yet another quarter of record financial results, which were largely driven by our diversified business model. With both of our fleet segments 'hitting on all cylinders,' we continue to post industry-leading margins and returns on invested capital and have, again, significantly increased our annual 2006 and 2007 guidance. This quarter our new generation OSV fleet achieved 52% operating margins. More notably, our TTB fleet continued to experience the substantially higher operating margins that began three quarters ago, as planned when we embarked on our first newbuild program for that segment. With our TTB operating margin at 36% for the second quarter of 2006, up from the mid-teens historically, our TTB fleet has demonstrated its ability to produce operating margins that exceed not only those of our TTB peers, but even those of our OSV peers at a time when they are reporting record financial results. We believe that this is a function of our integrated business strategy and recent success in developing new value-added niche markets that utilize our downstream assets in non-traditional services to our upstream customers."

21. On November 1, 2006, Hornbeck Offshore announced record results for its third quarter ended September 30, 2006. Third quarter revenues increased 66.7% to \$77.5 million compared to \$46.5 million for the third quarter of 2005. Operating income was \$37.7 million, or 48.6% of revenues, for the third quarter of 2006 compared to \$16.8 million, or 36.1% of revenues, for the prior-year quarter. These results were impacted by strong market-driven dayrates in each of the Company's business segments and a 16% increase in the average barrel-carrying capacity of the Hornbeck Offshore tug and tank barge (TTB). EBITDA for the third quarter of 2006 was \$45.8 million, which was an 83.2% increase over the third quarter 2005 EBITDA of \$25.0 million and exceeded the high-end of the Company's third quarter 2006 guidance range of \$40.0 million to \$42.0 million. Net income for the third quarter of 2006 was

\$23.9 million, or \$0.86 per diluted share, compared to \$9.4 million, or \$0.44 per diluted share in the year-ago quarter.

22. In the November 1, 2006, press release Hornbeck Offshore reaffirmed its 2007 guidance. The Company reaffirmed EBITDA for the fourth quarter of 2006 to range between \$39.0 million and \$41.0 million and earnings per share, or EPS, for the fourth quarter of 2006 to range between \$0.69 and \$0.74.

23. On November 6, 2006, Hornbeck Offshore announced that it intended to offer approximately \$200.0 million aggregate principal amount of convertible senior notes due 2026 through an offering within the United States to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the "Securities Act"). The notes will be guaranteed by the same subsidiaries of Hornbeck Offshore that currently guarantee its existing 6.125% senior notes. In certain circumstances, the notes will be convertible into cash up to the principal amount and shares of Hornbeck Offshore's common stock for any conversion value above the principal amount or, upon the Company's election in certain circumstances prior to November 15, 2013, solely into shares of common stock. The interest rate, conversion price and other terms of the notes will be determined by negotiations between the Company and the initial purchasers of the notes. The Company also expects to grant the initial purchasers of the notes a 30-day option to purchase up to \$30.0 million in principal amount of additional notes to cover over-allotments.

24. According to the November 6, 2006 press release, Hornbeck Offshore intends to use a portion of the net proceeds from the offering to pay the cost of the convertible note hedge transactions that the Company expects to enter into with financial institutions, which may include one or more of the initial purchasers or their affiliates. Each of the convertible note

hedge transactions are expected to have a call exercise price equal to the conversion price of the notes, and are intended to limit exposure to dilution to the Company's stockholders upon the potential future conversion of the notes. In connection with such transactions, Hornbeck Offshore expects to enter into separate warrant transactions with the same financial institutions that enter into the convertible note hedge transactions, with proceeds of the warrant transactions partially offsetting the cost of the note hedge transactions.

25. Finally, the Company said that it intends to use up to 30% of the gross proceeds of the offering (excluding the gross proceeds received upon any exercise of the initial purchasers' over-allotment option) to repurchase shares of its common stock concurrently with the offering. The remaining net proceeds of the offering will be used for general corporate purposes, including possible future acquisitions and additional new vessel construction.

26. Midway through the Hornbeck Offshore's fourth quarter, on November 13, 2006, Hornbeck Offshore announced the closing of its offering of \$220.0 million aggregate principal amount of convertible senior notes due November 15, 2026.

27. On January 10, 2007, Hornbeck Offshore announced that after an initial review of operating results, it has revised its EBITDA and diluted earnings per share (EPS) guidance for the fourth quarter of 2006 and calendar 2006.

28. According to the January 10, 2007, press release the Company now expects EBITDA for the fourth quarter of 2006 to range between \$33.0 million and \$34.0 million, down from \$39.0 million to \$41.0 million. The Company now expects EPS for the fourth quarter of 2006 to range between \$0.61 and \$0.63, down from \$0.72 to \$0.77. The Company now expects EBITDA for the full calendar year 2006 to range between \$151.3 million and \$152.3 million and EPS to range between \$2.74 and \$2.77

29. At the time Hornbeck Offshore announced the sale of the convertible senior notes defendants knew but failed to disclose that the Company was experiencing OSV dayrate volatility. In addition, defendant knew but failed to disclose that Hornbeck Offshore was experiencing labor and material shortages in the shipyard community causing chronic delays in shipyard activity.

30. In fact, on January 10, 2007, defendant Hornbeck admitted that he had knowledge that there were factors negatively impacting the Company's operating environment. Defendant Hornbeck was quoted as stating:

Over the last couple of months, we have observed several factors that have impacted our operating environment. OSV dayrate volatility has increased, shipyard delivery schedules for newbuilds and turnaround time for regulatory drydockings, repairs and maintenance remain uncertain and personnel and insurance costs continue to rise. (Emphasis added)

31. Defendants however, failed to disclose these negative factors to the investing public. Defendant knew that if Hornbeck Offshore disclosed that the Company was experiencing volatility than the note offering would not have sold.

32. On this news the price Hornbeck shares slumped to a 52-week low in early trading Thursday after the company announced late Wednesday that its fourth-quarter results will come in well short of expectations. The stock was trading recently at \$26.40, down \$7.11, or 21.2%, from Wednesday's close at \$33.51. Volume was 3.8 million shares traded, compared to a daily average of 553,767.

33. The decline in Hornbeck Offshore's stock price is a direct result of the nature and extent of defendants' false statements being revealed to investors and the market.

34. As alleged herein, defendants acted with scienter in that defendants 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 federal securities laws. As set forth elsewhere herein in detail, defendants, by virtue of their receipt of information reflecting the true facts regarding Hornbeck Offshore their control over, and/or receipt and/or modification of Hornbeck Offshore allegedly materially misleading misstatements and/or their associations with the Company which made them privy to confidential proprietary information concerning Hornbeck Offshore, participated in the fraudulent scheme alleged herein.

**Applicability Of Presumption Of
Reliance: Fraud-On-The-Market Doctrine**

35. The market for Hornbeck Offshore's securities was open, well-developed and efficient at all relevant times. As a result of these materially false and misleading statements and failures to disclose, Hornbeck Offshore's securities traded at artificially inflated prices during the Class Period. Plaintiff and other members of the Class purchased or otherwise acquired Hornbeck Offshore securities relying upon the integrity of the market price of Hornbeck Offshore's securities and market information relating to Hornbeck Offshore, and have been damaged thereby.

36. During the Class Period, defendants materially misled the investing public, thereby inflating the price of Hornbeck Offshore's securities, by publicly issuing false and misleading statements and omitting to disclose material facts necessary to make defendants' statements, as set forth herein, not false and misleading. Said statements and omissions were materially false and misleading in that they failed to disclose material adverse information and misrepresented the truth about the Company, its business and operations, as alleged herein

37. At all relevant times, the material misrepresentations and omissions particularized in this Complaint directly or proximately caused or were a substantial contributing cause of the damages sustained by plaintiff and other members of the Class. As described herein, during the Class Period, defendants made or caused to be made a series of materially false or misleading statements about Hornbeck Offshore's business, prospects and operations. These material misstatements and omissions had the cause and effect of creating in the market an unrealistically positive assessment of Hornbeck Offshore and its business, prospects and operations, thus causing the Company's securities to be overvalued and artificially inflated at all relevant times. Defendants' materially false and misleading statements during the Class Period resulted in plaintiff and other members of the Class purchasing the Company's securities at artificially inflated prices, thus causing the damages complained of herein

38. At all relevant times, the market for Hornbeck Offshore's securities was an efficient market for the following reasons, among others:

(a) Hornbeck Offshore's stock met the requirements for listing, and was listed and actively traded on the NYSE, a highly efficient and automated market;

(b) As a regulated issuer, Hornbeck Offshore filed periodic public reports with the SEC and the NYSE;

(c) Hornbeck Offshore regularly communicated with public investors via established market communication mechanisms, including through regular disseminations of press releases on the national circuits of major newswire services and through other wide-ranging public disclosures, such as communications with the financial press and other similar reporting services; and

(d) Hornbeck Offshore was followed by several securities analysts employed by major brokerage firms who wrote reports, which were distributed to the sales force and certain customers of their respective brokerage firms. Each of these reports was publicly available and entered the public marketplace.

39. As a result of the foregoing, the market for Hornbeck Offshore's securities promptly digested current information regarding Hornbeck Offshore from all publicly available sources and reflected such information in Hornbeck Offshore's stock price. Under these circumstances, all purchasers of Hornbeck Offshore's securities during the Class Period suffered similar injury through their purchase of Hornbeck Offshore's securities at artificially inflated prices and a presumption of reliance applies.

COUNT I

For Violations of Sections 10(b) of The Exchange Act And SEC Rule 10b-5 Promulgated Thereunder

40. Plaintiff repeats and realleges paragraphs 1 through 30, as if set forth fully herein.

41. In connection with the sale of Hornbeck Offshore securities throughout the Class Period, Defendants participated, directly or by acquiescence, despite a duty to act, in the preparation and/or issuance of materially false and misleading statements and omissions.

42. Defendants knew, or were reckless in not knowing, that the statements contained in Hornbeck Offshore public filings were materially false and misleading. Plaintiff and the Class relied, directly or indirectly by reliance on the integrity of the market, on Defendants' misstatements and/or omissions and were damaged as a result. But for Defendants' misrepresentations and/or omissions, Plaintiff and the Class would not have purchased Hornbeck Offshore securities or would have purchased them at non-artificially inflated prices.

COUNT II

For Violation Of Section 20(a) Of The Exchange Act (Against the Section 20(a) Defendants, as defined below)

43. Plaintiff repeats and realleges each of the preceding paragraphs 1 through 33 as if fully set forth herein.

44. This claim is brought against Defendant Hornbeck.

45. The Section 20(a) Defendants were control persons within the meaning of the Exchange Act.

46. As set forth above, Defendant Hornbeck violated Section 10(b) of the Exchange Act, and Rule 10b-5 promulgated thereunder, by their acts and omissions as alleged in this complaint. By virtue of his positions as control persons, the Section 20(a) Defendant Hornbeck violated Section 10(b) and Rule 10b-5, are liable pursuant to Section 20(a) of the Exchange Act.

47. As a direct and proximate result of the Section 20(a) Defendant Hornbeck wrongful conduct, Plaintiff and the Class suffered damages in connection with their purchases of the Company's securities during the Class Period.

NO SAFE HARBOR

48. The statutory safe harbor provided for forward-looking statements under certain circumstances does not apply to any of the allegedly false statements pleaded in this Complaint. The statements alleged to be false and misleading herein all relate to then-existing facts and conditions. In addition, to the extent certain of the statements alleged to be false may be characterized as forward looking, they were not identified as "forward-looking statements" when made, there was no statement made with respect to any of those representations forming the basis of this Complaint that actual results "could differ materially from those projected," and there

were no meaningful cautionary statements identifying important factors that could cause actual results to differ materially from those in the purportedly forward-looking statements. In the alternative, to the extent that the statutory safe harbor is intended to apply to any forward-looking statements pleaded herein, Defendants are liable for those false forward-looking statements because at the time each of those forward-looking statements was made, the speaker had actual knowledge that the forward-looking statement was materially false or misleading, and/or the forward-looking statement was authorized or approved by an executive officer of Hornbeck Offshore who knew that the statement was false when made.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff, on behalf of himself and all other Class members, prays for judgment as follows:

- A. A determination that this action is a proper class action and a certification of the Class under Rule 23 of the Federal Rules of Civil Procedure;
- B. An award of compensatory damages in favor of Plaintiff and the other Class members against all Defendants for damages sustained as a result of Defendants' wrongdoing, including interest thereon;
- C. An award to Plaintiff and the Class of their reasonable costs and expenses incurred in this action, including counsel fees, expert fees and other disbursements; and
- D. A grant of such other relief as the Court may deem just and proper.

JURY DEMAND

Plaintiff demands a trial by jury.

Dated: January 11, 2007

**SIMON, PERAGINE, SMITH &
REDFEARN, L.L.P.**

By: _____

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