

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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IN RE OPTIMAL U.S. LITIGATION

ORDER TO
SHOW CAUSE

10 Civ. 4095 (SAS)

SHIRA A. SCHEINDLIN, U.S.D.J.:

WHEREAS on May 2, 2011, this Court held that plaintiffs had adequately pled that the Exchange Act applied to the transactions at issue in this action;¹ and

WHEREAS on March 1, 2012, the United States Court of Appeals for the Second Circuit issued an opinion in *Absolute Value Master Fund Ltd. v. Ficeto*,² holding that “to sufficiently allege the existence of a ‘domestic transaction in other securities,’ plaintiffs must allege facts indicating that irrevocable liability was incurred or that title transferred within the United States”;³ and

WHEREAS, the Second Circuit also held in *Absolute Value* that “the mere assertion that transactions ‘took place in the United States’ is insufficient to

¹ See *In re Optimal U.S. Litig.*, — F. Supp. 2d —, No. 10 Civ. 4095, 2011 WL 1676067, at *11-12 (S.D.N.Y. May 2, 2011).

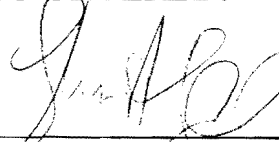
² No. 11 Civ. 221, 2012 WL 661771 (2d Cir. Mar. 1, 2012).

³ *Id.* at *1.

adequately plead the existence of domestic transaction”,⁴ it is hereby

ORDERED that plaintiffs show cause, by March 16, 2012, why Counts XII, XIII, and XV of the Fourth Amended Complaint should not be dismissed. Defendant may submit any response to plaintiffs’ papers by March 26, 2012. The parties’ submissions shall be no longer than 10 pages.

SO ORDERED:



Shira A. Scheindlin
U.S.D.J.

Dated: New York, New York
March 6, 2012

⁴ *Id.* at *8.

- Appearances -

For Plaintiffs:

Edward W. Miller, Esq.
648 Franklin Avenue, 2nd Floor
Garden City, New York 11530
(516) 280-7377

Alan Ian Ellman, Esq.
Javier Bleichmar, Esq.
Labaton Sucharow, LLP
140 Broadway
New York, New York 10005
(212) 907-0877

Jack Reise, Esq.
Michael L. Greenwald, Esq.
Robbins Geller Rudman & Dowd LLP
120 E. Palmetto Park Road, Suite 500
Boca Raton, Florida 33432-4809
(561) 750-3000

For Defendants:

Gustavo J. Membiela, Esq.
Samuel A. Danon, Esq.
Hunton & Williams, LLP
1111 Brickell Avenue
Miami, Florida 33131
(305) 810-2500

Paulo Roberto Lima, Esq.
Shawn Patrick Regan, Esq.
Hunton & Williams, LLP (NYC)
200 Park Avenue, 52nd Floor
New York, New York 10166
(212) 309-1395