

EXHIBIT 2

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

IN RE MERCEDES-BENZ
EMISSIONS LITIGATION

Civil Action No. 16-881 (KM)(ESK)

Special Master Dennis M. Cavanaugh,
U.S.D.J. (Ret.)

**DECLARATION OF JAMES E. CECCHI
IN SUPPORT OF FEE AND EXPENSE
APPLICATION**

James E. Cecchi, declares as follows:

1. I am an attorney licensed to practice in New Jersey and am a shareholder at Carella, Byrne, Cecchi, Olstein, Brody & Agnello, P.C. ("Carella Byrne"). I am Co-Lead Counsel for Plaintiffs and was appointed interim co-lead counsel on April 7, 2016.

2. This declaration is submitted on behalf of Plaintiffs' Counsel¹, in support of Co-Lead Counsel's request for an award of attorneys' fees and reimbursement of expenses. The supporting brief is filed concurrently. Complete summaries of the procedural history of the case are set forth in the submission in support of preliminary approval of these settlements.

¹ Plaintiffs' Counsel refers collectively to the Co-Lead Counsel Team and all Plaintiffs' firms that have assisted in the prosecution of this action.

PLAINTIFFS' COUNSEL'S LODESTAR AND EXPENSES

A. Plaintiffs' Counsel's Diligent Efforts and Out-of-Pocket Expenses

3. Co-Lead Counsel, along with the other Plaintiffs' Counsel firms, vigorously prosecuted this action against the Defendants. Indeed, Plaintiffs' Counsel have devoted substantial time and advanced the funds necessary to investigate and develop this case, prosecuted this case with no assurance of compensation or repayment, and overcame significant and in some respects unique challenges. To date, neither Co-Lead Counsel nor any other Plaintiffs' Counsel firm that assisted in the prosecution of the action have been paid for their efforts or reimbursed for any of their out-of-pocket expenses. Instead, their compensation and expense reimbursement were entirely contingent on obtaining a recovery.

4. Plaintiffs' Counsel have diligently prosecuted the action against Defendants for five years in the face of formidable opposition and, most recently, during a global pandemic. As detailed above, these efforts include, among others things: (i) thoroughly investigating the claims over several weeks before filing the initial complaint; (ii) drafting several additional amended complaints; (iii) persevering following several adverse decisions on motions to dismiss; (iv) overcoming significant appellate challenges; (v) engaging in extensive investigations (including complex analyses of the hardware and software in the emissions control systems found in the class vehicles); (vi) retaining experts and consultants to conduct long and repeated rounds of vehicle testing (including

extensive laboratory dynamometer tests and on-road emissions testing across hundreds of miles in various conditions); (vii) fact discovery, including myriad discovery disputes, protracted meet and confer discussions, the review of tens of thousands of documents produced by Defendants, and intense depositions; and (viii) attending frequent conferences before the Court and Special Master to advance the case efficiently and expediently.

5. Co-Lead Counsel also conducted settlement negotiations that lasted well over one-year, including many in-person meetings, telephone calls, and formal mediation sessions with a retired Judge, as well as consultation with Plaintiffs' experts over the claims and financial harm to consumers. These meetings did not just focus on the ultimate economic relief, but all of the benefits in the Settlements including, among other things, the implementation of the regulatory fixes to the vehicles at issue.

6. Moreover, because of the continuing nature of the Settlements, Plaintiffs' Counsel's efforts are ongoing and will continue for years as more engine modifications are evaluated, approved, and implemented in the class vehicles. Co-Lead Counsel will continue to perform legal work on behalf of the Settlement Class through the final settlement hearing and beyond. Additional resources will be expended assisting Settlement Class Members with their claims, and related inquiries working with the claims administrator and defense counsel to ensure the smooth progression of claims processing and distribution of the Settlement Funds.

7. Plaintiffs' Counsel include some of the preeminent plaintiffs' class action firms in the country, with decades of experiences prosecuting complex cases such as this. Plaintiffs' Counsel applied their knowledge and experience to obtain favorable results for the Settlement Class from the Defendants, considering the risks of further litigation against these Defendants.

8. Plaintiffs' Counsel's efforts against the Defendants to date have required a substantial investment of time. Plaintiffs' Counsel have necessarily expended thousands of hours over more than five years of litigation, including negotiating the Settlements with the Defendants. As detailed below, the substantial amount of time (and resulting lodestar) devoted to this action through April 21, 2021 clearly supports Plaintiffs' Counsel's fee request of \$16,905,790.00 from the settling Mercedes defendants and 25% of the Settlement Fund received from the settling Bosch defendants. As set forth in the respective Settlement Agreements, Mercedes has agreed to pay the attorney's fee separate from the relief offered to the class and the requested Bosch fee is a modest percent of the common fund in that case.

B. Plaintiffs' Counsel's Lodestar

i. Co-Lead Counsel's Time

37. Exhibit 1 is a summary showing the time spent by each attorney and professional support staff employee of my firm, Carella Byrne, who was involved in the action, and the lodestar calculation based on my firm's current billing rates. For

personnel who are no longer employed by my firm, the lodestar calculation reflects the billing rates for such personnel during their final year of employment by my firm. The schedule was prepared from contemporaneous daily time records regularly prepared and maintained by my firm, which are available at the request of the Court. Time expended in preparing this application for fees and reimbursement of expenses has not been included nor, obviously, time looking forward which we believe will be substantial.

38. The hourly rates for the attorneys and professional support staff in my firm included in Exhibit 1 are the same as the regular rates charged for their services in non-contingent matters and/or which have been accepted in other class action or mass tort litigation.

39. The number of hours expended on this action by my firm from the inception of the action through April 21, 2021 is 4,908.60. The total lodestar for my firm for that period is \$3,956,495.00, consisting of \$3,857,170.00 for attorneys' time and \$99,325.00 for professional support staff time.

40. My firm's lodestar figures reflect the firm's billing rates, which rates do not include charges for expense items. Expense items are billed separately and such charges are not duplicated in my firm's billing rates. *See* ¶ 45 below.

ii. Other Plaintiffs' Counsel's Time

41. Following my appointment as Interim Class Counsel in April 2016, a procedure for monthly reporting of time and expenses for all firms actively involved in

the action was established. This allowed Interim Class Counsel to monitor the reported work of the firms, allocate work among the firms, and to understand on an ongoing basis the time and expenses being billed/incurred. These monthly submissions included both lodestar and expense reports.

42. Along with my firm's time/lodestar submission detailed above, the other two Co-Lead Counsel firms and 3 other Plaintiffs' Counsel firms are submitting declarations setting forth the time their attorneys and professional support staff devoted to the action through April 21, 2021. Through April 21, 2021, combined, Plaintiffs' Counsel firms have expended 25,948.55 hours prosecuting this complex, entirely contingent litigation against Defendants, creating an additional lodestar of \$16,905,790.00 at current rates.

43. The below table summarizes the aggregate time and lodestar of Co-Lead Counsel as well as the other Plaintiffs' Counsel firms that have submitted detailed time submissions in connection with this fee application. The daily time records supporting these submissions are available for review should the Court wish to examine them.

Firm	Total Hours	Lodestar
Hagens Berman Sobol Shapiro LLP	11,399.90	\$6,894,070.00
Carella, Byrne, Cecchi, Olstein, Brody & Agnello, P.C.	6530.30	\$4,765,873.00
Seeger Weiss LLP	6,632.30	\$4,274,604.00

Goldenberg Schneider, LPA	994.60	\$687,127.50
Bailey & Glasser LLP	223.30	\$157,398.50
Motley Rice LLC	168.15	\$126,717.00
TOTAL FOR ALL FIRMS:	25,948.55	\$16,905,790.00

C. Plaintiffs' Counsel's Out-of-Pocket Expenses

44. In connection with these Settlements, Co-Lead Counsel seek reimbursement of certain out-of-pocket expenses that were reasonably incurred by Plaintiffs' Counsel in the Action in the amount of \$3,624,695.71. These expenses were advanced by Plaintiffs' Counsel and reimbursement of such expenses was fully contingent on a successful outcome. The bulk of the funds invested in the Action were placed into a litigation fund maintained/overseen by Hagens Berman Sobol Shapiro LLP and the \$3,537,844.58 requested by Co-Lead Counsel reflect expenses that were paid from the litigation fund. Co-Lead Counsel request that these expenses be reimbursed.

45. As detailed in Exhibit 2, my firm, Carella Byrne, has incurred \$626,220.95 in unreimbursed expenses in connection with the prosecution of this Action. \$384,492.90 of this amount was our contribution to the litigation fund. These expenses are reflected on the books and records of my firm. These books and records are prepared from expense vouchers, check records and other source materials and are an accurate record of the expenses incurred.

46. As explained in their supporting declarations attached, the other Plaintiffs' Counsel firms incurred another \$147,997.74 in out-of-pocket expenses. The table below provides a breakdown of the expenses, by firm, including each firm's contribution to the litigation fund.

Firm	Total Expenses	Amount of Firm's Total Expenses Representing Contribution to Litigation Fund
Hagens Berman Sobol Shapiro LLP	\$1,965,037.86	\$1,256,789.56
Carella, Byrne, Cecchi, Olstein, Brody & Agnello, P.C.	\$626,220.95	\$384,492.90
Seeger Weiss LLP	\$885,439.16	\$384,492.90
Goldenberg Schneider, LPA	\$7,728.44	-
Bailey & Glasser LLP	\$131,038.35	-
Motley Rice LLC	\$9,230.95	-
TOTAL:	\$3,624,695.71	\$2,025,775.36

47. The cost of Plaintiffs' experts totaling \$1,347,082.64 represents the largest component of the expenses paid from the litigation fund, encompassing about 34% of these expenses. Because of the complexity of this case and the vigorous defense, Plaintiffs' Counsel worked with several experts and consultants at different stages of the action. For example, mechanical engineering, environmental experts, and economists were retained to analyze the vehicles' emissions control systems and engines, the extent

of excess emissions and conditions that triggered them, and the financial harm to consumers respectively. Other experts and consultants evaluated additional aspects of the litigation. These experts helped Co-Lead Counsel to structure the Settlements, value the claims, and assess the risks of further litigation. These experts and consultants have been essential to the prosecution of this action and the Settlements.

48. Key among Plaintiffs' experts was Juston Smithers, the Chief Technology Officer of 44 Energy Technologies, a company that provides technical and management consulting services for the development, commercialization, and implementation of energy, transportation, and environmental technologies and strategies. Mr. Smithers and his team devoted hundreds of hours before the initial complaint was filed towards the investigation of these vehicles and during every phase of the action. The 44 Energy team's contributions and knowledge laid a foundation for many elements of the case's development and fostered Co-Lead Counsel's evaluations of the myriad settlement proposals and counter-proposals.

49. Indeed, throughout the litigation, Co-Lead Counsel retained preeminent experts to support their efforts. Some of those retained experts submitted declarations that the Court reviewed in connection with critical discovery issues. For instance, Douglas E. Forrest, the Vice President, eDiscovery Analytics & Strategy, at International Litigation Services was retained to guide and bolster Plaintiffs' efforts to maximize the usefulness of Defendants' ESI productions and support validation efforts. After

completing his formal education at Stanford Law School and practicing law at prominent law firms including Cravath, Swain & Moore, Mr. Forrest has focused on computer technology design and implementation, both generally and with respect to litigation and e-discovery. For more than 25 years, Mr. Forrest has been at the vanguard of all aspects of electronic discovery. To maximize the benefits of Mr. Forrest's expertise, Co-Lead Counsel arranged for Mr. Forrest to travel from California to appear in person at a case management conference in New Jersey so that any questions over the subject matter covered in his lengthy and highly detailed declaration submitted to the Court or the related subject matter could be addressed.

50. Additionally, given the uncertainty presented by the potential applicability of foreign privacy laws in these proceedings, Co-Lead Counsel also retained Professor Neil Richards, a leading expert in privacy law. Professor Richards is a distinguished scholar, the inaugural Koch Distinguished Professor of Law at Washington University, and a former law clerk to both the Hon. William H. Rehnquist, Chief Justice of the United States Supreme Court and the Hon. Paul V. Niemeyer, Circuit Judge for the United States Court of Appeals for the Fourth Circuit. Professor Richards submitted compelling and detailed declarations in connection with the parties' dispute over the applicability of the General Data Protection Regulation ("GDPR"), on which Plaintiffs ultimately prevailed on (twice).

51. Finally, Co-Lead Counsel retained Mr. Ted Stockton from The Fontana Group, Inc. to analyze how the consumers were harmed and consider the diminished value of the class vehicles. Most importantly, Mr. Stockton's careful scrutiny aided Co-Lead Counsel during the lengthy negotiations and mediation process when they were presented with challenges to the value of the consumers' claims or diminished value claims or when they needed to react to or counter a proposal from defense counsel or a probing question by the mediator. Once again, Plaintiffs were placed in an optimal position because Co-Lead Counsel had invested the time and money to identify and retain preeminent experts to aid them, if necessary, at every step of this case.

52. Another large component of Plaintiffs' Counsel's expenses relates to the extensive factual investigation and document productions. Plaintiffs' Counsel reviewed tens of thousands of documents plus myriad other related sources including automotive engineering articles, books about Diesel Emissions, Engine Calibration, Marketing, and other issues. Co-Lead Counsel retained an outside vendor to host a document database.

53. Finally, if ultimately approved by this Court, the administration of the Settlements will lead to more expenses borne by Co-Lead Counsel that are not included in this reimbursement request. These added expenses reinforce the reasonableness of reimbursing the expenses already incurred by Plaintiffs' Counsel.

I declare under penalty of perjury that the foregoing is true and correct.

Dated: April 22, 2021

/s/ James E. Cecchi
JAMES E. CECCHI

CERTIFICATE OF SERVICE

On April 22, 2021, I caused the foregoing to be filed electronically via the Court's CM/ECF system, which will send electronic notification of filing to the registered participants as identified on the Notice of Electronic Filing (NEF). This document is also available for viewing and downloading from the CM/ECF system.

/s/ James E. Cecchi
James E. Cecchi

EXHIBIT 1
IN RE MERCEDES-BENZ EMISSIONS LITIGATION
Carella, Bynre, Cecchi, Olstein, Brody & Agnello, P.C.
 Inception through April 21, 2021

REPORTED HOURS AND CURRENT RATES

NAME	TOTAL HOURS	CURRENT HOURLY RATE	LODESTAR
James Cecchi (P)	1,842.90	\$ 995.00	\$ 1,833,685.50
John Agnello (P)	214.50	\$ 995.00	\$ 213,427.50
G. Glennon Troublefiled (P)	191.10	\$ 650.00	\$ 124,215.00
David Gilfillan (P)	60.10	\$ 625.00	\$ 37,562.50
Lindsey Taylor (P)	201.50	\$ 675.00	\$ 136,012.50
Donald Ecklund (P)	975.40	\$ 675.00	\$ 658,395.00
Zach Bower (P)	586.90	\$ 650.00	\$ 381,485.00
Caroline Bartlett (P)	109.20	\$ 700.00	\$ 76,440.00
Jim O'Brien (OC)	1,101.60	\$ 675.00	\$ 743,580.00
Michael Innes (P)	227.40	\$ 625.00	\$ 142,125.00
John Petrozzino (A)	22.40	\$ 550.00	\$ 12,320.00
Mark Makhail (A)	0.60	\$ 550.00	\$ 330.00
Chirali Patel (A)	175.50	\$ 550.00	\$ 96,525.00
Francesca Fonte (CA)	0.50	\$ 550.00	\$ 275.00
Shailja Chopra (CA)	0.50	\$ 550.00	\$ 275.00
Avionne Wilson (CA)	191.20	\$ 550.00	\$ 105,160.00
Curtis Young (CA)	223.60	\$ 550.00	\$ 122,980.00
Clara Viera (PL)	12.80	\$ 200.00	\$ 2,560.00
Luis Caraballo (PL)	56.50	\$ 200.00	\$ 11,300.00
Laura Tempesta (PL)	61.60	\$ 200.00	\$ 12,320.00
Jeff Falduto (PL)	5.90	\$ 200.00	\$ 1,180.00
Mary Ellen Rago (PL)	28.70	\$ 200.00	\$ 5,740.00
Jennifer Menjivar (LC)	1.50	\$ 200.00	\$ 300.00
Tyler Pierson (LC)	10.60	\$ 200.00	\$ 2,120.00
Kaitlyn Utkewicz (LC)	8.00	\$ 200.00	\$ 1,600.00
Jeremy Stephens (LC)	17.00	\$ 200.00	\$ 3,400.00
Amanda Meehan (LC)	14.20	\$ 200.00	\$ 2,840.00
Ronald Schiavone (LC)	23.60	\$ 200.00	\$ 4,720.00
Ahmad Aburas (LC)	61.10	\$ 200.00	\$ 12,220.00
Stacey Torres (LC)	3.10	\$ 200.00	\$ 620.00
Kenneth McPherson (LC)	31.60	\$ 200.00	\$ 6,320.00
John Moriarty (LC)	26.00	\$ 200.00	\$ 5,200.00
Darren Schweibel (LC)	25.70	\$ 200.00	\$ 5,140.00
Sarah Michigan (LC)	10.10	\$ 200.00	\$ 2,020.00
Alexandra MacDonald (LC)	3.00	\$ 200.00	\$ 600.00
Tamryn Valenzuela (LC)	1.90	\$ 200.00	\$ 380.00
Alo Presti (LC)	2.50	\$ 200.00	\$ 500.00
TOTAL:	6,530.30		\$ 4,765,873.00

(P) Partner
 (OC) Of Counsel
 (C) Counsel
 (A) Associate
 (LC) Law Clerk
 (CA) Contract Attorney
 (PL) Paralegal

EXHIBIT 2
IN RE MERCEDES-BENZ EMISSIONS LITIGATION
Carella, Bynre, Cecchi, Olstein, Brody & Agnello, P.C.
Inception through April 21, 2021

EXPENSE REPORT

CATEGORY	AMOUNT INCURRED
Travel (Airfare, Ground Travel, Meals, Lodging)	\$ 91,023.00
Assessments	\$ 384,492.90
Copies/Prints (In-House)	\$ 103.00
Court Reports/Transcripts	\$ 5,108.22
Outside Copy Service	\$ 849.93
Consulting/Expert Fees	\$ 139,839.62
Overnight Shipping	\$ 264.58
Filing Fees	\$ 1,500.00
Online/Legal Research	\$ 3,018.47
Conference Call Services	\$ 21.23
TOTAL:	\$ 626,220.95