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FOCUS AREAS

Securities Fraud

EDUCATION

Franklin & Marshall College

B.A. 2007, *magna cum laude*

Temple University Beasley School of Law

J.D. 2011, *cum laude*

ADMISSIONS

Pennsylvania

New Jersey

USDC, District of New Jersey

USDC, Eastern District of Pennsylvania

Margaret E. Mazzeo, a partner of the Firm, concentrates her practice in the area of securities fraud litigation. Since joining the firm, Margaret has represented shareholders in several securities fraud class actions and direct actions, through all aspects of pre-trial proceedings, including complaint drafting, litigating motions to dismiss and for summary judgment, conducting document, deposition and expert discovery, and appeal. Margaret was a member of the trial team that recently won a jury verdict in favor of investors in the *In re Longtop Financial Technologies Ltd. Securities Litigation*, No. 11-cv-3658 (S.D.N.Y.) action.

Experience

Current Cases

- Celgene Corp, Inc.

This securities fraud case involves Celgene's misrepresentations and omissions about two billion dollar drugs, Otezla and Ozanimod, that Celgene touted as products that would make up for the anticipated revenue drop following the patent expiration of Celgene's most profitable drug, Revlimid.

Celgene launched Otezla, a drug treating psoriasis and psoriatic arthritis, in 2014. Celgene primed the market that Otezla sales were poised to sky-rocket, representing that Otezla net product sales would reach \$1.5 billion to \$2 billion by 2017. Throughout 2015 and 2016, Defendants represented that Celgene was on-track to meet the 2017 sales projection. As early as mid-2016, however, Defendants received explicit internal warnings that the 2017

projection was unattainable, but continued to reaffirm the 2017 target to investors. By October 2017, however, Celgene announced that the Company had slashed the 2017 guidance by more than \$250 million and lowered the 2020 Inflammatory & Immunology ("I&I") guidance by over \$1 billion. Celgene's stock price plummeted on the news.

Ozanimod, a drug treating multiple sclerosis, is another product in Celgene's I&I pipeline, and was initially developed by a different company, Receptos. In July 2015, Celgene purchased Receptos for \$7.2 billion and projected annual Ozanimod sales of up to \$6 billion despite the fact that Ozanimod was not yet approved by the U.S. Food and Drug Administration ("FDA").

Celgene told investors that it would file a New Drug Application ("NDA") for Ozanimod with the FDA in 2017. Unbeknownst to investors, however, Celgene discovered a metabolite named CC112273 (the "Metabolite") through Phase I testing that Celgene started in October 2016, which triggered the need for extensive testing that was required before the FDA would approve the drug. Despite the need for this additional Metabolite testing that would extend beyond 2017, Defendants continued to represent that Celgene was on track to submit the NDA before the end of 2017 and concealed all information about the Metabolite. In December 2017, without obtaining the required Metabolite study results, Celgene submitted the Ozanimod NDA to the FDA. Two months later, the FDA rejected the NDA by issuing a rare "refuse to file," indicating that the FDA "identifie[d] clear and obvious deficiencies" in the NDA. When the relevant truth was revealed concerning Ozanimod, Celgene's stock price fell precipitously, damaging investors.

On February 27, 2019, AMF filed a 207-page Second Amended Consolidated Class Action Complaint against Celgene and its executives under Section 10(b) of the Securities Exchange Act. On December 19, 2019, U.S. District Judge John Michael Vasquez issued a 49-page opinion sustaining AMF's claims as to (1) Celgene's and Curran's misstatements regarding Otezla being on track to meet Celgene's 2017 sales projections, and (2) Celgene's, Martin's, and Smith's misstatements about the state of Ozanimod's testing and prospects for regulatory approval.

On November 29, 2020, Judge Vasquez certified a class of "All persons and entities who purchased the common stock of Celgene Corp. between April 27, 2017 through and April 27, 2018, and were damaged thereby" and appointed Kessler Topaz Meltzer & Check as Class Counsel.

On July 9, 2021, Plaintiff moved to amend the Second Amended Complaint and file the Third Amended Complaint, which alleged a new statement regarding Otezla, and added new allegations based on evidence obtained in discovery regarding Ozanimod. On February 24, 2022, Magistrate Judge James B. Clark granted the

motion to amend, which Defendants appealed.

Fact and expert discovery is completed. On September 8, 2023, Judge Vazquez issued an order denying in large part Defendants' motion for summary judgment, sending the case to trial.

Specifically, following oral argument, Judge Vazquez found that genuine disputes of material fact exist with regard to the Otezla statements, denying Defendants' motion in its entirety with respect to these statements. The Court also found genuine disputes of material fact with regard to Defendant Philippe Martin's October 28, 2017 statement related to the Ozanimod NDA, and denied Defendants' motion with respect claims based on this statement. On October 27, 2023, Defendants moved for summary judgment on one remaining issue - Defendant Celgene Corporation's scienter for corporate statements related to Ozanimod. Plaintiff opposed this motion on November 17, 2023. In October 2024, the Court denied Defendants' motion. We are now preparing for trial.

[Read Second Amended Consolidated Class Action Complaint Here](#)

[Read Opinion Granting and Denying in Part Motion to Dismiss Here](#)

[Read Opinion Granting Class Certification Here](#)
[Click Here to Read the Class Notice](#)

- Coinbase Global, Inc.

This securities fraud class action arises out of Defendants' representations and omissions made in connection with Coinbase going public in April 2021 (the "Direct Listing"). The Direct Listing generated tremendous excitement because Coinbase was the first cryptocurrency exchange to become publicly-traded in the United States. As alleged, Coinbase's financial success hinged almost entirely on its ability to increase and maintain its customers base, particularly its retail users, which in turn drove transaction fee revenue. Transaction fee revenue accounted for nearly all of the Company's revenues.

Unbeknownst to investors, however, during the run up to the Direct Listing and all relevant times thereafter, Defendants failed to disclose at all relevant times numerous material facts and risks to investors, all of which imperiled Coinbase's financial success. First, Defendants failed to disclose the material risks arising from Coinbase's inability to safeguard custodial assets in the event of bankruptcy. That is, that in the event Coinbase went bankrupt, Coinbase customers could lose some or all of their assets stored with the Company. Indeed, Coinbase would later admit on May 10, 2022, that the Company's inability to protect its customers' crypto assets from loss in the event of bankruptcy made it likely that customers would find the Company's custodial services more risky and less attractive, which could result in a discontinuation or

reduction in use of the Coinbase platform.

As Plaintiff also alleges, Defendants made repeated representations throughout the Class Period that Coinbase did not engage in proprietary trading. Then on September 22, 2022, the Wall Street Journal reported that Coinbase had formed a unit specifically to engage in proprietary trading and, despite its public statements, had invested \$100 million in proprietary trades. As alleged, after both the May 10 and September 22, 2022 revelations, Coinbase's stock price dropped in response, causing significant losses and damages to Coinbase's investors.

On July 20, 2023, after the Company received a Wells Notice for potential violations of the federal securities laws, and the SEC subsequently filed a complaint alleging such violations, Plaintiffs filed a second amended complaint on behalf of a putative class of investors alleging that Defendants violated Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, and Sections 11, 12 and 15 of the Securities Act. On September 21, 2023, Defendants filed a motion to dismiss the second amended complaint. On September 5, 2024, the Court denied Coinbase's motion to dismiss in a 49-page opinion. The case is now in fact discovery. Defendants' motion for judgment on the pleadings is fully briefed and pending before the Court.

[Read Amended Consolidated Class Action Complaint Here](#)
[Read Second Amended Consolidated Class Action Complaint Here](#)
[Read Opinion Here](#)

- FMC Corporation
This securities fraud class action arises out of defendants' representations and omissions made regarding the demand for FMC's suite of crop protection products during the COVID-19 pandemic and afterwards. As the realities of supply chain disruptions gripped the world, FMC's distribution partners sought to purchase as much product as possible. Beginning in 2020 and stretching into 2022, FMC welcomed this boom in sales across all of its products, including its flagship diamide insecticides.
While this dynamic of extensive overbuying was well known within the Company, investors were kept in the dark as to this practice, which did not represent a new baseline of demand, but would predictably tail off and then cannibalize FMC's future sales. At the same time, FMC's diamide insecticides were facing increasing competition from generics being sold at a fraction of the price. In spite of the knowledge that inflated sales trends in 2020 and 2021 were unsustainable, FMC sought to convince the public that the high sales numbers were a new normal with no signs of slowing down, and that generic competition was only a worry in the distant future.
Plaintiffs allege defendants made repeated representations

throughout the Class Period that demand for the Company's products was robust, and that growth from recent years would continue. However, by 2022, demand for FMC's products was declining precipitously, as distributors, retailers and end-users held overstuffed inventories and dramatically slowed their buying. This continued into 2023, despite FMC's extraordinary efforts to jumpstart sales, including through costly incentives and credit arrangements. Then on May 2, 2023, FMC announced to the public that it was lowering its growth expectations for the coming quarter, but still assured investors that there were no further issues to report. On July 10, 2023, FMC again revised down its revenue and EBITDA outlooks for the year, still without disclosing the realities of its demand environment. Then on September 7, 2023, Blue Orca Capital published a report detailing its claim that FMC had "concealed from investors" the deterioration of its core business, creating an "inescapable cycle" of falling revenues, plummeting cash flows and declining profits. The story was not fully unraveled until late October 2023, when FMC admitted to investors that it expected the destocking of client warehouses to extend into 2024, and that its cratering sales numbers and cash flow had driven the Company to renegotiate its credit agreements and begin a full restructuring of its Brazilian operations, the Company's single largest sales region for the past five years. On July 17, 2024, plaintiffs filed a 186-page complaint on behalf of a putative class of investors who purchased FMC common stock between February 9, 2022 and October 30, 2023, alleging violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934. On September 17, 2024, the defendants filed a motion to dismiss the complaint. Briefing on the defendants' motion is now complete and pending before the court.

Settled

- Allergan Generic Drug Pricing
Case Caption: *In re Allergan Generic Drug Pricing Sec. Litig.*
Case Number: 2:16-cv-09449-KSH-CLW
Court: District of New Jersey
Judge: Honorable Katharine S. Hayden
Plaintiffs: Sjunde AP-Fonden and Union Asset Management Holding AG
Defendants: Allergan plc, Paul Bisaro, Brenton L. Saunders, R. Todd Joyce, Maria Teresa Hilado, Sigurdur O. Olafsson, David A. Buchen, James H. Bloem, Christopher W. Bodine, Tamar D. Howson, John A. King, Ph.D, Catherine M. Klema, Jiri Michal, Jack Michelson, Patrick J. O'Sullivan, Ronald R. Taylor, Andrew L. Turner, Fred G. Weiss, Nesli Basgoz, M.D., and Christopher J. Coughlin

Overview: Kessler Topaz represented Lead Plaintiff Sjunde-AP Fonden, one of Sweden's largest pension funds, in this long-

running securities fraud class action before The Honorable Katharine S. Hayden of the United States District Court for the District of New Jersey. The \$130 million recovery is the first settlement of a federal securities case arising out of the industrywide generic drug price-fixing scandal which first came to light when Congress launched an investigation into the historic increases in generic drug prices. The price-fixing conspiracy, led by Allergan and several other drug makers, is believed to be the largest domestic pharmaceutical cartel in U.S. history. Shareholders alleged that notwithstanding Allergan's prominent role in this illicit scheme, the company repeatedly misrepresented to investors that it was not engaged in anticompetitive conduct—even as Allergan became ensnared in an investigation by the U.S. Department of Justice and 46 state attorneys general. For four years, a team of Kessler Topaz litigators prosecuted these claims from the initial investigation and drafting of the complaint through full fact discovery and class certification proceedings. On August 6, 2019, Judge Hayden issued a 31-page opinion denying defendants' motions to dismiss the complaint, sustaining investors' claims in full, and firmly establishing a shareholder-plaintiff's ability to pursue securities fraud claims based on the concealment of an underlying antitrust conspiracy. The parties' settlement was approved by the Court on November 22, 2021, marking a historic recovery for investors and sending a strong message to drug makers engaged in anticompetitive conduct.

- Countrywide Financial Corp.

Case Caption: *In re W. Conf. of Teamsters Pension Tr. Fund v. Countrywide Fin. Corp.*, No. 2:12-cv-05122-MRP -MAN, and *Luther v. Countrywide Fin. Corp.*

Case Number: 2:12-cv-05122-MRP-MAN, and 2:12-cv-05125-MRP-MAN

Court: Central District of California

Judge: Honorable Mariana R. Pfaelzer

Plaintiffs: Vermont Pension Investment Committee, Mashreqbank, p.s.c., Pension Trust Fund for Operating Engineers, Operating Engineers Annuity Plan, Washington State Plumbing and Pipefitting Pension Trust, David H. Luther, Western Conference of Teamsters Pension Trust Fund

Defendants: Countrywide Financial Corporation, Countrywide Home Loans, Inc., CWALT, Inc., CWMBS, Inc., CWHEQ, Inc., CWABS, Inc., Countrywide Capital Markets, Countrywide Securities Corporation, Bank of America Corporation, NB Holdings Corporation, Stanford L. Kurland, David A. Spector, Eric P. Sieracki, David A. Sambol, Ranjit Kripalani, N. Joshua Adler, Jennifer S. Sandefur, Jeffrey P. Grogin, Thomas Boone, Thomas K. McLaughlin, Banc of America Securities LLC, Barclays Capital Inc., Bear, Stearns & Co. Inc., BNP Paribas Securities Corp., Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC, Deutsche Bank Securities Inc., Edward D.

Jones & Co., L.P. d/b/a Edward Jones, Goldman, Sachs & Co., Greenwich Capital Markets, Inc. a.k.a. RBS Greenwich Capital now known as RBS Securities Inc., HSBC Securities (USA) Inc., J.P. Morgan Securities Inc., Merrill, Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. Incorporated, and UBS Securities LLC

Overview: As co-lead counsel representing the Maine Public Employees' Retirement System, secured a \$500 million settlement for a class of plaintiffs that purchased mortgage-backed securities (MBS) issued by Countrywide Financial Corporation (Countrywide). Plaintiffs alleged that Countrywide and various of its subsidiaries, officers and investment banks made false and misleading statements in more than 450 prospectus supplements relating to the issuance of subprime and Alt-A MBS—in particular, the quality of the underlying loans. When information about the loans became public, the plaintiffs' investments declined in value. The ensuing six-year litigation raised several issues of first impression in the Ninth Circuit.

News

- September 9, 2024 - Kessler Topaz Defeats Dismissal Motion in Coinbase Securities Litigation, Investor Claims to Proceed
- September 13, 2023 - New Jersey Federal Court Hands Kessler Topaz Significant Summary Judgment Win, Sends Celgene Investors' Claims to Trial
- August 17, 2023 - California Federal Court Certifies Advertiser Classes in Consumer Fraud Case Against Google
- March 30, 2022 - Kessler Topaz is Proud to Recognize and Honor Women's History Month by Profiling our Female Partners and Recognizing the Amazing Work They Do | Margaret Mazzeo, Partner
- November 22, 2021 - New Jersey Federal Court Approves \$130 Million Settlement for Investors in Allergan Generic Drug Price-Fixing Securities Litigation

Publications

Matthew L. Mustokoff and Margaret E. Mazzeo, "Proving Securities Fraud Damages at Trial," 46 Rev. of Securities & Commodities Regulation, 145-54 (2013)

Matthew L. Mustokoff and Margaret Mazzeo, "The Maintenance Theory of Inflation in Fraud-on-the-Market Cases," 40 Securities Regulation Law Journal (2012)