

STATE OF NEW HAMPSHIRE

DEPARTMENT OF STATE

Docket No. C-2011000036

IN THE MATTER OF:

Local Government Center, Inc., et al.

INTERVENOR'S REPLY TO BUREAU'S MOTION TO ESTABLISH STANDING
AND DEFINE ISSUES ON REMAND

NOW COME the Intervenor Towns, by and through counsel, Douglas, Leonard & Garvey, P.C., and respectfully state as follows:

1. The Bureau of Securities Regulation has indicated in its May 16, 2016, pleading that it seeks an order permitting it to "present evidence regarding what current and former HT members may be entitled to restitution or disgorgement and the appropriate amount of any such relief."

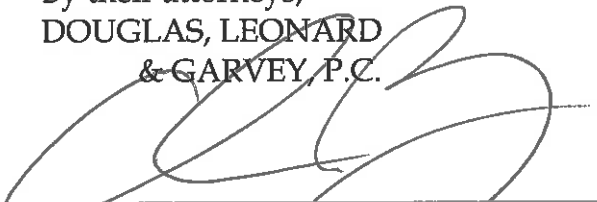
2. The Bureau's position in any proceeding seeking restitution or disgorgement is based on the Supreme Court's decision in Appeal of Town of Salem, slip op. February 18, 2016. That appeal was brought by the intervenors and their lawyers. The nature of the appeal is well known to the Hearing Examiner and to the parties.

3. To the extent that the Bureau succeeds in obtaining disgorgement or restitution and distributing those funds to municipal subdivisions going forward in this matter, the intervenors and their counsel reserve the right to seek payment of attorneys fees as the actions of the intervenors and counsel in prosecuting their claim, both in this

administrative hearing and in the New Hampshire Supreme Court, will have conferred a substantial public benefit.

Respectfully submitted,
TOWN OF SALEM, *et.al*
By their attorneys,
DOUGLAS, LEONARD
& GARVEY, P.C.

May 24, 2016



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Certificate of Service

This pleading was served on all other counsel of record through the electronic filing of this pleading this 24th day of May, 2016.



Charles G. Douglas, III