

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

	x	Civil Action No.
CITY OF WARREN POLICE AND FIRE	:	
RETIREMENT SYSTEM, Individually and on	:	
Behalf of All Others Similarly Situated,	:	<u>CLASS ACTION</u>
Plaintiff,	:	COMPLAINT FOR VIOLATIONS OF THE
vs.	:	FEDERAL SECURITIES LAWS
ZEBRA TECHNOLOGIES CORPORATION,	:	
ANDERS GUSTAFSSON and MICHAEL C.	:	
SMILEY,	:	
Defendants.	:	
	x	<u>DEMAND FOR JURY TRIAL</u>

Plaintiff City of Warren Police and Fire Retirement System (“plaintiff”) individually and on behalf of all others similarly situated, by plaintiff’s undersigned attorneys, for plaintiff’s complaint against defendants, alleges the following based upon personal knowledge as to plaintiff and plaintiff’s own acts, and upon information and belief as to all other matters based on the investigation conducted by and through plaintiff’s attorneys, which included, among other things, a review of U.S. Securities and Exchange Commission (“SEC”) filings by Zebra Technologies Corporation (“Zebra” or the “Company”), as well as media reports about the Company and Company press releases. Plaintiff believes that substantial additional evidentiary support will exist for the allegations set forth herein after a reasonable opportunity for discovery.

NATURE OF THE ACTION

1. This is a securities class action on behalf of all persons who purchased Zebra common stock between March 17, 2015 and May 9, 2016, inclusive (the “Class Period”) seeking to pursue remedies under the Securities Exchange Act of 1934 (the “Exchange Act”).

JURISDICTION AND VENUE

2. The claims asserted herein arise under and pursuant to §§10(b) and 20(a) of the Exchange Act [15 U.S.C. §§78j(b) and 78t(a)] and SEC Rule 10b-5 [17 C.F.R. §240.10b-5]. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §1331 and §27 of the Exchange Act.

3. Venue is proper in this District pursuant to 28 U.S.C. §1391(b), because many of the acts and conduct complained of herein occurred in substantial part in this District.

4. In connection with the acts 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 NASDAQ Global Select Market (“NASDAQ”), a national securities exchange.

PARTIES

5. Plaintiff City of Warren Police and Fire Retirement System acquired shares of Zebra common stock during the Class Period as set forth in the attached certification, and has been damaged thereby.

6. Defendant Zebra is a publicly traded company based in Lincolnshire, Illinois that designs, manufactures, and sells a wide range of products that capture and move data, including, *inter alia*, mobile computers, barcode scanners and imagers, radio frequency identification device (“RFID”) readers, wireless LAN (“WLAN”) solutions and software, and specialty printers for barcode labeling and personal identification. Zebra maintains a large lab and warehouse facility located at 1 Zebra Plaza in Holtsville, New York. Zebra’s Enterprise unit, which is central to the claims in this action, had been headquartered in Holtsville, New York prior to its acquisition by Zebra from Motorola in 2014. Zebra common stock is listed and trades on the NASDAQ under the ticker symbol “ZBRA.” As of May 9, 2017, Zebra had more than 51 million shares of common stock issued and outstanding.

7. Defendant Anders Gustafsson (“Gustafsson”) has served as the Chief Executive Officer (“CEO”) of Zebra and a member of its Board of Directors since September 4, 2007 through the present.

8. Defendant Michael C. Smiley (“Smiley”) served as the Company’s Chief Financial Officer (“CFO”) from May 1, 2008 through November 15, 2016, when, according to the Company, he resigned.

9. The defendants referenced above in ¶¶7-8 are collectively referred to herein as the “Individual Defendants.” The Individual Defendants made, or caused to be made, false statements that caused the price of Zebra common stock to be artificially inflated during the Class Period. The Individual Defendants, along with the Company, are collectively referred to herein as “defendants.”

CLASS ACTION ALLEGATIONS

10. Plaintiff brings this action as a class action on behalf of all purchasers of Zebra common stock during the Class Period (the “Class”).

11. Excluded from the Class are defendants and their families, the officers and directors and affiliates of the defendants, at all relevant times, members of their immediate families and their legal representatives, heirs, successors or assigns, and any entity in which defendants have or had a controlling interest.

12. The members of the Class are so numerous that joinder of all 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 there are hundreds, if not thousands, of members in the proposed Class. Record owners and other members of the Class may be identified from records maintained by Zebra or its transfer agent and may be notified of the pendency of this action by mail, using the form of notice similar to that customarily used in securities class actions.

13. Plaintiff’s claims are typical of the claims of the members of the Class as all members of the Class are similarly affected by defendants’ wrongful conduct in violation of federal law that is complained of herein.

14. Plaintiff will fairly and adequately protect the interests of the members of the Class and has retained counsel competent and experienced in class and securities litigation.

15. Common questions of law and fact exist as to all members of the Class and predominate over any questions solely affecting individual members of the Class. Among the questions of law and fact common to the Class are:

- (a) whether defendants violated the Exchange Act;

(b) whether statements made by defendants to the investing public omitted and/or misrepresented material facts about the business and operations of Zebra;

(c) whether defendants knew or recklessly disregarded that their statements were false and misleading;

(d) whether the price of Zebra common stock was artificially inflated; and

(e) to what extent the members of the Class have sustained damages and the proper measure of damages.

16. A class action is superior to all other available methods for the fair and efficient adjudication of this controversy since joinder of all members is impracticable. Furthermore, as the damages suffered by individual Class members may be relatively small, the expense and burden of individual litigation make it impossible for members of the Class to individually redress the wrongs done to them. There will be no difficulty in the management of this action as a class action.

SUBSTANTIVE ALLEGATIONS

The Company and Its Business

17. Defendant Zebra was incorporated in 1969 as “Data Specialties Incorporated,” a manufacturer of high-speed electromechanical products. The Company changed its focus to specialty on-demand labeling and ticketing systems in 1982, and changed its name to “Zebra Technologies Corporation” in 1986. In 1991, Zebra completed its initial public stock offering.

18. Zebra now reports in two operating segments: Legacy Zebra and Enterprise. The Legacy Zebra segment manufactures and sells marking, tracking and computer printing technologies. Its products include thermal barcode label and receipt printers, RFID smart label printers/encoders, fixed and handheld readers/antennas, and card and kiosk printers that are used for barcode labeling, personal identification and specialty printing principally in the manufacturing supply chain, retail, healthcare and government sectors. Legacy Zebra’s products are marketed globally.

19. Zebra's Enterprise segment has its roots in Symbol Technologies, Inc. ("Symbol"). By way of background, in 2006, Motorola Inc. ("Motorola") acquired all outstanding shares of Symbol, a manufacturer and worldwide supplier of mobile data capture and delivery equipment. Symbol had been plagued by a severe and wide-ranging accounting fraud that artificially inflated its revenue and earnings. Symbol was forced to restate nearly four years of earnings, from 1998 to 2001, and paid \$37 million to settle charges brought by the SEC. Four former Symbol executives pleaded guilty to a variety of charges relating to the accounting fraud. In addition, Symbol's former CEO, Tomo Razmilovic, the suspected mastermind of the accounting fraud accused of 13 counts of securities fraud, remains a fugitive of the U.S. government. In announcing the Symbol acquisition in 2006, Motorola stated that Symbol would "become a wholly owned subsidiary of Motorola and will be the cornerstone of Motorola's Networks and Enterprise business." After Motorola's acquisition of Symbol, Symbol essentially took over Motorola's Enterprise division ("Motorola Enterprise"), as it was far larger than the pre-merger division. Symbol remained part of Motorola Solutions, Inc. ("Motorola Solutions"), the legal successor to Motorola, after Motorola spun off its mobile phone division as Motorola Mobility in 2011.

20. Defendant Zebra first established its own Enterprise Solutions Group ("Enterprise") in 2008. In April 2014, Zebra announced that it was acquiring Motorola Enterprise – formerly Symbol – for \$3.45 billion in cash. The Motorola Enterprise assets acquisition was completed on October 27, 2014. The Master Acquisition Agreement between Zebra and Motorola Solutions expressly stated that the assets being acquired included all "Trade Receivables," *i.e.*, "[a]ll of the accounts and notes receivable and unbilled revenues to the extent relating to or arising from the sale of goods or materials and the rendering of services in connection with the operation of the Business (the 'Accounts Receivable'), together with all unpaid interest accrued thereon, if any." As the *Wall*

Street Journal would later point out, the Motorola Enterprise assets acquisition, “Zebra’s biggest, was a bid to fend off competition by combining bar-code labels and radio tags with Motorola’s computers and scanners.”

21. During the Class Period, as of December 31, 2015, the Enterprise segment was responsible for 65% of net sales and 49% of operating income, while the Legacy Zebra segment was responsible for 35% of Zebra’s net sales and 51% of its operating income.

**DEFENDANTS’ FRAUDULENT SCHEME
AND COURSE OF CONDUCT**

22. During the Class Period, defendants issued materially false and/or misleading statements and/or omissions regarding Zebra’s business, prospects and financial results. Specifically, as defendants would later acknowledge in the form of a restatement, Zebra understated its income taxes through the end of 2015, underaccrued certain 2015 estimates, in particular with respect to its sales commission plan, and overstated the net realizable value of trade receivables acquired in connection with the Company’s acquisition of Motorola Enterprise. In addition, Zebra failed to disclose the impact of material weaknesses identified in its internal controls and procedures over financial reporting and disclosure, which caused the misstatements. The misstatements also rendered the Company’s financial guidance for 2015 and the first and second quarters of 2016 materially false and misleading. Specifically, defendants provided false and misleading guidance to investors concerning pretax-income-related metrics despite contemporaneous deficiencies in internal controls that impacted the Company’s ability to accurately forecast pretax income.

23. Further, defendants downplayed the existence of any integration problems in connection with the Motorola Enterprise acquisition, even though: (1) the accounting department at Zebra was undermanned following the Enterprise acquisition as a result of no senior-level financial

executives joining Zebra from Motorola; and (2) the underlying reporting systems Zebra inherited from Motorola were a disaster.

24. On February 29, 2016, Zebra announced that, following its acquisition of Motorola Enterprise, material weaknesses related to the process to prepare and review its quarterly and annual income tax provision had “impacted [its] ability to accurately forecast pretax income and deferred taxes, by legal entity, in a timely manner.” On November 1, 2016, Zebra acknowledged that it was required to restate the “known errors” made in its previously issued financial statements for the fiscal year ended December 31, 2015, as well as the quarterly periods ended April 2, 2016 and July 2, 2016.

**DEFENDANTS’ MATERIALLY FALSE AND
MISLEADING STATEMENTS DURING THE CLASS PERIOD**

25. The Class Period commences on March 17, 2015. On that day, Zebra issued a press release announcing its financial results for the three months ended December 31, 2014 (“4Q14”), as well as the twelve months ended December 31, 2014 (“FY14”), which included two months of results following the Motorola Enterprise acquisition. The Company stated that “[n]et sales were a record \$790,611,000 for the fourth quarter of 2014, compared with \$284,539,000 for the fourth quarter of 2013.” The Company also reported a Generally Accepted Accounting Principles (“GAAP”) net loss of \$51.68 million – a 224% decrease from the GAAP net income of \$41.6 million the Company reported for the fourth quarter of 2013.

26. In the press release, defendant Gustafsson discussed the Motorola Enterprise acquisition, stating in pertinent part as follows:

We have made significant progress on multiple fronts to drive performance and capture business synergies since acquiring the Enterprise business in October 2014. Customers and partners are responding well to the new Zebra, which has already yielded some early wins with our robust, industry-leading products and solutions. We have entered 2015 with favorable business momentum, and the outlook for Zebra is very bright. We are well positioned to benefit from important

technology trends including the Internet of Things, cloud computing and mobility, as organizations invest in visibility solutions to gain real-time insights into their assets, transactions and people to achieve improved work flow and deliver better customer service.

27. Also in the press release, Zebra issued the following financial guidance for the first quarter of 2015:

First Quarter Outlook

Zebra announced its financial forecast for the first quarter of 2015. The company expects net sales within a range of \$870,000,000 to \$890,000,000. This forecast incorporates an expectation of year-over-year growth of 6.0% to 8.0% in constant currency, on a proforma basis. Non-GAAP diluted earnings are expected in the range of \$0.95 and \$1.20 per share. Adjusted EBITDA are forecast within a range of \$125,000,000 and \$140,000,000 for the first quarter of 2015.

28. The same day, Zebra held a conference call with analysts and investors, making additional positive statements about the Motorola Enterprise acquisition, the Company's business metrics and financial prospects.

29. Also on March 17, 2015, Zebra filed its annual financial report on Form 10-K with the SEC for FY14, which was signed and certified pursuant to the Sarbanes-Oxley Act of 2002 ("SOX") by the Individual Defendants (the "FY14 10-K"). The FY14 10-K reiterated the financial results reported in the press release filed earlier that day. In addition, with respect to its internal controls over financial reporting, the Company stated as follows:

Changes in Internal Control over Financial Reporting

In connection with our initial reviews of internal controls for Enterprise, we have identified certain internal control deficiencies related to Enterprise. We continue to identify and review the internal controls of the Enterprise business and are establishing a plan of remediation that is consistent with our obligation to assess the effectiveness of Enterprise's internal controls over financial reporting as of December 31, 2015.

The identification review, assessment and remediation of internal control deficiencies is overseen by senior management and our audit committee, and is undertaken primarily through the integration of processes and procedures with existing Zebra processes and procedures, development and implementation of formal

policies, improved processes and documented procedures, as well as the hiring of additional finance personnel.

During the quarter covered by this report, there have been no other changes in our internal controls that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

30. On May 13, 2015, Zebra issued a press release announcing its first quarter 2015 financial results for the three months ended April 4, 2015 (“1Q15”). The Company reported that its “net sales for [1Q15], were a record \$893.2 million, compared with \$288.3 million for the first quarter of 2014.” Zebra also reported a GAAP net loss for 1Q15 of \$25.3 million – a 160% decrease from the GAAP net income of \$41.6 million the Company reported the first quarter of 2014.

31. In the same press release, Zebra issued the following guidance for its second quarter of 2015:

Second Quarter Outlook

Zebra announced its financial forecast for the second quarter of 2015. The company expects net sales within a range of \$865 million to \$895 million. This forecast incorporates an expectation of year-over-year growth of 9% to 13% in constant currency, on a proforma basis. Non-GAAP diluted earnings are expected in the range of \$1.00 and \$1.25 per share. Adjusted EBITDA are forecast within a range of \$130 million and \$145 million for the second quarter of 2015.

32. The same day, Zebra held an earnings conference call with analysts and investors, making additional positive statements about the Motorola Enterprise acquisition, the Company’s business metrics and financial prospects. Defendant Gustafsson commented on the progress of the integration of Motorola Enterprise, stating in pertinent part as follows:

Since the Enterprise acquisition closed on October 27, we have been very pleased with the progress of our integration efforts and the resulting success.

* * *

Since closing the acquisition, our business has gained positive momentum as the new Zebra is strategically better and stronger.

33. The next day, May 14, 2015, Zebra filed its quarterly financial report on Form 10-Q with the SEC for its 1Q15, which was signed and certified pursuant to SOX by the Individual Defendants (the “1Q15 10-Q”). The 1Q15 10-Q reiterated the financial results reported in the press release filed with the SEC the prior day. Additionally, in the 1Q15 10-Q Zebra discussed the material weakness in its disclosure controls and procedures that was first identified on March 17, 2015. The 1Q15 10-Q stated in pertinent part as follows:

Evaluation of Disclosure Controls and Procedures

We conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (the “Exchange Act”)) as of the end of the period covered by this Form 10-Q. The evaluation was conducted under the supervision of our Disclosure Committee, and with the participation of management, including our Chief Executive Officer and Chief Financial Officer. *Based on that evaluation, we have concluded that our disclosure controls and procedures were not effective as of April 4, 2015, as a result of a material weakness related to the process to review and prepare our quarterly income tax provision.*

Remediation Plan

Management and the Board of Directors are committed to the continued improvement of our overall system of internal controls over financial reporting and have already begun to implement additional controls and procedures to remediate the review and preparation process relating to our quarterly income tax provision prior to the end of the year.

Changes in Internal Control over Financial Reporting

As noted in our 2014 Form 10K, *in connection with our initial reviews of internal controls for Enterprise, we have identified certain internal control deficiencies related to Enterprise.* We continue to identify and review the internal controls of the Enterprise business and are establishing a plan of remediation that is consistent with our obligation to assess the effectiveness of Enterprise’s internal controls over financial reporting as of December 31, 2015.

The identification, review, assessment and remediation of internal control deficiencies is overseen by senior management and our audit committee, and is undertaken primarily through the integration of processes and procedures with existing Zebra processes and procedures, development and implementation of formal policies, improved processes and documented procedures, as well as the hiring of additional finance personnel.

During the quarter covered by this report, there have been no other changes in our internal controls that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

34. On August 11, 2015, Zebra issued a press release announcing its second quarter 2015 financial results for the three months ended July 4, 2015 (“2Q15”). Zebra reported that “net sales for the three months ended July 4, 2015 were \$889.8 million, compared with \$288.4 million for the second quarter of 2014.” The Company also reported a GAAP net loss for the second quarter of \$76.3 million – a 376% decrease from the GAAP net income of \$27.6 million the company reported for the second quarter of 2014. In addition, Zebra reported an adjusted EBITDA of \$131.5 million, down 13.6% from 1Q15. This resulted in a significant decline in the Company’s adjusted EBITDA margin, which fell 220 basis points, from 17% in 1Q15 to 14.8% in 2Q15.

35. On this news, the price of Zebra common stock plummeted more than \$26 per share to close at \$83.80 per share on August 11, 2015, a one-day decline of more than 23%.

36. In the same press release, Zebra issued the following guidance for its third quarter of 2015:

Third Quarter Outlook

The company expects net sales in the third quarter of 2015 to be within a range of \$900 million to \$930 million. This forecast reflects an expectation of year-over-year growth of 4% to 7% in constant currency, on an estimated historical basis. Non-GAAP diluted earnings are expected in the range of \$1.10 and \$1.35 per share. Adjusted EBITDA are forecast within a range of \$135 million and \$150 million.

37. The same day, Zebra held a conference call with analysts and investors, making additional positive statements about the Motorola Enterprise acquisition, the Company’s business metrics and financial prospects.

38. Two days later, on August 13, 2015, Zebra filed its quarterly financial report on Form 10-Q with the SEC for its 2Q15, which was signed and certified pursuant to SOX by the Individual Defendants (the “2Q15 10-Q”). The 2Q15 10-Q reiterated the financial results reported in the press

release filed with the SEC on August 11, 2015. Additionally, in the 2Q15 10-Q, Zebra referenced the material weakness in its disclosure controls and procedures first identified on May 14, 2015, as well as the deficiencies in its internal controls first identified on March 17, 2015. The 2Q15 10-Q stated in pertinent part as follows:

Evaluation of Disclosure Controls and Procedures

The Company has conducted an evaluation of the effectiveness of the design and operation of its disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (the “Exchange Act”)) as of the end of the period covered by this Form 10-Q. The evaluation was conducted under the supervision of its Disclosure Committee, and with the participation of management, including the Chief Executive Officer and Chief Financial Officer. Based on that evaluation, *the Company has concluded that its disclosure controls and procedures were not effective as of July 4, 2015, as a result of a material weakness identified in the first quarter of 2015 related to the process to review and prepare its quarterly income tax provision.*

Changes in Internal Control over Financial Reporting

As noted in the 2014 Form 10-K, *in connection with the Company’s initial reviews of internal controls for Enterprise, the Company had identified certain internal control deficiencies related to Enterprise.* The Company continues to identify and review the internal controls of the Enterprise business and is establishing a plan of remediation that is consistent with its obligation to assess the effectiveness of Enterprise’s internal controls over financial reporting as of December 31, 2015.

Management and the Board of Directors are committed to the continued improvement of the Company’s overall system of internal controls over financial reporting and have begun efforts this quarter to implement additional controls and procedures to remediate the review and preparation process relating to its quarterly income tax provision. While the Company has begun efforts to implement additional controls in its tax provision process, the Company needs to prove sustained effectiveness of these controls to fully remediate the weakness. The Company expects to fully remediate the aforementioned material weakness before year-end.

The identification, review, assessment and remediation of internal control deficiencies is overseen by senior management and the Audit Committee of the Board of Directors, and is undertaken primarily through the integration of processes and procedures with existing Company processes and procedures, development and implementation of formal policies, improved processes and documented procedures, as well as the hiring of additional finance and tax personnel.

During the quarter covered by this report, there have been no other changes in the internal controls that have materially affected, or are reasonably likely to materially affect, the internal controls over financial reporting.

39. On November 10, 2015, Zebra issued a press release announcing its third quarter 2015 financial results for the three months ended October 3, 2015 (“3Q15”). Zebra reported that “net sales for the three months ended October 3, 2015, were \$916.3 million, compared with \$303.3 million for the third quarter of 2014.” The Company also reported a GAAP net loss for the third quarter of \$29 million – a 295% decrease from the GAAP net income of \$14.9 million the Company reported for the third quarter of 2014.

40. In the same press release, Zebra issued the following guidance for the fourth quarter of 2015:

Fourth Quarter Outlook

The company expects net sales in the fourth quarter of 2015 to be within a range of \$945 million to \$975 million excluding purchase accounting adjustments. This forecast reflects an expectation of year-over-year growth of 3.6% to 6.9% in constant currency, on an estimated historical basis for the Enterprise business. Non-GAAP earnings are expected in the range of \$1.38 to \$1.63 per share. Adjusted EBITDA are forecast within a range of \$155 million to \$170 million. Compared to the third quarter currency environment, the impacts on our fourth quarter outlook resulting from the most recent strengthening of the U.S. dollar against the Euro include reductions in top-line sales of approximately \$6 million, EBITDA of approximately \$5 million and Non-GAAP EPS of approximately five cents per share.

41. The same day, Zebra held a conference call with analysts and investors, making additional positive statements about the Motorola Enterprise acquisition, the Company’s business metrics and financial prospects. Defendant Gustafsson commented on the progress of the integration of Motorola Enterprise, stating in pertinent part as follows:

[W]e are very pleased for the efforts to date on integration. We feel that the integration has gone very, very well for us.

42. Two days later, on November 12, 2015, Zebra filed its quarterly financial report on Form 10-Q with the SEC for its 3Q15, which was signed and certified pursuant to SOX by the

Individual Defendants (the “3Q15 10-Q”). The 3Q15 10-Q reiterated the financial results reported in the press release filed with the SEC on November 10, 2015. Additionally, in the 3Q15 10-Q, Zebra referenced the Company’s previously identified material weakness in its disclosure controls and procedures, as well as the deficiencies in its internal controls, stating in pertinent part as follows:

Evaluation of Disclosure Controls and Procedures

The Company has conducted an evaluation of the effectiveness of the design and operation of its disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (the “Exchange Act”)) as of the end of the period covered by this Form 10-Q. The evaluation was conducted under the supervision of its Disclosure Committee, and with the participation of management, including the Chief Executive Officer and Chief Financial Officer. *Based on that evaluation, the Company has concluded that its disclosure controls and procedures were not effective as of October 3, 2015, as a result of a material weakness identified in the first quarter of 2015 related to the process to review and prepare its quarterly income tax provision.*

Changes in Internal Control over Financial Reporting

As noted in the 2014 Form 10-K, in connection with the Company’s initial reviews of internal controls for Enterprise, the Company had identified certain internal control deficiencies related to Enterprise. The Company continues to identify and review the internal controls of the Enterprise business and is executing a plan of remediation that is consistent with its obligation to assess the effectiveness of Enterprise’s internal controls over financial reporting as of December 31, 2015.

Management and the Board of Directors are committed to the continued improvement of the Company’s overall system of internal controls over financial reporting and began efforts last quarter and continued during this quarter to implement additional controls and procedures to remediate the review and preparation process relating to its quarterly income tax provision. While the Company began efforts to implement additional controls in its tax provision process, the Company needs to prove sustained effectiveness of these controls to fully remediate the weakness. The Company is working towards fully remediating the aforementioned material weakness before year-end.

The identification, review, assessment and remediation of internal control deficiencies is overseen by senior management and the Audit Committee of the Board of Directors, and is undertaken primarily through the integration of processes and procedures with existing Company processes and procedures, development and implementation of formal policies, improved processes and documented procedures, as well as the hiring of additional finance and tax personnel.

During the quarter covered by this report, there have been no other changes in the internal controls that have materially affected, or are reasonably likely to materially affect, the internal controls over financial reporting.

43. On February 25, 2016, Zebra issued a press release announcing its fourth quarter 2015 financial results for the three months ended December 31, 2015 (“4Q15”). Zebra reported that “net sales for the three months ended December 31, 2015, were \$952.7 million, compared with \$790.6 million for the fourth quarter of 2014.” The \$952.7 million in revenues reported failed to meet the \$960.3 million the Company had led investors to expect. The Company also reported a GAAP net loss for 4Q15 of \$6.8 million.

44. In the same press release, Zebra issued its financial guidance for the fiscal year 2016 (“FY16”), as well as the first quarter of 2016 (“1Q16”). Zebra warned that 1Q16 sales growth would slow sharply, falling upwards of 3% from 1Q15 rather than growing. Zebra also disclosed that FY16 net sales, excluding purchase accounting adjustments, would only grow approximately 1% to 4%, down considerably from the 20.5% sales growth the Company had experienced in 4Q15 and the 118.6% sales growth the Company had experienced throughout fiscal year 2015 (“FY15”) in connection with the Motorola Enterprise assets acquisition.

45. The same day, before the opening of trading, Zebra held a conference call with analysts and investors. On the call, defendants also disclosed that Zebra’s 4Q15 wireless LAN sales were also down from those reported in 1Q15. Yet, defendants continued to make additional positive statements about the Motorola Enterprise acquisition and the Company’s business metrics and financial prospects.

46. On this news, the price of Zebra stock dropped more than \$10 per share from its close of \$70.04 per share on February 24, 2016, to close at \$59.78 per share on February 25, 2016, a decline of over 14%, on unusually high trading volume of more than 2.6 million shares trading, or more than three and a half times the average trading volume over the preceding ten trading days.

47. On February 29, 2016, Zebra filed its annual financial report on Form 10-K with the SEC for its FY15, which was signed and certified pursuant to SOX by the Individual Defendants (the “FY15 10-K”). The FY15 10-K reiterated, *inter alia*, that Zebra had identified defects in its internal controls dating back to 1Q15, but provided specific information on the serious impact of these deficiencies on the Company’s ability to accurately forecast pretax income. Specifically, the FY15 10-K stated in pertinent part as follows:

Management’s Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal controls over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Our management assessed the effectiveness of our internal controls over financial reporting as of December 31, 2015. In making this assessment, our management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in Internal Control-Integrated Framework as released in 2013. ***Based on this assessment, our management believes that, as of December 31, 2015, our internal controls over financial reporting were not effective, due to the identification of a material weakness.***

A material weakness is a deficiency, or combination of deficiencies, in the internal controls over financial reporting such that there is a reasonable possibility that a material misstatement of the Company’s annual or interim financial statements will not be prevented or detected on a timely basis.

As of the first quarter of 2015, the Company identified a material weakness related to the process to prepare and review its quarterly and annual income tax provision. The material weakness relates to deficiencies in the design and operation of controls in response to the increased complexity in the legal entity structure of the business following the Enterprise acquisition. These deficiencies impacted our ability to accurately forecast pretax income and deferred taxes, by legal entity, in a timely manner.

48. Despite acknowledging in the FY15 10-K that its ability to accurately forecast pretax income and deferred taxes had been hampered, Zebra went on to state that “[t]his material weakness ***did not result in the restatement of prior quarterly or annually filed financial statements.***”

49. The statements referenced above in ¶¶25-34, 36-45, 47 and 48 were each materially false and misleading when made, as they failed to disclose and misrepresented the following adverse facts that were known to defendants or recklessly disregarded by them:

(a) There were severe integration issues associated with Zebra's acquisition of Motorola Enterprise;

(b) Zebra was understating its income taxes through the end of FY15, had underaccrued certain 2015 estimates, most notably for its sales commission plan, and overstated the net realizable value of trade receivables acquired in connection with the Motorola Enterprise assets acquisition;

(c) Zebra lacked both effective disclosure controls and procedures, as well as internal controls over financial reporting;

(d) Because of the material weaknesses that were identified in its internal controls and procedures over financial reporting and disclosure, Zebra lacked the ability to accurately forecast pretax income and deferred taxes in a timely matter; and

(e) Zebra's Class-Period financial statements were not prepared in accordance with GAAP and, therefore, were materially false and misleading.

50. On May 10, 2016, before the opening of trading, Zebra issued a press release announcing the financial results from its 1Q16. Zebra reported 1Q16 revenue and non-GAAP EPS of \$847 million and \$1.01, respectively, significantly less than the \$879 million in revenues and GAAP net income of \$1.22 per share, respectively, the Company had led the investment community to expect – and less than its own prior guidance on February 25, 2016. Net sales in the Enterprise segment had dropped to \$537 million, down considerably from the \$567 million reported in 1Q15.

51. In the press release, Zebra conceded that “first quarter results [were] below . . . expectations, with lower sales and earnings reflecting the continuation of a cautious enterprise spending environment.” The release quoted defendant Gustafsson stating that “[g]iven [the] first quarter results, continued macro uncertainty, and cautious spending behavior from many of [Zebra’s] North America, EMEA, and Latin American customers, [Zebra was] introducing a tempered outlook for the second quarter and [had also] reduced [its] full-year sales outlook.” The Company explicitly stated that FY16 net sales would decline as much as 3% from FY15 net sales of \$3.668 billion. Zebra’s guidance also implied that FY16 revenues could potentially be as low as \$3.56 billion, well below the \$3.72 billion Zebra had led the investment community to expect.

52. During a conference call with analysts and investors held the same day, defendant Smiley disclosed that certain commissions, which should have been accrued during FY15, had not been accrued and were instead being accounted for in 1Q16 (without formally restating previously reported earnings for FY15).

53. Also on May 10, 2016, Zebra filed its quarterly financial report on Form 10-Q with the SEC for its 1Q16, which was signed and certified pursuant to SOX by the Individual Defendants (the “1Q16 10-Q”). In the 1Q16 10-Q, Zebra again confirmed that it had found defects in its internal controls in 2015 that had impaired its ability to accurately forecast its pretax income and deferred taxes, but claimed that no restatement was necessary. Specifically, the 1Q16 10-Q stated in pertinent part as follows:

Management’s Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal controls over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Our management assessed the effectiveness of our internal controls over financial reporting as of April 2, 2016. *Based on this assessment, our management believes*

that, as of April 2, 2016, our internal controls over financial reporting were not effective, due to the identification of a material weakness.

A material weakness is a deficiency, or combination of deficiencies, in the internal controls over financial reporting such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

During 2015, the Company identified a material weakness related to the process to prepare and review its quarterly and annual income tax provision. The material weakness relates to deficiencies in the design and operation of controls in response to the increased complexity in the legal entity structure of the business following the Enterprise acquisition. *These deficiencies impacted our ability to accurately forecast pretax income and deferred taxes, by legal entity, in a timely manner.*

This material weakness did not result in the restatement of prior quarterly or annually filed financial statements.

54. On this news, the price of Zebra stock dropped more than \$11 per share from its close of \$62.58 per share on May 9, 2016 to close at \$51.46 per share on May 10, 2016, a decline of approximately 18%, on unusually high trading volume of more than 5.2 million shares trading, or approximately ten times the average trading volume over the preceding ten trading days.

POST-CLASS PERIOD EVENTS

55. On August 9, 2016, Zebra filed its quarterly financial report on Form 10-Q with the SEC for the quarterly period ended July 2, 2016 ("2Q16"), which was signed and certified pursuant to SOX by the Individual Defendants (the "2Q16 10-Q"). In the 2Q16 10-Q, Zebra once again confirmed that it had found defects in its internal controls in 2015 that had impaired its ability to accurately forecast its pretax income and deferred taxes, but claimed that no restatement was necessary. Specifically, the 2Q16 10-Q stated in pertinent part as follows:

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal controls over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of financial statements for external

purposes in accordance with generally accepted accounting principles. Our management assessed the effectiveness of our internal controls over financial reporting as of July 2, 2016. ***Based on this assessment, our management believes that, as of July 2, 2016, our internal controls over financial reporting were not effective, due to the identification of a material weakness.***

A material weakness is a deficiency, or combination of deficiencies, in the internal controls over financial reporting such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

During 2015, the Company identified a material weakness related to the process to prepare and review its quarterly and annual income tax provision. The material weakness relates to deficiencies in the design and operation of controls in response to the increased complexity in the legal entity structure of the business following the Enterprise acquisition. These deficiencies impacted our ability to accurately forecast pretax income and deferred taxes, by legal entity, in a timely manner.

This material weakness did not result in the restatement of prior quarterly or annually filed financial statements.

56. On September 14, 2016, Zebra issued a press release announcing that it had agreed to sell its WLAN business unit acquired as part of the Motorola Enterprise assets acquisition to Extreme Networks for \$55 million in cash.

57. As noted by Northcoast Research, in an analyst report issued on September 15, 2016, “[a]lthough we can say we expected the sale, we were surprised at the segment’s absolute lack of profitability, which resulted in a lower purchase price than what we expected, even after accounting for the decrease in revenue compared to our expectations.” The Northcoast analyst report went on to emphasize that “[t]he business was in decline even before Zebra acquired the Enterprise Solutions segment from Motorola Solutions and it had lost too much market share to ensure it could stage a comeback and generate a return on investment.” The Northcoast report also detailed the diminished value prior to acquisition, stating in pertinent part as follows:

Although the WLAN business generated over \$200 million in revenue in the years before 2014, it had declined to \$130 million in FY16. ***That revenue decline began before Zebra bought Motorola Solutions (MSI – Neutral Rated) Enterprise***

Solutions segment, and it never stopped. It was falling further and further behind the competition with no chance of catching up without significantly increasing the investment in the business. We also were wrong in our assumption that the segment was profitable. *In fact, WLAN was losing money, to the tune of \$0.01-\$0.04 per share in EPS a quarter.* The revenue decline was also having an adverse impact on Zebra's consolidated revenue growth trends, negatively impacting FY16 growth rates by 1% on a constant currency basis.

58. Finally, on November 1, 2016, Zebra issued a press release disclosing that it had decided to restate its previously issued financial statements for FY15 and 1Q16 and 2Q16. The release stated in pertinent part as follows:

The Audit Committee of the Board of Directors made the decision upon the recommendation by management, in consultation with the company's independent registered public accounting firm, Ernst & Young. The restatement is expected to be completed by Nov. 15, 2016, at which time the company will announce its third quarter 2016 earnings results.

The restatement will correct the financial statements for known errors, including those that were previously disclosed in filings with the Securities and Exchange Commission ("SEC") as immaterial. *The errors primarily relate to the company's accounting for income taxes, the underaccrual of certain 2015 estimates, most notably for its sales commission plan, and an adjustment to the net realizable value of trade receivables acquired in connection with the company's acquisition of the Enterprise business of Motorola Solutions, Inc. ("Enterprise acquisition").*

Anders Gustafsson, CEO of Zebra Technologies, stated, "*The restatement is the result of the cumulative impact of fiscal 2015 errors primarily associated with the Enterprise acquisition*"

For 2015, on a GAAP basis, the impact of the corrections will be to *increase the loss for the full year ended Dec. 31, 2015 by approximately \$17 million* on a pre-tax basis, which includes approximately \$11 million recorded in the first six months of 2016 as previously disclosed in SEC filings. *On an after-tax basis, the impact of the corrections will increase the loss for the full year ended Dec. 31, 2015 by up to \$35 million, which also includes the impact of tax-related items.* As a result, for the first six months of 2016, the company will decrease the pre-tax loss (increase the profitability) reflected in its 2016 results by approximately \$11 million on a pre-tax basis, or \$6 million after-tax. The corrections will be made in restated financials to be included in amendments to Zebra's Form 10-K for the year ended Dec. 31, 2015 and Form 10-Q's for the quarters ended April 2, 2016 and July 2, 2016.

For additional background, as disclosed in its prior filings with the SEC, when preparing its 2015 financial statements, ***Zebra identified a material weakness related to the process to prepare and review its quarterly and annual income tax provision.*** The material weakness relates to deficiencies in the design and operation of controls in response to the increased complexity in the legal entity structure of the business following the Enterprise acquisition. ***These deficiencies impacted Zebra's ability to accurately forecast pretax income and deferred taxes, by legal entity, in a timely manner.*** Zebra continues to work diligently to implement its remediation plan to address the material weakness.

59. Analysts were quick to react following Zebra's announcement of the restatement. For example, that same day, on November 1, 2016, Northcoast Research issued an analyst report commenting on Zebra's many accounting issues. The Northcoast Research report stated in pertinent part as follows:

The Restatement – We knew the accounting department at Zebra was undermanned following the Enterprise acquisition as a result of no senior level financial executives joining Zebra from Motorola and their underlying reporting systems the company inherited were a disaster. The company previously disclosed internal control issues in the area of income taxes and sales commission errors. Frankly, we were surprised they did not previously restate results. We knew why, they hoped to avoid the negative implications a restatement brings, but ultimately they had to anyways, and until their systems are properly updated, there is still the potential for additional accounting errors.

60. On November 14, 2016, Zebra issued a press release announcing that the Company had completed its restatement and filed its Annual Report on Form 10-K/A for the fiscal year ended December 31, 2015, as well as its amended Quarterly Reports on Form 10-Q/A for the periods ended April 2, 2016 and July 2, 2016.

61. The next day, Zebra filed a Form 8-K with the SEC announcing that defendant Smiley was “stepping down as Chief Financial Officer to pursue other opportunities.”

62. As a result of defendants' false statements, Zebra common stock traded at artificially inflated prices during the Class Period. However, after the above revelations seeped into the market, the price of Zebra common stock declined significantly, sending Zebra's stock price down 56% from its Class-Period high.

LOSS CAUSATION/ECONOMIC LOSS

63. During the Class Period, as detailed herein, defendants made false and misleading statements by misrepresenting the Company's business and prospects and engaged in a scheme to deceive the market and a course of conduct that artificially inflated the price of Zebra common stock and operated as a fraud or deceit on purchasers of Zebra common stock during the Class Period. Later, when defendants' prior misrepresentations and fraudulent conduct became apparent to the market, the price of Zebra common stock fell precipitously, as the prior artificial inflation came out of the stock price over time. As a result of their purchases of Zebra common stock during the Class Period, plaintiff and the other members of the Class suffered economic loss, *i.e.*, damages, under the federal securities laws.

APPLICABILITY OF THE PRESUMPTION OF RELIANCE AND FRAUD ON THE MARKET

64. Plaintiff will rely upon the presumption of reliance established by the fraud-on-the-market doctrine in that, among other things:

(a) Defendants made public misrepresentations or failed to disclose material facts during the Class Period;

(b) The omissions and misrepresentations were material;

(c) The Company's stock traded in an efficient market;

(d) The misrepresentations alleged would tend to induce a reasonable investor to misjudge the value of the Company's common stock; and

(e) Plaintiff and other members of the Class purchased Zebra common stock between the time defendants misrepresented or failed to disclose material facts and the time the true facts were disclosed, without knowledge of the misrepresented or omitted facts.

65. At all relevant times, the market for Zebra common stock was efficient for the following reasons, among others:

- (a) As a regulated issuer, Zebra filed periodic public reports with the SEC; and
- (b) Zebra regularly communicated with public investors *via* established market communication mechanisms, including through regular disseminations of press releases on the major news wire services and through other wide-ranging public disclosures, such as communications with the financial press, securities analysts and other similar reporting services.

COUNT I

For Violation of §10(b) of the Exchange Act and Rule 10b-5 Against All Defendants

66. Plaintiff incorporates ¶¶1-65 by reference.

67. During the Class Period, defendants disseminated or approved the false statements specified above, which they knew or recklessly disregarded were false and/or misleading in that they contained misrepresentations and/or failed to disclose material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

68. Defendants violated §10(b) of the Exchange Act and Rule 10b-5 in that they:

- (a) employed devices, schemes and artifices to defraud;
- (b) made untrue statements of material facts or omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and/or
- (c) engaged in acts, practices, and a course of business that operated as a fraud or deceit upon plaintiff and others similarly situated in connection with their purchases of Zebra common stock during the Class Period.

69. Plaintiff and the Class have suffered damages in that, in reliance on the integrity of the market, they paid artificially inflated prices for Zebra common stock. Plaintiff and the Class would not have purchased Zebra common stock at the prices they paid, or at all, if they had been aware that the market prices had been artificially and falsely inflated by defendants' misleading statements.

70. As a direct and proximate result of defendants' wrongful conduct, plaintiff and the other members of the Class suffered damages in connection with their purchases of Zebra common stock during the Class Period.

COUNT II

For Violation of §20(a) of the Exchange Act Against the Individual Defendants

71. Plaintiff incorporates ¶¶1-70 by reference.

72. The Individual Defendants acted as controlling persons of Zebra within the meaning of §20(a) of the Exchange Act. By virtue of their positions and their power to control public statements about Zebra, the Individual Defendants had the power and ability to control the actions of Zebra and its employees.

73. By reason of such conduct, the Individual Defendants are liable pursuant to §20(a) of the Exchange Act.

PRAYER FOR RELIEF

WHEREFORE, plaintiff prays for judgment as follows:

A. Determining that this action is a proper class action, designating plaintiff as Lead Plaintiff and certifying plaintiff as a Class representative under Rule 23 of the Federal Rules of Civil Procedure and plaintiff's counsel as Lead Counsel;

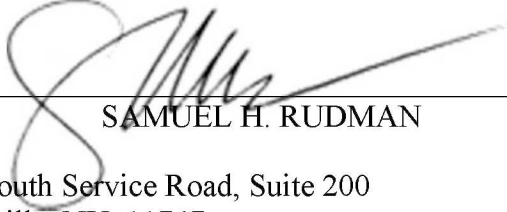
- B. Awarding compensatory damages in favor of plaintiff and the other Class members against all defendants, jointly and severally, for all damages sustained as a result of defendants' wrongdoing, in an amount to be proven at trial, including interest thereon;
- C. Awarding plaintiff and the Class their reasonable costs and attorneys' fees; and
- D. Awarding such equitable/injunctive or other relief as the Court may deem just and proper.

JURY DEMAND

Plaintiff demands a trial by jury.

DATED: July 26, 2017

ROBBINS GELLER RUDMAN
& DOWD LLP
SAMUEL H. RUDMAN
ALAN I. ELLMAN
ROBERT D. GERSON



SAMUEL H. RUDMAN

58 South Service Road, Suite 200
Melville, NY 11747
Telephone: 631/367-7100
631/367-1173 (fax)
srudman@rgrdlaw.com
aellman@rgrdlaw.com
rgerson@rgrdlaw.com

VANOVERBEKE, MICHAUD &
TIMMONY, P.C.
THOMAS C. MICHAUD
79 Alfred Street
Detroit, MI 48201
Telephone: 313/578-1200
313/578-1201 (fax)

Attorneys for Plaintiff

CERTIFICATION OF NAMED PLAINTIFF
PURSUANT TO FEDERAL SECURITIES LAWS

CITY OF WARREN POLICE AND FIRE RETIREMENT SYSTEM
("Plaintiff") declares:

1. Plaintiff has reviewed a complaint and authorized its filing.
2. Plaintiff did not acquire the security that is the subject of this action at the direction of plaintiff's counsel or in order to participate in this private action or any other litigation under the federal securities laws.
3. Plaintiff is willing to serve as a representative party on behalf of the class, including providing testimony at deposition and trial, if necessary.
4. Plaintiff has made the following transaction(s) during the Class Period in the securities that are the subject of this action:

<u>Security</u>	<u>Transaction</u>	<u>Date</u>	<u>Price Per Share</u>
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See attached Schedule A.

5. Plaintiff has not sought to serve or served as a representative party in a class action that was filed under the federal securities laws within the three-year period prior to the date of this Certification except as detailed below:

Sohol v. Yan, et al., No. 1:15-cv-00393 (N.D. Ohio)
In re Plains All American Pipeline, L.P. Sec. Litig., No. 4:15-cv-02404 (S.D. Tex.)

6. The Plaintiff will not accept any payment for serving as a representative party on behalf of the class beyond the Plaintiff's pro rata share of any recovery, except such reasonable costs and expenses (including lost wages)

directly relating to the representation of the class as ordered or approved by the court.

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

Executed this 19th day of July, 2017.

CITY OF WARREN POLICE AND FIRE
RETIREMENT SYSTEM

By: Scott D. Salvo

Its: Chairperson

SCHEDULE A**SECURITIES TRANSACTIONS****Acquisitions**

<u>Date Acquired</u>	<u>Type/Amount of Securities Acquired</u>	<u>Price</u>
08/24/2015	785	\$80.49
09/10/2015	295	\$81.21
10/08/2015	9	\$78.09

Sales

<u>Date Sold</u>	<u>Type/Amount of Securities Sold</u>	<u>Price</u>
03/20/2015	20	\$88.16
01/25/2016	15	\$55.38

*Opening position of 139 shares.

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS

CITY OF WARREN POLICE AND FIRE RETIREMENT SYSTEM, Individually and on Behalf of All Others Similarly Situated,

(b) County of Residence of First Listed Plaintiff (EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorneys (Firm Name, Address, and Telephone Number) Robbins Geller Rudman & Dowd LLP 58 South Service Road, Suite 200 Melville, NY 11747 (631) 367-7100

DEFENDANTS

ZEBRA TECHNOLOGIES CORPORATION, ANDERS GUSTAFSSON and MICHAEL C. SMILEY,

County of Residence of First Listed Defendant (IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

Attorneys (If Known)

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- 1 U.S. Government Plaintiff, 2 U.S. Government Defendant, 3 Federal Question (U.S. Government Not a Party), 4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

Table with columns for Plaintiff (PTF) and Defendant (DEF) citizenship: Citizen of This State, Citizen of Another State, Citizen or Subject of a Foreign Country, Incorporated or Principal Place of Business In This State, Incorporated and Principal Place of Business In Another State, Foreign Nation.

IV. NATURE OF SUIT (Place an "X" in One Box Only)

Large table with categories: CONTRACT, REAL PROPERTY, CIVIL RIGHTS, TORTS, PRISONER PETITIONS, LABOR, IMMIGRATION, FORFEITURE/PENALTY, SOCIAL SECURITY, BANKRUPTCY, FEDERAL TAX SUITS, OTHER STATUTES. Includes sub-sections like PERSONAL INJURY, REAL PROPERTY, CIVIL RIGHTS, LABOR, IMMIGRATION, SOCIAL SECURITY, FEDERAL TAX SUITS, OTHER STATUTES.

V. ORIGIN (Place an "X" in One Box Only)

- 1 Original Proceeding, 2 Removed from State Court, 3 Remanded from Appellate Court, 4 Reinstated or Reopened, 5 Transferred from Another District (specify), 6 Multidistrict Litigation - Transfer, 8 Multidistrict Litigation - Direct File

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity): Brief description of cause of action pursuant to Sections 10(b) and 20(a) of the Exchange Act [15 U.S.C. Sections 78j(b) and 78t(a)] and Rule 10b-5 promulgated thereunder by the United States Securities and Exchange Commission [17 C.F.R. Section 240.10b-5].

VII. REQUESTED IN COMPLAINT:

CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P. DEMAND \$ CHECK YES only if demanded in complaint: JURY DEMAND: Yes No

VIII. RELATED CASE(S) IF ANY

(See instructions):

JUDGE DOCKET NUMBER

DATE

SIGNATURE OF ATTORNEY OF RECORD

07/26/2017

FOR OFFICE USE ONLY

RECEIPT # AMOUNT APPLYING IFP JUDGE MAG. JUDGE

CERTIFICATION OF ARBITRATION ELIGIBILITY

Local Arbitration Rule 83.10 provides that with certain exceptions, actions seeking money damages only in an amount not in excess of \$150,000, exclusive of interest and costs, are eligible for compulsory arbitration. The amount of damages is presumed to be below the threshold amount unless a certification to the contrary is filed.

I, Samuel H. Rudman, counsel for Plaintiff, do hereby certify that the above captioned civil action is ineligible for compulsory arbitration for the following reason(s):

- monetary damages sought are in excess of \$150,000, exclusive of interest and costs,
- the complaint seeks injunctive relief,
- the matter is otherwise ineligible for the following reason

DISCLOSURE STATEMENT - FEDERAL RULES CIVIL PROCEDURE 7.1

Identify any parent corporation and any publicly held corporation that owns 10% or more of its stocks:

RELATED CASE STATEMENT (Section VIII on the Front of this Form)

Please list all cases that are arguably related pursuant to Division of Business Rule 50.3.1 in Section VIII on the front of this form. Rule 50.3.1 (a) provides that "A civil case is "related" to another civil case for purposes of this guideline when, because of the similarity of facts and legal issues or because the cases arise from the same transactions or events, a substantial saving of judicial resources is likely to result from assigning both cases to the same judge and magistrate judge." Rule 50.3.1 (b) provides that " A civil case shall not be deemed "related" to another civil case merely because the civil case: (A) involves identical legal issues, or (B) involves the same parties." Rule 50.3.1 (c) further provides that "Presumptively, and subject to the power of a judge to determine otherwise pursuant to paragraph (d), civil cases shall not be deemed to be "related" unless both cases are still pending before the court."

NY-E DIVISION OF BUSINESS RULE 50.1(d)(2)

- 1.) Is the civil action being filed in the Eastern District removed from a New York State Court located in Nassau or Suffolk County? No
- 2.) If you answered "no" above:
 - a) Did the events or omissions giving rise to the claim or claims, or a substantial part thereof, occur in Nassau or Suffolk County? Yes
 - b) Did the events or omissions giving rise to the claim or claims, or a substantial part thereof, occur in the Eastern District? Yes

If your answer to question 2 (b) is "No," does the defendant (or a majority of the defendants, if there is more than one) reside in Nassau or Suffolk County, or, in an interpleader action, does the claimant (or a majority of the claimants, if there is more than one) reside in Nassau or Suffolk County? _____

(Note: A corporation shall be considered a resident of the County in which it has the most significant contacts).

BAR ADMISSION

I am currently admitted in the Eastern District of New York and currently a member in good standing of the bar of this court.

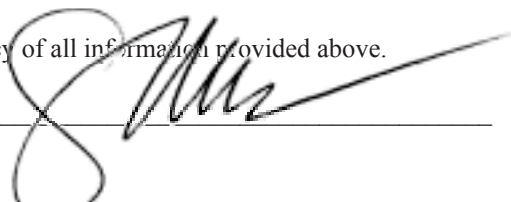
Yes No

Are you currently the subject of any disciplinary action (s) in this or any other state or federal court?

Yes (If yes, please explain) No

I certify the accuracy of all information provided above.

Signature: _____



AO 440 (Rev. 06/12) Summons in a Civil Action

UNITED STATES DISTRICT COURT

for the

Eastern District of New York

CITY OF WARREN POLICE AND FIRE RETIREMENT SYSTEM, Individually and on Behalf of All Others Similarly Situated,

Plaintiff(s)

v.

ZEBRA TECHNOLOGIES CORPORATION, ANDERS GUSTAFSSON and MICHAEL C. SMILEY,

Defendant(s)

Civil Action No.

SUMMONS IN A CIVIL ACTION

To: (Defendant's name and address) ZEBRA TECHNOLOGIES CORPORATION 3 Overlook Point Lincolnshire, IL 60069

Registered Agent: The Corporation Trust Company Corporation Trust Center 1209 Orange Street Wilmington, DE 19801

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney, whose name and address are: Robbins Geller Rudman & Dowd LLP 58 South Service Road, Suite 200 Melville, NY 11747

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

DOUGLAS C. PALMER CLERK OF COURT

Date:

Signature of Clerk or Deputy Clerk

Civil Action No. _____

PROOF OF SERVICE

(This section should not be filed with the court unless required by Fed. R. Civ. P. 4 (l))

This summons for *(name of individual and title, if any)* _____
was received by me on *(date)* _____ .

I personally served the summons on the individual at *(place)* _____
_____ on *(date)* _____ ; or

I left the summons at the individual's residence or usual place of abode with *(name)* _____
_____, a person of suitable age and discretion who resides there,
on *(date)* _____ , and mailed a copy to the individual's last known address; or

I served the summons on *(name of individual)* _____ , who is
designated by law to accept service of process on behalf of *(name of organization)* _____
_____ on *(date)* _____ ; or

I returned the summons unexecuted because _____ ; or

Other *(specify)*:

My fees are \$ _____ for travel and \$ _____ for services, for a total of \$ 0 _____ .

I declare under penalty of perjury that this information is true.

Date: _____

Server's signature

Printed name and title

Server's address

Additional information regarding attempted service, etc:

Print

Save As...

Reset

AO 440 (Rev. 06/12) Summons in a Civil Action

UNITED STATES DISTRICT COURT

for the

Eastern District of New York

CITY OF WARREN POLICE AND FIRE RETIREMENT SYSTEM, Individually and on Behalf of All Others Similarly Situated,

Plaintiff(s)

v.

ZEBRA TECHNOLOGIES CORPORATION, ANDERS GUSTAFSSON and MICHAEL C. SMILEY,

Defendant(s)

Civil Action No.

SUMMONS IN A CIVIL ACTION

To: (Defendant's name and address) ANDERS GUSTAFSSON 17 Indian Hill Road Winnetka, IL 60093

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney, whose name and address are: Robbins Geller Rudman & Dowd LLP 58 South Service Road, Suite 200 Melville, NY 11747

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

DOUGLAS C. PALMER CLERK OF COURT

Date: _____

Signature of Clerk or Deputy Clerk

Civil Action No. _____

PROOF OF SERVICE

(This section should not be filed with the court unless required by Fed. R. Civ. P. 4 (l))

This summons for *(name of individual and title, if any)* _____
was received by me on *(date)* _____.

I personally served the summons on the individual at *(place)* _____
_____ on *(date)* _____; or

I left the summons at the individual's residence or usual place of abode with *(name)* _____
_____, a person of suitable age and discretion who resides there,
on *(date)* _____, and mailed a copy to the individual's last known address; or

I served the summons on *(name of individual)* _____, who is
designated by law to accept service of process on behalf of *(name of organization)* _____
_____ on *(date)* _____; or

I returned the summons unexecuted because _____; or

Other *(specify)*:

My fees are \$ _____ for travel and \$ _____ for services, for a total of \$ 0 _____.

I declare under penalty of perjury that this information is true.

Date: _____

Server's signature

Printed name and title

Server's address

Additional information regarding attempted service, etc:

Print

Save As...

Reset

AO 440 (Rev. 06/12) Summons in a Civil Action

UNITED STATES DISTRICT COURT

for the

Eastern District of New York

CITY OF WARREN POLICE AND FIRE RETIREMENT SYSTEM, Individually and on Behalf of All Others Similarly Situated,

Plaintiff(s)

v.

ZEBRA TECHNOLOGIES CORPORATION, ANDERS GUSTAFSSON and MICHAEL C. SMILEY,

Defendant(s)

Civil Action No.

SUMMONS IN A CIVIL ACTION

To: (Defendant's name and address) MICHAEL C. SMILEY 2221 Churchill Circle Libertyville, IL 60048

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney, whose name and address are: Robbins Geller Rudman & Dowd LLP 58 South Service Road, Suite 200 Melville, NY 11747

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

DOUGLAS C. PALMER CLERK OF COURT

Date: _____

Signature of Clerk or Deputy Clerk

Civil Action No. _____

PROOF OF SERVICE

(This section should not be filed with the court unless required by Fed. R. Civ. P. 4 (l))

This summons for *(name of individual and title, if any)* _____
was received by me on *(date)* _____.

I personally served the summons on the individual at *(place)* _____
_____ on *(date)* _____; or

I left the summons at the individual's residence or usual place of abode with *(name)* _____
_____, a person of suitable age and discretion who resides there,
on *(date)* _____, and mailed a copy to the individual's last known address; or

I served the summons on *(name of individual)* _____, who is
designated by law to accept service of process on behalf of *(name of organization)* _____
_____ on *(date)* _____; or

I returned the summons unexecuted because _____; or

Other *(specify)*:

My fees are \$ _____ for travel and \$ _____ for services, for a total of \$ 0 _____.

I declare under penalty of perjury that this information is true.

Date: _____

Server's signature

Printed name and title

Server's address

Additional information regarding attempted service, etc:

Print

Save As...

Reset

ClassAction.org

This complaint is part of ClassAction.org's searchable class action lawsuit database and can be found in this post: [Lawsuit Claims Zebra Technologies Hid Internal Issues, Deceived Investors](#)
