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11  
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Kathie Ng and the Class*

13  
14 **UNITED STATES DISTRICT COURT**  
15 **CENTRAL DISTRICT OF CALIFORNIA**

16 IN RE THE HONEST COMPANY, INC.  
17 SECURITIES LITIGATION

Case No. 21-cv-07405-MCS-AS

**DECLARATION OF ALFRED L.  
FATALE III IN SUPPORT OF (I)  
CLASS REPRESENTATIVE’S  
MOTION FOR FINAL APPROVAL  
OF CLASS ACTION  
SETTLEMENT AND PLAN OF  
ALLOCATION AND (II) CLASS  
COUNSEL’S MOTION FOR AN  
AWARD OF ATTORNEYS’ FEES  
AND PAYMENT OF EXPENSES**

Hearing Date: July 28, 2025  
Time: 9:00 a.m.  
Courtroom: 7C  
Judge: Hon. Mark C. Scarsi

1 I, ALFRED L. FATALE III, declare under penalty of perjury, pursuant to  
2 28 U.S.C. § 1746:

3 1. I am a member of the law firm of Labaton Keller Sucharow LLP  
4 (“Labaton”), which serves as court-appointed Class Counsel for the certified Class  
5 and Class Representative Kathie Ng in the above-captioned litigation (the  
6 “Action”).<sup>1</sup> I am admitted to practice before this Court *pro hac vice* and have been  
7 the lead partner overseeing the prosecution and resolution of the Action, am  
8 familiar with its proceedings, and have personal knowledge of the matters set forth  
9 herein based upon my close supervision and participation in all material aspects of  
10 the Action.

11 2. I respectfully submit this Declaration in support of Class  
12 Representative’s motion pursuant to Rule 23(e) of the Federal Rules of Civil  
13 Procedure (“Federal Rules” or “Rules”) for final approval of the proposed  
14 settlement with all defendants in the Action: The Honest Company, Inc. (“Honest”  
15 or the “Company”), the Individual Defendants (the Individual Defendants and  
16 Honest are the “Honest Defendants”), the Underwriter Defendants, and the  
17 Catterton Defendants. If approved, the Settlement will resolve all claims asserted  
18 in the Action, or that could have been asserted, against Defendants, and related  
19 persons, on behalf of the Court-certified Class consisting of: “all persons and  
20 entities that purchased or otherwise acquired Honest’s publicly traded common  
21 stock pursuant and traceable to the Offering Documents for Honest’s IPO prior to  
22 August 19, 2021, as well as all persons and entities that acquired ownership of a  
23 trading account, retirement account, or any other similar investment account or  
24 portfolio containing Honest’s publicly traded common stock that was purchased or  
25 otherwise acquired pursuant and traceable to the Offering Documents for Honest’s  
26

27  
28 <sup>1</sup> All capitalized terms used herein that are not otherwise defined shall have the meanings provided in the Stipulation and Agreement of Settlement, dated as of March 11, 2025 (“Stipulation”). ECF No. 304-3.

1 IPO prior to August 19, 2021, and were damaged thereby.”<sup>2</sup> The Court  
2 preliminarily approved the Settlement and directed notice thereof to the Class by  
3 Order entered May 7, 2025 (ECF No. 311) (“Preliminary Approval Order”).

4 3. I also respectfully submit this Declaration in support of: (i) the  
5 proposed plan for allocating the net proceeds of the Settlement to eligible Class  
6 Members (“Plan of Allocation” or “Plan”); and (ii) Class Counsel’s motion, on  
7 behalf of all Plaintiffs’ Counsel,<sup>3</sup> for an award of attorneys’ fees of 30% of the  
8 Settlement Fund, which includes accrued interest; payment of Litigation Expenses  
9 in the amount of \$1,677,604.36, plus accrued interest; and, in accordance with the  
10 Private Securities Litigation Reform Act of 1995 (“PSLRA”), 15 U.S.C. § 77z-  
11 1(a)(4), payment of \$7,425.00 to Class Representative for costs incurred in  
12 connection with her representation of the Class (the “Fee and Expense  
13 Application”).

14 4. For the reasons discussed below, and in the accompanying  
15 memoranda,<sup>4</sup> I respectfully submit that: (i) the terms of the Settlement are fair,  
16 reasonable, and adequate in all respects and should be approved by the Court; (ii)

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18 <sup>2</sup> Excluded from the Class by definition are: (i) Defendants and the Individual  
19 Defendants’ immediate family members; (ii) the officers, directors, affiliates, and  
20 subsidiaries of Honest, the Underwriter Defendants, and the Catterton Defendants  
21 at all relevant times; (iii) Honest’s affiliates and employee retirement and/or benefit  
22 plan(s) and their participants and/or beneficiaries to the extent they purchased or  
23 acquired Honest’s common stock pursuant or traceable to the Offering Documents  
24 through any such plan(s); (iv) any person who had or has a controlling interest in  
25 Honest, at all relevant times; (v) any entity in which any of the Defendants have or  
26 had a controlling interest, provided, however, that any “Investment Vehicle” shall  
27 not be excluded from the Class; and (vi) the legal representatives, heirs, successors,  
28 or assigns of any such excluded person or entity, in their capacity as such. Also  
excluded from the Class is any person or entity that requested exclusion from the  
Class in connection with the previously issued Class Notice.

<sup>3</sup> “Plaintiffs’ Counsel” refers collectively to Labaton and The Schall Law Firm  
 (“Schall Law”).

<sup>4</sup> In conjunction with this Declaration, Class Representative and Class Counsel  
are submitting a Motion for Final Approval of Class Action Settlement and Plan of  
Allocation and Memorandum of Points and Authorities in Support Thereof  
 (“Settlement Memorandum”) and a Motion for an Award of Attorneys’ Fees and  
Payment of Litigation Expenses and Memorandum of Points and Authorities in  
Support Thereof (“Fee and Expense Memorandum”).

1 the proposed Plan of Allocation is fair, reasonable, and adequate and should be  
2 approved by the Court; and (iii) the Fee and Expense Application is fair,  
3 reasonable, supported by the facts and the law, and should be granted in all  
4 respects. Moreover, the Settlement, Plan of Allocation, and Fee and Expense  
5 Application have the full support of Class Representative. *See* Declaration of  
6 Kathie Ng, attached hereto as Exhibit 6.

7 **I. PRELIMINARY STATEMENT**

8 5. The proposed Settlement now before the Court provides for the full  
9 resolution of all claims in the Action, and related claims, in exchange for cash  
10 payments totaling \$27,500,000. As detailed herein, Class Representative and Class  
11 Counsel respectfully submit that the Settlement represents an excellent result for  
12 the Class by any measure.

13 6. The decision to settle was informed by a comprehensive investigation  
14 into the claims and defenses in the Action, intensive motion practice and discovery  
15 (both fact and expert), certification of the Class, and extensive arm's-length  
16 negotiations overseen by a highly respected mediator over the span of more than a  
17 year. In choosing to settle, Class Representative and Class Counsel took into  
18 consideration the substantial risks associated with advancing the claims alleged in  
19 the Action, as well as the duration and complexity of the legal proceedings that  
20 remained ahead.

21 7. The Settlement is materially higher than industry trends. The \$27.5  
22 million recovery is more than twice both the median recovery of \$10.3 million in  
23 securities class actions settled in 2024 that, like this Action, alleged only Securities  
24 Act claims, and the median recovery in such cases from 2015-2024 of the same  
25 number. *See* Laarni T. Bulan and Eric Tam, *Securities Class Action Settlements –*  
26 *2024 Review and Analysis* (Cornerstone Research 2025), Ex. 1 at 1, 8.

27 8. Moreover, according to analyses prepared by Class Representative's  
28 damages expert, the aggregate damages the Class could have obtained at trial

1 ranged from maximum statutory damages of \$210 million to approximately \$36  
2 million, based on different scenarios, as discussed herein. Thus, the Settlement  
3 recovers at least 13% of maximum potential damages (\$210 million) and 76% of  
4 the Class Representative’s expert’s likely lower bound of estimated recoverable  
5 damages (\$36 million). This recovery falls well above industry norms. According  
6 to Cornerstone Research, for Securities Act cases with total estimated damages of  
7 \$150 million or more, the median percentage of recovery from 2015 to 2024 was  
8 5.7% of total estimated damages, and the median percentage of recovery for all  
9 Securities Act cases from 2015 to 2024 was 7.1%. Ex. 1 at 9; *see also* Settlement  
10 Memorandum, §I.D.1.

11 9. It is respectfully submitted that the Settlement is an excellent outcome  
12 for the Class, particularly in light of the current posture of the litigation and the  
13 risks ahead. Indeed, this case — which was litigated efficiently and aggressively  
14 from the initial consolidated complaint to the agreement to settle — spanned more  
15 than three years and was settled only after Class Representative, among other  
16 things: (i) drafted three detailed amended complaints; (ii) responded to and  
17 overcame three extensive motions to dismiss and a motion for partial  
18 reconsideration; (iii) obtained class certification; (iv) propounded and responded  
19 to document requests, interrogatories, and requests for admission; (v) reviewed  
20 approximately 75,000 documents (347,000 pages) produced by the Honest  
21 Defendants, 71,000 documents (300,000 pages) produced by Underwriter  
22 Defendants, 2,900 documents (40,000 pages) produced by the Catterton  
23 Defendants; and 1,300 documents (13,000 pages) produced by third parties; (vi)  
24 served at least 30 subpoenas; (vii) took 19 depositions and defended two; (viii)  
25 negotiated and litigated numerous discovery disputes; (ix) consulted with experts  
26 in the fields of negative causation and damages, asset tracing, underwriter due  
27 diligence, private equity investments and control person liability, and consumer  
28 packaged goods industry standards during the COVID-19 pandemic; (x) served six

1 expert reports and rebuttal reports; and (xi) exchanged extensive mediation  
2 briefing and participated in two mediations overseen by a highly respected  
3 mediator, David M. Murphy (the “Mediator”).

4 10. In addition to seeking approval of the Settlement, Class  
5 Representative seeks approval of the proposed Plan of Allocation governing the  
6 calculation of claims and the distribution of the Settlement proceeds. As discussed  
7 below, the proposed Plan of Allocation was developed with the assistance of Class  
8 Representative’s damages expert and provides for the distribution of the Net  
9 Settlement Fund to Class Members who submit Claim Forms that are approved for  
10 payment on a *pro rata* basis based on their losses attributable to the alleged  
11 violations of the federal securities laws.

12 11. With respect to Class Counsel’s request, on behalf of itself and Schall  
13 Law, for an award of attorneys’ fees and payment of expenses, the requested fee  
14 of 30%, while above the benchmark, would be reasonable under the circumstances  
15 before the Court and would be fair both to the Class and counsel. This fee request  
16 is justified considering the outstanding benefits that Plaintiffs’ Counsel conferred  
17 on the Class, the risks undertaken, the skill required and quality of the  
18 representation, the extensive litigation efforts, awards made in similar cases, and  
19 the contingent nature of the fee and the significant financial burden carried by  
20 counsel. Class Counsel also seeks Litigation Expenses in the amount of  
21 \$1,677,604.36, plus reimbursement to Class Representative, pursuant to the  
22 PSLRA, for her efforts on behalf of the Class in the amount of \$7,425.00. The  
23 expense amounts are less than the maximum amount of expenses of \$1,725,000  
24 provided for in the settlement notices.

25 12. Class Counsel has worked with the Court-authorized Claims  
26 Administrator, Epiq Class Action & Claims Solutions, Inc. (“Epiq”), to  
27 disseminate notice of the Settlement to Class Members as directed in the  
28 Preliminary Approval Order. In this regard, to date Epiq has provided 36,349

1 copies of the Settlement Postcard to Class Members and their nominees. *See*  
2 Declaration of Alexander Villanova Regarding (A) Mailing of the Settlement  
3 Postcard and (B) Publication of the Summary Notice, dated June 20, 2025  
4 (“Mailing Decl.”), Ex. 2, ¶10. Additionally, Epiq has posted the long-form  
5 Settlement Notice and Claim Form, along with other relevant documents, on the  
6 website for the case, [www.TheHonestCompanySecuritiesLitigation.com](http://www.TheHonestCompanySecuritiesLitigation.com), and has  
7 caused the Summary Notice to be published in *The Wall Street Journal* and  
8 transmitted over *PR Newswire*. *Id.* at ¶¶12-13. As ordered by the Court and stated  
9 in the notices, objections are due no later than July 7, 2025. To date, there have  
10 been no objections to any aspect of the Settlement.<sup>5</sup>

## 11 **II. SUMMARY OF CLASS REPRESENTATIVE’S CLAIMS**

12 13. Class Representative’s claims in this Action are set forth in the  
13 operative Second Amended Consolidated Class Action Complaint for Violations  
14 of the Federal Securities Laws, filed on February 14, 2024 (ECF No. 185) (the  
15 “Second Amended Consolidated Complaint”), which asserts claims under Sections  
16 11 and 15 of the Securities Act of 1933 (“Securities Act”), against Defendants.

17 14. In the operative complaint, Class Representative alleges, among other  
18 things, that the registration statement and prospectus (the “Offering Documents”)  
19 filed in connection with Honest’s May 5, 2021 initial public offering (“IPO”) of  
20 more than 29 million shares of common stock, contained materially false and  
21 misleading statements and omissions. As alleged by the Class Representative,  
22 unbeknownst to investors in the IPO, Honest’s introduction of its “clean conscious  
23 diaper” was negatively received by customers. Additionally, Class Representative  
24 alleges that the Offering Documents failed to disclose the extent to which the  
25 stockpiling of Honest products during the COVID-19 pandemic was negatively  
26

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27 <sup>5</sup> Class Representative and Class Counsel will address any objections that may  
28 be received after this submission in their reply submission to be filed with the Court  
on or before July 21, 2025.

1 impacting the Company at the time of the IPO. Finally, Class Representative  
2 alleges that the Offering Documents misrepresented the significant risks that made  
3 the IPO speculative and risky — in particular, risks associated with the COVID-19  
4 stock-up and decreasing demand.

5 **III. RELEVANT PROCEDURAL HISTORY OF THE ACTION AND**  
6 **PLAINTIFFS’ COUNSEL’S LITIGATION EFFORTS**

7 **A. Commencement of the Action and Appointment of Lead Plaintiff**  
8 **and Lead Counsel**

9 15. On or about May 5, 2021, Honest commenced its IPO.

10 16. On September 15, 2021, a securities class action captioned *Dixon v.*  
11 *The Honest Company, Inc., et al.*, Case No. 21-cv-07405 (the “*Dixon* Action”),  
12 was commenced in this Court asserting violations of Sections 11 and 15 of the  
13 Securities Act for alleged misstatements and omission in the Offering Documents.  
14 ECF No. 1.

15 17. On October 8, 2021, a second securities class action captioned  
16 *Gambino v. The Honest Company, Inc., et al.*, Case No. 21-cv-8033 (the “*Gambino*  
17 *Action*”), was commenced in this Court asserting violation of Sections 11 and 15  
18 of the Securities Act for alleged misstatements and omissions in the Offering  
19 Documents.

20 18. On September 15, 2021, notice of the Action was published pursuant  
21 to the PSLRA, notifying eligible purchasers of Honest’s common stock about their  
22 right to move for appointment as lead plaintiff. ECF No. 20-1.

23 19. On January 26, 2022, the Court appointed Kathie Ng as Lead Plaintiff  
24 and approved her selection of Labaton Sucharow LLP (n/k/a Labaton Keller  
25 Sucharow LLP) as Lead Counsel, and consolidated the *Dixon* Action and *Gambino*  
26 Action under the caption *In re The Honest Company, Inc. Securities Litigation*,  
27 Case No. 21-cv-07405. ECF No. 47.

1           **B.     Class Representative’s Investigation and Filing of the First**  
2           **Amended Complaint**

3           20.    On February 21, 2022, Class Representative filed a Consolidated  
4           Class Action Complaint for Violations of the Federal Securities Laws (the  
5           “Consolidated Complaint”). ECF No. 59.

6           21.    Prior to filing the Consolidated Complaint, Plaintiffs’ Counsel  
7           conducted an extensive investigation into the facts underlying potential claims.  
8           Counsel’s investigation included reviewing: (i) documents filed publicly by the  
9           Company with the U.S. Securities and Exchange Commission (“SEC”); (ii)  
10          Company press releases, transcripts of earnings calls, and other public statements  
11          issued and disseminated by the Company; (iii) the Company’s website and  
12          marketing materials; (iv) customer reviews of the Company’s products; (v) price  
13          and volume data for Honest’s common stock; (vi) research reports from securities  
14          and financial analysts; (vii) news and media reports concerning the Company and  
15          other facts related to the Action; (viii) other publicly available materials and data;  
16          and (ix) the applicable law governing the claims and potential defenses.

17          22.    In addition to marshalling facts from these sources, Class Counsel’s  
18          investigators developed leads for potential witnesses to interview for additional  
19          factual information, and also had telephonic communications with former Honest  
20          employees with potentially relevant knowledge. In total, Class Counsel contacted  
21          approximately 63 former Honest employees and interviewed approximately 12 in  
22          connection with the investigation. Ultimately, Class Counsel included information  
23          obtained from two former Honest employees in the Consolidated Complaint.

24          23.    Class Counsel also conducted extensive legal research before filing  
25          the Consolidated Complaint to determine which theories of liability to allege and  
26          how to allege those theories given the current state of the law. For example, Class  
27          Counsel comprehensively researched the law in the Ninth Circuit relating to  
28          pertinent legal issues, such as pleading standards for allegations based on

1 confidential witnesses, statutory standing for Securities Act claims, viability of  
2 claims premised on Items 105 and 303 of SEC Regulations S-K (17 C.F.R. §§  
3 220.105, 299.503), and the materiality of allegedly false and misleading  
4 statements.

5 **C. Defendants’ First Motion to Dismiss and Motion for**  
6 **Reconsideration**

7 24. On March 14, 2022, the Honest Defendants filed a motion to dismiss  
8 the Consolidated Complaint (“First Motion to Dismiss”). ECF No. 60. On the same  
9 day, the Underwriter Defendants joined in that motion. ECF No. 62.

10 25. In their First Motion to Dismiss, the Honest Defendants argued that  
11 the Consolidated Complaint should be dismissed in its entirety primarily because  
12 it failed to plead: (i) any actionable false or misleading statements or omissions; or  
13 (ii) that any such statements or omissions were material. *See generally* ECF No.  
14 60-1.

15 26. Class Counsel reviewed and analyzed Defendants’ First Motion to  
16 Dismiss brief and the legal authority cited therein. Class Counsel also conducted  
17 extensive legal research into Defendants’ arguments and potential responses  
18 thereto. In its opposition to the First Motion to Dismiss filed on March 28, 2022,  
19 Class Representative rebutted the arguments and authorities in the motion, and  
20 argued that the Consolidated Complaint adequately alleged all elements of its  
21 Securities Act claims. ECF No. 63.

22 27. On April 4, 2022, the Honest Defendants filed a reply in further  
23 support of their First Motion to Dismiss. ECF No. 65. In their reply, the Honest  
24 Defendants advanced further arguments in support of their purported bases for  
25 dismissing the Consolidated Complaint. *See generally id.* The Underwriter  
26 Defendants joined in the Honest Defendants’ reply. ECF No. 68.

27 28. On July 18, 2022, the Court granted in part and denied in part the First  
28 Motion to Dismiss (the “First Motion to Dismiss Order”) and ordered Class

1 Representative to either file “(1) an amended complaint or (2) a statement  
2 indicating she will proceed on the basis of the Consolidated Complaint without the  
3 theory of the Section 11 claim dismissed in the Order.” ECF No. 71.

4 29. On July 27, 2022, Class Representative filed a notice of intent not to  
5 amend the Consolidated Complaint. ECF No. 72.

6 30. On August 1, 2022, the Honest Defendants filed a Motion for Partial  
7 Reconsideration of the First Motion to Dismiss Order, which the Underwriter  
8 Defendants joined. ECF Nos. 75-76. On August 8, 2022, Class Representative  
9 opposed that motion. ECF No. 77. On August 15, 2022, the Honest Defendants  
10 filed a reply in which the Underwriter Defendants joined. ECF Nos. 78-79.

11 31. On August 25, 2022, the Court denied, in full, the Honest Defendants’  
12 Motion for Partial Reconsideration. ECF No. 84.

13 **D. Defendants’ Answers and Class Representative’s**  
14 **Motion to Strike**

15 32. On August 17, 2022, Defendants filed their answers and defenses to  
16 the Consolidated Complaint, denying all allegations of wrongdoing or damages  
17 and asserting affirmative defenses. ECF Nos. 80-81.

18 33. On September 7, 2022, Class Representative filed a Motion to Strike  
19 Affirmative Defenses (“Motion to Strike”) from both the Honest Defendants’ and  
20 the Underwriter Defendants’ answers to the Consolidated Complaint. ECF No. 85.  
21 On September 21, 2022, the Defendants opposed the Motion to Strike and, on  
22 September 28, 2022, Class Representative filed a reply. ECF Nos. 88-89.

23 34. On October 26, 2022, the Court granted in part and denied in part the  
24 Motion to Strike and ordered the Honest Defendants the Underwriter Defendants  
25 to file amended answers to the Consolidated Complaint. ECF No. 99.

26 35. On November 9, 2022, the Honest Defendants and the Underwriter  
27 Defendants filed amended answers to the Consolidated Complaint, denying all  
28

1 allegations of wrongdoing or damages and asserting affirmative defenses. ECF  
2 Nos. 104-105.

3 **E. Class Representative’s Amended Consolidated Complaint**

4 36. On August 14, 2023, Class Representative filed an Amended  
5 Consolidated Class Action Complaint for Violations of the Federal Securities  
6 Laws, adding the Catterton Defendants to the pleadings (the “Amended  
7 Consolidated Complaint”). ECF No. 141. The Amended Consolidated Complaint  
8 added allegations concerning the Catterton Defendants’ alleged control of Honest  
9 and their alleged liability under Section 15 of the Securities Act. The allegations  
10 against the Honest Defendants and the Underwriter Defendants remained the same.

11 **F. The Catterton Defendants’ Motion to Dismiss the Amended  
12 Consolidated Complaint**

13 37. On October 16, 2023, the Catterton Defendants filed a motion to  
14 dismiss the Amended Consolidated Complaint (“Second Motion to Dismiss”).  
15 ECF No. 169.

16 38. In the Second Motion to Dismiss, the Catterton Defendants argued  
17 that the Court should dismiss the claims against them as time-barred and that, in  
18 any event, the Amended Consolidated Complaint did not adequately plead control  
19 person liability against the Catterton Defendants. *See generally id.*

20 39. Class Counsel reviewed and analyzed the Second Motion to Dismiss  
21 brief and the legal authority cited therein. Class Counsel also conducted extensive  
22 legal research into Defendants’ arguments and potential responses thereto. In its  
23 opposition to the Second Motion to Dismiss filed on November 6, 2023, Class  
24 Representative rebutted the arguments and authorities in the motion. ECF No. 177.

25 40. On November 20, 2023, the Catterton Defendants filed a reply in  
26 further support of the Second Motion to Dismiss. ECF No. 178. In their reply, the  
27 Catterton Defendants advanced further arguments in support of their purported  
28 bases for dismissing the Amended Consolidated Complaint. *See generally id.*

1           41. On January 31, 2024, the Court issued an Order granting the Second  
2 Motion to Dismiss (“Second Motion to Dismiss Order”) but gave Class  
3 Representative leave to amend the operative complaint. ECF No. 183.

4           **G. Class Representative’s Second Amended Consolidated Complaint**

5           42. On February 14, 2024, following the instructions from the Court in  
6 the Second Motion to Dismiss Order, Class Representative filed the Second  
7 Amended Consolidated Complaint adding additional allegations as to the Catterton  
8 Defendants’ alleged control of Honest. ECF No. 185. The Second Amended  
9 Consolidated Complaint is currently the operative complaint in the Action.

10           **H. The Catterton Defendants’ Motion to Dismiss the Second  
11 Amended Consolidated Complaint**

12           43. On February 28, 2024, the Catterton Defendants moved to dismiss the  
13 Second Amended Consolidated Complaint (the “Third Motion to Dismiss”), again  
14 arguing that the Court should dismiss the claims against them as time-barred and  
15 that, in any event, the Second Amended Consolidated Complaint did not  
16 adequately plead control person liability against the Catterton Defendants. *See*  
17 *generally* ECF No. 195.

18           44. Class Counsel reviewed and analyzed the Third Motion to Dismiss  
19 brief, and the legal authority cited therein. Class Counsel also conducted extensive  
20 legal research into Defendants’ arguments and potential responses thereto. In its  
21 opposition to the Third Motion to Dismiss filed on March 13, 2024, Class  
22 Representative rebutted the arguments and authorities in the motion. ECF No. 204.

23           45. On March 20, 2024, the Catterton Defendants filed a reply in further  
24 support of the Second Motion to Dismiss. ECF No. 213. In their reply, the Catterton  
25 Defendants advanced further arguments in support of their purported bases for  
26 dismissing the Amended Consolidated Complaint. *See generally id.*

27           46. On April 22, 2024, the Court issued an Order denying the Third  
28 Motion to Dismiss in its entirety. ECF No. 217.

1           **I. Defendants’ Answers to the Second Amended**  
2           **Consolidated Complaint**

3           47. On May 29, 2024, Defendants filed their answers to the Second  
4 Amended Consolidated Complaint, denying all allegations of wrongdoing or  
5 damages and asserting affirmative defenses. ECF Nos. 231-233.

6           48. On June 21, 2024, Class Representative and the Catterton Defendants  
7 filed a Joint Stipulation to Amend Catterton Defendants’ Answer to Complaint  
8 (ECF No. 252) and Class Representative, and the Honest Defendants filed a Joint  
9 Stipulation to Amend Honest Defendants’ Answer to Complaint (ECF No. 253).  
10 On June 24, 2024, the Court granted both stipulations. ECF No. 254.

11           49. On June 28, 2024, the Honest Defendants filed their amended answer  
12 to the Second Amended Consolidated Complaint, denying all allegations of  
13 wrongdoing or damages and asserting affirmative defenses. ECF No. 259.

14           50. On August 22, 2024, the Catterton Defendants filed their amended  
15 answer to the Second Amended Consolidated Complaint, denying all allegations  
16 of wrongdoing or damages and asserting affirmative defenses. ECF No. 262.

17           **J. Class Representative’s Motion for Class Certification**

18           51. On February 13, 2023, Class Representative moved for class  
19 certification, appointment of herself as class representative, and appointment of  
20 Labaton as class counsel (“Motion for Class Certification”). ECF No. 113.

21           52. On March 6, 2023, the Honest Defendants filed an opposition to the  
22 Motion for Class Certification. ECF No. 115. The Underwriter Defendants joined  
23 in that opposition. ECF No. 116.

24           53. On March 27, 2023, Class Representative filed a reply in further  
25 support of her Motion for Class Certification. ECF No. 117.

26           54. On May 1, 2023, after briefing and oral argument, the Court entered  
27 an order granting in part the Motion for Class Certification, which certified the  
28

1 Class, appointed Kathie Ng as Class Representative, and appointed Labaton as  
2 Class Counsel. ECF No. 127.

3 **K. Class Notice**

4 55. On May 22, 2023, Class Representative, the Honest Defendants, and  
5 the Underwriter Defendants entered into a Joint Stipulation as to Notice of  
6 Pendency of Class Action. ECF No. 130. On May 24, 2023, the Court entered an  
7 order approving the proposed notice of pendency program (ECF No. 132) (“Class  
8 Notice”), which included the mailing of a postcard notice to all potential Class  
9 Members who could be identified through reasonable efforts, publication of a  
10 summary notice, and the posting of a long-form notice on a website created for the  
11 litigation.

12 56. Beginning on June 8, 2023, the Class Postcard was mailed to potential  
13 Class Members and their nominees, and a long-form notice was made available on  
14 the website for the Action, [www.TheHonestCompanySecuritiesLitigation.com](http://www.TheHonestCompanySecuritiesLitigation.com).  
15 See ECF No. 163. On June 15, 2023, a summary notice was published in *The Wall*  
16 *Street Journal* and distributed on the internet using *PR Newswire*. In addition to  
17 summarizing the Action, the notices collectively provided potential class members  
18 with the opportunity to request exclusion from the Class (*i.e.*, to “opt-out”),  
19 explained that right, and set forth procedures for doing so. The notices informed  
20 Class Members that if they did not request exclusion, they would remain a member  
21 of the Class, and that they would be bound by all Court orders, whether favorable  
22 or unfavorable.

23 57. The deadline for submitting a request for exclusion from the Class  
24 was August 7, 2023. As of August 28, 2023, no requests for exclusion were  
25 received. ECF No. 163. After August 28, 2023, three untimely requests for  
26 exclusion were received, purportedly representing 158 shares of Honest common  
27 stock in total. ECF Nos. 166, 175.

1 **IV. CLASS REPRESENTATIVE’S DISCOVERY EFFORTS**

2 58. In October 2022, Class Representative began extensive and  
3 aggressive discovery efforts on behalf of the Class. Class Representative’s efforts  
4 included propounding formal discovery requests on Defendants and responding to  
5 discovery requests served on Class Representative by Defendants. The Parties’  
6 extensive discovery included, for example, the review of more than approximately  
7 75,000 documents (347,000 pages) from the Honest Defendants, 71,000  
8 documents (300,000 pages) from the Underwriter Defendants, and 2,900  
9 documents (40,000 pages) from the Catterton Defendants. Class Representative  
10 also served nearly 30 subpoenas on third parties who produced over 1,300  
11 additional documents. Class Counsel took 19 depositions and defended two,  
12 including the depositions of Class Representative, numerous current and former  
13 employees of the Company (including one of the confidential witnesses identified  
14 in the Second Amended Consolidated Complaint), the Individual Defendants, and  
15 Rule 30(b)(6) corporate designees of Honest, the Underwriter Defendants, and the  
16 Catterton Defendants. In connection with expert discovery, the Parties submitted a  
17 total of 11 expert reports, including rebuttal reports, and were in the process of  
18 preparing for expert depositions at the time of settlement. The discovery efforts set  
19 forth herein provided Class Representative with a thorough understanding of the  
20 strengths and weaknesses of Class Representative’s claims and assisted her and  
21 Class Counsel in considering and evaluating the fairness of the Settlement.

22 **A. Rule 23(f) Conference, Initial Disclosures, and Protective Order**

23 59. On October 3, 2022, Class Representative, the Honest Defendants,  
24 and the Underwriter Defendants completed their Rule 26(f) Conference and  
25 subsequently filed a joint status report with the Court. ECF No. 93.

26 60. On October 14, 2022, Class Representative, the Honest Defendants,  
27 and the Underwriter Defendants exchanged initial disclosures pursuant to Federal  
28

1 Rule 26(a). Initial Disclosures were subsequently exchanged with the Catterton  
2 Defendants on June 6, 2024.

3 61. Class Representative, the Honest Defendants, and the Underwriter  
4 Defendants also engaged in a series of conferences to negotiate a protective order  
5 (the “First Protective Order”) to govern confidentiality produced documents and  
6 information. On October 26, 2022, Class Representative filed the proposed  
7 stipulated First Protective Order. ECF No. 100. On October 26, 2022, the Court  
8 denied the stipulated First Protective Order without prejudice. ECF No. 101.

9 62. Class Representative, the Honest Defendants, and the Underwriter  
10 Defendants then engaged in a further series of conferences to negotiate a revised  
11 protective order (the “Second Protective Order”). On November 23, 2022, Class  
12 Representative filed the proposed stipulated Second Protective Order. ECF No.  
13 106. The Court approved and so-ordered the proposed stipulated Second Protective  
14 Order on November 23, 2022. ECF No. 108.

15 **B. Discovery Propounded on Defendants**

16 63. Class Representative served multiple sets of document requests,  
17 interrogatories, and requests for admission on Defendants between October 2022  
18 and the close of fact discovery in December 2024. Class Representative also served  
19 notices under Rule 30(b)(6) for a corporate deposition on the Company, the  
20 Catterton Defendants, Morgan Stanley & Co. LLC, J.P. Morgan Securities LLC,  
21 and Jefferies LLC.

22 64. The Parties engaged in numerous meet-and-confer conferences and  
23 exchanged multiple meet-and-confer letters and emails, as to the scope and manner  
24 of the requested document productions, interrogatories, requested admissions, and  
25 corporate depositions, including issues pertaining to search terms, document  
26 custodians, privilege logs, and other disputes related to the requests. Through this  
27 comprehensive effort, the Parties were able to reach an understanding as to the  
28

1 scope of Defendants' discovery and reached many compromises without having to  
2 seek the Court's assistance.

3 65. Class Counsel conducted an efficient review of the documents  
4 produced in discovery. A team of experienced staff attorneys reviewed and  
5 analyzed the productions. Many of these staff attorneys had worked on multiple  
6 securities cases and specialize in securities and/or corporate governance litigation  
7 and are experienced in utilizing the latest technology with respect to document  
8 review.

9 66. Document production efforts began in December 2022 with attorneys  
10 ultimately reviewing approximately 75,000 documents (347,000 pages) from the  
11 Honest Defendants, 71,000 documents (300,000 pages) from the Underwriter  
12 Defendants, and 2,900 documents (40,000 pages) from the Catterton Defendants,  
13 and 1,300 documents (13,000 pages) produced by third parties.

14 67. The team of attorneys assembled by Class Counsel to review these  
15 productions varied at different times during the litigation, *i.e.*, when the production  
16 of documents increased, more attorneys were added to the review team, and as  
17 discovery reached completion attorneys were removed from the review team. After  
18 the completion of the review, members of the review teams then focused on  
19 assisting Class Representative's experts, preparing for depositions, marshalling  
20 evidence for summary judgment and trial, and preparing for mediation. Thus, these  
21 attorneys were integral to Class Counsel's prosecution of the Action.

22 68. To efficiently focus on the most relevant documents, these attorneys  
23 used the Relativity eDiscovery platform's search and data analytic software tools  
24 to analyze the data and to target the most significant communications, workpapers,  
25 and reports. The review was conducted with a combination of linear review,  
26 targeted search terms, and custodial document review using the Relativity  
27 eDiscovery platform.

28

1           69. The attorneys conducted targeted searching through text, file names,  
2 document type (*e.g.*, emails, memoranda, SEC filings, and correspondence), dates,  
3 bates numbers, etc. to identify relevant, irrelevant, and “hot” documents for  
4 additional review, and to create collections of documents sorted by issue.  
5 Documents were allocated to be reviewed by specific experts retained by Class  
6 Counsel. Through experience and their increasing familiarity with the documents,  
7 the review team identified additional swaths of important documents, which were  
8 also run through the analytics and search functions to derive the most significant  
9 documents for use in connection with depositions, summary judgment, trial  
10 preparation, expert discovery, and Class Representative’s mediation statements.  
11 The review team analyzed and coded documents, prepared for periodic “hot”  
12 document meetings, privilege log review, and conducted deposition preparation  
13 which included reviewing and coding all deponent custodial documents if  
14 practicable, or in the alternative, the use of targeted searches, and organizing the  
15 final set of documents for use at the deposition.

16           70. At the start of the document review, attorneys on the review team  
17 generally held weekly document review sessions (with one or more of the more  
18 senior attorneys on the litigation team) to discuss the results of their ongoing  
19 review, their progress on existing projects, and new projects to be undertaken by  
20 the team. Throughout the case, the attorneys reviewing the documents prepared  
21 meaningful work product, including chronologies, compendiums of key players,  
22 and analyses of hot documents, which they continually updated and refined as the  
23 team’s knowledge of the issues in the case expanded.

24           71. Building upon the knowledge learned through the document  
25 discovery process, Class Counsel conducted 19 depositions of fact witness and  
26 Rule 30(b)(6) designees.

27           72. Collectively, the depositions provided substantial evidence and  
28 insight into events reflecting upon the allegations in the Second Amended

1 Consolidated Complaint. However, as discussed herein, they also provided a  
2 preview of the difficulties of proving Class Representative's case through adverse  
3 witnesses aligned with the Defendants and the battle of the experts that would be  
4 on display at trial.

5 **C. Discovery Propounded on Class Representative**

6 73. The Honest Defendants also aggressively sought discovery from  
7 Class Representative. The Honest Defendants served document requests and  
8 interrogatories on Class Representative. Class Representative objected to many of  
9 the Honest Defendants' requests on the basis that they were exceedingly broad and  
10 sought information that was protected by various privileges and other protections.  
11 As a result of the breadth of Defendants' document requests, the Parties engaged  
12 in extended meet-and-confer conferences to negotiate the scope of production.  
13 Thereafter, Class Representative worked diligently with Class Counsel to collect  
14 and produce responsive material, respond in detail to the interrogatories, and  
15 prepare for her deposition.

16 74. Defendants took the depositions of Class Representative and one of  
17 the confidential witnesses identified in the Second Amended Consolidated  
18 Complaint.

19 **D. Discovery Disputes**

20 75. As described above, discovery in this matter was both intense and  
21 voluminous. The Parties held numerous meet-and-confer sessions throughout the  
22 course of discovery. The Parties also engaged in several letter writing campaigns  
23 and contentious email correspondence, concerning the scope of discovery and  
24 Defendants' privilege logs.

25 76. Through productive meet and confers, the Parties were often able to  
26 reach compromises on many issues, which lead to the production of additional  
27 information that was at times critical to supporting Class Representative's claims.  
28

1 However, Class Representative did raise numerous discovery disputes with  
2 Magistrate Judge Alka Sagar.

3 77. In particular, Class Representative challenged the sufficiency of the  
4 Individual Defendants' interrogatory responses. Class Representative also  
5 challenged many entries on Defendants' voluminous privilege logs on the grounds  
6 that they: (i) included non-attorney communications; (ii) concerned non-legal  
7 business matters; (iii) involved waiver from third parties; (iv) inappropriately  
8 applied the common interest doctrine; (v) inappropriately applied the work product  
9 protection; (vi) involved waiver under *Asia Global*; and (vii) did not assert any  
10 privilege or protection.

11 78. Through the efforts of the Parties, and with the assistance of  
12 Magistrate Sagar (ECF No. 288), these matters were resolved through an informal  
13 discovery conference and additional meet and confers between the Parties. As a  
14 result, Class Representative received amended interrogatory responses from the  
15 Individual Defendants, amended privilege logs from the Honest Defendants and  
16 Underwriter Defendants, and additional document productions from Defendants.  
17 Class Counsel believes that the discovery of this additional evidence led to  
18 additional support of Class Representative's claims.

19 **E. Expert Disclosures and Discovery**

20 79. On November 18, 2024, Class Representative served two expert  
21 opening reports. One report was authored by Daniel Taylor on the topic of tracing  
22 shares issued in the IPO and the second report was authored Chad Coffman in  
23 support of Class Representative's claimed damages.

24 80. On the same date, the Honest Defendants served two expert reports,  
25 one authored by Jan Kniffen on how the COVID-19 pandemic affected the  
26 consumer packaged goods industry and another authored by Kenneth M. Lehn  
27 regarding negative causation's impact on any claimed damages. At the same time,  
28 the Underwriter Defendants served an expert report authored by Gary Lawrence

1 regarding their due diligence defense to Class Representative’s claims against  
2 them. Likewise, the Catterton Defendants served two expert reports, one authored  
3 by Tom Schryver, on whether the actions the Catterton Defendants undertook with  
4 respect to Honest were customary among private equity investors, and another by  
5 Steven Davidoff Solomon, on whether the Catterton Defendants’ actions and  
6 involvement with Honest were typical for a similarly situated private equity  
7 investor.

8 81. On December 15, 2024, Class Representative served one rebuttal  
9 expert report authored by Chad Coffman in response to Kenneth M. Lehn’s report  
10 on negative causation.

11 82. On December 16, 2024, Class Representative served three additional  
12 rebuttal expert reports authored by: (i) Joe Leiwant in response to Jan Kniffen’s  
13 report on the impacts of the COVID-19 pandemic; (ii) James Miller in response to  
14 Gary Lawrence’s report on due diligence; and (iii) William Purcell in response to  
15 Steven Davidoff Solomon’s and Tom Schryver’s reports on the customs and  
16 practices of private equity investors.

17 83. At the time the Parties reached an agreement in principle to settle the  
18 Action, Class Counsel was fully prepared to begin taking and defending expert  
19 depositions, with the first expert deposition scheduled to occur on January 7, 2025,  
20 one day after Class Representative and the Catterton Defendants agreed to accept  
21 the Mediator’s proposal to resolve all claims against the Catterton Defendants.

## 22 **V. THE SETTLEMENT**

### 23 **A. The Parties’ Settlement Negotiations and Mediation**

24 84. In May 2023, Class Representative and the Honest Defendants began  
25 discussing the possibility of a mediated resolution of the Action. To facilitate these  
26 discussions, Class Representative and the Honest Defendants engaged David M.  
27 Murphy, Esq., a well-respected and highly experienced mediator from Phillip  
28 ADR.

1           85. On July 20, 2023, Class Counsel and counsel for the Honest  
2 Defendants met with the Mediator to explore a potential resolution of this Action  
3 through an all-day mediation. ECF No. 135. This mediation was preceded by the  
4 exchange of confidential mediation statements. However, no settlement was  
5 reached at the session.

6           86. Beginning in October 2024, Class Representative and the Honest  
7 Defendants again agreed to explore the possibility of a negotiated resolution of the  
8 Action with the assistance of the Mediator. These efforts were now joined by the  
9 Catterton Defendants.

10           87. Class Representative, the Honest Defendants, and the Catterton  
11 Defendants, each exchanged extensive mediation statements laying out their  
12 respective positions on December 9, 2024.

13           88. On December 16, 2024, Class Counsel, counsel for the Honest  
14 Defendants, and Counsel for the Catterton Defendants, met in person for a full-day  
15 mediation with the Mediator in an attempt to reach a settlement. After extensive  
16 arm's-length negotiation, Class Representative, the Honest Defendants, and the  
17 Catterton Defendants were unable to reach an agreement to settle the Action but  
18 agreed to continue negotiations through the Mediator.

19           89. On December 23, 2024, after several discussions between Class  
20 Counsel and counsel for the Honest Defendants through the Mediator, Class  
21 Representative and the Honest Defendants accepted a Mediator's proposal to  
22 resolve all claims against the Honest Defendants and the indemnified Underwriter  
23 Defendants for \$20,000,000 in cash, subject to the negotiation of non-financial  
24 terms for the Settlement and Court approval.

25           90. On January 6, 2025, after several discussions between Class Counsel  
26 and counsel for the Catterton Defendants through the Mediator, Class  
27 Representative and the Catterton Defendants accepted a Mediator's proposal to  
28

1 resolve all claims against the Catterton Defendants for \$7,500,000, subject to the  
2 negotiation of non-financial terms for the Settlement and Court approval.

3 **B. Preparation of Settlement Documentation and**  
4 **Preliminary Approval Motion**

5 91. Thereafter, the Parties worked diligently to negotiate the full  
6 settlement terms set forth in the Stipulation and its exhibits and exchanged multiple  
7 drafts of these documents. As of March 11, 2025, the Parties executed the  
8 Stipulation setting forth the full terms and conditions of the Settlement.

9 92. On March 12, 2025, Class Representative submitted an unopposed  
10 motion for an order preliminarily approving the Settlement, approving the manner  
11 and form of notice to be sent to Class Members, and scheduling a hearing for final  
12 approval of the Settlement (“Preliminary Approval Motion”). ECF No. 304. On  
13 April 14, 2025, the Court held a hearing on the Preliminary Approval Motion. By  
14 entry of the Preliminary Approval Order on May 7, 2025, the Court granted Class  
15 Representative’s motion, and scheduled the Settlement Hearing for July 28, 2025  
16 at 9:00 a.m. ECF No. 311.

17 **VI. RISKS OF CONTINUED LITIGATION**

18 93. As explained above, the Settlement is the result of extensive arm’s-  
19 length negotiations by fully informed Class Representative and Class Counsel,  
20 resolves this hard-fought litigation, and represents an excellent result for the Class  
21 by any measure, particularly when evaluated in light of the risks of continued  
22 litigation through the remainder of expert discovery, summary judgment, trial, and  
23 appeal.

24 94. Class Representative and Class Counsel understood that, while Class  
25 Representative’s claims were strong and Class Representative believes she had  
26 adduced substantial evidence to support the Class’s claims at summary judgment  
27 and trial, there were also a number of factors that made the outcome of continued  
28 litigation uncertain, weighing in favor of a settlement.

1           95. If the Court at summary judgment or a jury at trial sided with  
2 Defendants on even one of their defenses, it could have substantially decreased or  
3 potentially foreclosed any recovery at all for the Class. Even if Class  
4 Representative prevailed at trial, Defendants could have appealed any such verdict,  
5 injecting additional risk and delay into the process. Several of the most serious  
6 risks of an adverse outcome faced by the Class are discussed in the following  
7 paragraphs.

8           96. Overall, Class Counsel’s extensive discovery efforts, factual and legal  
9 analyses, the considerable factual record developed through document discovery,  
10 depositions of fact witnesses, expert reports, the Parties’ legal and factual  
11 arguments in connection with their litigated disputes through the date of reaching  
12 an agreement to settle in principle, and the Parties’ settlement negotiations, allowed  
13 Class Representative and Class Counsel to undertake a comprehensive evaluation  
14 of the strengths and weaknesses of the claims. Based on that evaluation, Class  
15 Counsel (a firm with extensive experience in the prosecution and trial of complex  
16 securities litigation) together with Class Representative determined that the  
17 Settlement was in the best interest of the Class.

18           **A. Risks Related to Proving Falsity, Proving Materiality and**  
19           **Overcoming Defendants’ Affirmative Defenses**

20           97. As an initial matter, Class Representative faced several challenges  
21 with respect to proving that all of the surviving misstatements were materially  
22 false. Defendants strenuously argued that Class Representative would be unable to  
23 prove that each of their statements were false and misleading at trial. Any failure  
24 in this regard would have significant consequences with respect to proving  
25 damages.

26           98. For example, regarding the allegations of false and misleading  
27 statements and omissions in the Offering Documents, Defendants would have  
28 sought to convince the Court and a jury that the disclosures within the Offering

1 Documents, and evidence gathered in discovery, showed that there were no false  
2 and misleading statements or omissions. In particular, Defendants would likely  
3 seek to establish that Class Representative could not prove that Defendants omitted  
4 information from the Offering Documents about the launch of Honest's new diaper  
5 product or the impact of COVID-19 on the Company's business.

6 99. Regarding Honest's Clean Conscious Diaper, Defendants would  
7 likely argue that evidence shows that it was in fact the Company's best diaper  
8 product ever, which increased Honest's diaper sales and market share. Moreover,  
9 Defendants would argue that any early consumer complaints about the product  
10 were common for any new product introduced to the market, and those issues (if  
11 any) were quickly and completely resolved prior to the IPO.

12 100. Defendants also would have likely argued that relevant information  
13 and reports about the impact of COVID-19 existed in the public domain at the time  
14 of the IPO. Defendants would likely argue that the Company was transparent with  
15 investors about the impact of COVID-19 on Honest's business both prior to the  
16 IPO and in the Offering Documents. These facts, if accepted at trial, not only could  
17 prevent Class Representative from proving materiality but could significantly  
18 assist Defendants in establishing a knowledge defense under the Securities Act.

19 101. Each of the Individual Defendants and the Underwriter Defendants  
20 would have asserted a due diligence defense. While Class Representative would  
21 have worked extensively with her due diligence expert to show that these  
22 Defendants were negligent in connection with the IPO, these Defendants would  
23 also have put forth evidence and, in the case of the Underwriter Defendants, a well-  
24 qualified expert of their own, showing that they conducted a reasonable  
25 investigation at the time of the IPO and had reasonable ground for believing in the  
26 truthfulness and completeness of the Offering Documents.

27 102. Finally, the Catterton Defendants would also argue that they did not  
28 control Honest in connection with the IPO. In particular, the Catterton Defendants

1 would most likely assert that they did not control Honest’s board of directors,  
2 management, or day-to-day operations, and that their actions in connection with  
3 the IPO were consistent with standard private equity practices. As with the  
4 Underwriter Defendants’ due diligence defense, the Catterton Defendants would  
5 put forward well-qualified experts to support the reasonableness of their actions.  
6 While Class Representative would have her own expert on this issue, it would be  
7 for the jury to decide which of the competing views to accept.

8 **B. Risks Related to Recovering Damages**

9 103. Even if Class Representative convinced a jury to render a unanimous  
10 verdict on liability, she also faced challenges and uncertainty with respect to  
11 proving damages.

12 104. While Class Representative’s damages expert has estimated that  
13 statutory damages were approximately \$210 million, Defendants and their expert  
14 would likely make several credible arguments that any recoverable damages  
15 should be much lower, if not zero.

16 105. Specifically, Defendants and their expert would likely argue that  
17 statutory damages should be reduced, if not eliminated, because of negative  
18 causation, *i.e.*, the decline in stock price was caused by something other than the  
19 alleged misstatements or omissions. *See* 15 U.S.C. § 77k(e).

20 106. In particular, most of the Class’s statutory damages (approximately  
21 \$173 million) occurred on just two dates: June 17, 2021 and August 13, 2021.  
22 Defendants would likely put forward strong negative causation arguments for the  
23 price declines on these two dates, including that the price declines were not caused  
24 by any new information about Class Representative’s allegations entering the  
25 market.

26 107. For example, Defendants would likely argue that rather than  
27 providing any corrective information about Honest’s new Clean Conscious  
28 Diapers, the Company’s disclosures on August 12, 2021 provided the market with

1 positive news about the diaper category, including “mid-single-digit growth for the  
2 quarter on [its] Diaper business” and that its “diaper market share increased this  
3 quarter as [its] diaper retail consumption growth outpaced the market,” and “grew  
4 33% compared to the total diaper market of 20%.” As for June 17, 2021,  
5 Defendants’ negative causation expert would likely seek to demonstrate that the  
6 price decline on that date was not statistically significant and, as such, not  
7 recoverable.

8 108. If arguments with respect to just these two dates were successful,  
9 recoverable damages, according to Class Representative’s consulting damage  
10 expert, could likely be as low as \$36 million. Accordingly, the Settlement recovers  
11 between approximately 13% and 76% of potential aggregate damages.

12 109. Moreover, the Settlement represents a prompt and substantial tangible  
13 recovery, without the risks involved in enforcing a litigated judgment. Indeed here,  
14 Honest’s financial condition over the course of the litigation has gone through  
15 periods of significant instability.

16 110. Accordingly, substantial risks with respect to recovering damages  
17 remained in the case at the time the Settlement was reached.

18 **VII. COMPLIANCE WITH THE PRELIMINARY APPROVAL ORDER**  
19 **AND REACTION OF THE CLASS TO DATE**

20 111. As required by the Court’s Preliminary Approval Order, Epiq,  
21 working under Class Counsel’s supervision, began disseminating notice of the  
22 Settlement on May 21, 2025. Ex. 2 at ¶¶7-11. Epiq mailed the Settlement Postcard,  
23 by First-Class mail, to potential Class Members and to their banks, brokers and  
24 other nominees (“Nominees”), using information previously gathered in  
25 connection with the Class Notice. Additionally, Epiq forwarded Settlement Notices  
26 to Nominees in Epiq’s Nominee database. *Id.* As of June 20, 2025, Epiq has  
27 provided 36,349 Settlement Postcards to potential Class Members and Nominees.  
28

1 *Id.* at ¶10. Epiq also caused the Summary Notice to be published in *The Wall Street*  
2 *Journal* and transmitted over *PR Newswire* on June 4, 2025. *Id.* at ¶12.

3 112. The Settlement Postcard, long-form Settlement Notice, and Claim  
4 Form, along with other case related documents, were posted on the website  
5 maintained for the Action, [www.TheHonestCompanySecuritiesLitigation.com](http://www.TheHonestCompanySecuritiesLitigation.com),  
6 which was developed initially in connection with the Class Notice and has been  
7 updated for the Settlement. The website also provides information concerning the  
8 case and important dates and deadlines in connection therewith, as well as an online  
9 claim portal, and access to downloadable copies of relevant documents, including  
10 the Second Amended Consolidated Complaint, Court orders, the Stipulation, and  
11 the Preliminary Approval Order. *Id.* at ¶13. Copies of the Settlement Notice and  
12 Claim Form are also available on Class Counsel’s website, [www.labaton.com](http://www.labaton.com).  
13 Additionally, Epiq maintains a toll-free telephone number to respond to inquiries  
14 regarding the Settlement. *Id.* at ¶15.

15 113. Collectively, the notices contain important information about the  
16 Action and the Settlement, including, among other things, the definition of the  
17 Court-certified Class, a description of the proposed Settlement, and Class  
18 Members’ options in connection with the Settlement. *See generally id.*, Ex. 2-A to  
19 C. The long-form Settlement Notice provides more detailed information about the  
20 Action and the Settlement, including the Plan of Allocation. The notices also  
21 inform recipients of Class Counsel’s intent, on behalf of Plaintiffs’ Counsel, to  
22 apply for attorneys’ fees in an amount not to exceed 30% of the Settlement Fund,  
23 and for payment of Litigation Expenses in an amount not to exceed \$1,750,000. *Id.*

24 114. The deadline for Class Members to file an objection to the Settlement,  
25 the Plan of Allocation, and/or the Fee and Expense Application is July 7, 2025. To  
26 date, no objection to any aspect of the Settlement has been received by Class  
27 Counsel or docketed with the Court. Class Counsel will file a reply on or before  
28 July 21, 2025, which will address any objections that may be received.

1 **VIII. THE PLAN FOR ALLOCATING THE NET SETTLEMENT FUND**  
2 **TO THE CLASS IS FAIR, REASONABLE, AND ADEQUATE**

3 115. In accordance with the Preliminary Approval Order, Class Members  
4 who wish to participate in the distribution of the Net Settlement Fund (*i.e.*, the  
5 Settlement Fund less: (i) any Taxes; (ii) any Notice and Administration Expenses;  
6 (iii) any Litigation Expenses awarded by the Court; (iv) any attorneys' fees  
7 awarded by the Court; and (v) any other costs or fees approved by the Court) must  
8 submit a valid Claim Form and all required supporting documentation to the  
9 Claims Administrator, Epiq, no later than July 14, 2025. The Claims Administrator  
10 will calculate Claimants' "Recognized Claims" using the transactional information  
11 provided in their Claim Forms, which can be mailed to the Claims Administrator,  
12 submitted online using the case website, or, for large investors with hundreds of  
13 transactions, sent via email to the Claims Administrator's electronic filing team.

14 116. As provided in the notice, the Net Settlement Fund will be distributed  
15 to Authorized Claimants<sup>6</sup> in accordance with the plan for allocating the Net  
16 Settlement Fund among Authorized Claimants approved by the Court ("Plan of  
17 Allocation"). The Plan of Allocation proposed by Class Representative is set forth  
18 on pages 11-13 of the Settlement Notice. *See* Ex. 2-C.

19 117. The objective of the Plan is to distribute the Net Settlement Fund  
20 equitably among those Class Members who suffered economic losses as a result of  
21 the alleged violations of the federal securities laws with respect to shares of Honest  
22 publicly traded common stock purchased or otherwise acquired pursuant and  
23 traceable to the Offering Documents for the IPO.<sup>7</sup>

24 \_\_\_\_\_  
25 <sup>6</sup> As defined in ¶ 1(c) of the Stipulation, an "Authorized Claimant" is a Class  
26 Member who submits a valid Claim Form to the Claims Administrator that is  
approved for payment from the Net Settlement Fund.

27 <sup>7</sup> Shares of Honest publicly traded common stock purchased or otherwise  
28 acquired from May 5, 2021 (the date of the IPO) through, and including, August  
18, 2021 (the "Traceability Period"), are considered traceable to the Offering  
Documents per the Court's Order Re: Motion For Class Certification (ECF No.  
113), dated May 1, 2023. ECF No. 127.

1           118. Class Counsel developed the Plan in consultation with Class  
2 Representative's damages expert. The Plan, however, is not a formal damages  
3 analysis. The calculations made pursuant to the Plan are not intended to estimate,  
4 or be indicative of, the amounts that Class Members might have been able to  
5 recover as damages at trial. Nor are the calculations, including the Recognized Loss  
6 formulas, intended to estimate the amounts that will be paid to Authorized  
7 Claimants. The computations under the Plan are only a method to weigh the claims  
8 of Authorized Claimants against one another for purposes of making *pro rata*  
9 allocations of the Net Settlement Fund, and the Recognized Claim amounts are the  
10 basis upon which the Net Settlement Fund will be proportionately allocated to  
11 Authorized Claimants.

12           119. Class Representative's claims asserted in the Action under Section 11  
13 of the Securities Act serve as the basis for the calculation of the Recognized Loss  
14 Amounts under the Plan. Section 11 provides a statutory formula for the calculation  
15 of damages and the formulas set forth in paragraph 65 of the Settlement Notice,  
16 which were developed by Class Representative's damages expert, generally track  
17 the statutory formula.

18           120. Epiq, as the Claims Administrator, will determine each Authorized  
19 Claimant's *pro rata* share of the Net Settlement Fund by dividing the Authorized  
20 Claimant's Recognized Claim (*i.e.*, the sum of the Claimant's Recognized Loss  
21 Amounts for each purchase, as calculated under the Plan) by the total Recognized  
22 Claims of all Authorized Claimants, multiplied by the total amount in the Net  
23 Settlement Fund. Class Representative's losses will be calculated in the same  
24 manner.

25           121. Once Epiq has processed all submitted Claim Forms and provided  
26 Claimants with an opportunity to cure any deficiencies in their claims or challenge  
27 the rejection of their claims, processed responses, and made claim determinations,  
28

1 distributions will be made to Authorized Claimants in the form of checks and wire  
2 transfers.

3 122. As set forth in the Plan, if there is any balance remaining in the Net  
4 Settlement Fund (whether by reason of uncashed checks, or otherwise), after at  
5 least six (6) months after the initial distribution, and after payment of any unpaid  
6 fees and expenses incurred in administering the Settlement, and Taxes, the Claims  
7 Administrator will, if feasible, reallocate such balance among Authorized  
8 Claimants who have cashed their initial distribution checks in an equitable and  
9 economic fashion. Redistributions will be repeated until the balance in the Net  
10 Settlement Fund is no longer feasible or economical to distribute. Any balance that  
11 still remains in the Net Settlement Fund after re-distribution(s), which is not  
12 feasible or economical to reallocate, after payment of Notice and Administration  
13 Expenses and Taxes, shall be contributed to the Council of Institutional Investors,  
14 a non-profit, non-sectarian organization, or such other organization approved by  
15 the Court. *See* Ex. 2-C at ¶74.

16 123. The structure of the Plan is similar to that of numerous other plans of  
17 allocation that have been used in other class actions under the Securities Act.

18 124. To date, no objections to the Plan have been filed.

19 125. In sum, the proposed Plan of Allocation, developed in consultation  
20 with Class Representative's damages expert, was designed to fairly and rationally  
21 allocate the Net Settlement Fund among Authorized Claimants. Accordingly, Class  
22 Counsel respectfully submits that the proposed Plan is fair, reasonable, and  
23 adequate and should be approved.

## 24 **IX. THE FEE AND EXPENSE APPLICATION**

25 126. In addition to seeking final approval of the Settlement and approval  
26 of the Plan of Allocation, Class Counsel, on behalf of Plaintiffs' Counsel, is  
27 applying to the Court for an award of attorneys' fees and payment of expenses.  
28 Consistent with the notices, Class Counsel is applying for attorneys' fees in the

1 amount of 30% of the Settlement Fund, or \$8,250,000, plus interest earned at the  
2 same rate as earned by the Settlement Fund, and for litigation expenses in the  
3 amount of \$1,677,604.36. Class Counsel also seeks reimbursement in the amount  
4 of \$7,425.00 to Class Representative for her costs, including lost wages, incurred  
5 in connection with her representation of the Class in accordance with the PSLRA,  
6 15 U.S.C. §77z-1(a)(4). As noted above, Class Counsel’s Fee and Expense  
7 Application is consistent with the amounts set forth in the notices and, to date, not  
8 one objection regarding the maximum fee and expense amounts set forth in the  
9 notices has been received.

10 127. The lodestar and expense submissions of Alfred L. Fatale III on behalf  
11 of Labaton Keller Sucharow LLP (“Labaton Fee and Expense Decl.”) are attached  
12 hereto as Exhibit 3.<sup>8</sup> Pursuant to the Court’s Initial Standing Order for Civil Cases,  
13 breakdowns of the work associated with the firm’s lodestar, by task category, are  
14 provided in Exhibits B and C.<sup>9</sup> Exhibit D is Labaton’s standard task category table.  
15 The schedules were prepared from daily time records regularly prepared and  
16 maintained by my firm. Time expended in preparing this application for fees and  
17 payment of expenses has not been included.

18 128. Below is a summary of the primary factual bases for Class Counsel’s  
19 Fee and Expense Application. A full analysis of the factors considered by courts  
20 within the Ninth Circuit when evaluating requests for attorneys’ fees and expenses  
21 from a common fund, as well as the supporting legal authority, is presented in the  
22 accompanying Fee and Expense Memorandum.

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25

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26 <sup>8</sup> Liaison Counsel Schall Law is not submitting an individual declaration with  
27 its time and expenses. It will be compensated from any fees awarded to Labaton.

28 <sup>9</sup> Pursuant to the Court’s Standing Civil Order, copies of Exhibits A through E  
to the Labaton Fee and Expense Declaration will be emailed to the Court in Excel  
format.



1 132. Here, as a result of the Settlement, numerous Class Members will  
2 benefit and receive compensation for their losses and avoid the substantial risks of  
3 a lesser, or no, recovery in the absence of settlement.

4 **2. The Risks of Litigation and the Contingent**  
5 **Nature of the Fee**

6 133. The risks faced by Plaintiffs' Counsel in prosecuting this Action are  
7 highly relevant to the Court's consideration of an award of attorneys' fees, as well  
8 as its approval of the Settlement. Here, Defendants adamantly deny any liability  
9 and, if the Action had continued, would have aggressively litigated their defenses  
10 through dispositive motions, a complex trial, and the appeals that would inevitably  
11 follow. As detailed in Section VI. above, notwithstanding that the claims survived  
12 Defendants' motions to dismiss, Plaintiffs' Counsel and Class Representative  
13 faced significant risks with respect to surviving summary judgment challenges and  
14 actually proving Defendants' liability and damages at each of the future stages of  
15 the litigation.

16 134. These case-specific litigation risks are in addition to the risks  
17 accompanying securities litigation generally, such as the fact that this Action is  
18 governed by stringent case law interpreting the federal securities laws and was  
19 undertaken on a contingent-fee basis. From the outset, Class Counsel understood  
20 that this would be a complex, expensive, and potentially lengthy litigation with no  
21 guarantee of ever being compensated for the substantial investment of time and  
22 financial expenditures that vigorous prosecution of the case would require. In  
23 undertaking that responsibility, Class Counsel was obligated to ensure that  
24 sufficient resources (in terms of attorney and support-staff time) were dedicated to  
25 prosecuting the Action, and that funds were available to compensate vendors and  
26 consultants and to cover the considerable out-of-pocket costs that a case like this  
27 typically demands. With an average lag time of several years for these cases to  
28 conclude, the financial burden on contingent-fee counsel is far greater than on a

1 firm that is paid on an hourly, ongoing basis. Counsel have dedicated more than  
2 18,000 hours to prosecuting the Action for the benefit of the Class yet have  
3 received no compensation for their efforts.

4 135. Plaintiffs' Counsel also bore the risk that no recovery would be  
5 achieved. Class Counsel is aware that despite the most vigorous and competent  
6 efforts, a law firm's success in contingent litigation such as this is never  
7 guaranteed. Moreover, it takes hard work and diligence by skilled counsel to  
8 develop the facts and theories that are needed to sustain a complaint or win at trial,  
9 or to persuade sophisticated defendants to engage in serious settlement  
10 negotiations at meaningful levels. Class Counsel is aware of many hard-fought  
11 lawsuits in which, because of the discovery of facts unknown when the case  
12 commenced, or changes in the law during the pendency of the case, or a decision  
13 of a judge or jury following a trial on the merits, excellent professional efforts by  
14 a plaintiff's counsel produced no fee for counsel.

15 136. Successfully opposing a motion to dismiss or even for summary  
16 judgment is also not a guarantee that plaintiffs will prevail at trial. While only a  
17 few securities class actions have been tried before a jury, several have been lost in  
18 their entirety, such as *In re JDS Uniphase Securities Litigation*, No. 02-cv-1486,  
19 slip op. (N.D. Cal. Nov. 27, 2007) (tried by Labaton), and *In re Tesla, Inc. Sec.*  
20 *Litig.*, No. 18-cv-4865, slip op. (N.D. Cal. Feb. 3, 2023), or substantially lost as to  
21 the main case, such as *In re Clarent Corp. Sec. Litig.*, No. 01-cv-3361, slip op.  
22 (N.D. Cal. Feb. 16, 2005).

23 137. Even plaintiffs who succeed at trial may find their verdict overturned  
24 by a post-trial motion for a directed verdict or on appeal. *See, e.g., In re*  
25 *BankAtlantic Bancorp, Inc.*, No. 07-cv-61542, 2011 WL 1585605 (S.D. Fla. Apr.  
26 25, 2010) (in case tried by Labaton, after plaintiffs' jury verdict, court granted  
27 defendants' motion for judgment as a matter of law on loss causation grounds),  
28 *aff'd*, 688 F. 3d 713 (11th Cir. 2012) (trial court erred, but defendants entitled to

1 judgment as matter of law on lack of loss causation); *Ward v. Succession of*  
2 *Freeman*, 854 F.2d 780 (5th Cir. 1998) (reversing plaintiffs’ jury verdict for  
3 securities fraud); *Anixter v. Home-Stake Prod. Co.*, 77 F.3d 1215 (10th Cir. 1996)  
4 (overturning plaintiffs’ verdict obtained after two decades of litigation);  
5 *Glickenhau & Co. v. Household Int’l, Inc.*, 787 F.3d 408 (7th Cir. 2015) (reversing  
6 and remanding jury verdict of \$2.46 billion after 13 years of litigation on loss  
7 causation grounds and error in jury instruction under *Janus Cap. Grp., Inc. v. First*  
8 *Derivative Traders*, 564 U.S. 135 (2011)); *Robbins v. Koger Props., Inc.*, 116 F.3d  
9 1441 (11th Cir. 1997) (reversing \$81 million jury verdict and dismissing case with  
10 prejudice). And, the path to maintaining a favorable jury verdict can be arduous  
11 and time consuming. *See, e.g., In re Apollo Grp., Inc. Sec. Litig.*, No. CV-04-2147-  
12 PHX-JAT, 2008 WL 3072731 (D. Ariz. Aug. 4, 2008), *rev’d*, No. 08-cv-16971,  
13 2010 WL 5927988 (9th Cir. June 23, 2010) (unanimous verdict for plaintiffs  
14 rejected by trial court and later reinstated by the Ninth Circuit Court of Appeals).

15 138. The United States Supreme Court and numerous other courts have  
16 repeatedly recognized that the public has a strong interest in having experienced  
17 and able counsel enforce the federal securities laws through private actions. *See,*  
18 *e.g., Bateman Eichler, Hill Richards, Inc. v. Berner*, 472 U.S. 299, 310 (1985)  
19 (Private securities actions provide ““a most effective weapon in the enforcement’  
20 of the securities laws and are a ‘necessary supplement to [SEC] action.’”) (citations  
21 omitted). Vigorous private enforcement of the federal securities laws can only  
22 occur if private investors can obtain some parity in representation with that  
23 available to large corporate defendants. If this important public policy is to be  
24 carried out, courts should award fees that adequately compensate plaintiffs’  
25 counsel, taking into account the risks undertaken in prosecuting a securities class  
26 action as well as the economics involved.

27 139. Plaintiffs’ Counsel’s efforts, in the face of substantial risks and  
28 uncertainties, have resulted in what Class Counsel believes is a significant (and

1 certain) recovery for the Class. In these circumstances, and in consideration of their  
2 hard work and the excellent result achieved, Class Counsel believes the 30% fee  
3 request is fair and reasonable and should be approved.

4 **3. The Skill Required and Quality of Counsel's**  
5 **Representation**

6 140. The skill and diligence of Class Counsel also support the requested  
7 fee. As demonstrated by the firm biography included as Exhibit F to the Labaton  
8 Fee and Expense Declaration, Class Counsel is among the most experienced and  
9 skilled law firms in the securities litigation field, with a long and successful track  
10 record representing investors in such cases, and is consistently ranked among the  
11 top plaintiffs' firms in the country.

12 141. The substantial result achieved for the Class here also reflects the  
13 superior quality of this representation.

14 142. The quality of the work performed in obtaining the Settlement should  
15 also be evaluated in light of the quality of opposing counsel. Defendants in this  
16 case were represented by experienced counsel from Cooley LLP, Allen Overy  
17 Shearman Sterling US LLP, and Greenberg Traurig LLP – prominent litigation  
18 firms that vigorously and ably defended the Action on behalf of Defendants. In the  
19 face of this formidable defense, Plaintiffs' Counsel were nonetheless able to  
20 develop a case that was sufficiently strong to persuade Defendants to settle the  
21 Action on terms that are very favorable to the Class.

22 **4. The Time and Labor Devoted to the Action**

23 143. As more fully described above, Class Counsel: (i) engaged in a  
24 thorough pre-discovery investigation; (ii) drafted three detailed amended  
25 complaints; (iii) opposed three extensive motions to dismiss and a motion for  
26 partial reconsideration; (iv) obtained class certification; and (v) built the case  
27 through extensive fact and expert discovery, which included the review of more  
28 than approximately 75,000 documents (347,000 pages) from the Honest

1 Defendants, more than approximately 71,000 documents (300,000 pages) from the  
2 Underwriter Defendants, approximately 2,900 documents (40,000 pages) from the  
3 Catterton Defendants, and more than approximately 1,300 documents (13,000  
4 pages) from third parties, and taking 19 depositions and defending two. In  
5 connection with expert discovery, Class Representative submitted six expert  
6 reports. The Parties exchanged extensive mediation briefing and participated in  
7 two mediations. *See supra* Sections III.-V. These efforts were driven and focused  
8 on advancing the litigation to achieve the most successful outcome for the Class,  
9 whether through settlement or trial, by the most efficient means possible.  
10 Throughout the litigation, Class Counsel implemented effective project  
11 management and sought to maintain an appropriate level of staffing on all tasks.

12 144. The time devoted to this Action by Class Counsel is set forth in the  
13 Labaton Fee and Expense Declaration, Exhibit 3 hereto. Included with the  
14 Declaration are several schedules that summarize the time expended by the  
15 attorneys and professional support staff at the firm, as well as its expenses (“Fee  
16 and Expense Schedules”). The Fee and Expense Schedules report each person’s  
17 resulting “lodestar,” *i.e.*, their hours multiplied by their historical and current  
18 hourly rates, and their time broken down into different categories of work.

19 145. Over the course of the Litigation, the hourly rates of Class Counsel  
20 here ranged from \$800 to \$1,375 per hour for partners, \$725 to \$975 per hour for  
21 of counsels, \$275 to \$600 for associates, \$420 to \$455 for staff attorneys, and \$200  
22 to \$415 for paralegals. *See Ex. 3-B*. These hourly rates are reasonable for this type  
23 of complex litigation. Exhibit 4, attached hereto, is a table of hourly rates for  
24 defense firms compiled by Class Counsel from fee applications submitted by such  
25 firms nationwide in bankruptcy proceedings in 2024. The analysis shows that  
26 across all types of attorneys, Class Counsel’s hourly rates here are consistent with,  
27 or lower than, the firms surveyed.

28

1 146. In total, Class Counsel has expended 18,379 hours on the  
2 investigation, prosecution, and resolution of the claims against Defendants  
3 representing a total lodestar of \$10,173,968.50 (current rates) and \$9,390,860.00  
4 (historical rates).<sup>10</sup> Thus, pursuant to a lodestar “cross-check,” Class Counsel’s fee  
5 request of 30% of the Settlement Fund (or \$8,250,000, plus interest), if awarded,  
6 would yield a *negative* multiplier of approximately 0.81 to 0.88 on its lodestar,  
7 which is below the range of fee multipliers typically awarded in comparable  
8 securities class actions and in other class actions involving significant contingency  
9 fee risk, in this Circuit and elsewhere. *See* Fee and Expense Memorandum, §I.E.

10 **5. Class Representative’s Endorsement of**  
11 **the Fee Application**

12 147. Class Representative has closely monitored and actively participated  
13 in the prosecution and settlement of the Action and has evaluated and fully supports  
14 Class Counsel’s fee request. As set forth in her declaration (Ex. 6), Class  
15 Representative has concluded that the requested fee has been earned based on the  
16 efforts of Plaintiffs’ Counsel and the excellent recovery obtained for the Class in a  
17 difficult and challenging case. Accordingly, Class Representative’s endorsement  
18 of the fee request further demonstrates its reasonableness, and this endorsement  
19 should be given meaningful weight in the Court’s consideration of the fee award.

20 **B. Class Counsel’s Request for Litigation Expenses**  
21 **Warrants Approval**

22 **1. Class Counsel Seeks Payment of Reasonable and Necessary**  
23 **Litigation Expenses from the Settlement Fund**

24 148. Class Counsel seeks payment from the Settlement Fund of  
25 \$1,677,604.36 for expenses that were reasonably and necessarily incurred in  
26 connection with the Action. The Settlement Postcard and long-form notice inform

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27 <sup>10</sup> Plaintiffs’ Counsel will continue to perform legal work on behalf of the Class  
28 should the Court approve the Settlement. Additional resources will be expended  
assisting Class Members with their Claim Forms and related inquiries and working  
with the Claims Administrator to ensure the smooth progression of claims  
processing. No additional legal fees will be sought for this work.

1 the Class that Class Counsel would be applying for payment of Litigation Expenses  
2 in an amount not to exceed \$1,750,000, which may include a request for  
3 reimbursement of the reasonable costs and expenses (including lost wages)  
4 incurred by Class Representative directly related to her representation of the Class  
5 in accordance with 15 U.S.C. § 77z-1(a)(4). The amount of Litigation Expenses  
6 requested by Class Counsel, along with the amount requested by Class  
7 Representative, is below the maximum set forth in the notices.

8 149. Class Counsel's expenses are detailed in the Labaton Fee and Expense  
9 Declaration. *See* Exhibit 3-E. As explained, the expenses incurred are reflected on  
10 the books and records maintained by the firm. These books and records are  
11 prepared from expense vouchers, check records, and other source materials, and  
12 are an accurate record of the expenses incurred. Pursuant to the Court's Standing  
13 Order, Exhibit E will be emailed to the Court in Excel format.

14 150. From the inception of the Action, Class Counsel was aware that  
15 Plaintiffs' Counsel might not recover any of the expenses incurred in prosecuting  
16 the claims against Defendants and, at a minimum, would not recover any expenses  
17 until the Action was successfully resolved. Class Counsel also understood that,  
18 even if the Action was ultimately successful, an award of expenses would not  
19 compensate counsel for the lost use or opportunity costs of funds advanced to  
20 prosecute the claims against Defendants. Thus, we were motivated to take steps to  
21 manage expenses without jeopardizing the vigorous and efficient prosecution of  
22 the case.

23 151. Class Counsel's expenses include fees and costs for, among other  
24 things: (i) experts in connection with various stages of the litigation; (ii) mediation;  
25 (iii) litigation support related to electronic discovery; (iv) transcript and deposition-  
26 related expenses; (v) work-related travel; and (vi) online factual and legal research.  
27 Courts have consistently found that these types of expenses are payable from a  
28 fund recovered by counsel for the benefit of a class.

1           152. The largest component of Class Counsel’s expenses (*i.e.*,  
2 \$1,214,460.00, or approximately 72% of total expenses) was incurred for experts.  
3 As noted above, Class Counsel retained experts to provide merits expert reports  
4 and opinion on issues related to the elements of the Class Representative’s claims  
5 (damages and tracing) and Defendants’ purported defenses (negative causation,  
6 falsity and due diligence). These experts were essential to the prosecution of the  
7 Action. *See* Ex. 3 at ¶7(c)-E.

8           153. Another substantial component of the expenses (\$178,160.62 or 11%  
9 of the total) was for document hosting and management related to electronic  
10 discovery. Among other things, Class Counsel retained a third-party vendor to  
11 process and host the production documents. *See* Ex. 3 at ¶7(e)-E. Plaintiffs’  
12 Counsel used this vendor and database to, among other things: (i) maintain  
13 potentially relevant documents collected from Class Representative for review and  
14 production in response to Defendants’ discovery demands, (ii) maintain the  
15 approximately 700,000 pages of documents produced by Defendants and third  
16 parties for review; (iii) process documents so that they would be in a searchable  
17 format, including the conversion and upload of any hard copy documents; and (iv)  
18 apply data analysis tools to focus the review on the most significant documents to  
19 efficiently target information counsel needed to support their allegations.

20           154. Another substantial component of counsel’s Litigation Expenses  
21 (\$114,199.00 or 7% of the total) was the cost of court reporters, videographers, and  
22 transcripts in connection with the 21 depositions and the hearings before the Court.  
23 Ex. 3 at ¶7(g)-E.

24           155. Class Representative’s share of the fees of the Mediator in connection  
25 with the mediation process that spanned more than a year totaled \$73,560.00 or 4%  
26 of the total. Ex. 3 at ¶7(f)-E.

27           156. Class Counsel also retained counsel for a confidential witness in the  
28 case who was deposed by Defendants, whose fees and expenses totaled \$6,835.00.

1 157. The Litigation Expenses include approximately \$22,368.78 for work-  
2 related transportation expenses, meals, and lodging related to, among other things,  
3 traveling in connection with court hearings, the depositions, working late hours,  
4 and the mediations. (Any first-class airfare has been reduced to be comparable to  
5 economy rates.) Ex. 3 at ¶7(h)-E.

6 158. The other expenses for which Class Counsel seeks payment are the  
7 types of expenses that are necessarily incurred in complex commercial litigation  
8 and routinely paid in non-contingent cases. These expenses include, among others,  
9 online legal and factual research, court and service fees, duplicating costs, and  
10 overnight delivery expenses. All of the Litigation Expenses incurred by Plaintiffs’  
11 Counsel were reasonable and necessary for the successful litigation of the Action.

12 **2. PSLRA Reimbursement to Class Representative**  
13 **Is Fair and Reasonable**

14 159. The PSLRA specifically provides that an “award of reasonable costs  
15 and expenses (including lost wages) directly relating to the representation of the  
16 class” may be made to “any representative party serving on behalf of a class.” 15  
17 U.S.C. § 77z-1(a)(4). Accordingly, Class Representative seeks reimbursement of  
18 \$7,425.00 for the reasonable costs she incurred in connection with her efforts on  
19 behalf of the Class. Class Representative was deposed and engaged in discovery.  
20 She was in regular contact with counsel, reviewed court filings and submitted  
21 declarations in support of motions, consulted with counsel during the course of the  
22 lengthy mediation process and approved of the Settlement. *See* Ex. 6 at ¶¶2-5.  
23 Class Representative’s efforts required her to devote time and resources to this  
24 Action that would otherwise have been devoted to her regular professional  
25 endeavors as an escrow officer.

26 160. As discussed in the Fee and Expense Memorandum and in Class  
27 Representative’s supporting declaration, Class Representative has been fully  
28 committed to pursuing the Class’s claims. Class Representative provided valuable

1 assistance to Plaintiffs' Counsel during the prosecution and resolution of the  
2 Action. The efforts expended by Class Representative during the course of this  
3 Action, as set forth in her declaration, including communicating with counsel,  
4 reviewing pleadings and motion papers, gathering and reviewing documents in  
5 response to discovery requests, responding to written interrogatories, responding  
6 to requests for admissions, preparing for depositions and being deposed, and  
7 communicating with counsel regarding the mediations and settlement negotiations  
8 are precisely the types of activities courts have found to support reimbursement to  
9 representatives, and fully support the request for reimbursement here.

10 **X. MISCELLANEOUS EXHIBITS**

11 161. Attached hereto as Exhibit 5 is a compendium of unreported cases, in  
12 alphabetical order, cited in the accompanying Fee and Expense Memorandum.

13 **XI. CONCLUSION**

14 162. For all the reasons set forth above, Class Counsel respectfully submits  
15 that the Settlement and the Plan of Allocation should be approved as fair,  
16 reasonable, and adequate. Class Counsel further submits that the requested fee in  
17 the amount of 30% of the Settlement Fund should be approved as fair and  
18 reasonable under the particular circumstances of this case, and the request for  
19 payment of Litigation Expenses in the amount of \$1,677,604.36, and  
20 reimbursement of Class Representative's costs in the amount of \$7,425.00, should  
21 also be approved.

22  
23 I declare, under penalty of perjury, that the foregoing is true and correct.

24 Executed in New York, New York this 23rd day of June 2025.

25  
26 */s/ Alfred L. Fatale*  
27 ALFRED L. FATALE III

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**CERTIFICATE OF SERVICE**

I hereby certify that on June 23, 2025, I authorized the electronic filing of the foregoing with the Clerk of the Court using the CM/ECF system, which will send notification of such filing to the email addresses denoted on the attached Electronic Mail Notice List served via ECF on all registered participants only.

I certify under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

s/ Alfred L. Fatale III  
ALFRED L. FATALE III

1 **Mailing Information for a Case 2:21-cv-07405-MCS-AS Cody Dixon v. The**  
2 **Honest Company, Inc. et al**

3 **Electronic Mail Notice List**

4 The following are those who are currently on the list to receive email notices for  
5 this case.

- 6 • Zeeshan A. Ahmedani  
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# **Exhibit 1**

2024 REVIEW & ANALYSIS

# Securities Class Action Settlements

REVIEW & ANALYSIS

CORNERSTONE RESEARCH

Economic and Financial Consulting and Expert Testimony

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## 2024 Highlights

The median settlement amount declined from the 13-year high in 2023, but remained 24% above the 2015–2023 median. Median plaintiff-style damages<sup>1</sup> also fell in 2024, despite reaching the third-highest level in the past decade.

In 2024, there were 88 securities class action settlements totaling approximately \$3.7 billion, compared to 83 settlements totaling \$4.0 billion in 2023.

The median settlement amount of \$14.0 million declined 10% from 2023.

The average settlement amount of \$42.4 million decreased 13% from 2023.

Seven mega settlements (\$100 million or greater) accounted for 54% of the total settlement value.

The median settlement amount for cases with only Securities Act of 1933 ('33 Act) claims was \$10.3 million, a 26% decrease from 2023.

Median plaintiff-style damages declined 20% year-over-year to \$272 million following a record high in 2023.<sup>2</sup>

Issuer defendant firms with settlements in 2024 were 65% smaller than those in 2023, as measured by median total assets, which reached its lowest level since 2018.

The median duration from case filing to settlement hearing (3.2 years) declined 14% from the record peak observed in 2023 (3.7 years), but remains historically elevated.

In 2024, 19% of settlements were related to a special purpose acquisition company (SPAC).<sup>3</sup> The median settlement amount for SPAC cases was \$12.0 million, compared to \$15.3 million for non-SPAC cases.

**Figure 1: Settlement Statistics**  
(Dollars in millions)

	2015–2023	2023	2024
Number of Settlements	736	83	88
Total Amount	\$37,294.2	\$4,043.2	\$3,732.9
Minimum	\$0.4	\$0.8	\$0.6
Median	\$11.3	\$15.4	\$14.0
Average	\$50.7	\$48.7	\$42.4
Maximum	\$3,748.3	\$1,029.5	\$490.0

Note: Settlement dollars are adjusted for inflation; 2024 dollar equivalent figures are presented.

# Author Commentary

## FINDINGS

Settlements in securities class actions continued at a pace typical of recent years. While both total settlement dollars and the median settlement amount declined from 2023, they remained at high levels compared to the past decade.

This decline in settlement sizes can largely be attributed to lower plaintiff-style damages—a proxy for the amount of potential investor losses that plaintiffs may claim in a securities class action, which our research finds to be the single most important factor in explaining individual settlement amounts.

Institutional investors served as lead plaintiff less frequently in 2024 settlements, with their involvement reaching the lowest level over the last 10 years. An institutional investor serving as lead or co-lead plaintiff has historically been associated with cases with larger settlements and higher plaintiff-style damages. Lower institutional investor involvement is consistent with lower median plaintiff-style damages.

Issuer defendants had significantly smaller median total assets than in 2023, marking the lowest level observed since 2018. Additionally, a greater percentage of 2024 settlements involved issuers that had been delisted from a major exchange and/or had declared bankruptcy. Issuer

### IN THEIR WORDS

Laarni T. Bulan, Vice President at Cornerstone Research

*“What is interesting in 2024 is the high proportion of settled cases related to SPACs. The median settlement for SPAC cases was 21% lower than the median for non-SPAC cases.”*

defendant firm assets and issuer distress both have potential implications for the ability to fund a settlement, which is consistent with the smaller settlements in 2024.

This was also the first year in which a large number of settled cases were related to SPACs. SPAC cases tended to settle for smaller amounts compared to non-SPAC cases. Commentators have suggested that D&O insurance coverage for SPAC cases was likely limited,<sup>4</sup> which may have played a role in the lower SPAC-related settlement values.

## LOOKING AHEAD

Absent a change in dismissal rate, the number of settled cases in the coming years is not expected to change substantially given recent securities case filing trends. Further, the elevated levels in recent years of proxies for potential investor losses reported in Cornerstone Research’s *Securities Class Action Filings—2024 Year in Review* suggest that settlement amounts could remain at relatively high levels. The large proportion of SPAC-related settlements will likely continue for a few years before tapering off.

### IN THEIR WORDS

Eric Tam, Principal at Cornerstone Research

*“Median settlement amount and plaintiff-style damages declined from their highs observed in 2023, but remained at elevated levels relative to the past decade.”*

# Total Settlement Dollars

In 2024, total settlement dollars declined by 8%, even as the number of settled cases increased from the prior year.

Fewer mega settlements (\$100 million or greater) contributed to lower total settlement dollars. There were seven such settlements in 2024 down from nine in 2023. Additionally, the largest mega settlement was \$490 million, compared to a \$1 billion settlement in 2023.

## QUICK STAT

# -8%

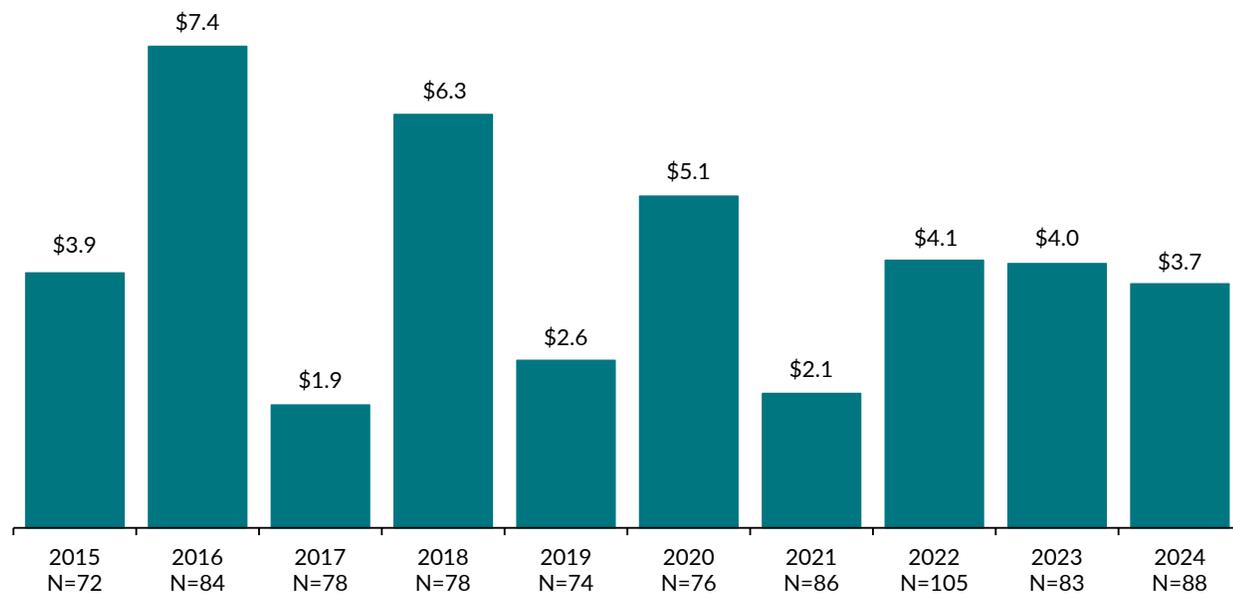
Change in total settlement dollars from 2023 to 2024

See Appendix 4 for an analysis of mega settlements.

**Figure 2: Total Settlement Dollars**

2015-2024

(Dollars in billions)



Note: Settlement dollars are adjusted for inflation; 2024 dollar equivalent figures are presented. "N" refers to the number of settlements.

# Settlement Size

The median settlement amount in 2024 was \$14 million, a 10% decline from the 13-year high observed in 2023.

The average settlement amount in 2024 was \$42.4 million, a 13% decrease from 2023.

Issuers that have been delisted from a major exchange and/or declared bankruptcy prior to settlement are generally associated with lower settlement amounts. The proportion of settlements with such issuers increased from 6% in 2023 to 16% in 2024, contributing to the decline in settlement amounts.

Seventeen settlements were related to SPACs. In comparison, there were only six SPAC-related settlements in total between 2017 and 2023. The median and average settlement amounts for

### FAST FACT

*Issuer defendant firms in 2024 settlements were 65% smaller, as measured by median total assets, than those in 2023, the lowest observed level since 2018.*

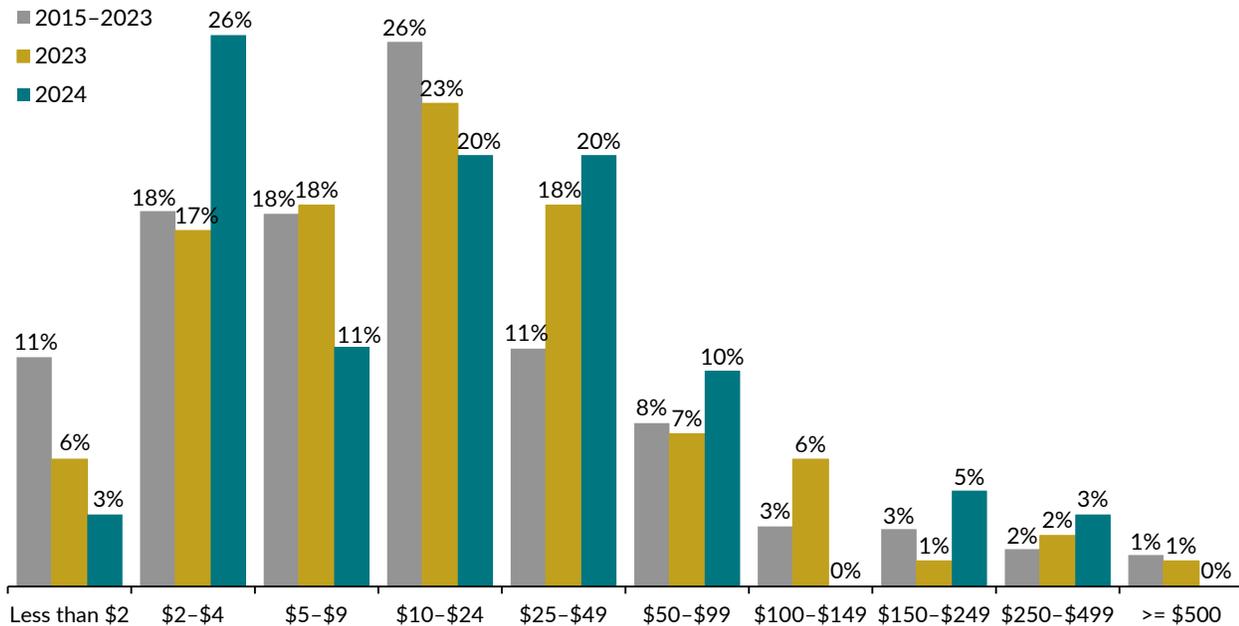
SPAC cases were \$12.0 million and \$16.7 million, respectively—21% and 66% smaller than the median and average settlement amounts, respectively, for non-SPAC cases.

See Appendix 1 for an analysis of settlement amounts by percentiles.

**Figure 3: Distribution of Settlements Amounts**

2015–2024

(Dollars in millions)



Note: Settlement dollars are adjusted for inflation; 2024 dollar equivalent figures are presented. Percentages may not sum to 100% due to rounding.

## Introduction of Plaintiff-Style Damages

In this report, we introduce plaintiff-style damages—a new proxy for the amount of potential investor losses that plaintiffs may claim in a securities class action.

Our research has consistently found that the most important determinant of settlement outcomes is potential investor losses. Plaintiff-style damages are estimated using an approach that more closely aligns with approaches used by plaintiffs in the current securities class action litigation environment.

In the past, we presented “simplified tiered damages” as a measure of potential investor losses. That approach reflected certain data limitations but allowed for consistency across a large volume of cases, enabling the identification and analysis of settlement trends. Cornerstone Research’s latest investments in big data analytics and capabilities have enhanced the estimation of potential investor losses by incorporating additional case-specific data while maintaining a consistent approach across cases. For example, when estimating the number of shares eligible for damages, the new plaintiff-style damages approach adjusts for short interest positions and shares estimated to be held by institutional investors throughout the entire class period. These and other adjustments result in plaintiff-style damages that tend to be smaller than the previously used measure of simplified tiered damages.

*Cornerstone Research’s latest investments in big data analytics and capabilities have enhanced the estimation of potential investor losses by incorporating additional case-specific data while maintaining a consistent approach across cases.*

Our analysis also finds that plaintiff-style damages are generally larger than the aggregate damages amounts reported by plaintiffs in their motions for settlement approval, referred to as “plaintiff-estimated damages.” As previously discussed in Cornerstone Research’s *Securities Class Action Settlements—2023 Review and Analysis*, plaintiff-estimated damages are often represented by plaintiffs as the “best-case scenario” or the “maximum potential recovery.”<sup>5</sup> As other authors have noted, plaintiff counsel have an incentive to report “the lower end of the range of estimated total aggregate damages” in order “to demonstrate to the court a high settlement amount relative to potential recovery.”<sup>6</sup>

# Type of Claim

## RULE 10B-5 CLAIMS AND PLAINTIFF-STYLE DAMAGES

Cornerstone Research’s analysis finds a proxy for investor losses—in this case plaintiff-style damages—to be the most important determinant of settlement outcomes based on regression analysis.<sup>7</sup> However, plaintiff-style damages do not represent actual economic losses borne by shareholders. Determining any such economic losses for a given case requires more in-depth analysis.

### QUICK STAT

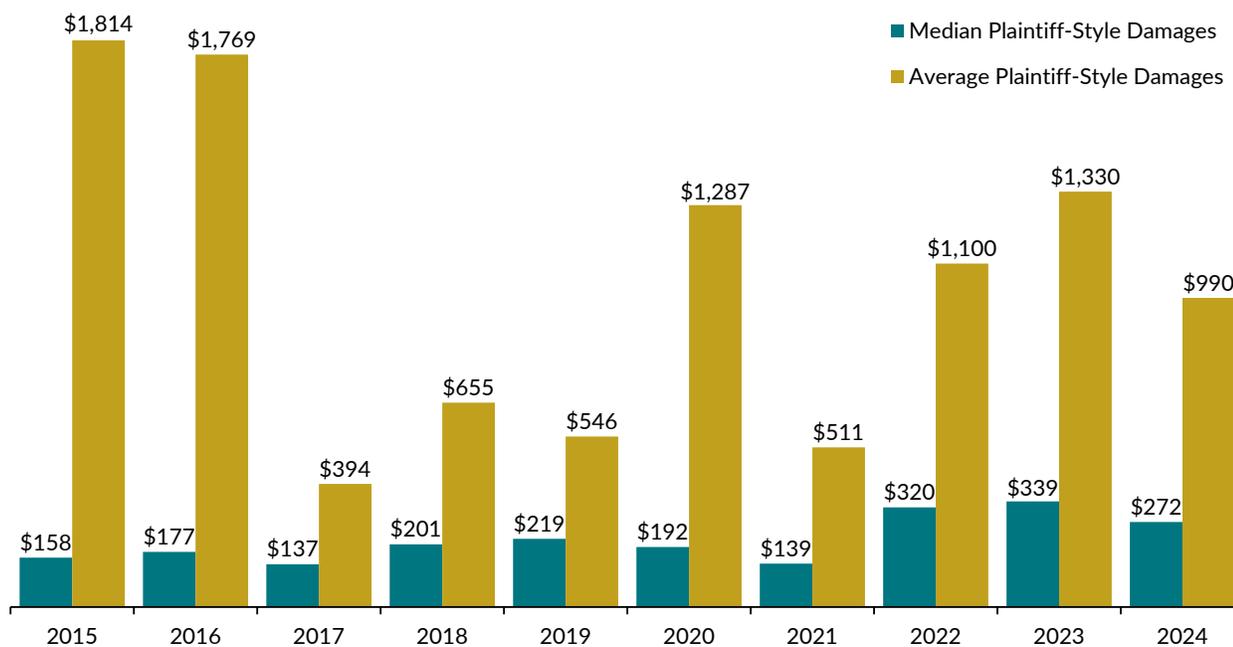
**-36%**

Change in median length of the class period for settled cases from 2023 to 2024

Median and average plaintiff-style damages both declined in 2024, but remained at similarly elevated levels as observed in recent years.

All else equal, larger plaintiff-style damages are generally associated with longer class periods. Consistent with the lower levels of plaintiff-style damages observed in 2024, the median length of the class period for settled cases in 2024 was 1.2 years, compared to 1.9 years in 2023.

**Figure 4: Median and Average Plaintiff-Style Damages in Rule 10b-5 Cases 2015–2024**  
(Dollars in millions)



Note: Plaintiff-style damages are adjusted for inflation based on class period end dates and are estimated for common stock/ADR/ADS only; 2024 dollar equivalent figures are presented. Damages are estimated for cases alleging a claim under Rule 10b-5 (whether alone or in addition to other claims).

In 2024, the overall median settlement as a percentage of plaintiff-style damages was 7.3% — an increase of 16% from 2023, but equaling the 2015–2023 median.

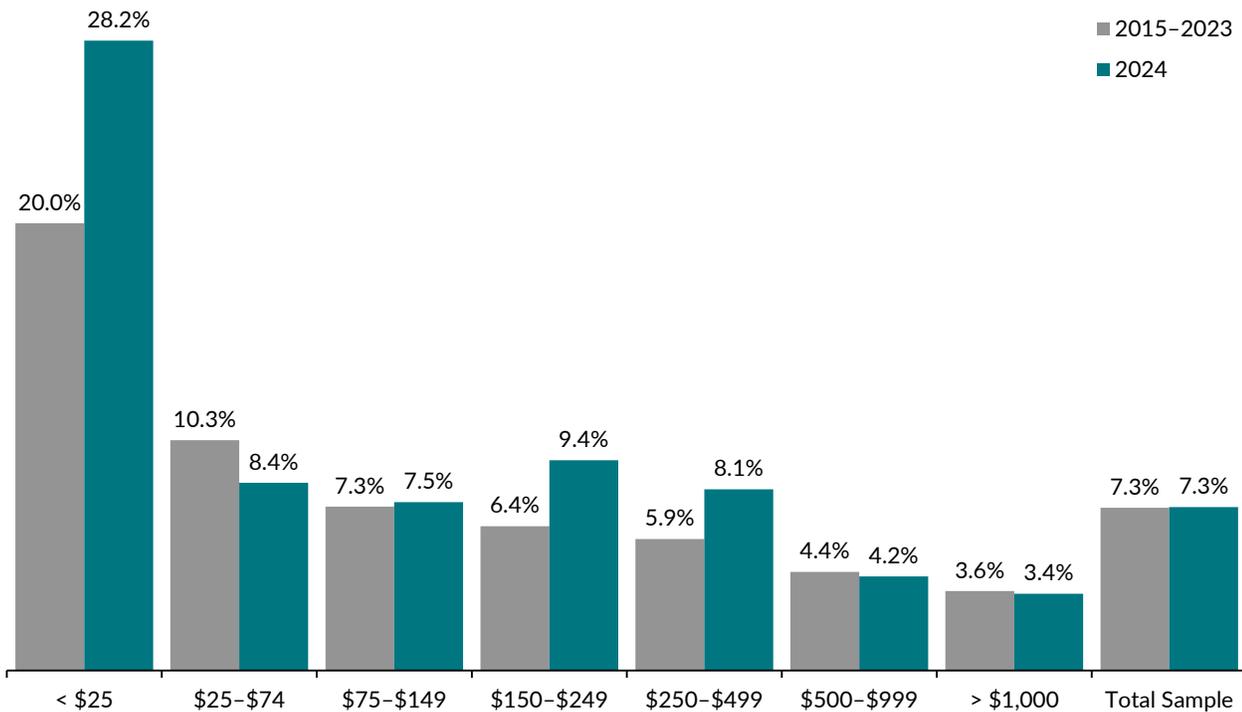
For cases with plaintiff-style damages less than \$25 million, the median settlement as a percentage of plaintiff-style damages reached 28.2%, the highest level observed since 2017.

See Appendix 5 for additional information on median and average settlements as a percentage of plaintiff-style damages.

**FAST FACT**

*Larger cases, as measured by plaintiff-style damages, typically settle for a smaller percentage of those damages.*

**Figure 5: Median Settlement as a Percentage of Plaintiff-Style Damages by Damages Ranges in Rule 10b-5 Cases 2015–2024**  
(Dollars in millions)



Note: Plaintiff-style damages are adjusted for inflation based on class period end dates and are estimated for common stock/ADR/ADS only; 2024 dollar equivalent figures are presented. Damages are estimated for cases alleging a claim under Rule 10b-5 (whether alone or in addition to other claims).

## '33 ACT CLAIMS AND STATUTORY DAMAGES

For cases with only '33 Act claims—those involving Section 11 and/or Section 12(a)(2) claims and no Rule 10b-5 claims—potential shareholder losses (referred to here as “statutory damages”) are estimated based on the difference between the statutory purchase and sales prices for those shares that are assumed to be traceable to the registration statement at issue.<sup>8</sup>

There were nine settlements with only '33 Act claims in 2024. The majority of those cases were filed in federal court (six), with the remainder in state court (three).<sup>9</sup>

### QUICK STATS

# 9

Number of '33 Act settlements in 2024

# \$10.3 million

The median settlement for cases with only '33 Act claims in 2024

In 2024, the median settlement amount for '33 Act-only cases declined by 26% from 2023 to \$10.3 million, aligning with the 2015–2023 median.

Additionally, 89% of these cases in 2024 named an underwriter defendant, up from 70% in 2023 and consistent with the 2015–2023 average of 86%.

**Figure 6: Settlements by Nature of Claims**  
2015–2024  
(Dollars in millions)

	Number of Settlements	Median Settlement	Median Statutory Damages	Median Settlement as a Percentage of Statutory Damages
Section 11 and/or Section 12(a)(2) Only	93	\$10.3	\$129.9	7.9%
	Number of Settlements	Median Settlement	Median Plaintiff-Style Damages	Median Settlement as a Percentage of Plaintiff-Style Damages
Both Rule 10b-5 and Section 11 and/or Section 12(a)(2)	128	\$16.2	\$262.8	8.8%
Rule 10b-5 Only	602	\$11.3	\$216.6	6.9%

Note: Settlement dollars and damages are adjusted for inflation; 2024 dollar equivalent figures are presented.

The median statutory damages in 2024 decreased by 14% from the 2023 median, but remained the second-highest in the past decade.

The median settlement as a percentage of “statutory damages” increased to 7.1% from the 10-year low of 5.4% in 2023.

The median size of issuer defendants (measured by total assets) was 26% larger for settlements with only '33 Act claims relative to those that included Rule 10b-5 claims, reversing a two-year trend in which these cases involved smaller issuer defendants.

The median length of time from case filing to settlement hearing date for '33 Act claim cases was 3.7 years in 2024, down from 4.2 years in 2023.

QUICK STATS

7.1%

Median settlement as a percentage of statutory damages in 2024

3.7 years

The median time to settle for 2024 cases with only '33 Act claims

See Appendix 6 for additional information on median and average settlements as a percentage of statutory damages.

**Figure 7: Median Settlement as a Percentage of Statutory Damages by Damages Ranges in Cases with Only '33 Act Claims**  
2015–2024  
(Dollars in millions)



Note: “N” refers to the number of cases. Damages are adjusted for inflation; 2024 dollar equivalent figures are presented. This analysis excludes cases alleging Rule 10b-5 claims.

**Figure 8: Jurisdictions of Settlements of '33 Act Claim Cases**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
State Court	2	4	5	4	4	7	6	6	3	3
Federal Court	3	6	3	4	5	1	12	3	7	6

Note: This analysis excludes cases alleging Rule 10b-5 claims.

# Analysis of Settlement Characteristics

## GAAP VIOLATIONS

This analysis examines allegations of GAAP violations in settlements of securities class actions involving Rule 10b-5 claims, including two subcategories of GAAP violations—financial restatements and accounting irregularities.<sup>10</sup>

The percentages of settled cases involving GAAP violations generally and financial restatements specifically have declined substantially in the past five years (2020–2024) compared to the first half of the last decade (2015–2019).

Between 2015 and 2024, the median settlement amount for cases involving accounting irregularities was \$33 million, significantly higher than the \$12 million median for cases without such allegations.

Similarly, the median settlement as a percentage of plaintiff-style damages was higher in cases involving accounting irregularities (8.6%) than in those without (7.2%).

For further details regarding settlements of accounting cases, see Cornerstone Research's forthcoming annual report on [Accounting Class Action Filings and Settlements](#).<sup>11</sup>

Figure 9: Percentage of Cases Involving Accounting Allegations

	2015–2019	2020–2024
GAAP Violations	53%	38%
Restatement	26%	14%
Accounting Irregularities	3%	2%
Auditor Codefendant	9%	3%

Note: This analysis is limited to cases alleging Rule 10b-5 claims (whether alone or in addition to other claims).

## DERIVATIVE ACTIONS

Securities class actions often involve an accompanying (or parallel) derivative action with similar claims, and such cases have historically settled for higher amounts than securities class actions without an accompanying derivative matter.<sup>12</sup>

In 2024, the median plaintiff-style damages for cases with an accompanying derivative action was \$333 million—47% higher than the \$227 million median for cases without one, marking the largest percentage difference since 2020.

The percentage of settlements with an accompanying derivative action in 2024 (52%) rebounded from 2023 (40%). The accompanying derivative actions were most frequently filed in the Delaware Court of Chancery, which accounted for 19 out of 46 such settlements in 2024.

In 2024, the median settlement for cases with an accompanying derivative action (\$18.6 million) decreased by 14% from the 2023 median (\$21.6 million).

### QUICK STATS

52%

Percentage of 2024 cases involving an accompanying derivative action

\$18.6 million

Median settlement for 2024 cases involving an accompanying derivative action

For more information on settlement outcomes of the accompanying derivative actions, see Cornerstone Research’s [Parallel Derivative Action Settlement Outcomes](#).<sup>13</sup>

Figure 10: Number of Settlements with an Accompanying Derivative Action 2015–2024



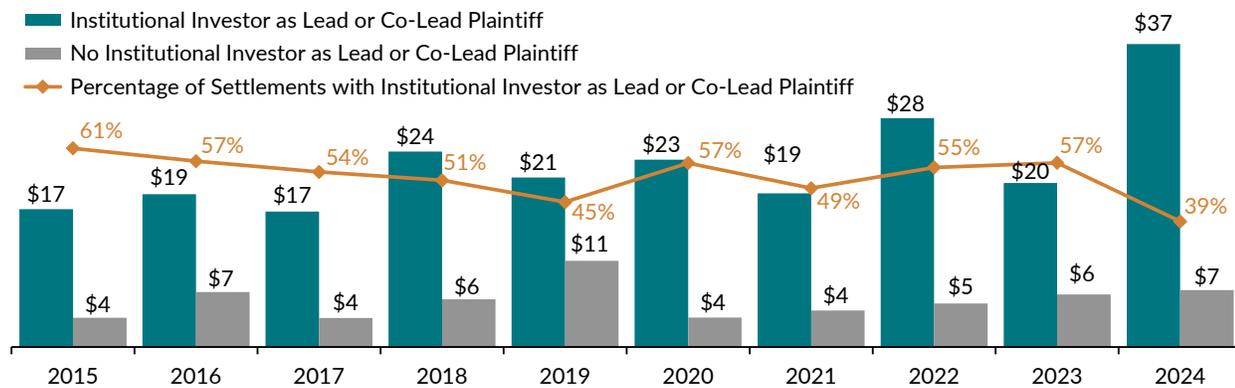
## INSTITUTIONAL INVESTORS

As discussed in prior reports, increasing institutional investor participation as lead plaintiff in securities litigation was a focus of the Private Securities Litigation Reform Act of 1995 (Reform Act).<sup>14</sup> In the years following passage of the Reform Act, institutional investor involvement as lead plaintiff did increase, particularly in cases with higher plaintiff-style damages.

In 2024, however, only 39% of settlements involved an institutional investor serving as lead (or co-lead) plaintiff—the lowest rate since 2005. Of the 17 SPAC settlements in 2024, two included an institutional investor as a lead (or co-lead) plaintiff.

While fewer settlements had institutional investor participation as lead (or co-lead) plaintiff, the difference in median settlements for cases with and without such participation was \$30 million—the largest dollar amount difference and the second-largest percentage gap since 2004.

**Figure 11: Median Settlement Amount by Institutional Investor Participation as Lead or Co-Lead Plaintiff 2015–2024**  
(Dollars in millions)



Note: Settlement dollars are adjusted for inflation; 2024 dollar equivalent figures are presented.

**Figure 12: Median Statistics by Institutional Investor Participation as Lead or Co-Lead Plaintiff 2024**  
(Dollars in millions)

	With an Institutional Investor	Without an Institutional Investor
Settlement Amount	\$37	\$7
Plaintiff-Style Damages	\$705	\$118
Settlement Amount as a % of Plaintiff-Style Damages	8.3%	7.0%
Total Assets	\$5,056	\$630

Note: Damages are estimated for cases alleging a claim under Rule 10b-5 (whether alone or in addition to other claims) and are adjusted for inflation based on class period end dates; 2024 dollar equivalent figures are presented.

# Time to Settlement and Case Complexity

The median duration from case filing to settlement hearing (3.2 years) declined 14% from the record peak observed in 2023 (3.7 years).

Despite the decline, the median time to settlement remains the third longest in the last decade. This finding is consistent with heightened case activity among 2024 settled cases, as measured by the number of docket entries—a proxy for the time and effort expended by the litigants and/or case complexity. In 2024, the median number of docket entries reached its highest level since 2010 (149).

## QUICK STATS

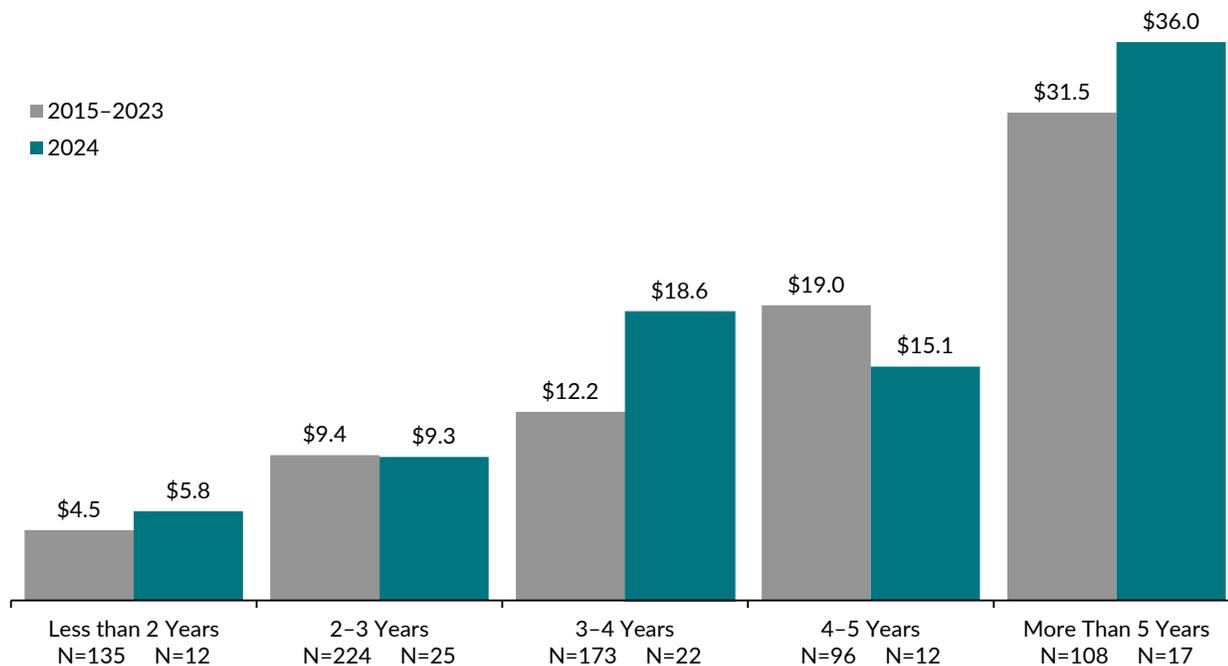
**3.2 years**

2024 median time to settlement

**149**

Median number of docket entries for 2024 cases

**Figure 13: Median Settlement Amount by Duration from Filing Date to Settlement Hearing Date 2015–2024**  
(Dollars in millions)



Note: "N" refers to the number of cases. Settlement dollars are adjusted for inflation; 2024 dollar equivalent figures are presented.

## Case Stage at the Time of Settlement

Using data obtained through collaboration with Stanford Securities Litigation Analytics (SSLA), this report analyzes settlements in relation to the stage in the litigation process at the time of settlement.

Cases with larger issuer defendant total assets and plaintiff-style damages tend to settle later in the litigation process.

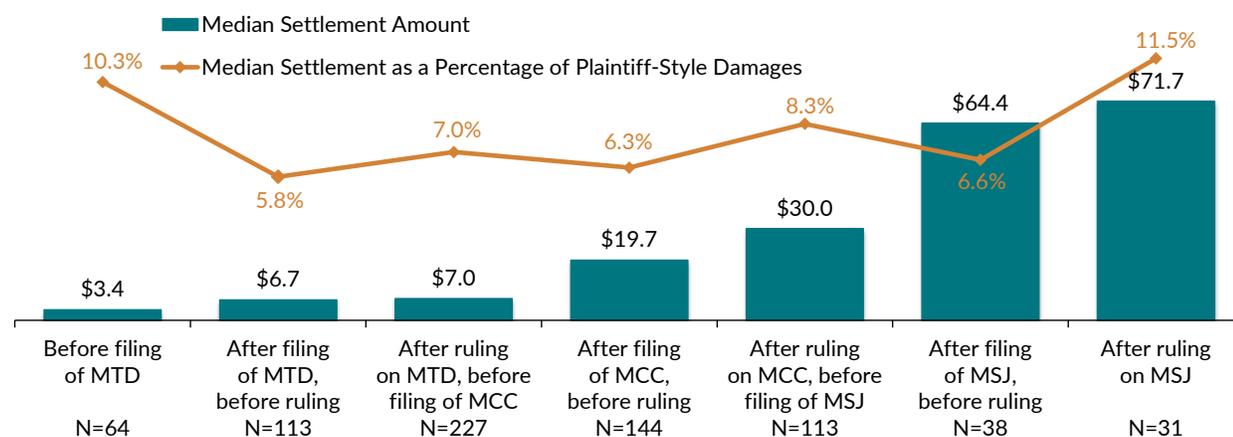
For example, median issuer defendant total assets and median plaintiff-style damages for cases that settled in 2024 after the filing of a motion for class certification were substantially larger than for cases that settled prior to such a motion being filed.

In 2024, only two cases settled prior to the filing of a motion to dismiss, well below the 2015–2023 average of over seven cases per year.

**Figure 14: Median Settlement Dollars and Stage of Litigation at Time of Settlement**

2015–2024

(Dollars in millions)



Note: “N” refers to the number of cases. Settlement dollars are adjusted for inflation; 2024 dollar equivalent figures are presented. MTD refers to “motion to dismiss,” MCC refers to “motion for class certification,” and MSJ refers to “motion for summary judgment.” This analysis is limited to cases alleging Rule 10b-5 claims (whether alone or in addition to other claims).

**Figure 15: 2024 Median Statistics for Cases Settled Prior to and After a Filing for MCC**

(Dollars in millions)

	Settled Prior to MCC Filed	Settled After MCC Filed
Settlement Amount	\$7	\$29
Plaintiff-Style Damages	\$118	\$567
Settlement Amount as a % of Plaintiff-Style Damages	8.2%	6.1%
Total Assets	\$506	\$1,864

Note: MCC refers to “motion for class certification.” Damages are estimated for cases alleging a claim under Rule 10b-5 (whether alone or in addition to other claims) and are adjusted for inflation based on class period end dates; 2024 dollar equivalent figures are presented.

# Cornerstone Research's Settlement Analysis

This research examines the relationship between settlement outcomes and certain securities case characteristics. Regression analysis is employed to better understand the factors that inform case settlements given the characteristics of a particular securities class action.

## DETERMINANTS OF SETTLEMENT OUTCOMES

Based on regression analysis, important determinants of settlement amounts include the following:

- Plaintiff-style damages
- The most recently reported total assets prior to the settlement hearing date for the defendant issuer
- Whether there were accounting irregularities
- Whether there were criminal charges against the issuer, officers, directors, or other defendants with allegations similar to those included in the underlying class action complaint
- Whether there was a derivative action with allegations similar to those included in the underlying class action complaint

- Whether, in addition to Rule 10b-5 claims, Section 11 claims were alleged and were still active prior to settlement
- Whether the issuer has been delisted from a major exchange and/or has declared bankruptcy (i.e., whether the issuer was “distressed”)
- Whether an institutional investor acted as lead plaintiff
- Whether securities other than common stock/ADR/ADS were included in the alleged class

Cornerstone Research analyses show that, all else being equal, settlement amounts tended to be higher in cases involving larger plaintiff-style damages, greater issuer defendant total assets, or cases in which Section 11 claims were alleged in addition to Rule 10b-5 claims.

Settlement amounts also tended to be higher in cases that involved accounting irregularities, criminal charges, an accompanying derivative action, an institutional investor lead plaintiff, or securities in addition to common stock/ADR/ADS included in the alleged class.

Settlement amounts tended to be lower if the issuer was distressed.

Collectively, the factors above explain more than 75% of the variation in settlement outcomes.

## Research Sample

The database compiled for this report is limited to cases alleging Rule 10b-5, Section 11, and/or Section 12(a)(2) claims brought by purchasers of a corporation's common stock. The sample contains only cases alleging fraudulent inflation in the price of a corporation's common stock.

Cases with alleged classes of only bondholders, preferred stockholders, etc.; cases alleging fraudulent depression in price; and mergers and acquisitions cases are excluded. These criteria are imposed to ensure data availability and to utilize a relatively homogeneous set of cases in terms of the nature of the allegations.

The database includes 2,270 securities class actions filed after passage of the Reform Act (1995) and settled from 1996 through 2024. These securities class actions correspond to

approximately \$148.5 billion in total settlement dollars, adjusted for inflation and expressed in 2024 dollars. These settlements are identified based on a review of case activity collected by Securities Class Action Services LLC (SCAS).<sup>15</sup>

The designated settlement year, for purposes of this report, corresponds to the year in which the hearing to approve the settlement was held.<sup>16</sup> Cases involving multiple settlements are reflected in the year of the most recent partial settlement, provided certain conditions are met.<sup>17</sup>

In addition to SCAS, data sources include Bloomberg, the Center for Research in Security Prices (CRSP) at University of Chicago Booth School of Business, LSEG Workspace, court filings and dockets, SEC registrant filings, SEC litigation releases and administrative proceedings, LexisNexis, Stanford Securities Litigation Analytics (SSLA), Securities Class Action Clearinghouse (SCAC), and public press.

# Endnotes

- <sup>1</sup> For purposes of our settlement research and modeling, we utilize a measure of potential investor losses that allows for consistency across a large volume of cases, thus enabling the identification and analysis of potential trends. This measure, “settlement model plaintiff-style damages” (“plaintiff-style damages” as referred to in this report), is estimated using a methodology that more closely aligns with approaches used by plaintiffs in the current securities class action litigation environment. See page 5 for more details.
- <sup>2</sup> Plaintiff-style damages are calculated for cases that settled in 2014 or later, and account for the U.S. Supreme Court’s 2005 landmark decision in *Dura Pharmaceuticals Inc. v. Broudo*, 544 U.S. 336. Plaintiff-style damages are based on the stock-price movements associated with the alleged disclosure dates that are described in the settlement plan of allocation.
- <sup>3</sup> A SPAC is a shell company that raises capital through an initial public offering to later acquire an existing business. SPAC cases are classified as those with a defendant issuer that was a SPAC during any portion of the class period or that had a de-SPAC transaction within 180 days prior to the start of the class period.
- <sup>4</sup> Kevin LaCroix, “Record-Setting Settlements in Two SPAC-Related Securities Suits,” *The D&O Diary*, January 13, 2025, <https://www.dandodiary.com/2025/01/articles/securities-litigation/record-setting-settlements-in-two-spac-related-securities-suits/>.
- <sup>5</sup> *Securities Class Action Settlements 2023 Review and Analysis*, Cornerstone Research (2024).
- <sup>6</sup> Catherine J. Galley, Nicholas D. Yavorsky, Filipe Lacerda, and Chady Gemayel, *Approved Claims Rates in Securities Class Actions: Evidence from 2015–2018 Rule 10b-5 Settlements*, Cornerstone Research (2020). Data on “plaintiff-estimated damages” are made available to Cornerstone Research through collaboration with Stanford Securities Litigation Analytics (SSLA). SSLA tracks and collects data on private shareholder securities litigation and public enforcements brought by the U.S. Securities and Exchange Commission (SEC) and the U.S. Department of Justice (DOJ). The SSLA dataset includes all traditional class actions, SEC actions, and DOJ criminal actions filed since 2000. Available on a subscription basis at <https://sla.law.stanford.edu/>.
- <sup>7</sup> Laarni T. Bulan, Ellen M. Ryan, and Laura E. Simmons, *Estimating Damages in Settlement Outcome Modeling*, Cornerstone Research (2017).
- <sup>8</sup> In the past, we presented “simplified statutory damages” as a measure of potential investor losses for cases with Section 11 claims but no Rule 10b-5 claims. In this report, we introduce a new measure: “statutory damages.” Statutory damages are estimated using an approach that more closely aligns with approaches used by plaintiffs in the current securities class action litigation environment. For example, when estimating the number of shares eligible for damages, the new statutory damages approach adjusts for short interest positions. Statutory damages are calculated using data through the settlement hearing date.
- <sup>9</sup> As noted in prior reports, the March 2018 U.S. Supreme Court decision in *Cyan Inc. v. Beaver County Employees Retirement Fund* (Cyan) held that ‘33 Act claim securities class actions could be brought in state court. While ‘33 Act claim cases had often been brought in state courts before Cyan, filing rates in state courts increased substantially following this ruling. This trend reversed, however, following the March 2020 Delaware Supreme Court decision in *Salzberg v. Sciabacucchi* which upheld the validity of federal forum-selection provisions in corporate charters. See, for example, *Securities Class Action Filings—2021 Year in Review*, Cornerstone Research (2022).
- <sup>10</sup> The two subcategories of accounting issues analyzed in this report are (1) restatements—cases involving a restatement (or announcement of a restatement) of financial statements, and (2) accounting irregularities—cases in which the defendant has reported the occurrence of accounting irregularities (intentional misstatements or omissions) in its financial statements.
- <sup>11</sup> *Accounting Class Action Filings and Settlements—2024 Review and Analysis*, Cornerstone Research, forthcoming in spring 2025.
- <sup>12</sup> To be considered an accompanying (or parallel) derivative action, the derivative action must have underlying allegations that are similar or related to the underlying allegations of the securities class action and either be active or settling at the same time as the securities class action.
- <sup>13</sup> *Parallel Derivative Action Settlement Outcomes—2023 Review and Analysis*, Cornerstone Research (2024).
- <sup>14</sup> See, for example, *Securities Class Action Settlements—2006 Review and Analysis*, Cornerstone Research (2007); Michael A. Perino, “Have Institutional Fiduciaries Improved Securities Class Actions? A Review of the Empirical Literature on the PSLRA’s Lead Plaintiff Provision,” *St. John’s Legal Studies Research Paper No. 12-0021* (2013).

- <sup>15</sup> Available on a subscription basis. For further details, see <https://www.issgovernance.com/securities-class-action-services/>.
- <sup>16</sup> Movements of partial settlements between years can cause differences in amounts reported for prior years from those presented in earlier reports.
- <sup>17</sup> This categorization is based on the timing of the settlement hearing date. If a new partial settlement equals or exceeds 50% of the then-current settlement fund amount, the entirety of the settlement amount is recategorized to reflect the settlement hearing date of the most recent partial settlement. If a subsequent partial settlement is less than 50% of the then-current total, the partial settlement is added to the total settlement amount and the settlement hearing date is left unchanged.

# Appendices

## Appendix 1: Settlement Percentiles (Dollars in millions)

Year	Average	10th	25th	Median	75th	90th
2015	\$54.2	\$1.8	\$2.8	\$8.9	\$22.2	\$131.0
2016	\$87.7	\$2.5	\$5.4	\$11.1	\$39.9	\$165.4
2017	\$24.1	\$1.9	\$3.4	\$7.3	\$20.2	\$47.6
2018	\$81.1	\$1.9	\$4.5	\$14.1	\$30.9	\$61.4
2019	\$34.6	\$1.8	\$6.9	\$13.5	\$24.5	\$61.4
2020	\$66.8	\$1.7	\$3.9	\$11.9	\$24.5	\$64.6
2021	\$23.9	\$2.0	\$3.6	\$9.1	\$20.9	\$68.6
2022	\$39.0	\$2.1	\$5.4	\$13.9	\$37.5	\$77.0
2023	\$48.7	\$3.1	\$5.1	\$15.4	\$34.2	\$104.0
<b>2024</b>	<b>\$42.4</b>	<b>\$2.8</b>	<b>\$4.5</b>	<b>\$14.0</b>	<b>\$36.6</b>	<b>\$78.4</b>

Note: Settlement dollars are adjusted for inflation; 2024 dollar equivalent figures are presented.

## Appendix 2: Settlements by Select Industry Sectors 2015–2024 (Dollars in millions)

Industry	Number of Settlements	Median Settlement	Median Plaintiff-Style Damages	Median Settlement as a Percentage of Plaintiff-Style Damages
Financial	90	\$19.6	\$267.2	8.8%
Technology	111	\$12.0	\$299.7	6.2%
Pharmaceuticals	125	\$9.8	\$161.5	6.4%
Telecommunications	29	\$11.8	\$186.5	7.0%
Retail	47	\$24.5	\$322.7	7.0%
Healthcare	22	\$21.0	\$232.4	8.3%

Note: Settlement dollars and plaintiff-style damages are adjusted for inflation; 2024 dollar equivalent figures are presented. This analysis is limited to cases alleging Rule 10b-5 claims (whether alone or in addition to other claims).

**Appendix 3: Settlements by Federal Circuit Court**

2015–2024

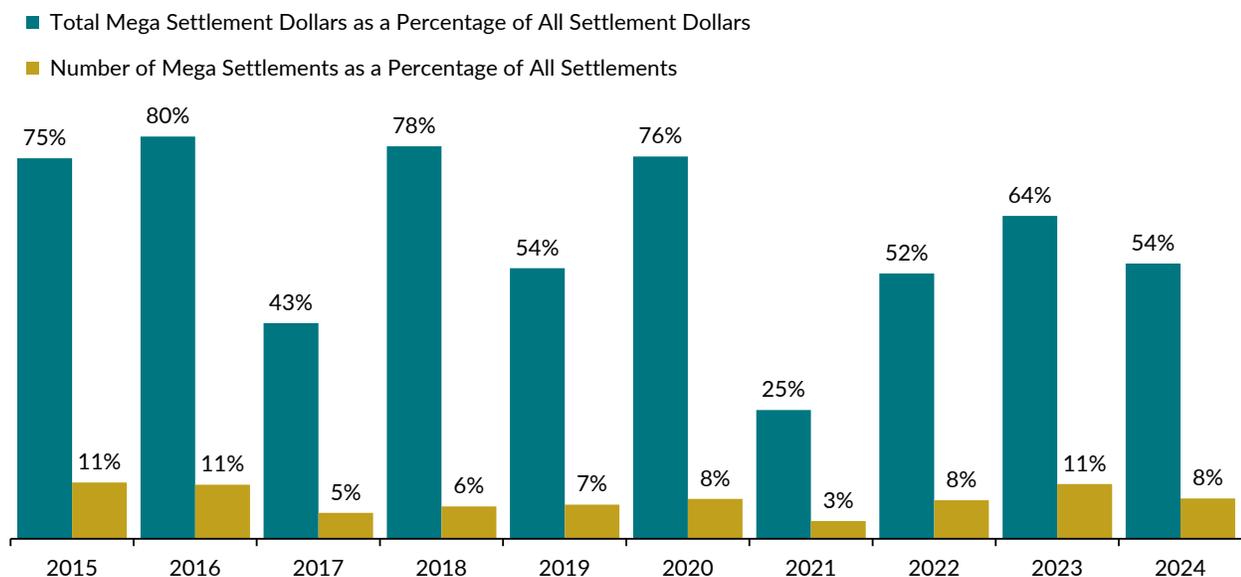
(Dollars in millions)

Circuit	Number of Settlements	Median Settlement	Median Settlement as a Percentage of Plaintiff-Style Damages
First	22	\$19.3	6.2%
Second	211	\$9.3	7.0%
Third	87	\$8.1	7.4%
Fourth	25	\$28.9	4.9%
Fifth	40	\$12.7	5.6%
Sixth	33	\$17.3	9.8%
Seventh	38	\$19.6	6.2%
Eighth	13	\$51.3	5.6%
Ninth	198	\$10.0	7.5%
Tenth	19	\$13.4	9.1%
Eleventh	37	\$12.7	8.2%
DC	4	\$28.7	4.8%

Note: Settlement dollars are adjusted for inflation; 2024 dollar equivalent figures are presented. This analysis is limited to cases alleging Rule 10b-5 claims (whether alone or in addition to other claims).

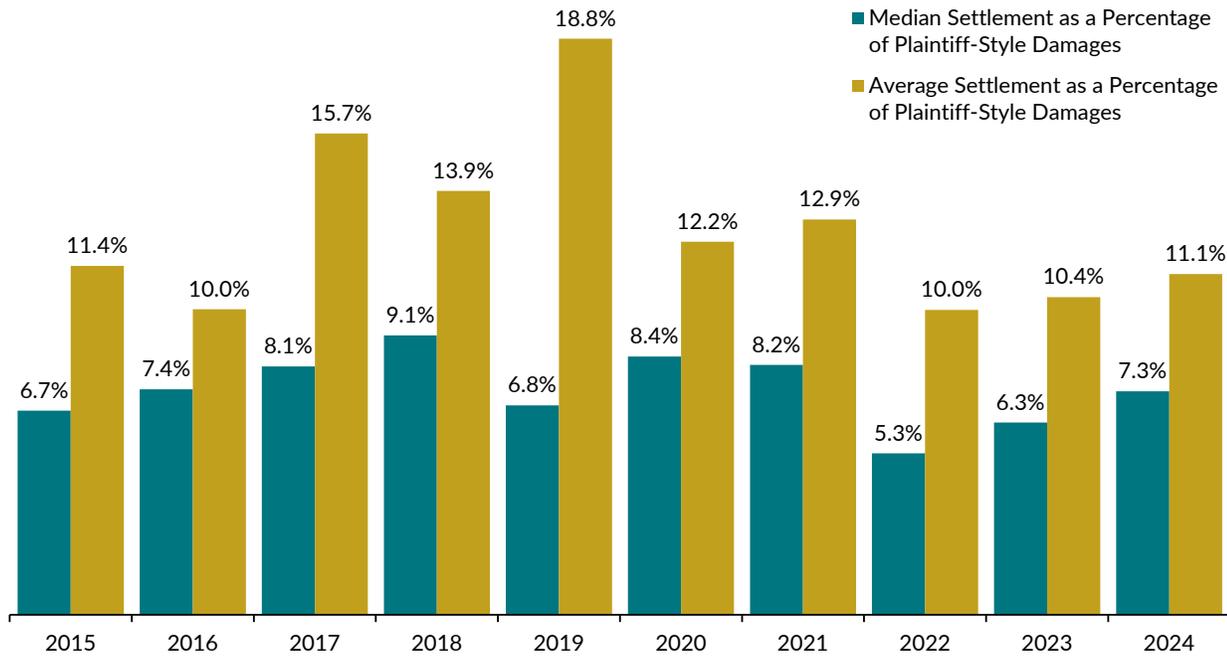
**Appendix 4: Mega Settlements**

2015–2024



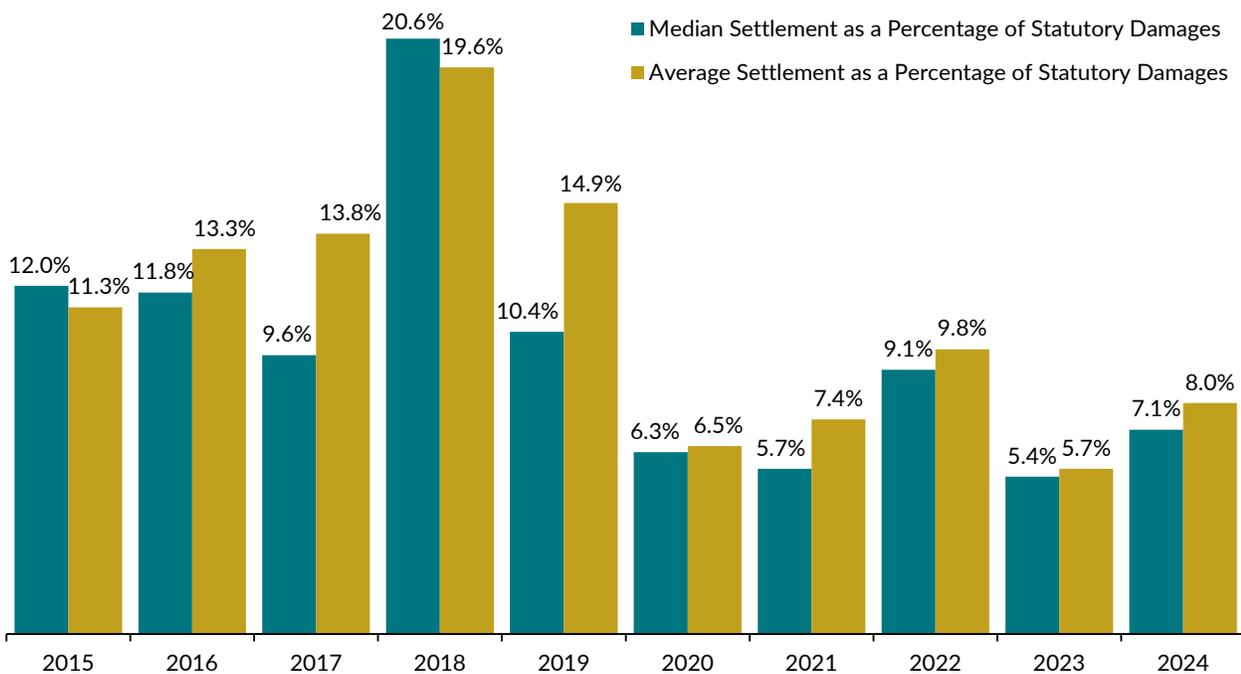
Note: Mega settlements are defined as total settlement funds of \$100 million or greater.

**Appendix 5: Median and Average Settlements as a Percentage of Plaintiff-Style Damages**  
2015–2024



Note: Plaintiff-style damages are calculated for cases alleging Rule 10b-5 claims (whether alone or in addition to other claims).

**Appendix 6: Median and Average Settlements as a Percentage of Statutory Damages**  
2015–2024



Note: Statutory damages are calculated for cases alleging Section 11 ('33 Act) claims and no Rule 10b-5 claims.

# About the Authors

## **Laarni T. Bulan**

*Vice President, Cornerstone Research*

Laarni Bulan has over a decade of experience consulting on complex litigation involving economic and financial issues. Dr. Bulan specializes in securities, mergers and acquisitions and other corporate transactions, firm valuation, risk management, executive compensation, and corporate governance matters.

Dr. Bulan serves as co-head of the firm's corporate governance practice. She is a member of the Advisory Board of the Institute for Law and Economics, University of Pennsylvania Carey Law School.

Dr. Bulan has published numerous articles in peer-reviewed journals, including *Financial Management*, the *Journal of Banking and Finance*, the *Journal of Economics and Business*, and the *Journal of Urban Economics*. Her research covers dividend policy, capital structure, executive compensation, corporate governance, and real options. Prior to joining Cornerstone Research, Dr. Bulan held a joint appointment at Brandeis University, where she served as an assistant professor of finance in the International Business School and also in the economics department.

## **Eric Tam**

*Principal, Cornerstone Research*

Eric Tam specializes in securities litigation. Mr. Tam has more than 20 years of experience consulting to clients and addressing financial economics issues and class actions in federal and state courts, including the Delaware Court of Chancery. His experience spans all stages of the litigation process, including exposure analysis, class certification, expert support, summary judgment filings, mediation and settlement analysis, trial preparation, and regulatory proceedings.

Mr. Tam has extensive expertise with securities litigation involving alleged misrepresentations under Section 10(b) of the Exchange Act and Sections 11 and 12 of the Securities Act. He also addresses allegations of market manipulation under Sections 9 and 10(b) of the Exchange Act and claims under Section 14(a) of the Exchange Act.

Mr. Tam has analyzed class certification issues (market efficiency, price impact, and evaluation of damages methodologies in the context of *Comcast* standards), as well as loss causation, damages, and materiality in numerous securities class actions.

The views expressed herein are solely those of the authors and do not necessarily represent the views of Cornerstone Research.



# CORNERSTONE RESEARCH

Economic and Financial Consulting and Expert Testimony

The authors request that you reference Cornerstone Research in any reprint of the information or figures included in this report.

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## Cornerstone Research

Cornerstone Research provides economic and financial consulting and expert testimony in all phases of complex disputes and regulatory investigations. The firm works with an extensive network of prominent academics and industry practitioners to identify the best-qualified expert for each assignment. With a reputation for high quality and effectiveness, Cornerstone Research has consistently delivered rigorous, state-of-the-art analysis since 1989. The firm has more than 1,000 professionals in nine offices across the United States, UK, and EU.

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# **Exhibit 2**

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**UNITED STATES DISTRICT COURT**  
**CENTRAL DISTRICT OF CALIFORNIA**

IN RE THE HONEST COMPANY,  
INC. SECURITIES LITIGATION

Case No. 21-CV-07405-MCS-AS

**DECLARATION OF  
ALEXANDER VILLANOVA  
REGARDING (A) MAILING OF  
THE SETTLEMENT POSTCARD  
AND (B) PUBLICATION OF THE  
SUMMARY NOTICE**

I, Alexander Villanova, declare under penalty of perjury, pursuant to 28 U.S.C. § 1746, that the following is true:

1. I am a Senior Project Manager for Epiq Class Action and Claims Solutions, Inc. (“Epiq”). The statements of fact in this declaration are based on my personal knowledge and information provided to me by my colleagues in the ordinary course of business and, if called on to do so, I could and would testify competently thereto.

2. Epiq was appointed as the Claims Administrator pursuant to the Court’s Order Re: Motion for Preliminary Approval of Class Action Settlement dated May 6, 2025 (the “Preliminary Approval Order”) (ECF No. 311) , and in accordance with the Stipulation and Agreement of Settlement, dated March 11, 2025 (the “Stipulation”).<sup>1</sup> Epiq was also previously appointed by the Court to act as the administrator in connection with notice of the pendency of the Action. I submit this Declaration in order to advise the Parties and the Court regarding the implementation of the Court-approved settlement notice plan, in accordance with the Preliminary Approval Order and the Stipulation.

<sup>1</sup> All capitalized terms not otherwise defined in this document shall have the same meanings ascribed to them in the Stipulation.

**CLASS NOTICE PLAN**

1  
2 3. As more fully described in the Declaration of Owen Sullivan Regarding  
3 (A) Mailing of the Notice and Postcard Notice; (B) Publication of the Summary Notice;  
4 and (C) Report on Requests for Exclusion (ECF No. 163), Epiq conducted a notice of  
5 pendency program (“Class Notice”), in which it, among other things, mailed a Class  
6 Postcard or long-form Notice to potential Class Members, including brokers and banks  
7 (“Nominees”), in June 2023. In connection with the Class Notice, Epiq established a  
8 post office box (“P.O. Box”) to mail notice from and to allow Class Members to contact  
9 Epiq or submit documents by mail. Epiq has and will continue to maintain the P.O.  
10 Box throughout the claims administration process for the Settlement.

11 4. To identify potential Class Members in connection with the Class Notice,  
12 Epiq received, from Honest’s counsel, the names and addresses of 245 purchasers of  
13 record of Honest publicly traded common stock pursuant and traceable to the Offering  
14 Documents for Honest’s IPO. Each unique record purchaser was mailed a Class  
15 Postcard. Epiq also disseminated a long-form Notice to Nominees listed in Epiq’s  
16 proprietary database and posted the long-form Notice on the case website. In response,  
17 Epiq received from the Nominees either (i) requests for additional copies of the Class  
18 Postcard so that Nominees could forward the postcard directly to their clients or (ii) the  
19 names and addresses of clients who were potential Class Members.

20 5. Through this process, Epiq created a mailing list of all known potential  
21 members of the Class, and their Nominees, for use in connection with the Class Notice  
22 and any future notices in the Action.

23 6. The Class Notice provided Class Members with the opportunity to request  
24 exclusion from the Class, the requirements for requesting exclusion, and the August 7,  
25 2023 deadline for requesting exclusion. There were three untimely requests for  
26 exclusion. ECF Nos. 166, 175.

**MAILING OF THE SETTLEMENT POSTCARD**

1  
2 7. Pursuant to the Preliminary Approval Order, Epiq was responsible for  
3 sending the Settlement Postcard to potential Class Members who can be identified with  
4 reasonable effort, including by using the mailing records obtained in connection with  
5 the Class Notice. Attached hereto as Exhibit A is the Settlement Postcard.

6 8. On May 21, 2025, Epiq mailed 1,377 Settlement Postcards via First Class  
7 USPS Mail to all Class Members who were identified with reasonable effort, including  
8 those with mailing records from the Class Notice. Epiq also mailed a Settlement Notice  
9 to the 914 U.S. banks, brokerage firms, institutions, and other third-party Nominees  
10 listed in Epiq’s proprietary Nominee database with instructions comporting with the  
11 Nominee procedures set forth in Section 7 of the Preliminary Approval Order.

12 9. As set forth in Section 7 of the Preliminary Approval Order, Nominees  
13 were instructed to provide Epiq with information about additional customers whose  
14 information they did not provide in connection with the Class Notice and who may be  
15 Class Members to enable Epiq to either directly mail the Settlement Postcard or to  
16 provide Nominees with additional Settlement Postcards for forwarding to these  
17 eligible customers themselves. Otherwise, Epiq used the information previously  
18 provided by the Nominees.

19 10. As of June 19, 2025, Epiq has sent 1,979 Settlement Postcards to potential  
20 Class Members who have been identified to date, and Epiq has sent 34,370 Settlement  
21 Postcards to Nominees for forwarding to their eligible customers themselves. Epiq may  
22 continue to receive such mailing requests, and Epiq will complete them in a timely  
23 manner.

24 11. The return address on the Settlement Postcard is the P.O. Box maintained  
25 by Epiq. As of June 19, 2025, 8 Settlement Postcards have been returned by the USPS  
26 with forwarding information and 8 were promptly re-mailed by Epiq to the forwarding  
27 address.

1 **PUBLICATION OF THE SUMMARY NOTICE**

2 12. Pursuant to Section 9 of the Preliminary Approval Order, on June 4, 2025,  
3 Epiq published the Summary Notice in *The Wall Street Journal* and transmitted the  
4 Summary Notice as a press release over *PR Newswire*. A copy of both publications is  
5 attached hereto as Exhibit B.

6 **WEBSITE**

7 13. On May 21, 2025, Epiq updated the existing case website with  
8 information and materials related to the Settlement,  
9 [www.TheHonestCompanySecuritiesLitigation.com](http://www.TheHonestCompanySecuritiesLitigation.com). Those interested can visit the  
10 website to obtain additional information about the proposed Settlement, as well as  
11 important documents, including the Settlement Notice, Claim Form, Stipulation,  
12 Preliminary Approval Order, the complaint, and various orders in the case. The website  
13 also contains a summary of options available to Class Members and deadlines to act.  
14 Class Members are also able to file a Claim Form electronically via the website, or  
15 download a paper Claim Form to be submitted by mail. References to the website were  
16 prominently displayed in the Settlement Postcard, Settlement Notice and Summary  
17 Notice. A copy of the Settlement Notice and Claim Form is attached hereto as Exhibit  
18 C.

19 14. As of June 19, 2025, the website has been visited by 924 unique visitors.  
20 Epiq has maintained and will continue to maintain and update the website throughout  
21 the claims administration process.

22 **TOLL-FREE TELEPHONE NUMBER**

23 15. On May 21, 2025, Epiq updated and is maintaining a toll-free telephone  
24 number for the case, 1-888-670-8722, to provide information and accommodate  
25 inquiries from Class Members. Among other things, callers are provided with scripted  
26 information about the proposed Settlement in the form of recorded answers to  
27 frequently asked questions. Callers have the option to speak with a live operator during  
28 normal business hours and to request copies of the Settlement Notice and Claim Form

1 (“Notice Packet”). The toll-free number is included in the Settlement Notice and  
2 Settlement Postcard and is available 24 hours per day, 7 days per week.

3 **EMAIL INBOX**

4 16. Epiq established and maintains an email inbox specific for this matter,  
5 info@TheHonestCompanySecuritiesLitigation.com. As of June 19, 2025, Epiq has  
6 received 204 incoming emails. Epiq will continue to maintain this inbox throughout  
7 the claims administration process.

8 **OBJECTIONS RECEIVED**

9 17. Pursuant to Section 14 of the Preliminary Approval Order, Class Members  
10 who wish to object to any aspect of the proposed Settlement are required to submit  
11 written objections to the Clerk of the Court, such that they are filed with the Court on  
12 or before the objection deadline of July 7, 2025. As of June 19, 2025, Epiq is not aware  
13 of, and has not received, any misdirected objections to the proposed Settlement.

14  
15 I declare under penalty of perjury under the laws of the United States that the  
16 foregoing is true and correct and that this declaration was executed on June 20, 2025,  
17 in Tigard, OR.

18 

19  
20 Alexander Villanova

# Exhibit A

c/o Epiq  
P.O. Box 5619  
Portland, OR 97228-5619

### Court-Ordered Legal Notice

Important Legal Notice Authorized by the United States District Court, Central District of California about the Settlement of a Class Action.

**If you purchased or otherwise acquired The Honest Company, Inc.'s publicly traded common stock from May 5, 2021 through August 18, 2021, inclusive, and were damaged thereby, a class action Settlement has been reached that will impact your legal rights.**

**You may be eligible for a cash payment. Please read this postcard carefully.**

For more information, please visit  
[www.TheHonestCompanySecuritiesLitigation.com](http://www.TheHonestCompanySecuritiesLitigation.com).

Scan QR Code for a more detailed notice about the proposed Settlement.



This postcard is to inform you that the proposed Settlement totaling \$27,500,000 has been reached with defendants The Honest Company, Inc. (“Honest”), the Individual Defendants, the Catterton Defendants, and the Underwriter Defendants (collectively, “Defendants”), which will resolve all claims, and related claims, in the certified class action known as *In re The Honest Company, Inc. Sec. Litig.*, Case No. 21-cv-07405 (C.D. Cal.) (the “Action”). If approved, the Settlement will end the lawsuit, in which Class Representative brings claims under Section 11 and 15 of the Securities Act of 1933, alleging Defendants made material misrepresentations and omissions in connection with Honest’s initial public offering (“IPO”) of common stock about, among other things (i) Honest’s business model and growth strategy, and (ii) the impact of the COVID-19 pandemic on the demand for its products.

You received this postcard because you, or an investment account you represent, may be a member of the certified Class (explained below). The issuance of this postcard does not reflect the opinion of the Court on the merits of the claims or defenses asserted by either side in the lawsuit. Defendants deny all liability or wrongdoing. Capitalized terms not defined in this postcard have the meanings given in the Stipulation and Agreement of Settlement, dated as of March 11, 2025 (the “Stipulation”). THIS POSTCARD PROVIDES ONLY LIMITED INFORMATION ABOUT THE SETTLEMENT. PLEASE VISIT [WWW.THEHONESTCOMPANYSECURITIESLITIGATION.COM](http://WWW.THEHONESTCOMPANYSECURITIESLITIGATION.COM) FOR MORE INFORMATION AND THE FULL SETTLEMENT NOTICE.

#### What does the Settlement provide?

Defendants have agreed to pay, or cause the payment of, \$27,500,000 in exchange for the settlement and release of all claims in the Action and related claims (“Released Plaintiffs’ Claims”). The Settlement Amount, plus accrued interest, after deduction of Court-awarded attorneys’ fees and expenses, Notice and Administration Expenses, and Taxes, will be allocated among Class Members who submit valid claims.

Your *pro rata* share of the Settlement proceeds will depend on, among other things, the number and value of submitted claims, how many eligible shares of Honest publicly traded common stock you have, and when your shares were purchased, acquired, or sold. If all Class Members participate in the Settlement, the estimated average recovery will be approximately \$0.41 per eligible share before deduction of Court-approved fees and costs. Your portion of the Settlement proceeds will be determined by the Plan of Allocation approved by the Court. The proposed plan is in the full Settlement Notice.

#### Am I affected by the Settlement?

Receipt of this postcard does not mean you are a Class Member. The Class is: **all persons and entities that purchased or otherwise acquired Honest’s publicly traded common stock pursuant and traceable to the Offering Documents for Honest’s IPO prior to August 19, 2021, as well as all persons and entities that acquired ownership of a trading account, retirement account, or any other similar investment account or**

portfolio consisting of Honest’s publicly traded common stock that was purchased or otherwise acquired pursuant and traceable to the Offering Documents for its IPO prior to August 19, 2021, and were damaged thereby (the “Class”). Certain individuals and entities (including Defendants and their family members) are excluded from the Class by definition.

#### How do I get a payment?

Receipt of this postcard does not mean you are eligible for a recovery. To qualify for payment, you must submit a valid Claim Form, which can be found at [www.TheHonestCompanySecuritiesLitigation.com](http://www.TheHonestCompanySecuritiesLitigation.com), or you can request one by contacting the Claims Administrator. Claim Forms must be postmarked by **July 14, 2025**, and be mailed to: *In re The Honest Company, Inc. Sec. Litig.*, c/o Epiq, P.O. Box 5619, Portland, OR 97228-5619, or be submitted online by **July 14, 2025**.

#### How will Plaintiffs’ Counsel be paid?

The Court has appointed the law firm of Labaton Keller Sucharow LLP as Class Counsel. Class Counsel will ask the Court to award Plaintiffs’ Counsel 30% of the Settlement Fund in attorneys’ fees, plus expenses of no more than \$1,725,000, which may include reimbursement to Class Representative for her costs pursuant to 15 U.S.C. § 77z-1(a)(4). These fees and costs would total approximately \$0.15 per eligible share.

#### What are my other options?

You may object to the Settlement, the Plan of Allocation, or Class Counsel’s Fee and Expense Application by **July 7, 2025**, or do nothing. Class Members were given the opportunity to request exclusion in 2023. If the Court does not approve the Settlement, no payments will be made, and the lawsuit will continue. By doing nothing, you will get no payment, and you will not be able to sue any of the Released Defendant Parties for the Released Plaintiffs’ Claims. The full Settlement Notice provides instructions for submitting a Claim Form and objecting, and you must comply with all of the instructions. Visit [www.TheHonestCompanySecuritiesLitigation.com](http://www.TheHonestCompanySecuritiesLitigation.com).

#### What happens next?

The Court will hold a hearing on **July 28, 2025 at 9:00 a.m. (Pacific)**, to consider whether to approve the Settlement, the Fee and Expense Application, or the plan of allocation. You will be represented by Class Counsel unless you enter an appearance through your own counsel, at your cost. You may attend the hearing and do not need an attorney to do so.

#### Questions?

To learn more, scan the QR code, visit [www.TheHonestCompanySecuritiesLitigation.com](http://www.TheHonestCompanySecuritiesLitigation.com), call (888) 670-8722, email [info@TheHonestCompanySecuritiesLitigation.com](mailto:info@TheHonestCompanySecuritiesLitigation.com), or write *In re The Honest Company, Inc. Sec. Litig.* c/o Epiq, P.O. Box 5619, Portland, OR 97228-5619.

# Exhibit B

BIGGEST 1,000 STOCKS

Table with columns: Stock, Sym, Close, Net Chg. Lists top 1,000 stocks including Microsoft, Amazon, Apple, Google, etc.

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CLASS ACTION

UNITED STATES DISTRICT COURT CENTRAL DISTRICT OF CALIFORNIA

IN RE THE HONEST COMPANY, INC. SECURITIES LITIGATION

Case No. 21-cv-07405-MCS-AS

SUMMARY NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND MOTION FOR ATTORNEYS' FEES AND EXPENSES

To: All persons and entities that purchased or otherwise acquired The Honest Company, Inc. publicly traded common stock pursuant and traceable to the Offering Documents for Honest's initial public offering ("IPO") prior to August 19, 2021, or acquired ownership of a trading account, retirement account, or any other similar investment account or portfolio containing such stock.

YOU ARE HEREBY NOTIFIED, pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the Central District of California, that Court-appointed Class Representative Kathie Ng, and the other members of the certified Class, and defendants The Honest Company, Inc. ("Honest"), Nikolaos Vlahos, Kelly Kennedy, Jessica Warren, Katie Bayne, Scott Dahnke, Eric Liaw, Jeremy Liep, Avik Pramanik, Morgan Stanley & Co. LLC, J.P. Morgan Securities LLC, Jefferies LLC, BofA Securities, Inc., Citigroup Global Markets, Inc., William Blair & Company, L.L.C., Guggenheim Securities, LLC, Telsey Advisory Group LLC, C.L. King & Associates, Inc., Loop Capital Markets LLC, Penserra Securities LLC, Samuel A. Ramirez & Company, Inc., Catterton Management Company L.L.C., L Catterton VIII, L.P., L Catterton VIII Offshore, L.P., Catterton Managing Partner VIII, L.L.C., C8 Management, L.L.C., and THC Shared Abacus, LP (collectively, "Defendants"), have reached a proposed settlement of the claims in the above-captioned class action (the "Action") and related claims in the amount of \$27,500,000 (the "Settlement").

by contacting the Claims Administrator at:

In re The Honest Company, Inc. Sec. Litig. c/o Epiq P.O. Box 5619 Portland, OR 97228-5619 info@TheHonestCompanySecuritiesLitigation.com www.TheHonestCompanySecuritiesLitigation.com (888) 670-8722

Inquiries, other than requests for copies of notice documents or for information about the status of a claim, may also be made to Class Counsel:

Alfred L. Fatale III, Esq. LABATON KELLER SUCHAROW LLP 140 Broadway New York, NY 10005 www.labaton.com settlementquestions@labaton.com (888) 219-6877

If you are a Class Member, to be eligible to share in the distribution of the Net Settlement Fund, you must submit a Claim Form postmarked or submitted online no later than July 14, 2025. If you are a Class Member and do not timely submit a valid Claim Form, you will not be eligible to share in the distribution of the Net Settlement Fund, but you will nevertheless be bound by all judgments and orders entered by the Court, whether favorable or unfavorable.

Any objections to the proposed Settlement, Class Counsel's Fee and Expense Application, and/or the proposed Plan of Allocation must be provided to counsel and filed with the Court in accordance with the instructions in the Settlement Notice, such that they are received no later than July 7, 2025.

PLEASE DO NOT CONTACT THE COURT, DEFENDANTS, OR DEFENDANTS' COUNSEL REGARDING THIS NOTICE.

DATED: June 4, 2025

BY ORDER OF THE COURT UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF CALIFORNIA

If you previously submitted a request for exclusion from the Class in connection with the Class Notice mailed in 2023, you will not be bound by any judgments or orders entered by the Court relating to the Settlement, whether favorable or unfavorable, and you will not be eligible to share in the distribution of the Net Settlement Fund.

PUBLIC NOTICES

ASTARIS PATRIMONIO DESTINATO

Mr. Claudio Sforza, in his capacity as Agent of the segregated perimeter (Patrimonio Destinato) set up pursuant to articles 2447-bis et seq. of Italian Civil code by virtue of Astaris S.p.A. (formerly Astaldi S.p.A.) Board of Directors' resolution dated May 24th, 2020, by deed of Salvatore Mariconda, notary in Rome, registered in the Commercial Register on May 27th, 2020, having the necessary powers,

selection of a potential buyer are invited to submit a request no later than the exclusion deadline at 6:00 p.m. (CEST) on July 4th, 2025, by sending an e-mail addressed to goiproject@astaldi.com in order to obtain the project teaser, along with the confidentiality agreement and the appropriate format to be used for any expression of interest; the latter shall be submitted duly signed to the aforementioned e-mail address, no later than the exclusion deadline at 6:00 p.m. (CEST) on August 4th, 2025.

Additional information on the sale process is available in the full text of the notice of sale published on the website www.astaldi.com, in the section "Patrimonio Destinato" / "GOI Motorway".

Roma, June 4th, 2025

Dott. Claudio Sforza

Patrimonio Destinato di Astaris S.p.A. con Socio Unico - Delibera Consiglio di Amministrazione del 24.05.2020 Sede Legale: 00156 Roma - Via G.V. Bona 65 Tel.: +39.06.67761 Reg. Imprese di Roma e C.F. 003989970582 P. IVA 00880281001 - REA RM 152353 Capitale Sociale sottoscritto e versato: 1.000.000,00 euro astaldipade@pec.astalis.it www.astaldi.com

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BANKRUPTCIES

NOTICE OF HEARING ON CONFIRMATION OF JOINT PRENEGOTIATED PLAN OF REORGANIZATION OF PREPERSER CORPORATION PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE AND FINAL APPROVAL OF THE DISCLOSURE STATEMENT

If you or Loved Ones Were Exposed To TALC, ASBESTOS, TALC-CONTAINING or ASBESTOS-CONTAINING Products Processed, Manufactured, Purchased, Financed, Sold and/or Distributed by PREPERSER CORPORATION PLEASE READ THIS NOTICE

1. Bankruptcy Case [Preperse Corporation, Case No. 24-18921 (MLN)]. On September 9, 2024, Preperse Corporation ("Debtor") petitioned for reorganization under chapter 11 of the United States Bankruptcy Code for the District of New Jersey ("Bankruptcy Court").

2. Plan of Reorganization and Disclosure Statement. On September 9, 2024, the Debtor, the pre-petition Claimants' Committee, and the pre-petition Future Claimants' Representative (collectively, the "Plan Proponents") filed a plan for the Chapter 11 reorganization in the United States Bankruptcy Court for the District of New Jersey ("reorganization") to resolve all existing and future asbestos-related personal injury and wrongful death claims.

3. Approval of Disclosure Statement. On May 30, 2025, the Bankruptcy Court entered an order conditionally approving the Disclosure Statement as containing adequate information within the meaning of section 1125 of the Bankruptcy Code.

4. Solicitation Materials Distributed to Voting Classes. The Disclosure Statement, together with copies of the Plan, Ballots and other voting materials, called a "Solicitation Package," has been mailed to known holders of Class 4 (Talc Personal Injury Claims) or their lawyers. The Disclosure Statement contains information that will help you decide how to vote on the Plan, the Disclosure Statement, and all other documents included in the Solicitation Package carefully for details about how the Plan may affect your rights.

5. Notices to Non-Voting Classes. This Notice of Combined Hearing, Opt-Out Election Notice and a Notice of Non-Voting Status has been mailed to known holders of Class 1, Class 2, Class 3, Class 5, and Class 7 Claims and Equity Interests. If you are a member of a Non-Voting Class, you should read these documents carefully for details about the Plan may affect your rights.

6. Key Parts of the Plan. The Plan provides for the establishment of a Talc Personal Injury Trust that will resolve and, as appropriate, pay all eligible Talc Personal Injury Claims. The Plan provides for the issuance of the Talc Personal Injury Channeling Injunction that will channel all current and future Talc Personal Injury Claims (including without limitations, future demands) against the Debtor to the Talc Personal Injury Trust, which will assume liability for all Talc Personal Injury Claims and use its assets to resolve and, if appropriate, compensate eligible Talc Personal Injury Claims. The Plan also proposes certain releases and exculpations, whereby certain parties would be shielded from liability or exculpated for a variety of claims. These provisions can be found at Plan Articles VIII.B. (Preperse Discharge Injunction), VIII.D. (Insurance Entity Injunction), VIII.E. (Exculpation and Section 1125(a) Protection), VIII.F. (Release by Debtor and Estate Related Injunction), and VIII.G. (Release by Holders of Claims and Interests). Full versions of these provisions can be viewed and downloaded, free of charge, at the Debtor's restructuring website - https://cases.ra.kroll.com/preperse.

7. How to Vote on the Plan. The Bankruptcy Court has issued an order describing who can vote on the Plan and how to vote. The Disclosure Statement contains information that will help you decide how to vote on the Plan if you are entitled to do so. Your legal rights may be affected if the Plan is confirmed (approved). To be counted, a ballot voting on the Plan must be actually received by the Balloting Agent on or before 4:00 p.m. (prevailing Eastern Time) on July 3, 2025 (the "Voting Deadline"). Ballots that are not submitted according to instructions contained therein will not be counted. Ballots that are not actually received by the Voting Deadline—even if they are postmarked on that date—will not be counted. Ballots will only be accepted if submitted in accordance with specific instructions contained therein.

If you are entitled to vote to accept or reject the Plan, an appropriate ballot and voting instructions may have been included in the Solicitation Package containing this notice sent to you, or alternatively, such items may have been sent to your attorney. You, or your attorney on your behalf, as applicable, must return your Ballot according to instructions accompanying the Ballot that is actually received by the Debtor's balloting agent, Kroll Restructuring Administration LLC (the "Balloting Agent"), no later than the Voting Deadline (as may be extended by the Debtor as noted above). If your Ballot is not returned according to specific instructions contained therein so that it is actually received by the Balloting Agent by the Voting Deadline, your vote may not be counted. Any failure to follow the voting instructions included with the Ballot may disqualify your Ballot and/or your vote. If you have not received a Ballot and are entitled to vote on the Plan, you

may request a Ballot and related solicitation materials from the Balloting Agent by e-mail at preperseinfo@ra.kroll.com (with "Preperse Solicitation Inquiry" in the subject line) or by calling 847-218-1854 (U.S./Canada, toll-free) or +1 646-937-7765 (international, toll).

In addition, if you are not represented by an attorney and/or did not receive a Solicitation Package with a Ballot and you believe you may be entitled to vote on the Plan, you may submit a Ballot through the Ballot Submission Portal, however, such Holder must contact the Balloting Agent for a login credential. For the avoidance of doubt, submission of a Ballot through the Ballot Submission Portal by holders of Talc Personal Injury Claims (other than Indirect Talc Personal Injury Claims) who believe they may be eligible to vote on the Plan is not dependent on receipt of a Solicitation Package, but the existence of a filed or scheduled Claim for, such holders. All submitted Ballots will be tabulated according to the rules set forth in the Voting Procedures as approved in the Solicitation Procedures Order.

8. What to Do if You Did Not Receive a Solicitation Package. If you believe you may be entitled to vote on the Plan, but did not receive a Solicitation Package, you may obtain a Solicitation Package, and other key documents relating to the Debtor's Chapter 11 Case by one of the means set forth in paragraph 11 below.

9. Talc Personal Injury and Wrongful Death Claims. Proof of a Talc Personal Injury Claim does not have to be filed with the Bankruptcy Court at this time. The Bankruptcy Court has established special procedures for holders of Talc Personal Injury Claims to vote on the Plan. Lawyers for holders of Talc Personal Injury Claims who object to the grounds for the objection, any relevant and admissible evidence in support of the objection, and the amount of the objector's claims or such other grounds that give the objector standing to assert the objection, (iii) conform to the Federal Rules of Bankruptcy Procedure and the Local Rules of the Bankruptcy Court, (iv) be filed with the Bankruptcy Court, and (v) served in accordance with the Local Rules upon the following parties so as to be actually received on or before 4:00 p.m. (prevailing Eastern Time) on July 9, 2025: (a) counsel for the Debtor, Duane Morris LLP, 200 Campus Drive, Suite 300, Florham Park, New Jersey 07932, Attention: Morris S. Bauer, Esq.; (b) Counsel to the Talc Claimants' Committee, (c) Counsel to the Future Claimants' Representative, and (d) the Office of the United States Trustee for Region 3, One Newark Center, Suite 2100, Newark, NJ 07102. Registered users of the Bankruptcy Court's case filing system must electronically file their objections and responses. All other parties in interest must file their objections and responses in writing with the Clerk of the Bankruptcy Court, Clark S. Fisher US Courthouse, 402 East State Street, Trenton, NJ 08608. If you or your attorney does not file an objection to the Plan, the Bankruptcy Court may conclude that you do not object to confirmation of the Plan, and may enter an order confirming the Plan by which you will be bound.

11. Combined Hearing on Confirmation of the Plan and Final Approval of the Disclosure Statement. A hearing ("Combined Hearing") to consider whether the Bankruptcy Court should confirm the Plan and approve in final the Disclosure Statement will be held before the Honorable Michael B. Kaplan, United States Bankruptcy Judge, in the United States Bankruptcy Court for the District of New Jersey, Courthouse 402 East State Street, Trenton, NJ 08608, on July 23, 2025, at 10:00 a.m. (prevailing Eastern Time). You may attend the Combined Hearing but are not required to do so. The Combined Hearing may be continued from time to time by the Bankruptcy Court or the Debtor without further notice to parties other than by such adjournment being announced in open court or by a notice of adjournment filed with the Bankruptcy Court.

12. Additional Information. Copies of the Plan, the Disclosure Statement and other materials contained in the Solicitation Package, including a ballot to vote on the Plan, may be obtained by contacting the Debtor's Balloting Agent (i) by regular mail, overnight courier, or hand delivery at the address listed below; (ii) email at preperseinfo@ra.kroll.com (with "Preperse Solicitation Inquiry" in the subject line); (iii) calling the Balloting Agent at 844-712-1854 (U.S./Canada, toll free) or +1 646-937-7765 (international, toll); or by visiting the Debtor's restructuring website at https://cases.ra.kroll.com/preperse.

IF BY REGULAR MAIL, OVERNIGHT COURIER, OR HAND DELIVERY: Preperse Corporation Ballot Processing Center, c/o Kroll Restructuring Administration LLC, 850 Third Avenue, Suite 412, Brooklyn, New York 11232. Copies of the Plan and the Disclosure Statement, and all other documents filed in the Debtor's Chapter 11 Case, may also be (i) examined by interested parties between the hours of 9:00 a.m. and 4:30 p.m. (prevailing Eastern Time) at the office of the Clerk of the Bankruptcy Court, United States Bankruptcy Court for the District of New Jersey, Clark S. Fisher US Courthouse, 402 East State Street, Trenton, NJ 08608; (ii) obtained, for a fee, on the Bankruptcy Court's website at https://www.nj.uscourts.gov/ (the required PACER password can be obtained at https://www.pacer.gov); or (iii) viewed and downloaded, free of charge, at the Debtor's restructuring website - https://cases.ra.kroll.com/preperse. To the extent any portion of this notice conflicts with the Plan or the Disclosure Statement, the terms of those documents shall control over this notice.

Dated: May 30, 2025. Respectfully submitted, DUANE MORRIS LLP, c/o Morris S. Bauer, Morris S. Bauer, Esq. (NJ Bar No. 039711990), Drew S. McGehrin (NJ Bar No. 196852016), 200 Campus Drive, Suite 300, Florham Park, New Jersey 07932-1007, Telephone: (973) 424-2037, Facsimile: (973) 556-1380, E-mail: MSBauer@duanemorris.com, David DSMcGehrin@duanemorris.com, Counsel to the Debtor and Debtor-in-Possession

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COMMERCIAL REAL ESTATE

NOTICE OF SECURED PARTY PUBLIC AUCTION OF 100% OF THE CLASS B LIMITED LIABILITY MEMBERSHIP INTERESTS IN AY PHASE II DEVELOPMENT COMPANY, LLC PLEASE TAKE NOTICE that, in accordance with applicable provisions of the Uniform Commercial Code as enacted in New York, DBD AYB FUNDING II, LLC a Delaware limited liability company, as Administrative Agent for DBD AYB FUNDING II, LLC and AYB FUNDING 200, LLC, a Delaware limited liability company, ("Secured Party"), will sell 100% of the Class B limited liability membership interests in AY PHASE II DEVELOPMENT COMPANY, LLC, a Delaware limited liability company, as more particularly described in that certain Pledge and Security Agreement, dated as of June 17, 2015, by and among Secured Party's predecessor-in-interest and AY PHASE III MEZZANINE LLC, a Delaware limited liability company (the "Collateral") to the highest qualified bidder at a public sale. The public sale will take place at 3:00 p.m. on June 30, 2025, both in person and remotely from the offices of Rosenberg & Estis, P.C., 733 Third Avenue, New York, New York 10017, with access afforded in person and remotely via Zoom or other web-based video conferencing and/or telephonic conferencing program selected by Secured Party. Secured Party's understanding is that the principal asset of the Class B limited liability membership interests in AY PHASE II DEVELOPMENT COMPANY, LLC is the parcels of real property located on the eastern blockfront of Vanderbilt Avenue between Atlantic Avenue and Pacific Street in the Prospect Heights section of Brooklyn, New York, identified as B9 and B10, and more particularly known as the air rights parcels above Block 1121 and the terra firm known as Lots 42 and 47, Block 1121 in Kings County, New York, as such Collateral is described in that certain Schedule II to the Mezzanine Loan Agreement, dated as of June 17, 2015, by and among Secured Party's predecessor-in-interest and AY PHASE III MEZZANINE LLC, a Delaware limited liability company. The Collateral will be sold to the highest qualified bidder; provided, however, that the auctioneer reserves the right to cancel the sale in its entirety, or to adjourn the sale to a future date by announcement made at the time and place scheduled for the public sale. The sale will be conducted by Mannion Auctions, LLC, by Matthew Mannion, Licensed Auctioneer, NYC Division of Consumer Affairs License Auctioneer, License No. 1434494. The Collateral will be sold as a single lot and will not be divided or sold in any lesser amounts. Interested parties who would like additional information concerning such conditions, as well as other information regarding the Collateral, the requirements to be a bidder for the Collateral, or the terms of the Sale should contact the agent for Secured Party, Mick Scribani of Newmark, at (212) 372-2113 or Mick.Scribani@nmrk.com to receive the Terms of Public Sale and bidding instructions. Upon execution of a standard non-disclosure agreement, additional documentation and information will be made available. Interested parties who do not contact Secured Party and qualify prior to the public sale will not be permitted to enter a bid or participate at the public sale either in person or remotely. This Notice of Secured Party Public Auction of 100% of the Class B Limited Liability Membership Interests in AY Phase II Development Company, LLC constitutes notice that the prior sale of the Collateral, previously scheduled for May 28, 2025, has been adjourned to June 30, 2025, as set forth above. ROSENBERG & ESTIS, P.C., Attorneys for Secured Party, 733 Third Avenue, New York, New York 10017. Attention: Eric S. Orenstein Esq., Telephone: (212) 551-8438, E-mail: eorenstein@rosenbergestis.com

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# Labaton Keller Sucharow LLP Announces Proposed Settlement Involving Purchasers of The Honest Company, Inc. Common Stock

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Jun 04, 2025, 09:05 ET

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LOS ANGELES, June 4, 2025 /PRNewswire/ --

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

IN RE THE HONEST COMPANY, INC.  
SECURITIES LITIGATION

Case No. 21-cv-07405-MCS-AS

**SUMMARY NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND MOTION FOR  
ATTORNEYS' FEES AND EXPENSES**

**To: All persons and entities that purchased or otherwise acquired The Honest Company, Inc. publicly traded common stock pursuant and traceable to the Offering Documents for Honest's initial public offering ("IPO") prior to August 19, 2021, or acquired ownership of a trading account, retirement account, or any other similar investment account or portfolio containing such stock.**

YOU ARE HEREBY NOTIFIED, pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the Central District of California, that Court-appointed Class Representative Kathie Ng, and the other members of the certified Class, and defendants The Honest Company, Inc. ("Honest"), Nikolaos Vlahos, Kelly Kennedy, Jessica Warren, Katie Bayne, Scott Dahnke, Eric Liaw, Jeremy Liew, Avik Pramanik, Morgan Stanley & Co. LLC, J.P. Morgan Securities LLC, Jefferies LLC, ∞

Securities, LLC, Telsey Advisory Group LLC, C.L. King & Associates, Inc., Loop Capital Markets LLC, Penserra Securities LLC, Samuel A. Ramirez & Company, Inc., Catterton Management Company L.L.C., L Catterton VIII, L.P., L Catterton VIII Offshore, L.P., Catterton Managing Partner VIII, L.L.C., C8 Management, L.L.C., and THC Shared Abacus, LP (collectively, "Defendants"), have reached a proposed settlement of the claims in the above-captioned class action (the "Action") and related claims in the amount of \$27,500,000 (the "Settlement").

A hearing will be held before the Honorable Mark C. Scarsi on July 28, 2025, at 9:00 a.m. (Pacific), at the First Street Courthouse, 350 W. 1st Street, Courtroom 7C, 7th Floor, Los Angeles, California 90012 (the "Settlement Hearing") to, among other things, determine whether the Court should: (i) approve the proposed Settlement as fair, reasonable, and adequate; (ii) dismiss the Action as provided in the Stipulation and Agreement of Settlement, dated March 11, 2025; (iii) approve the proposed Plan of Allocation for distribution of the settlement funds available for distribution to eligible Class Members (the "Net Settlement Fund"); and (iv) approve Class Counsel's Fee and Expense Application seeking attorneys' fees of no more than 30% of the Settlement Fund and Litigation Expenses of no more than \$1,725,000, plus accrued interest. The Court may change the date of the Settlement Hearing without providing another notice. You do NOT need to attend the Settlement Hearing to receive a distribution from the Net Settlement Fund.

**IF YOU ARE A MEMBER OF THE CLASS, YOUR RIGHTS WILL BE AFFECTED BY THE PROPOSED SETTLEMENT AND YOU MAY BE ENTITLED TO A MONETARY PAYMENT.<sup>1</sup>**

If you have not yet received a Settlement Postcard, you may obtain copies of the Settlement Postcard, long-form Settlement Notice, and Claim Form by visiting the website for the case, [www.TheHonestCompanySecuritiesLitigation.com](http://www.TheHonestCompanySecuritiesLitigation.com), or by contacting the Claims Administrator at:

*In re The Honest Company, Inc. Sec. Litig.*

c/o Epiq

P.O. Box 5619

Portland, OR 97228-5619

**[info@TheHonestCompanySecuritiesLitigation.com](mailto:info@TheHonestCompanySecuritiesLitigation.com)**

**[www.TheHonestCompanySecuritiesLitigation.com](http://www.TheHonestCompanySecuritiesLitigation.com)**

(888) 670-8722

Alfred L. Fatale III, Esq.  
LABATON KELLER SUCHAROW LLP  
140 Broadway  
New York, NY 10005  
[www.labaton.com](http://www.labaton.com)  
[settlementquestions@labaton.com](mailto:settlementquestions@labaton.com)  
(888) 219-6877

If you are a Class Member, to be eligible to share in the distribution of the Net Settlement Fund, you must submit a Claim Form **postmarked or submitted online no later than July 14, 2025**. If you are a Class Member and do not timely submit a valid Claim Form, you will not be eligible to share in the distribution of the Net Settlement Fund, but you will nevertheless be bound by all judgments and orders entered by the Court, whether favorable or unfavorable.

Any objections to the proposed Settlement, Class Counsel's Fee and Expense Application, and/or the proposed Plan of Allocation must be provided to counsel and filed with the Court in accordance with the instructions in the Settlement Notice, such that they are **received no later than July 7, 2025**.

**PLEASE DO NOT CONTACT THE COURT, DEFENDANTS, OR DEFENDANTS' COUNSEL REGARDING THIS NOTICE.**

DATED: June 4, 2025

BY ORDER OF THE COURT  
UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

<sup>1</sup> If you previously submitted a request for exclusion from the Class in connection with the Class Notice mailed in 2023, you will not be bound by any judgments or orders entered by the Court relating to the Settlement, whether favorable or unfavorable, and you will not be eligible to share in the distribution of the

URL: [www.TheHonestCompanySecuritiesLitigation.com](http://www.TheHonestCompanySecuritiesLitigation.com)

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# Exhibit C

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

IN RE THE HONEST COMPANY, INC.  
SECURITIES LITIGATION

Case No. 21-cv-07405-MCS-AS

**NOTICE OF PROPOSED CLASS ACTION  
SETTLEMENT AND MOTION FOR  
ATTORNEYS' FEES AND EXPENSES**

**If you purchased or otherwise acquired The Honest Company, Inc. (“Honest” or the “Company”) publicly traded common stock pursuant and traceable to the Offering Documents for Honest’s initial public offering (“IPO”) prior to August 19, 2021, or acquired ownership of a trading account, retirement account, or any other similar investment account or portfolio containing such stock, you may be entitled to a payment from a class action settlement.**

*A federal court authorized this Settlement Notice. It is not a solicitation from a lawyer.*

- This Settlement Notice describes important rights you may have and what steps you must take if you wish to recover from the Settlement. *This Settlement Notice is different than the postcard that you might have received in June 2023 alerting you to the existence of the case and the certification of the Class.*
- If approved by the Court, the proposed Settlement will create a \$27,500,000 fund, plus earned interest, for the benefit of eligible Class Members, after the deduction of any attorneys’ fees and expenses awarded by the Court, Notice and Administration Expenses, and Taxes.<sup>1</sup>
- The Settlement resolves claims by Class Representative Kathie Ng (“Class Representative” or “Lead Plaintiff”) that have been asserted on behalf of the certified Class against defendants Honest, the Individual Defendants<sup>2</sup> (the Individual Defendants and Honest are the “Honest Defendants”), the Underwriter Defendants,<sup>3</sup> and the Catterton Defendants (collectively, “Defendants”).<sup>4</sup>

**If you are a Class Member, your legal rights are affected whether you act or do not act.  
Read this Settlement Notice carefully.**

<b>YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT</b>	
<b>SUBMIT A CLAIM FORM BY JULY 14, 2025</b>	The <i>only</i> way to get a payment. <i>See</i> ¶ 41, below.
<b>OBJECT BY JULY 7, 2025</b>	Write to the Court about why you do not like the Settlement, the proposed Plan of Allocation, and/or the Fee and Expense Application. <i>See</i> ¶ 49, below.
<b>GO TO A HEARING ON JULY 28, 2025</b>	Ask to speak in Court about the Settlement at the Settlement Hearing. <i>See</i> ¶ 53, below.
<b>DO NOTHING</b>	Get no payment. Give up rights.

<sup>1</sup> All capitalized terms not defined in this Settlement Notice have the meanings given in the Stipulation and Agreement of Settlement, dated as of March 11, 2025 (the “Stipulation”).

<sup>2</sup> The “Individual Defendants” are Nikolaos Vlahos, Kelly Kennedy, Jessica Warren, Katie Bayne, Scott Dahnke, Eric Liaw, Jeremy Liew, and Avik Pramanik.

<sup>3</sup> The “Underwriter Defendants” are Morgan Stanley & Co. LLC, J.P. Morgan Securities LLC, Jefferies LLC, BofA Securities, Inc., Citigroup Global Markets, Inc., William Blair & Company, L.L.C., Guggenheim Securities, LLC, Telsey Advisory Group LLC, C.L. King & Associates, Inc., Loop Capital Markets LLC, Penserra Securities LLC, and Samuel A. Ramirez & Company, Inc.

<sup>4</sup> The “Catterton Defendants” are Catterton Management Company L.L.C., L Catterton VIII, L.P., L Catterton VIII Offshore, L.P., Catterton Managing Partner VIII, L.L.C., C8 Management, L.L.C., and THC Shared Abacus, LP.

**These rights and options are explained in this Settlement Notice.**

**Please Note: The date and time of the Settlement Hearing is subject to change without further written notice. It is also within the Court's discretion to hold the hearing remotely. If you plan to attend the hearing, you should check [www.TheHonestCompanySecuritiesLitigation.com](http://www.TheHonestCompanySecuritiesLitigation.com), the Court's PACER site (see ¶ 51 below), or with Class Counsel to confirm no change has been made.**

### **SUMMARY OF THIS NOTICE**

#### **Statement of the Class's Recovery**

1. Subject to Court approval, Class Representative, on behalf of the Class, has agreed to settle the Action in exchange for a payment of \$27,500,000 (the "Settlement Amount"), which will be deposited into an interest-bearing Escrow Account (the "Settlement Fund"). The Net Settlement Fund (defined below) will be distributed to Class Members according to the plan of allocation approved by the Court (the "Plan of Allocation" or "Plan"). The proposed Plan of Allocation is on pages 11-13 below.

#### **Estimate of Average Amount of Recovery Per Share**

2. Based on Class Representative's damages expert's estimate of the number of shares of Honest publicly traded common stock eligible to participate in the Settlement, and assuming that all investors eligible to participate do so, Class Representative estimates that the average recovery would be approximately \$0.41 per eligible share (before deduction of any Court-approved fees and expenses, such as attorneys' fees and expenses, Taxes, and Notice and Administration Expenses), and approximately \$0.26 per eligible share after the deduction of the attorneys' fees and expenses discussed below. **Please note, however, these average recovery amounts are only estimates and Class Members may recover more or less than these estimated amounts.** An individual Class Member's actual recovery will depend on several factors, including the number and value of eligible claims and a Class Member's individual trading. These factors are explained in the Plan of Allocation beginning on page 11. Please refer to the Plan for information on the calculation of your Recognized Claim.

#### **Statement of Potential Outcome of Case**

3. The Parties disagree about both liability and damages and do not agree on the damages that would be recoverable if Class Representative was to prevail on each claim asserted against Defendants. The issues on which the Parties disagree include, for example: (i) whether the Offering Documents contained untrue statements of material fact or omitted material facts required to be stated in the documents or necessary to make the statements in the documents not misleading; (ii) whether certain Defendants conducted a reasonable investigation in connection with the IPO and had reasonable grounds for believing that the Offering Documents were truthful and complete; (iii) whether certain Defendants controlled Honest; (iv) whether Class Members suffered any damages; and (v) the extent to which factors such as general market, economic and industry conditions influenced the trading prices of Honest common stock at various times.

4. Defendants have denied and continue to deny any fault, liability, or wrongdoing of any kind, deny that they have committed any act or omission giving rise to any liability or violation of law, and deny that Class Representative and the Class have suffered any loss attributable to Defendants' actions. While Class Representative believes she has meritorious claims, she recognizes that there are significant obstacles in the way to recovery.

#### **Statement of Attorneys' Fees and Expenses Sought**

5. Class Counsel, on behalf of itself and all Plaintiffs' Counsel,<sup>5</sup> will apply to the Court for an award of attorneys' fees from the Settlement Fund in an amount not to exceed 30% of the Settlement Fund, which includes any accrued interest. Class Counsel will also apply for payment of Litigation Expenses incurred in prosecuting the Action in an amount not to exceed \$1,725,000, plus accrued interest, which may include an application for the reasonable costs and expenses (including lost wages) of Class Representative directly related to her representation of the Class, pursuant to the Private Securities Litigation Reform Act of 1995 ("PSLRA"). If the Court approves Class Counsel's maximum Fee and Expense Application, the average amount of fees and expenses, assuming claims are filed for all shares estimated to be eligible to participate in the Settlement, will be approximately \$0.15 per eligible share of Honest common stock. Please note that this amount is only an estimate.

<sup>5</sup> "Plaintiffs' Counsel" are Labaton Keller Sucharow LLP and The Schall Law Firm.

## Reasons for the Settlement

6. For Class Representative, the principal reason for the Settlement is the guaranteed cash benefit to the Class. This benefit must be compared to the uncertainty of being able to prove the allegations in the Second Amended Consolidated Complaint; the risk that the Court may grant some or all of the anticipated dispositive motions to be filed by Defendants; the risks of litigation, especially in complex securities actions like this; as well as the difficulties and delays inherent in such litigation (including any trial and appeals). For Defendants, who deny all allegations of wrongdoing or liability whatsoever and deny that Class Members were damaged, the sole reasons for entering into the Settlement are to end the burden, expense, uncertainty, and risk of further protracted litigation.

## Identification of Attorneys and Representatives

7. Class Representative and the Class are represented by Class Counsel, Alfred L. Fatale III, Esq., Labaton Keller Sucharow LLP, 140 Broadway, New York, NY 10005, (888) 219-6877, [www.Labaton.com](http://www.Labaton.com), [settlementquestions@labaton.com](mailto:settlementquestions@labaton.com).

8. Further information regarding the claims process and this Settlement Notice may be obtained by contacting the Claims Administrator: *In re The Honest Company, Inc. Sec. Litig.*, c/o Epiq, P.O. Box 5619, Portland, OR 97228-5619, (888) 670-8722, [info@TheHonestCompanySecuritiesLitigation.com](mailto:info@TheHonestCompanySecuritiesLitigation.com), [www.TheHonestCompanySecuritiesLitigation.com](http://www.TheHonestCompanySecuritiesLitigation.com).

### **Please Do Not Call the Court or Defendants with Questions**

### **BASIC INFORMATION**

#### **1. Why did I get the Settlement Postcard?**

9. You may have recently received a Settlement Postcard about the proposed Settlement. (The Settlement Postcard is different than the postcard that you might have received in 2023 alerting you to the fact that the case was pending and the Class had been certified.) This long-form Settlement Notice provides additional information about the Settlement and related procedures.

10. The Court authorized that the Settlement Postcard be sent to you because you or someone in your family, or an investment account for which you serve as a representative, may have purchased or otherwise acquired Honest publicly traded common stock pursuant and traceable to the Offering Documents for Honest's IPO prior to August 19, 2021, or acquired ownership of a trading account, retirement account, or any other similar investment account or portfolio containing eligible shares, and may be a Class Member. **Receipt of the Settlement Postcard does not mean that you are a Member of the Class or that you are entitled to receive a payment. The Parties to the Action do not have access to your individual investment information. If you wish to be eligible for a payment, you are required to submit the Claim Form that is available at [www.TheHonestCompanySecuritiesLitigation.com](http://www.TheHonestCompanySecuritiesLitigation.com). See Question 8 below.**

11. The Court directed that the Settlement Postcard be sent to Class Members to inform them of the terms of the proposed Settlement, and about their options, before the Court decides whether to approve the Settlement at the upcoming hearing to consider the fairness, reasonableness, and adequacy of the Settlement, the proposed Plan of Allocation for the proceeds of the Settlement, and Class Counsel's Fee and Expense Application (the "Settlement Hearing").

12. The Court in charge of the Action is the United States District Court for the Central District of California (the "Court"), and the case is known as *In re the Honest Company, Inc. Securities Litigation*, Case No. 21-cv-07405. The Action is assigned to the Honorable Mark C. Scarsi.

#### **2. What is this case about?**

13. Headquartered in Los Angeles, California, Honest develops, markets, and sells clean and sustainable household and personal care products. On or about May 5, 2021, Honest commenced its IPO.

14. On September 15, 2021, a securities class action complaint was filed in the Court, under the caption *Dixon v. The Honest Company, Inc., et al.*, Case No. 21-cv-07405 (the "Dixon Action"), asserting violations of Sections 11, 12(a)(2), and 15 of the Securities Act of 1933 (the "Securities Act") for alleged misstatements and omissions in the registration statement and prospectus (the "Offering Documents") for Honest's IPO. A second securities class action was filed on October 8, 2021, captioned *Gambino v. The Honest Company, Inc., et al.*, Case No. 21-cv-08033 (the "Gambino Action").

15. By Order dated January 26, 2022, the Court appointed Kathie Ng as Lead Plaintiff, approved her selection of Labaton Sucharow LLP (n/k/a Labaton Keller Sucharow LLP) as Lead Counsel (“Labaton” or “Class Counsel”), and consolidated the *Dixon* Action and the *Gambino* Action under the caption *In re The Honest Company, Inc. Securities Litigation*, Case No. 21-cv-07405.

16. On February 21, 2022, Lead Plaintiff filed a Consolidated Class Action Complaint for Violations of the Federal Securities Laws (the “Consolidated Complaint”) asserting claims against the Honest Defendants and the Underwriter Defendants under Section 11 of the Securities Act and against the Individual Defendants under Section 15 of the Securities Act. The Complaint alleged that the Offering Documents filed in connection with the IPO contained three categories of allegedly materially false and misleading statements or omissions: (1) the Offering Documents failed to disclose, at the time of the IPO, Honest’s introduction of its “clean conscious diaper” was negatively received by customers; (2) the Offering Documents failed to disclose, at the time of the IPO, the extent to which stockpiling of Honest products during the COVID-19 pandemic was negatively impacting the Company; and (3) the Offering Documents misrepresented the significant risks that made the IPO speculative and risky, in particular, risks associated with the COVID-19 stock-up, decreasing demand, and Honest’s “omnichannel” strategy.

17. On March 14, 2022, the Honest Defendants moved to dismiss the Consolidated Complaint (the “First Motion to Dismiss”). On the same day, the Underwriter Defendants joined in that motion. On July 18, 2022, the Court granted in part and denied in part the First Motion to Dismiss. On August 1, 2022, the Honest Defendants filed a Motion for Partial Reconsideration of the July 18, 2022 Order, which the Underwriter Defendants joined. On August 25, 2022, after briefing, the Court denied in full the Motion for Partial Reconsideration.

18. The Honest Defendants and the Underwriter Defendants filed their answers to the Consolidated Complaint on August 17, 2022, denying all allegations of wrongdoing or damages and asserting affirmative defenses.

19. On September 7, 2022, Class Representative filed a Motion to Strike Affirmative Defenses from both the Honest Defendants’ and the Underwriter Defendants’ answers to the Consolidated Complaint. On October 26, 2022, the Court granted in part and denied in part the Motion to Strike and ordered the Honest Defendants and the Underwriter Defendants to file amended answers to the Consolidated Complaint. The Honest Defendants and the Underwriter Defendants filed amended answers to the Consolidated Complaint on November 9, 2022.

20. On February 13, 2023, Class Representative moved for class certification, appointment of Kathie Ng as Class Representative, and appointment of Labaton as Class Counsel. After briefing and oral argument, on May 1, 2023, the Court entered an order granting in part the Motion for Class Certification which certified the Class, appointed Kathie Ng as Class Representative, and appointed Labaton as Class Counsel.

21. On May 22, 2023, Class Representative, the Honest Defendants, and the Underwriter Defendants entered into a Joint Stipulation as to Notice of Pendency of Class Action. On May 24, 2023, the Court entered an order approving issuance of notice of pendency of class action (“Class Notice”).

22. Beginning on June 8, 2023, the Class Postcard was mailed to potential Class Members and a long-form notice was made available on the website created for the Action. On June 15, 2023, a summary notice was published in *The Wall Street Journal* and distributed on the internet using *PR Newswire*. In addition to summarizing the Action, the notices collectively provided potential class members with the opportunity to request exclusion from the Class (*i.e.*, to “opt-out”), explained that right, and set forth procedures for doing so, including the August 7, 2023 deadline. Three untimely requests for exclusion were received, purportedly representing 158 shares of common stock in total.

23. On August 14, 2023, Class Representative filed the Amended Consolidated Class Action Complaint for Violations of the Federal Securities Laws (the “Amended Consolidated Complaint”), adding the Catterton Defendants as well as allegations concerning the Catterton Defendants’ alleged control of Honest and their alleged liability under Section 15 of the Securities Act. The allegations as to the Honest Defendants and the Underwriter Defendants remained the same.

24. On October 16, 2023, the Catterton Defendants moved to dismiss the Amended Consolidated Complaint (the “Second Motion to Dismiss”). After briefing, on January 31, 2024, the Court granted the Second Motion to Dismiss and gave Class Representative leave to amend the Amended Consolidated Complaint within 14 days.

25. On February 14, 2024, Class Representative filed the operative Second Amended Consolidated Class Action Complaint for Violations of the Federal Securities Laws (the “Second Amended Consolidated Complaint”) adding additional allegations as to the Catterton Defendants’ alleged control of Honest.

26. On February 28, 2024, the Catterton Defendants moved to dismiss the Second Amended Consolidated Complaint (the “Third Motion to Dismiss”). On April 22, 2024, after briefing, the Court denied the Third Motion to Dismiss in its entirety. Defendants filed their answers to the Second Amended Consolidated Complaint on May 29, 2024, denying all allegations of wrongdoing or damages and asserting affirmative defenses. The Honest Defendants and the Catterton Defendants subsequently filed amended answers to the Second Amended Consolidated Complaint.

27. The Parties engaged in extensive formal discovery that included the review of more than 75,000 documents (approximately 347,000 pages) from the Honest Defendants; more than 71,000 documents (approximately 200,000 pages) from the Underwriter Defendants; 800 documents (approximately 40,000 pages) from the Catterton Defendants; and more than 1,000 documents from third parties. The Parties took or defended a total of 21 depositions, consisting of witnesses on behalf of the Honest Defendants, a confidential witness cited in the Second Amended Consolidated Complaint, the Individual Defendants, the Catterton Defendants, as well as Class Representative and Rule 30(b)(6) corporate designees from Honest, the Catterton Defendants, and the Underwriter Defendants. In connection with expert discovery, the Parties submitted a total of 11 expert reports, including rebuttal reports.

28. On June 20, 2023, Class Counsel and counsel for the Honest Defendants met with David M. Murphy, Esq. (the “Mediator”), a well-respected and highly experienced mediator from Phillips ADR, to explore a potential resolution of the Action through an all-day mediation. This mediation was preceded by the exchange of confidential mediation statements. However, no settlement was reached at this time.

29. On December 16, 2024, Class Counsel, counsel for the Honest Defendants, and counsel for the Catterton Defendants, met in person for a full-day session with the Mediator in a second attempt to reach a settlement. The Parties were unable to reach an agreement to settle, but agreed to continue negotiations through the Mediator. On December 23, 2024, after additional discussions between Class Counsel and counsel for the Honest Defendants through the Mediator, Class Representative and the Honest Defendants accepted a Mediator’s proposal to resolve all claims against the Honest Defendants and the Underwriter Defendants, subject to the negotiation of non-financial terms for the Settlement and Court approval, for \$20 million in cash. On January 6, 2025, after several discussions between Class Counsel and counsel for the Catterton Defendants through the Mediator, Class Representative and the Catterton Defendants accepted a Mediator’s proposal to resolve all claims against the Catterton Defendants, subject to the negotiation of non-financial terms for the Settlement and Court approval, for \$7.5 million in cash.

30. The Parties memorialized their agreement to settle the Action in a term sheet dated as of January 14, 2025 (the “Term Sheet”), subject to the execution of a formal stipulation and related papers. The Stipulation, which sets forth the terms and conditions of the Settlement and reflects the final and binding agreement between the Parties to settle the Action, was filed with the Court on March 12, 2025, and can be viewed at [www.TheHonestCompanySecuritiesLitigation.com](http://www.TheHonestCompanySecuritiesLitigation.com).

31. On May 6, 2025, the Court preliminarily approved the Settlement, authorized the provision of notice of the Settlement to Class Members, and scheduled the Settlement Hearing to consider whether to grant final approval of the Settlement and related relief.

### **3. Why is this a class action?**

32. In a class action, one or more persons or entities (in this case, Class Representative), sue on behalf of people and entities that have similar claims. Together, these people and entities are a “class,” and each is a “class member.” Bringing a case, such as this one, as a class action allows one court to resolve many individuals’ similar claims that might be too small to bring economically as separate actions. One court resolves the issues for all class members at the same time, except for those who exclude themselves, or “opt-out,” from the class.

### **4. What are the reasons for the Settlement?**

33. The Court did not finally decide in favor of Class Representative or Defendants. Instead, all sides agreed to a settlement that will end the Action. Class Representative and Class Counsel believe that the claims asserted in the Action have merit, however, Class Representative and Class Counsel recognize the expense and length of continued proceedings necessary to pursue the claims, including complex merits and expert discovery, summary judgment, trial and appeals, as well as the difficulties in establishing liability and damages. More specifically, Class Representative faced the potential challenges associated with proving that Defendants failed to disclose information that rendered statements in the Offering Documents false or misleading. Defendants would also argue that recoverable damages were significantly less than that estimated by Class Representative’s damages expert (to the extent they could be established at all), and that certain Defendants could not be found liable because they conducted adequate due diligence in connection with the IPO. In light of the Settlement and the guaranteed cash recovery to the Class, Class Representative and Class Counsel believe that the proposed Settlement is fair, reasonable, and adequate, and in the best interests of the Class.

34. The Settlement should not be seen as an admission or concession on the part of Defendants. Defendants have asserted and continue to assert that their disclosures were accurate and complete and expressly denied and continue to deny any and all allegations of wrongdoing contained in the Second Amended Consolidated Complaint, including, without limitation, any liability arising out of any of the conduct, statements, acts, or omissions alleged, or that could have been alleged, in the Action or that any alleged misstatements or omissions were made. Defendants also have denied, and continue to deny, among other allegations, the allegations that Class Representative or the Class have suffered any damages or that Class Representative or the Class were harmed by the conduct alleged in the Action or that they could have alleged as part of the Action. In addition, Defendants maintain that they have meritorious defenses to all claims alleged in the Action. Nonetheless, Defendants have concluded that continuation of the Action would be protracted and expensive, and have taken into account the uncertainty and risks inherent in any litigation, especially a complex case like this Action.

## 5. How do I know if I am part of the Class?

35. The Court directed that everyone who fits the following description is a Class Member and subject to the Settlement, unless they are an excluded person (*see* Question 6 below) or previously sought exclusion from the Class in connection with the Class Notice:

**All persons and entities that purchased or otherwise acquired Honest’s publicly traded common stock pursuant and traceable to the Offering Documents for Honest’s IPO prior to August 19, 2021, as well as all persons and entities that acquired ownership of a trading account, retirement account, or any other similar investment account or portfolio containing Honest’s publicly traded common stock that was purchased or otherwise acquired pursuant and traceable to the Offering Documents for Honest’s IPO prior to August 19, 2021, and were damaged thereby.**

36. If you are a member of the Class and did not previously seek exclusion from the Class in connection with the Class Notice, you are in the Class and subject to the Settlement.

37. ***Receipt of the Settlement Postcard or this Settlement Notice does not mean that you are a Class Member.*** The Parties do not have access to your transactions in Honest common stock. Please check your records or contact your broker to see if you are a member of the Class. If one of your mutual funds purchased Honest common stock pursuant and traceable to the Offering Documents, that alone does not make you a Class Member. You are a Class Member only if you purchased or otherwise acquired Honest common stock pursuant and traceable to the Offering Documents for Honest’s IPO or you acquired ownership of a trading account, retirement account, or any other similar investment account or portfolio containing eligible shares.

## 6. Are there exceptions to being included?

38. Yes. There are some individuals and entities that are excluded from the Class by definition. Excluded from the Class by definition are: (i) Defendants and the Individual Defendants’ immediate family members; (ii) the officers, directors, affiliates, and subsidiaries of Honest, the Underwriter Defendants, and the Catterton Defendants at all relevant times; (iii) Honest’s affiliates and employee retirement and/or benefit plan(s) and their participants and/or beneficiaries to the extent they purchased or acquired Honest’s common stock pursuant or traceable to the Offering Documents through any such plan(s); (iv) any person who had or has a controlling interest in Honest, at all relevant times; (v) any entity in which any of the Defendants have or had a controlling interest, provided, however, that any “Investment Vehicle” shall not be excluded from the Class;<sup>6</sup> and (vi) the legal representatives, heirs, successors, or assigns of any such excluded person or entity, in their capacity as such.

39. People who previously sought exclusion from the Class in connection with the Class Notice issued in 2023 are also excluded from the Class.

<sup>6</sup> “Investment Vehicle” means any investment company or pooled investment fund, including but not limited to mutual fund families, exchange traded funds, fund of funds and hedge funds, in which the Underwriter Defendants, or any of them, have, has or may have a direct or indirect interest, or as to which their respective affiliates may act as an investment advisor, but in which any Underwriter Defendant alone or together with its, his or her respective affiliates is not a majority owner or does not hold a majority beneficial interest.

## THE SETTLEMENT BENEFITS

### 7. What does the Settlement provide?

40. In exchange for the Settlement and the release of the Released Plaintiffs' Claims against the Released Defendant Parties, the Honest Defendants and Underwriter Defendants agree to pay, or cause the payment of, twenty million U.S. dollars (\$20,000,000.00) in cash (the "Honest Settlement Amount"), to be fully funded by insurance, and the Catterton Defendants agree to pay, or cause the payment of, seven million, five hundred thousand U.S. dollars (\$7,500,000.00) in cash (the "Catterton Settlement Amount"), to be fully funded by insurance, into the Escrow Account, which will accrue interest (the "Settlement Fund") and will be distributed, after deduction of Court-awarded attorneys' fees and Litigation Expenses, Notice and Administration Expenses, Taxes, and any other fees or expenses approved by the Court (the "Net Settlement Fund"), among Class Members who submit valid Claim Forms that are found to be eligible to receive a distribution from the Net Settlement Fund ("Authorized Claimants").

### 8. How can I receive a payment?

41. To qualify for a payment, you must be a member of the Class and you must submit a timely and valid Claim Form. You can obtain a Claim Form from the website, [www.TheHonestCompanySecuritiesLitigation.com](http://www.TheHonestCompanySecuritiesLitigation.com), or submit a claim online via the website. You can also request that a Claim Form be mailed to you by calling the Claims Administrator toll-free at (888) 670-8722 or emailing them at [info@TheHonestCompanySecuritiesLitigation.com](mailto:info@TheHonestCompanySecuritiesLitigation.com). Please read the instructions in the Claim Form carefully, fill out the Claim Form, include all the documents the form requests, sign it, and mail or submit it online so that it is **postmarked or received no later than July 14, 2025**.

### 9. When will I receive my payment?

42. The Court will hold a Settlement Hearing on **July 28, 2025**, to decide, among other things, whether to finally approve the Settlement. Even if the Court approves the Settlement, there may be appeals which can take time to resolve, perhaps more than a year. It also takes a long time for all of the Claim Forms to be accurately reviewed and processed. Please be patient.

### 10. What am I giving up to receive a payment or stay in the Class?

43. If you are a member of the Class and did not previously exclude yourself from the Class in connection with the Class Notice, you will remain in the Class, and that means that, upon the "Effective Date" of the Settlement, you will release all "Released Plaintiffs' Claims" against the "Released Defendant Parties."

(a) "**Released Plaintiffs' Claims**" means any and all claims and causes of action of every nature and description, whether known or Unknown Claims (as defined below), contingent or absolute, mature or not mature, liquidated or unliquidated, accrued or not accrued, concealed or hidden, regardless of legal or equitable theory and whether arising under federal, state, common, or foreign law, that Class Representative or any other member of the Class: (a) asserted in the Action; or (b) could have asserted in the Action, or in any forum, that arise out of or are based upon both: (1) the allegations, transactions, facts, matters or occurrences, representations or omissions involved, set forth, or referred to in the complaints filed in the Action, and (2) the purchase, acquisition, holding, sale, and/or disposition of publicly traded Honest common stock pursuant and traceable to the Offering Documents for Honest's IPO prior to August 19, 2021. Released Plaintiffs' Claims shall not include: (i) claims to enforce the Settlement; (ii) claims of any person who requested exclusion from the Class in connection with the Class Notice, and anyone else who submits a request for exclusion that is accepted by the Court; and (iii) claims in any shareholder derivative action, including *Butler v. Vlahos*, Case No. 22-cv-01373, currently pending in the United States District Court for the District of Delaware; *In re Honest Company, Inc. Derivative Litigation*, Case No. 2:21-cv-09281, currently pending in the United States District Court for the Central District of California; *Bisch v. Vlahos*, Case No. 22STCP00015, currently pending in the Superior Court of the State of California, County of Los Angeles.

(b) "**Released Defendant Parties**" means Defendants, and each of their respective past or present or future direct or indirect parents, subsidiaries, divisions, branches, controlling persons, associates, entities, affiliates or joint ventures, as well as each of their respective past or present directors, officers, employees, managers, managing directors, supervisors, contractors, consultants, servants, general partners, limited partners, partnerships, members, principals, trusts, trustees, advisors, auditors, accountants, agents, underwriters, insurers, co-insurers, reinsurers, controlling shareholders, attorneys, fiduciaries, financial or investment advisors or consultants, banks or investment

bankers, personal or legal representatives, counsel, agents, predecessors, predecessors-in-interest, successors, assigns, spouses, heirs, executors, administrators, legal or personal representatives of each of them, in their capacities as such, related or affiliated entities, anyone acting or purporting to act for or on behalf of any of them or their successors, heirs or assigns, any other entities in which a Defendant has or had a controlling interest, any Immediate Family Member of an Individual Defendant, any trust of which any Defendant is the settlor or which is for the benefit of any Defendant and/or member(s) of his or her family, and the legal representatives, heirs, successors in interest or assigns of Defendants.

(c) “**Unknown Claims**” means any and all Released Plaintiffs’ Claims that Class Representative or any other Class Member and Releasing Plaintiff Party do not know or suspect to exist in his, her, or its favor at the time of the release of the Released Defendant Parties, and any and all Released Defendants’ Claims that any Defendant does not know or suspect to exist in his, her, or its favor as of the Effective Date, which if known by him, her, or it might have affected his, her, or its decision(s) with respect to the Settlement, including, in the case of any Class Member, the decision to object to the terms of the Settlement or to seek to be excluded from the Class. With respect to any and all Released Plaintiffs’ Claims and Released Defendants’ Claims, the Parties stipulate and agree that, upon the Effective Date, Class Representative and Defendants shall expressly, and each Class Member and Releasing Plaintiff Party, shall be deemed to have, and by operation of the Judgment or Alternative Judgment shall have, to the fullest extent permitted by law, expressly waived and relinquished any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States or foreign law, or principle of common law, including, or which is similar, comparable, or equivalent to, Cal. Civ. Code § 1542, which provides:

**A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.**

Class Representative, other Class Members, Releasing Plaintiff Parties, or the Defendants, may hereafter discover facts, legal theories, or authorities in addition to, contrary to, or different from those which any of them now knows or believes to be true with respect to the subject matter of the Released Plaintiffs’ Claims and Released Defendants’ Claims, but Class Representative and Defendants expressly, fully, finally, and forever waive, compromise, settle, discharge, extinguish, and release, and each Class Member and Releasing Plaintiff Party shall be deemed to have waived, compromised, settled, discharged, extinguished, and released, and upon the Effective Date and by operation of the Judgment or Alternative Judgment shall have waived, compromised, settled, discharged, extinguished, and released, fully, finally, and forever, any and all Released Plaintiffs’ Claims and Released Defendants’ Claims, as applicable, known or unknown, suspected or unsuspected, contingent or absolute, accrued or unaccrued, apparent or unapparent, which now exist, or heretofore existed, or may hereafter exist, without regard to the subsequent discovery or existence of such different, contrary, or additional facts, legal theories, or authorities. Class Representative and Defendants acknowledge, and all other Class Members and Releasing Plaintiff Parties by operation of law shall be deemed to have acknowledged, that the inclusion of “Unknown Claims” in the definition of Released Plaintiffs’ Claims and Released Defendants’ Claims was separately bargained for and was a material element of the Settlement.

44. The “Effective Date” will occur when an Order entered by the Court approving the Settlement becomes Final and is not subject to appeal. If you are a member of the Class, all of the Court’s orders, whether favorable or unfavorable, will apply to you and legally bind you. Upon the Effective Date, Defendants will also provide a release of any claims against Class Representative and the Class arising out of or related to the institution, prosecution, or settlement of the claims in the Action.

## THE LAWYERS REPRESENTING YOU

### 11. Do I have a lawyer in this case?

45. The Court appointed the law firm of Labaton Keller Sucharow LLP (f/k/a Labaton Sucharow LLP) to be the lead counsel representing all Class Members. These lawyers are called “Class Counsel.” You will not be separately charged for the work of Class Counsel or any of Plaintiffs’ Counsel. The Court will determine the amount of Plaintiffs’ Counsel’s fees and expenses, which will be paid from the Settlement Fund. If you want to be represented by your own lawyer, you may hire one at your own expense.

**12. What payment are the attorneys for the Class seeking? How will the attorneys be paid?**

46. Plaintiffs’ Counsel have not received any payment for their services in pursuing the claims against Defendants on behalf of the Class, nor have they been reimbursed for their Litigation Expenses. Class Counsel will ask the Court to award it, together with all Plaintiffs’ Counsel, attorneys’ fees of no more than 30% of the Settlement Fund, which will include any accrued interest. Class Counsel will also seek payment of Litigation Expenses incurred in the prosecution of the Action of no more than \$1,725,000, plus accrued interest, which may include an application in accordance with the PSLRA for the reasonable costs and expenses (including lost wages) of Class Representative directly related to her representation of the Class.

47. Class Counsel’s motion for attorneys’ fees and Litigation Expenses will be filed by June 23, 2025. A copy of Class Counsel’s Fee and Expense Application will be available for review at [www.TheHonestCompanySecuritiesLitigation.com](http://www.TheHonestCompanySecuritiesLitigation.com) once it is filed. The Court will determine the amount of any award of attorneys’ fees or Litigation Expenses.

**OBJECTING TO THE SETTLEMENT, THE PLAN OF ALLOCATION, OR THE FEE AND EXPENSE APPLICATION**

**13. How do I tell the Court that I do not like something about the proposed Settlement?**

48. If you are a Class Member, you can object to the Settlement or any of its terms, the proposed Plan of Allocation, and/or the Fee and Expense Application. You can ask the Court not to approve the Settlement, however you cannot ask the Court to order a different settlement; the Court can only approve or reject this Settlement. If the Court denies approval of the Settlement, no payments will be made to Class Members and the Action will continue.

49. To object, you must send a signed statement that you object to the proposed Settlement, the Plan of Allocation, and/or the Fee and Expense Application in “*In re The Honest Company, Inc. Sec. Litig.*, No. 21-cv-07405 (C.D. Cal.)” The objection must also: (i) state the name, address, email address, and telephone number of the objector and must be signed by the objector; (ii) contain a statement of the Class Member’s objection or objections and the specific reasons for each objection, including whether it applies only to the objector, to a specific subset of the Class, or the entire Class, and any legal and evidentiary support (including witnesses) the Class Member wishes to bring to the Court’s attention; and (iii) include documents sufficient to show the objector’s membership in the Class, including the number of shares of Honest publicly traded common stock purchased, acquired, and sold from May 5, 2021 through August 18, 2021, inclusive, as well as the dates and prices of each such purchase, acquisition, and sale. Your objection must be filed with the Court at the address below **no later than July 7, 2025, and** be mailed or delivered to the following counsel so that it is **received no later than July 7, 2025.**

<u>Court</u>	<u>Class Counsel</u>	<u>Defendants’ Counsel Representative</u>
<b>Clerk of the Court</b> United States District Court Central District of California 255 East Temple Street Suite 180 Los Angeles, CA 90012	<b>Labaton Keller Sucharow LLP</b> Alfred L. Fatale III, Esq. 140 Broadway New York, NY 10005	<b>Cooley LLP</b> Ryan Blair, Esq. 10265 Science Center Drive, San Diego, CA 92121

**THE SETTLEMENT HEARING**

**14. When and where will the Court decide whether to approve the proposed Settlement?**

50. The Court will hold the Settlement Hearing on **July 28, 2025 at 9:00 a.m. (Pacific)**, before the Honorable Mark C. Scarsi, United States District Court Judge for the Central District of California at the First Street Courthouse, 350 W. 1st Street, Courtroom 7C, 7th Floor, Los Angeles, California 90012. At this hearing, the Court will consider whether: (i) the Settlement is fair, reasonable, adequate, and should be finally approved; (ii) the Plan of Allocation is fair and reasonable, and should be approved; and (iii) Class Counsel’s Fee and Expense Application is reasonable and should be approved. The Court will take into consideration any written objections filed in accordance with the instructions in Question 13 above. We do not know how long it will take the Court to make these decisions.

51. You should be aware that the Court may change the date and time of the Settlement Hearing without a notice being sent to Class Members. If you want to attend the hearing, you should check with Class Counsel beforehand to be sure that the date and/or time has not changed, periodically check the Court's website at <https://www.cacd.uscourts.gov/cm-ecf>, or periodically check the case website at [www.TheHonestCompanySecuritiesLitigation.com](http://www.TheHonestCompanySecuritiesLitigation.com) to see if the Settlement Hearing stays as calendared or is changed. Any updates regarding the Settlement Hearing, including any changes to the date or time of the hearing, will be posted to [www.TheHonestCompanySecuritiesLitigation.com](http://www.TheHonestCompanySecuritiesLitigation.com). Subscribers to PACER, a fee-based service, can also view the Court's docket for the Action for updates about the Settlement Hearing through the Court's on-line Case Management/Electronic Case Files System at <https://ecf.cacd.uscourts.gov>.

### 15. Do I have to come to the Settlement Hearing?

52. No. Class Counsel will answer any questions the Court may have. But, you are welcome to attend at your own expense. If you submit a valid and timely objection, the Court will consider it and you do not have to come to Court to discuss it. You may have your own lawyer attend (at your own expense), but it is not required. If you do hire your own lawyer, he or she must file and serve a Notice of Appearance in the manner described in the answer to Question 16 below **no later than July 7, 2025**.

### 16. May I speak at the Settlement Hearing?

53. You may ask the Court for permission to speak at the Settlement Hearing. To do so, you must include with your objection (*see* Question 13), **no later than July 7, 2025**, a statement that you, or your attorney, intend to appear in "*In re The Honest Company, Inc. Sec. Litig.*, No. 21-cv-07405 (C.D. Cal.)." If you have an attorney, your attorney must also file a Notice of Appearance with the Court. Persons who intend to present evidence at the Settlement Hearing must also include in their objections the identities of any witnesses they may wish to call to testify and any exhibits they intend to introduce into evidence at the hearing. You may not speak at the Settlement Hearing if you previously excluded yourself or if you have not provided written notice in accordance with the procedures described in this Question 16 and Question 13 above.

## IF YOU DO NOTHING

### 17. What happens if I do nothing at all?

54. If you do nothing and you are a member of the Class, you will receive no money from the Settlement and you will still be precluded from starting a lawsuit, continuing with a lawsuit, or being part of any other lawsuit against Defendants and the other Released Defendant Parties concerning the Released Plaintiffs' Claims. To share in the Net Settlement Fund, you must submit a Claim Form (*see* Question 8 above).

## GETTING MORE INFORMATION

### 18. Are there more details about the Settlement?

55. This Settlement Notice summarizes the proposed Settlement. For the full terms and conditions of the Settlement, please review the Stipulation. The Stipulation and additional case documents are available at [www.TheHonestCompanySecuritiesLitigation.com](http://www.TheHonestCompanySecuritiesLitigation.com). Additional information regarding the case and the Settlement can also be obtained by contacting Class Counsel at the contact information below, by accessing the Court docket in this case (for a fee) through the Court's PACER system at <https://ecf.cacd.uscourts.gov>, or by visiting the office of the Clerk of the Court for the United States District Court for the Central District of California, 255 East Temple Street, Suite 180, Los Angeles, CA 90012, between 9:00 a.m. and 4:00 p.m. Monday through Friday, excluding Court holidays.

56. Additionally, the motions in support of final approval of the Settlement, approval of the proposed Plan of Allocation, and the request for attorneys' fees and Litigation Expenses will be filed with the Court no later than June 23, 2025, and will be posted on the case website, [www.TheHonestCompanySecuritiesLitigation.com](http://www.TheHonestCompanySecuritiesLitigation.com), and at [www.Labaton.com](http://www.Labaton.com). **Please do not call the Court or Defendants with questions about the Settlement.**

57. All inquiries concerning this Settlement should be directed to:

*In re The Honest Company, Inc. Sec. Litig.*  
c/o Epiq  
P.O. Box 5619  
Portland, OR 97228-5619  
info@TheHonestCompanySecuritiesLitigation.com  
www.TheHonestCompanySecuritiesLitigation.com  
(888) 670-8722

and/or

Labaton Keller Sucharow LLP  
Alfred L. Fatale III, Esq.  
140 Broadway  
New York, NY 10005  
settlementquestions@labaton.com  
www.Labaton.com  
(888) 219-6877

## PLAN OF ALLOCATION OF NET SETTLEMENT FUND

### 19. How will my claim be calculated?

58. As discussed above, the Settlement Amount and any interest it earns constitute the Settlement Fund. The Settlement Fund, after the deduction of Court-approved attorneys' fees and Litigation Expenses, Notice and Administration Expenses, Taxes, and any other fees or expenses approved by the Court, is the Net Settlement Fund. If the Settlement is approved by the Court, the Net Settlement Fund will be distributed to eligible Authorized Claimants – *i.e.*, members of the Class who submit valid Claim Forms that are accepted for payment – in accordance with the following proposed Plan of Allocation, or such other plan of allocation as the Court may approve. Class Members who do not timely submit valid Claim Forms will not share in the Net Settlement Fund but will otherwise be bound by the Settlement. The Court may approve this proposed Plan of Allocation, or modify it, without additional individual notice to the Class. Any order modifying the Plan of Allocation will be posted on the case website, [www.TheHonestCompanySecuritiesLitigation.com](http://www.TheHonestCompanySecuritiesLitigation.com).

59. The objective of the Plan of Allocation is to distribute the Net Settlement Fund equitably among those Class Members who suffered economic losses as a result of the alleged violations of the federal securities law with respect to shares of Honest publicly traded common stock purchased or otherwise acquired pursuant and traceable to the Offering Documents for the IPO.<sup>7</sup> The Plan of Allocation measures the amount of loss that a Class Member can claim for purposes of making proportional *pro rata* allocations of the Net Settlement Fund to Authorized Claimants. The Claims Administrator will calculate Claimants' claims and shall determine each Authorized Claimant's *pro rata* share of the Net Settlement Fund based upon each Authorized Claimant's "Recognized Claim."

60. To design this Plan of Allocation, Class Counsel conferred with Class Representative's damages expert. The Plan of Allocation, however, is not a formal damages analysis. The calculations made pursuant to the Plan of Allocation are not intended to be estimates of, nor indicative of, the amounts that Class Members might have been able to recover after a trial. Nor are the calculations pursuant to the Plan of Allocation, including the Recognized Claim formulas, intended to be estimates of the amounts that will be paid to Authorized Claimants. The computations under the Plan of Allocation are only a method to weigh the claims of Authorized Claimants against one another for the purposes of making *pro rata* allocations of the Net Settlement Fund and the Recognized Claim formulas are the basis upon which the Net Settlement Fund will be proportionately allocated to Authorized Claimants.

61. Claims asserted in the Action under Section 11 of the Securities Act serve as the basis for the calculation of the Recognized Loss Amounts under the Plan of Allocation. Section 11 of the Securities Act provides a statutory formula for the calculation of damages. The formulas stated below, which were developed by Class Representative's damages expert, generally track the statutory formula.

<sup>7</sup> Shares of Honest publicly traded common stock purchased or otherwise acquired from May 5, 2021 (the date of the IPO) through, and including, August 18, 2021 (the "Traceability Period"), are considered traceable to the Offering Documents per the Court's Order Re: Motion For Class Certification (ECF No. 113), filed May 1, 2023.

62. Defendants, their respective counsel, and all other Released Defendant Parties will have no responsibility or liability for the investment of the Settlement Fund, the distribution of the Net Settlement Fund, the Plan of Allocation or the payment of any claim. Class Representative, Class Counsel, and anyone acting on their behalf, likewise will have no liability for their reasonable efforts to execute, administer, and distribute the Settlement.

### CALCULATION OF RECOGNIZED LOSS AMOUNTS

63. For purposes of determining whether a Claimant has a Recognized Claim, purchases, acquisitions, and sales of Honest publicly traded common stock will first be matched on a First In/First Out (“FIFO”) basis.

64. A “Recognized Loss Amount” will be calculated as set forth below for each share of Honest common stock purchased or acquired from May 5, 2021 through August 18, 2021, both dates inclusive, that is listed in the Claim Form and for which adequate documentation is provided. To the extent that the calculation of a Claimant’s Recognized Loss Amount results in a negative number, that number shall be set to zero.

**65. For each share of Honest publicly traded common stock purchased or otherwise acquired from May 5, 2021 through, and including, August 18, 2021, and:**

- A. Sold before the opening of trading on September 15, 2021, the Recognized Loss Amount for each such share shall be the purchase price (not to exceed \$16.00, the IPO price) minus the sale price.
- B. Sold after the opening of trading on September 15, 2021, through the close of trading on October 1, 2021,<sup>8</sup> the Recognized Loss Amount for each such share shall be the purchase price (not to exceed \$16.00, the IPO price) minus the sale price (not to be less than \$10.55, the closing share price on September 15, 2021).
- C. Retained after the close of trading on October 1, 2021, the Recognized Loss Amount for each such share shall be the purchase price (not to exceed \$16.00, the IPO price) minus \$10.55, the closing share price on September 15, 2021.

### ADDITIONAL PROVISIONS

66. Purchases, acquisitions, and sales of Honest publicly traded common stock shall be deemed to have occurred on the “contract” or “trade” date as opposed to the “settlement” or “payment” or “sale” date. The receipt or grant by gift, inheritance, or operation of law of Honest publicly traded common stock shall not be deemed a purchase, acquisition, or sale for the calculation of a Claimant’s Recognized Claim, nor shall the receipt or grant be deemed an assignment of any claim relating to the purchase or acquisition of such shares of Honest publicly traded common stock unless: (i) the donor or decedent purchased or otherwise acquired such shares of Honest publicly traded common stock during the Traceability Period; (ii) no Claim Form was submitted by or on behalf of the donor, on behalf of the decedent, or by anyone else with respect to such shares of Honest publicly traded common stock; and (iii) it is specifically so provided in the instrument of gift or assignment.

67. In accordance with the Plan of Allocation, the Recognized Loss Amount on any portion of a purchase or acquisition that matches against (or “covers”) a “short sale” is zero. The Recognized Loss Amount on a “short sale” that is not covered by a purchase or acquisition is also zero.

68. Honest publicly traded common stock purchased or otherwise acquired from May 5, 2021 through August 18, 2021, both dates inclusive, is the only security eligible for a recovery under the Plan of Allocation. With respect to Honest publicly traded common stock purchased or sold through the exercise of an option, the purchase/sale date of Honest common stock is the exercise date of the option, and the purchase/sale price is the exercise price of the option.

69. The sum of a Claimant’s Recognized Loss Amounts will be the Claimant’s Recognized Claim.

70. An Authorized Claimant’s Recognized Claim shall be the amount used to calculate the Authorized Claimant’s *pro rata* share of the Net Settlement Fund. If the sum total of Recognized Claims of all Authorized Claimants who are entitled to receive payment out of the Net Settlement Fund is greater than the Net Settlement Fund, each Authorized Claimant shall receive his, her, or its *pro rata* share of the Net Settlement Fund. The *pro rata* share shall be the Authorized Claimant’s Recognized Claim divided by the total of Recognized Claims of all Authorized Claimants, multiplied by the total amount in the Net Settlement Fund.

<sup>8</sup> For the purposes of the statutory calculations, October 1, 2021 is the proxy for the date of judgment because after October 1, 2021, the price of Honest’s common stock did not trade above \$10.55, the closing price on the date of suit, September 15, 2021.

71. If the Net Settlement Fund exceeds the total amount of the Recognized Claims of all Authorized Claimants entitled to receive payment out of the Net Settlement Fund, the excess amount in the Net Settlement Fund shall be distributed *pro rata* to all Authorized Claimants entitled to receive payment.

72. The Net Settlement Fund will be allocated among all Authorized Claimants whose prorated payment is \$10.00 or greater. If the prorated payment to any Authorized Claimant calculates to less than \$10.00, it will not be included in the calculation and no distribution will be made to that Authorized Claimant.

73. Class Members who do not submit acceptable Claim Forms will not share in the distribution of the Net Settlement Fund, however they will nevertheless be bound by the Settlement and the Judgment of the Court dismissing this Action unless they have previously sought exclusion from the Class.

74. Distributions will be made to Authorized Claimants after all claims have been processed and after the Court has finally approved the Settlement and the Settlement has reached its Effective Date. If there is any balance remaining in the Net Settlement Fund (whether by reason of tax refunds, uncashed checks or otherwise) after at least six (6) months from the date of initial distribution of the Net Settlement Fund, Class Counsel shall, if feasible and economical after payment of outstanding Notice and Administration Expenses and Taxes, redistribute such balance among Authorized Claimants who have cashed their checks in an equitable and economic fashion. These redistributions shall be repeated until the balance in the Net Settlement Fund is no longer feasible to distribute or economical. Any balance that still remains in the Net Settlement Fund after re-distribution(s) and after payment of outstanding Notice and Administration Expenses and Taxes, which is not feasible or economical to reallocate, shall be contributed to the Council of Institutional Investors, a non-profit, non-sectarian organization, or such other organization approved by the Court.

75. Payment pursuant to the Plan of Allocation or such other plan as may be approved by the Court shall be conclusive against all Claimants. No person shall have any claim against Class Representative, Plaintiffs' Counsel, their damages expert, the Claims Administrator, or other agent designated by Plaintiffs' Counsel, arising from determinations or distributions to Claimants made substantially in accordance with the Stipulation, the Plan of Allocation approved by the Court, or further orders of the Court. Class Representative, Defendants, Defendants' Counsel, and all other Released Defendant Parties shall have no responsibility for or liability whatsoever for the investment or distribution of the Settlement Fund, the Net Settlement Fund, the Plan of Allocation or the determination, administration, calculation, or payment of any Claim or non-performance of the Claims Administrator, the payment or withholding of Taxes owed by the Settlement Fund or any losses incurred in connection therewith.

#### **SPECIAL NOTICE TO SECURITIES BROKERS AND NOMINEES**

76. In connection with the previously disseminated Class Notice, you were advised that if, for the beneficial interest of any person or entity other than yourself, you purchased or acquired Honest publicly traded common stock during the period from May 5, 2021 through August 18, 2021, inclusive, you must either: (i) request from the Claims Administrator sufficient copies of the Class Postcard to forward to all such beneficial owners and forward them to all such beneficial owners; or (ii) provide a list of the names and address of all such beneficial owners to the Claims Administrator. You were also advised to retain your mailing records for use in connection with any further notices in the Action. Additionally, you were ordered to provide email addresses for such beneficial owners to the Claims Administrator to the extent email addresses were available.

77. For Nominees who previously chose the first option (*i.e.*, elected to mail the Class Postcard directly to beneficial owners), the Claims Administrator will forward the same number of Settlement Postcards and Nominees have been ordered to, within ten (10) calendar days of receipt of the Settlement Postcards, mail them to the beneficial owners. Unless the Nominee has identified additional beneficial owners whose names and addresses were not previously provided to the Claims Administrator, such Nominees need not take any further action.

78. For Nominees who previously chose the second option (*i.e.*, provided a list of names and addresses of beneficial holders to the Claims Administrator, and emails (if applicable), the Claims Administrator will promptly mail (and email, if applicable) the Settlement Postcard to each of the beneficial owners whose names and addresses the Nominee previously supplied. Unless the Nominee has identified additional beneficial owners whose names and addresses were not previously provided to Epiq, such Nominees need not take any further action.

79. For Nominees that have identified additional beneficial owners who were not previously identified in connection with the Class Notice, such Nominees shall either: (i) within ten (10) calendar days of receipt of the Settlement Notice, request from the Claims Administrator sufficient copies of the Settlement Postcard to forward to all such additional beneficial owners, which the Nominee shall, within ten (10) calendar days of receipt of those Settlement Postcards from the Claims Administrator, mail to the beneficial owners; or (ii) within ten (10) calendar days

of receipt of the Settlement Notice, provide a list of the names and addresses of all such additional beneficial owners to the Claims Administrator and the Claims Administrator shall provide Settlement Postcards to these additionally identified Persons. Nominees that have identified additional beneficial owners who were not previously identified in connection with the Class Notice shall also provide email addresses to the Claims Administrator, to the extent they are available.

80. Nominees who elect to send the Settlement Postcard to their beneficial owners shall also send a statement to the Claims Administrator confirming that the mailing was made and shall retain their mailing records for use in connection with any further notices that may be provided in the Action.

81. Upon full and timely compliance with these provisions, Nominees who mail the Settlement Postcard to beneficial owners, or who provide additional names and addresses of beneficial owners to the Claims Administrator, may seek reimbursement of their reasonable expenses actually incurred in complying of up to \$0.10 per name/address provided and up to \$0.10 plus postage at the Claims Administrator's rate for bulk mailings by providing the Claims Administrator with proper documentation supporting the expenses for which reimbursement is sought. Nominees whose research yields no records, or a minimal number of beneficial owners, may ask the Claims Administrator to consider an upward adjustment for the reasonable costs incurred to perform their research. Properly documented expenses incurred by Nominees in compliance with these instructions shall be paid from the Settlement Fund, with any unresolved disputes as to the reasonableness or documentation of expenses subject to review by the Court. All communications concerning the foregoing should be addressed to the Claims Administrator:

*In re The Honest Company, Inc. Sec. Litig.*  
c/o Epiq  
P.O. Box 5619  
Portland, OR 97228-5619  
info@TheHonestCompanySecuritiesLitigation.com  
www.TheHonestCompanySecuritiesLitigation.com  
(888) 670-8722

Dated: May 21, 2025

BY ORDER OF THE UNITED STATES DISTRICT  
COURT FOR THE CENTRAL DISTRICT OF  
CALIFORNIA

*In re The Honest Company, Inc. Sec. Litig.*  
Toll-Free Number: (888) 670-8722  
Email: [info@TheHonestCompanySecuritiesLitigation.com](mailto:info@TheHonestCompanySecuritiesLitigation.com)  
Website: [www.TheHonestCompanySecuritiesLitigation.com](http://www.TheHonestCompanySecuritiesLitigation.com)

**PROOF OF CLAIM AND RELEASE FORM**

**I. GENERAL INSTRUCTIONS**

1. To recover as a member of the Class based on your claims in the class action entitled *In re The Honest Company, Inc. Securities Litigation*, Case No. 21-cv-07405 (the “Action”), you must complete and, on page 5 below, sign this Proof of Claim and Release form (“Claim Form”). If you fail to submit a timely and properly addressed (as explained in paragraph 2 below) Claim Form, your claim may be rejected and you may not receive any recovery from the Net Settlement Fund created in connection with the proposed Settlement of the Action. Submission of this Claim Form, however, does not ensure that you will share in the proceeds of the Settlement.<sup>1</sup>

**2. THIS CLAIM FORM MUST BE SUBMITTED ONLINE AT WWW.THEHONESTCOMPANYSECURITIESLITIGATION.COM NO LATER THAN JULY 14, 2025 OR, IF MAILED, BE POSTMARKED NO LATER THAN JULY 14, 2025, ADDRESSED AS FOLLOWS:**

*In re The Honest Company, Inc. Sec. Litig.*  
c/o Epiq  
P.O. Box 5619  
Portland, OR 97228-5619

3. If you are a member of the Class and you did not request exclusion from the Class in connection with the previously mailed Class Notice, you will be bound by and subject to the terms of all judgments and orders entered in the Action, including the releases provided therein, WHETHER OR NOT YOU SUBMIT A CLAIM FORM OR RECEIVE A PAYMENT.

**II. CLAIMANT IDENTIFICATION**

4. If you purchased or otherwise acquired Honest publicly traded common stock pursuant and traceable to the Offering Documents for Honest’s initial public offering (“IPO”) prior to August 19, 2021 (*i.e.*, the shares were purchased or acquired during the period from May 5, 2021 through August 18, 2021), or you acquired ownership of a trading account, retirement account, or any other similar investment account or portfolio containing such stock, and held the stock in your name, you are the beneficial and record owner of the shares. If, however, the Honest shares were purchased or otherwise acquired through a third party, such as a brokerage firm, you are the beneficial owner and the third party is the record owner.

5. Use **Part I** of this form entitled “Claimant Identification” to identify each beneficial owner of Honest publicly traded common stock that forms the basis of this claim, as well as the owner of record if different. **THIS CLAIM MUST BE FILED BY THE ACTUAL BENEFICIAL OWNERS OR THE LEGAL REPRESENTATIVE OF SUCH OWNERS.**

6. All joint owners must sign this claim. Executors, administrators, guardians, conservators, legal representatives, and trustees filing this claim must complete and sign this claim on behalf of persons represented by them and their authority must accompany this claim and their titles or capacities must be stated. The Social Security (or taxpayer identification) number and telephone number of the beneficial owner may be used in verifying the claim. Failure to provide the foregoing information could delay verification of your claim or result in rejection of the claim.

**III. IDENTIFICATION OF TRANSACTIONS**

7. Use **Part II** of this form entitled “Schedule of Transactions in Honest Publicly Traded Common Stock” to supply all required details of the transaction(s). If you need more space or additional schedules, attach separate sheets giving all of the required information in substantially the same form. Sign and print or type your name on each additional sheet.

<sup>1</sup> All capitalized terms not defined in this Claim Form have the meanings given in the Stipulation and Agreement of Settlement, dated as of March 11, 2025 (the “Stipulation”), available at [www.TheHonestCompanySecuritiesLitigation.com](http://www.TheHonestCompanySecuritiesLitigation.com).

8. On the schedules, provide all of the requested information with respect to the purchases or acquisitions of Honest publicly traded common stock pursuant and traceable to the Offering Documents for Honest's IPO during the period from May 5, 2021 through August 18, 2021, whether the transactions resulted in a profit or a loss. You must also provide all of the requested information with respect to all sales of Honest publicly traded common stock during the requested time period and shares held after the close of trading on October 1, 2021. Failure to report all such transactions may result in the rejection of your claim.

9. The date of covering a "short sale" is deemed to be the date of purchase or acquisition of Honest common stock. The date of a "short sale" is deemed to be the date of sale. Any transactions in Honest common stock executed outside of regular trading hours for the U.S. financial markets shall be deemed to have occurred during the next regular trading session.

10. Copies of broker trade confirmations or other documentation of the transactions must be attached to your claim. Failure to provide this documentation could delay verification of your claim or result in rejection of your claim. **THE PARTIES DO NOT HAVE INFORMATION ABOUT YOUR TRANSACTIONS IN HONEST PUBLICLY TRADED COMMON STOCK.**

11. NOTICE REGARDING ELECTRONIC FILES: Certain Claimants with large numbers of transactions may request, or may be asked, to submit information regarding their transactions in electronic files. (This is different than the online claim portal on the case website.) All such Claimants **MUST** submit a manually signed paper Claim Form whether or not they also submit electronic copies. If you wish to submit your claim electronically, you must contact the Claims Administrator at (888) 670-8722 to obtain the required file layout or visit [www.TheHonestCompanySecuritiesLitigation.com](http://www.TheHonestCompanySecuritiesLitigation.com). No electronic files will be considered to have been properly submitted unless the Claims Administrator issues to the Claimant a written acknowledgment of receipt and acceptance of electronically submitted data.



**PART II: SCHEDULE OF TRANSACTIONS IN HONEST PUBLICLY TRADED COMMON STOCK**

**1. PURCHASES/ACQUISITIONS FROM MAY 5, 2021 THROUGH OCTOBER 1, 2021<sup>2</sup>** – Separately list each and every purchase and acquisition of Honest publicly traded common stock during the period from May 5, 2021 through and including October 1, 2021.<sup>3</sup> (Must submit documentation.)

Date of Purchase/ Acquisition (List Chronologically) (MM/DD/YY)	Number of Shares	Price Per Share	Total Purchase/Acquisition Price (excluding taxes, commissions, and fees)
<input type="text"/>	<input type="text"/>	<input type="text"/> • <input type="text"/>	<input type="text"/> • <input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/> • <input type="text"/>	<input type="text"/> • <input type="text"/>
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<input type="text"/>	<input type="text"/>	<input type="text"/> • <input type="text"/>	<input type="text"/> • <input type="text"/>

**2. SALES FROM MAY 5, 2021 THROUGH OCTOBER 1, 2021** – Separately list each and every sale of Honest publicly traded common stock from May 5, 2021 through, and including, the close of trading on October 1, 2021. (Must submit documentation.)

Date of Sale (List Chronologically) (MM/DD/YY)	Number of Shares Sold	Sale Price Per Share	Total Sale Price (excluding taxes, commissions, and fees)
<input type="text"/>	<input type="text"/>	<input type="text"/> • <input type="text"/>	<input type="text"/> • <input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/> • <input type="text"/>	<input type="text"/> • <input type="text"/>
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<input type="text"/>	<input type="text"/>	<input type="text"/> • <input type="text"/>	<input type="text"/> • <input type="text"/>

**3. HOLDINGS AS OF CLOSE OF TRADING ON OCTOBER 1, 2021** – State the total number of shares of Honest publicly traded common stock held as of the close of trading on October 1, 2021. If none, write “0” or “Zero.” (Must submit documentation.)

•

**IF YOU NEED ADDITIONAL SPACE TO LIST YOUR TRANSACTIONS YOU MUST PHOTOCOPY THIS PAGE AND CHECK THIS BOX**

<sup>2</sup> For purposes of the statutory calculations, October 1, 2021 is the proxy for the date of judgment because after this date, the price of Honest common stock did not trade above \$10.55, the closing price on the date of suit, September 15, 2021.  
<sup>3</sup> Information requested in this Claim Form with respect to purchases/acquisitions from August 19, 2021 through October 1, 2021 is needed only in order for the Claims Administrator to confirm that you have reported all relevant transactions. Purchases/acquisitions during this period are not eligible for a recovery.

**IV. SUBMISSION TO JURISDICTION OF THE COURT AND ACKNOWLEDGMENTS**

12. By signing and submitting this Claim Form, the Claimant(s) or the person(s) acting on behalf of the Claimant(s) certify(ies) that: I (We) submit this Claim Form under the terms of the Plan of Allocation described in the Settlement Notice. I (We) also submit to the jurisdiction of the United States District Court for the Central District of California with respect to my (our) claim as a Class Member(s) and for purposes of enforcing the releases set forth herein. I (We) further acknowledge that, once the Settlement reaches its Effective Date, I (we) will be bound by and subject to the terms of all judgments and orders entered in the Action, including the releases set forth therein. I (We) agree to furnish additional information to the Claims Administrator to support this claim, such as additional documentation for transactions in Honest publicly traded common stock and other Honest securities, if required to do so. I (We) have not submitted any other claim covering the same transactions in Honest publicly traded common stock during the time periods herein and know of no other person having done so on my (our) behalf.

**V. RELEASES, WARRANTIES, AND CERTIFICATION**

13. I (We) hereby warrant and represent that I am (we are) a Class Member as defined in the notices, and that I am (we are) not excluded from the Class.

14. I (we) hereby acknowledge full and complete satisfaction of, and do hereby fully, finally, and forever compromise, settle, release, resolve, relinquish, waive, and discharge with prejudice the Released Plaintiffs' Claims as to each and all of the Released Defendant Parties (as these terms are defined in the Settlement Notice). This release shall be of no force or effect unless and until the Court approves the Settlement and it becomes effective on the Effective Date.

15. I (We) hereby warrant and represent that I (we) have not assigned or transferred or purported to assign or transfer, voluntarily or involuntarily, any matter released pursuant to this release or any other part or portion thereof.

16. I (We) hereby warrant and represent that I (we) have included information about all purchases, acquisitions, and sales of Honest publicly traded common stock that occurred during the relevant time periods and the number of shares held by me (us), to the extent requested.

17. I (We) certify that I am (we are) NOT subject to backup tax withholding. (If you have been notified by the Internal Revenue Service that you are subject to backup withholding, please strike out the prior sentence.)

I (We) declare under penalty of perjury under the laws of the United States of America that all of the foregoing information supplied by the undersigned is true and correct.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 2025

[Signature box]

Signature of Claimant

[Name box]

Type or print name of Claimant

[Signature box]

Signature of Joint Claimant, if any

[Name box]

Type or print name of Joint Claimant

[Signature box]

Signature of person signing on behalf of Claimant

[Name box]

Type or print name of person signing on behalf of Claimant

[Capacity box]

Capacity of person signing on behalf of Claimant/Joint Claimant, if other than an individual (e.g., Administrator, Executor, Trustee, President, Custodian, Power of Attorney, etc.)

**REMINDER CHECKLIST:**

1. Sign this Claim Form.
2. DO NOT HIGHLIGHT THE CLAIM FORM OR YOUR SUPPORTING DOCUMENTATION.
3. Attach only copies of supporting documentation as these documents will not be returned to you.
4. Keep a copy of your Claim Form for your records.
5. The Claims Administrator will acknowledge receipt of your Claim Form by mail, within 60 days. **Your claim is not deemed submitted until you receive an acknowledgment postcard.** If you do not receive an acknowledgment postcard within 60 days, please call the Claims Administrator toll free at (888) 670-8722 or email at [info@TheHonestCompanySecuritiesLitigation.com](mailto:info@TheHonestCompanySecuritiesLitigation.com).
6. If you move after submitting this Claim Form, please notify the Claims Administrator of the change in your address, otherwise you may not receive additional notices or payment.

# **Exhibit 3**

**LABATON KELLER SUCHAROW LLP**

Jonathan Gardner\*  
Alfred L. Fatale III\*  
Joseph Cotilletta\*  
Beth C. Khinchuk\*  
140 Broadway  
New York, New York 10005  
Telephone: (212) 907-0700  
Facsimile: (212) 818-0477  
jgardner@labaton.com  
afatale@labaton.com  
jcotilletta@labaton.com  
bkhinchuk@labaton.com

**THE SCHALL LAW FIRM**

Brian Schall (State Bar No. 290685)  
Rina Restaino (State Bar No. 285415)  
2049 Century Park East, Suite 2406  
Los Angeles, California 90067  
Telephone: (310) 301-3335  
Facsimile: (213) 519-5876  
brian@schallfirm.com  
rina@schallfirm.com

*Liaison Counsel for Class  
Representative Kathie Ng  
and the Class*

\*admitted *pro hac vice*

*Class Counsel for Class Representative  
Kathie Ng and the Class*

**UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA**

IN RE THE HONEST COMPANY, INC.  
SECURITIES LITIGATION

Case No. 21-cv-07405-MCS-AS

**DECLARATION OF ALFRED L.  
FATALE III ON BEHALF OF  
LABATON KELLER SUCHAROW  
LLP IN SUPPORT OF  
APPLICATION FOR AN AWARD  
OF ATTORNEYS' FEES AND  
LITIGATION EXPENSES**

Hearing Date: July 28, 2025  
Time: 9:00 a.m.  
Courtroom: 7C  
Judge: Hon. Mark C. Scarsi

I, Alfred L. Fatale III, declare as follows, pursuant to 28 U.S.C. §1746:

1. I am a member of the law firm of Labaton Keller Sucharow LLP (“Labaton”). I submit this declaration in support of my firm’s application for an award of attorneys’ fees and expenses in connection with services rendered in the above-

1 captioned action (the “Action”) from the commencement of the matter through June  
2 12, 2025 (the “Time Period”).

3 2. My firm, which serves as Class Counsel for the certified Class, has had  
4 oversight of, and been involved in, all aspects of the litigation, which are described in  
5 the accompanying Declaration of Alfred L. Fatale III in Support of (I) Class  
6 Representative’s Motion for Final Approval of Class Action Settlement and Plan of  
7 Allocation; and (II) Class Counsel’s Motion for an Award of Attorneys’ Fees and  
8 Payment of Expenses, filed herewith. My firm also worked with The Schall Law Firm,  
9 which has been Liaison Counsel in the Action and will be compensated by Labaton and  
10 is not filing its own declaration.

11 3. The information in this declaration regarding Labaton’s time and expenses  
12 is taken from time and expense records prepared and maintained by the firm in the  
13 ordinary course of business. These records (and backup documentation where  
14 necessary) were reviewed by me and others at my firm, under my direction, to confirm  
15 both the accuracy of the entries as well as the necessity for and reasonableness of the  
16 time and expenses committed to the Action. As a result of this review and the  
17 adjustments made, I believe that the time reflected in the firm’s lodestar calculation  
18 and the expenses for which payment is sought are reasonable in amount and were  
19 necessary for the effective and efficient prosecution and resolution of the Action. In  
20 addition, I believe that the expenses are all of a type that would normally be paid by a  
21 fee-paying client in the private legal marketplace.

22 4. After this review, the number of hours spent on the litigation by my firm  
23 is 18,379.9. The lodestar amount for this time is \$10,173,968.50, based on the firm’s  
24 current hourly rates, and \$9,390,860.00, based on the firm’s historical rates during the  
25 Time Period. A summary of this lodestar is provided in Exhibit A. Pursuant to the  
26 Court’s Initial Standing Order for Civil Cases, breakdowns of the work associated with  
27  
28

1 the firm's lodestar, by task category, are provided in Exhibits B and C.<sup>1</sup> Exhibit D is  
2 my firm's standard task category table. The schedules were prepared from daily time  
3 records regularly prepared and maintained by my firm. Time expended in preparing  
4 this application for fees and payment of expenses has not been included.

5 5. The hourly rates shown in Exhibits A through D are consistent with the  
6 hourly rates submitted by the firm in other contingent securities class action litigation.  
7 The firm's rates are set based on periodic analyses of rates used by firms performing  
8 comparable work both on the plaintiff and defense side. Different timekeepers with  
9 the same position may have different rates based on a variety of factors, such as years  
10 of experience, time at the firm, time in the current position, and expertise. For  
11 personnel who are no longer employed by the firm, the "current rate" used for the  
12 lodestar calculation is the rate for that person in his or her final year of employment  
13 with the firm.

14 6. As detailed in Exhibit E, my firm has incurred a total of \$1,677,604.36 in  
15 litigation expenses in connection with the prosecution of the Action. The expenses are  
16 reflected on the books and records of my firm. These books and records are prepared  
17 from expense vouchers, check records, and other source materials and are an accurate  
18 record of the expenses incurred.

19 7. The following is additional information regarding certain of the expenses:

20 (a) **Court, Witness & Service Fees:** \$12,171.61. These expenses have  
21 been paid to attorney service firms or courts in connection with attorney admissions,  
22 court filings, service of process, and courtesy copies.

23 (b) **Online Legal & Factual Research:** \$30,817.78. These expenses  
24 relate to the usage of electronic databases, such as PACER, Westlaw, LexisNexis Risk  
25 Solutions and LexisNexis. These databases were used to obtain access to financial

26 \_\_\_\_\_  
27 <sup>1</sup> Pursuant to the Court's Standing Civil Order, copies of Exhibits A through E will be  
28 emailed to the Court in Excel format.

1 data, factual information, and legal research. The usage of the databases is tracked by  
2 entry of the client-matter number for this case.

3 (c) **Experts:** \$1,214,460.00. These are the fees and expenses of Class  
4 Representative's five experts in the case, who were key to the development of the  
5 claims and rebuttal of Defendants' defenses. Each prepared expert reports and analyses.  
6 Class Representatives' testifying causation and damages expert also developed the  
7 proposed Plan of Allocation for the proceeds of the Settlement.

8 (i) Damages/Causation/Plan of Allocation: \$160,708.75

9 (ii) COVID-19 Impacts: \$362,926.25

10 (iii) Corporate Control: \$259,800.00

11 (iv) Due Diligence: \$238,225.00

12 (v) Asset Tracing: \$192,800.00

13 (d) **Counsel for Confidential Witness:** \$6,835.00. In connection with  
14 its investigation of the claims, Class Counsel interviewed several witnesses on a  
15 confidential basis. Class Counsel obtained counsel for one of the witnesses in  
16 connection with their deposition by Defendants.

17 (e) **Litigation Support:** \$178,160.62. These are the fees and costs of  
18 an e-discovery vendor retained to host and manage the electronic documents produced  
19 in the Action. This figure also includes two months of "cold storage" costs of \$1,500  
20 per month for the months of July and August, 2025.

21 (f) **Mediation Fees:** \$73,560.00. This is Class Representative's share  
22 of the fees of David M. Murphy, Esq., a well-respected and highly experienced  
23 mediator from Phillips ADR. Mr. Murphy oversaw the Parties' formal mediation  
24 sessions and facilitated their ongoing discussions over the course of more than a year,  
25 which ultimately culminated in the proposed Settlement.

26 (g) **Deposition Reporting and Court Transcripts:** \$114,199.00.  
27 These are Class Representative's share of the fees of videographers and court reporters  
28

1 in connection with the 21 depositions taken and defended by Class Counsel. Class  
2 Counsel also paid for several transcripts of court proceedings.

3 (h) **Work-Related Transportation, Hotels & Meals:** \$22,368.78. In  
4 connection with the prosecution of this case, the firm has paid for work-related  
5 transportation expenses, meals, and travel expenses related to, among other things,  
6 attending the numerous depositions in the case, appearing at court hearings, the  
7 mediation process, and working late hours. (Any first-class airfare has been reduced to  
8 be comparable to economy rates.)

9 8. With respect to the standing of my firm, attached hereto as Exhibit F is a  
10 brief biography of my firm as well as biographies of the firm's partners and of counsels.

11  
12 I declare under penalty of perjury that the foregoing is true and correct. Executed  
13 this 23rd day of June, 2025.

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ALFRED L. FATALE III

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# **Exhibit A**

*Honest Securities Litigation*

**EXHIBIT A**

**LODESTAR REPORT**

FIRM: LABATON KELLER SUCHAROW LLP  
 REPORTING PERIOD: INCEPTION THROUGH JUNE 12, 2025

PROFESSIONAL	POSITION	CURRENT RATE	HOURS	LODESTAR HISTORICAL RATE	LODESTAR CURRENT RATE
Gardner, J.	(P)	\$1,375	60.4	\$76,830.00	\$83,050.00
Zeiss, N.	(P)	\$1,125	130.5	\$145,147.50	\$146,812.50
Fatale, A.	(P)	\$1,100	993.0	\$965,400.00	\$1,092,300.00
McConville, F.	(P)	\$1,050	18.3	\$14,640.00	\$19,215.00
Cotilletta, J.	(P)	\$825	1312.6	\$937,675.00	\$1,082,895.00
Rosenberg, E.	(OC)	\$975	154.1	\$148,147.50	\$150,247.50
Cividini, D.	(OC)	\$850	112.3	\$84,220.00	\$95,455.00
Khinchuk, B.	(A)	\$600	1,142.1	\$631,130.00	\$685,260.00
Strejlau, L.	(A)	\$600	835.5	\$417,405.00	\$501,300.00
Wood, C.	(A)	\$600	677.2	\$360,122.50	\$406,320.00
Berger, R.	(A)	\$575	192.3	\$102,547.50	\$110,572.50
Rowley, R.	(A)	\$500	1960.4	\$961,402.50	\$980,200.00
Mann, W.	(A)	\$350	525.4	\$157,505.00	\$183,890.00
Kim, J.	(SA)	\$455	4,144.5	\$1,792,785.00	\$1,885,747.50
Drapkin, A.	(SA)	\$455	3,091.7	\$1,320,040.50	\$1,406,723.50
Wostl, K.	(SA)	\$455	1,536.8	\$660,824.00	\$699,244.00
McDermott, R.	(SA)	\$450	424.5	\$191,025.00	\$191,025.00
Greenbaum, A.	(I)	\$650	57.6	\$34,465.00	\$37,440.00
Frenkel, G.	(I)	\$500	74.9	\$30,967.50	\$37,450.00
Frasca, C.	(PL)	\$415	730.8	\$284,754.00	\$303,282.00
Boria, C.	(PL)	\$415	62.6	\$25,152.50	\$25,979.00
Pina, E.	(PL)	\$375	92.5	\$34,441.50	\$34,687.50
Mundo, S.	(PL)	\$375	24.3	\$9,112.50	\$9,112.50
Richardson, A.	(PL)	\$225	25.6	\$5,120.00	\$5,760.00
<b>TOTALS</b>			<b>18,379.9</b>	<b>\$9,390,860.00</b>	<b>\$10,173,968.50</b>

Partner (P) Staff Attorney (SA)  
 Of Counsel (OC) Investigator (I)  
 Associate (A) Paralegal (PL)

# **Exhibit B**

*Honest Securities Litigation*

**EXHIBIT B**

**STANDING ORDER TABLE 1**

FIRM: LABATON KELLER SUCHAROW LLP  
 REPORTING PERIOD: INCEPTION THROUGH JUNE 12, 2025

<b>Task 1: Initial Research and Factual Development</b>			
<b>Professional</b>	<b>Hourly Rate</b>	<b>Hours</b>	<b>Historic Lodestar</b>
Jonathan Gardner (Partner) (2021)	\$1,100	0.70	\$770.00
Jonathan Gardner (Partner) (2022)	\$1,250	1.80	\$2,250.00
Alfred Fatale (Partner) (2021)	\$825	2.30	\$1,897.50
Alfred Fatale (Partner) (2022)	\$925	0.90	\$832.50
Joseph Cotilletta (Associate) (2023)	\$625	0.80	\$500.00
Joseph Cotilletta (Of Counsel) (2024)	\$750	0.20	\$150.00
Beth Khinchuk (Associate) (2024)	\$550	0.50	\$275.00
Lisa Strejlau (Associate) (2022)	\$500	37.70	\$18,850.00
Charles Wood (Associate) (2023)	\$525	3.90	\$2,047.50
Robert Rowley (Associate) (2023)	\$475	15.30	\$7,267.50
Robert Rowley (Associate) (2024)	\$500	15.00	\$7,500.00
Wesley Mann (Associate) (2023)	\$300	4.80	\$1,440.00
Kendall Wostl (Staff Attorney) (2023)	\$430	1.60	\$688.00
Amy Greenbaum (Investigator) (2021)	\$550	1.00	\$550.00
Amy Greenbaum (Investigator) (2022)	\$575	29.20	\$16,790.00
Amy Greenbaum (Investigator) (2023)	\$625	0.90	\$562.50
Gabrielle Frenkel (Investigator) (2021)	\$400	38.00	\$15,200.00
Gabrielle Frenkel (Investigator) (2022)	\$425	35.20	\$14,960.00

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Gabrielle Frenkel (Investigator) (2023)	\$475	0.90	\$427.50
Gabrielle Frenkel (Investigator) (2024)	\$475	0.80	\$380.00
Christopher Frasca (Paralegal) (2021)	\$375	1.50	\$562.50
Christopher Frasca (Paralegal) (2022)	\$390	2.00	\$780.00
<b>Totals for Task 1:</b>		<b>195.00</b>	<b>\$94,680.50</b>
<b>Task 2: Drafting Initial/Amended Complaints</b>			
<b>Professional</b>	<b>Hourly Rate</b>	<b>Hours</b>	<b>Historic Lodestar</b>
Alfred Fatale (Partner) (2022)	\$925	57.20	\$52,910.00
Alfred Fatale (Partner) (2023)	\$950	3.70	\$3,515.00
Alfred Fatale (Partner) (2024)	\$1,000	22.00	\$22,000.00
Alfred Fatale (Partner) (2025)	\$1,100	1.90	\$2,090.00
Joseph Cotilletta (Of Counsel) (2024)	\$750	0.80	\$600.00
Beth Khinchuk (Associate) (2024)	\$550	4.30	\$2,365.00
Lisa Strejlau (Associate) (2021)	\$450	3.40	\$1,530.00
Lisa Strejlau (Associate) (2022)	\$500	151.30	\$75,650.00
Charles Wood (Associate) (2022)	\$500	3.70	\$1,850.00
Charles Wood (Associate) (2023)	\$525	22.00	\$11,550.00
Charles Wood (Associate) (2024)	\$550	8.30	\$4,565.00
Robert Rowley (Associate) (2023)	\$475	10.40	\$4,940.00
Robert Rowley (Associate) (2024)	\$500	101.80	\$50,900.00
Wesley Mann (Associate) (2024)	\$300	3.80	\$1,140.00
Christopher Frasca (Paralegal) (2022-2024)	\$390	34.70	\$13,533.00
Euterpe Lourdes Pina (Paralegal) (2022-2023)	\$375	13.80	\$5,175.00

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Shella Mundo (Paralegal) (2022)	\$375	24.30	\$9,112.50
Anaika Richardson (Paralegal) (2024)	\$200	7.00	\$1,400.00
<b>Totals for Task 2:</b>		<b>474.40</b>	<b>\$264,825.50</b>
<b>Task 3: Discovery from Defendants/3rd Parties</b>			
<b>Professional</b>	<b>Hourly Rate</b>	<b>Hours</b>	<b>Historic Lodestar</b>
Alfred Fatale (Partner) (2022)	\$925	32.30	\$29,877.50
Alfred Fatale (Partner) (2023)	\$950	33.10	\$31,445.00
Alfred Fatale (Partner) (2024)	\$1,000	29.30	\$29,300.00
Joseph Cotilletta (Associate) (2022)	\$600	22.20	\$13,320.00
Joseph Cotilletta (Associate) (2023)	\$625	64.70	\$40,437.50
Joseph Cotilletta (Of Counsel) (2024)	\$750	187.00	\$140,250.00
Derick Cividini (Of Counsel) (2022)	\$725	23.90	\$17,327.50
Derick Cividini (Of Counsel) (2023)	\$750	59.40	\$44,550.00
Derick Cividini (Of Counsel) (2024)	\$800	9.50	\$7,600.00
Beth Khinchuk (Associate) (2024)	\$550	571.00	\$314,050.00
Lisa Strejlau (Associate) (2022)	\$500	190.00	\$95,000.00
Lisa Strejlau (Associate) (2023)	\$525	2.40	\$1,260.00
Charles Wood (Associate) (2023)	\$525	130.70	\$68,617.50
Charles Wood (Associate) (2024)	\$550	1.90	\$1,045.00
Rachel Berger (Associate) (2024)	\$525	8.90	\$4,672.50
Robert Rowley (Associate) (2023)	\$475	327.40	\$155,515.00
Robert Rowley (Associate) (2024)	\$500	724.90	\$362,450.00
Wesley Mann (Associate) (2023-2024)	\$300	151.40	\$45,420.00
Julia Kim (Staff Attorney) (2023-2024)	\$430	2,699.00	\$1,160,570.00

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Julia Kim (Staff Attorney) (2025)	\$455	426.00	\$193,830.00
Adam Drapkin (Staff Attorney) (2023)	\$420	1,340.70	\$563,094.00
Adam Drapkin (Staff Attorney) (2024)	\$430	759.20	\$326,456.00
Adam Drapkin (Staff Attorney) (2025)	\$455	162.70	\$74,028.50
Kendall Wostl (Staff Attorney) (2023-2024)	\$430	974.70	\$419,121.00
Robert McDermott (Staff Attorney) (2023)	\$450	414.50	\$186,525.00
Amy Greenbaum (Investigator) (2023-2024)	\$625	8.10	\$5,062.50
Christopher Frasca (Paralegal) (2022-2023)	\$390	22.30	\$8,697.00
<b>Totals for Task 3:</b>		<b>9,377.20</b>	<b>\$4,339,521.50</b>
<b>Task 4: Discovery from Lead Plaintiff</b>			
<b>Professional</b>	<b>Hourly Rate</b>	<b>Hours</b>	<b>Historic Lodestar</b>
Alfred Fatale (Partner) (2021)	\$825	0.50	\$412.50
Alfred Fatale (Partner) (2022)	\$925	24.50	\$22,662.50
Alfred Fatale (Partner) (2023)	\$950	20.30	\$19,285.00
Alfred Fatale (Partner) (2024)	\$1,000	1.70	\$1,700.00
Joseph Cotilletta (Associate) (2022)	\$600	3.80	\$2,280.00
Joseph Cotilletta (Associate) (2023)	\$625	6.30	\$3,937.50
Joseph Cotilletta (Of Counsel) (2024)	\$750	2.00	\$1,500.00
Derick Cividini (Of Counsel) (2022)	\$725	4.50	\$3,262.50
Derick Cividini (Of Counsel) (2023)	\$750	0.80	\$600.00
Derick Cividini (Of Counsel) (2024)	\$800	1.80	\$1,440.00
Beth Khinchuk (Associate) (2024)	\$550	113.10	\$62,205.00
Lisa Strejlau (Associate) (2021)	\$450	1.20	\$540.00
Lisa Strejlau (Associate) (2022)	\$500	59.50	\$29,750.00

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Charles Wood (Associate) (2023)	\$525	12.60	\$6,615.00
Robert Rowley (Associate) (2023)	\$475	30.40	\$14,440.00
Robert Rowley (Associate) (2024)	\$500	6.00	\$3,000.00
Wesley Mann (Associate) (2024)	\$300	7.50	\$2,250.00
Robert McDermott (Staff Attorney) (2023)	\$450	10.00	\$4,500.00
Amy Greenbaum (Investigator) (2023-2024)	\$625	14.60	\$9,125.00
Christopher Frasca (Paralegal) (2022-2023)	\$390	10.20	\$3,978.00
Anaika Richardson (Paralegal) (2024)	\$200	2.00	\$400.00
<b>Totals for Task 4:</b>		<b>333.30</b>	<b>\$193,883.00</b>
<b>Task 5: Pretrial Motions and Legal Research</b>			
<b>Professional</b>	<b>Hourly Rate</b>	<b>Hours</b>	<b>Historic Lodestar</b>
Alfred Fatale (Partner) (2021)	\$825	0.20	\$165.00
Alfred Fatale (Partner) (2022)	\$925	52.80	\$48,840.00
Alfred Fatale (Partner) (2023)	\$950	7.10	\$6,745.00
Alfred Fatale (Partner) (2024)	\$1,000	7.10	\$7,100.00
Joseph Cotilletta (Associate) (2022)	\$600	15.20	\$9,120.00
Joseph Cotilletta (Associate) (2023)	\$625	31.00	\$19,375.00
Joseph Cotilletta (Of Counsel) (2024)	\$750	56.20	\$42,150.00
Francis McConville (Partner) (2021)	\$800	18.30	\$14,640.00
Beth Khinchuk (Associate) (2024)	\$550	40.80	\$22,440.00
Lisa Strejlau (Associate) (2021)	\$450	2.80	\$1,260.00
Lisa Strejlau (Associate) (2022)	\$500	225.30	\$112,650.00
Charles Wood (Associate) (2021)	\$450	21.30	\$9,585.00
Charles Wood (Associate) (2022)	\$500	11.00	\$5,500.00

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Charles Wood (Associate) (2023)	\$525	20.80	\$10,920.00
Robert Rowley (Associate) (2023)	\$475	102.50	\$48,687.50
Robert Rowley (Associate) (2024)	\$500	29.30	\$14,650.00
Wesley Mann (Associate) (2022)	\$275	5.00	\$1,375.00
Wesley Mann (Associate) (2023-2024)	\$300	14.90	\$4,470.00
Christopher Frasca (Paralegal) (2021)	\$375	10.40	\$3,900.00
Christopher Frasca (Paralegal) (2022-2024)	\$390	49.50	\$19,305.00
Cheryl Boria (Paralegal) (2022-2023)	\$375	0.50	\$187.50
Euterpe Lourdes Pina (Paralegal) (2021)	\$360	16.40	\$5,904.00
Euterpe Lourdes Pina (Paralegal) (2022-2023)	\$375	46.30	\$17,362.50
Anaika Richardson (Paralegal) (2023)	\$200	6.30	\$1,260.00
<b>Totals for Task 5:</b>		<b>791.00</b>	<b>\$427,591.50</b>
<b>Task 6: Court Appearances and Preparation</b>			
<b>Professional</b>	<b>Hourly Rate</b>	<b>Hours</b>	<b>Historic Lodestar</b>
Alfred Fatale (Partner) (2022)	\$925	16.20	\$14,985.00
Alfred Fatale (Partner) (2023)	\$950	40.40	\$38,380.00
Alfred Fatale (Partner) (2024)	\$1,000	42.00	\$42,000.00
Alfred Fatale (Partner) (2025)	\$1,100	18.20	\$20,020.00
Joseph Cotilletta (Of Counsel) (2024)	\$750	1.50	\$1,125.00
Lisa Strejlau (Associate) (2022)	\$500	0.60	\$300.00
Charles Wood (Associate) (2023)	\$525	0.30	\$157.50
Christopher Frasca (Paralegal) (2023)	\$390	1.00	\$390.00
<b>Totals for Task 6:</b>		<b>120.20</b>	<b>\$117,357.50</b>

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<b>Task 7: Experts/Consultants</b>			
<b>Professional</b>	<b>Hourly Rate</b>	<b>Hours</b>	<b>Historic Lodestar</b>
Alfred Fatale (Partner) (2022)	\$925	1.30	\$1,202.50
Alfred Fatale (Partner) (2023)	\$950	0.30	\$285.00
Alfred Fatale (Partner) (2024)	\$1,000	67.20	\$67,200.00
Alfred Fatale (Partner) (2025)	\$1,100	13.60	\$14,960.00
Joseph Cotilletta (Associate) (2022)	\$600	1.10	\$660.00
Joseph Cotilletta (Of Counsel) (2024)	\$750	176.20	\$132,150.00
Joseph Cotilletta (Partner) (2025)	\$825	9.90	\$8,167.50
Beth Khinchuk (Associate) (2024)	\$550	163.40	\$89,870.00
Beth Khinchuk (Associate) (2025)	\$600	13.20	\$7,920.00
Lisa Streljau (Associate) (2022)	\$500	0.90	\$450.00
Charles Wood (Associate) (2023)	\$525	0.30	\$157.50
Charles Wood (Associate) (2024)	\$550	0.50	\$275.00
Rachel Berger (Associate) (2024)	\$525	3.40	\$1,785.00
Rachel Berger (Associate) (2025)	\$575	31.20	\$17,940.00
Robert Rowley (Associate) (2024)	\$500	32.00	\$16,000.00
Wesley Mann (Associate) (2024)	\$300	95.30	\$28,590.00
Wesley Mann (Associate) (2025)	\$350	0.20	\$70.00
Julia Kim (Staff Attorney) (2024)	\$430	96.00	\$41,280.00
Adam Drapkin (Staff Attorney) (2024)	\$430	278.10	\$119,583.00
Adam Drapkin (Staff Attorney) (2025)	\$455	13.30	\$6,051.50
Christopher Frasca (Paralegal) (2024)	\$390	83.10	\$32,409.00
Cheryl Boria (Paralegal) (2024)	\$390	13.50	\$5,265.00
<b>Totals for Task 7:</b>		<b>1,094.00</b>	<b>\$592,271.00</b>

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<b>Task 8: Mediation</b>			
<b>Professional</b>	<b>Hourly Rate</b>	<b>Hours</b>	<b>Historic Lodestar</b>
Jonathan Gardner (Partner) (2023-2024)	\$1,275	42.80	\$54,570.00
Jonathan Gardner (Partner) (2025)	\$1,375	0.70	\$962.50
Alfred Fatale (Partner) (2023)	\$950	64.90	\$61,655.00
Alfred Fatale (Partner) (2024)	\$1,000	45.30	\$45,300.00
Alfred Fatale (Partner) (2025)	\$1,100	0.20	\$220.00
Joseph Cotilletta (Associate) (2023)	\$625	7.10	\$4,437.50
Joseph Cotilletta (Of Counsel) (2024)	\$750	49.60	\$37,200.00
Beth Khinchuk (Associate) (2024)	\$550	109.90	\$60,445.00
Charles Wood (Associate) (2023)	\$525	151.10	\$79,327.50
Rachel Berger (Associate) (2024)	\$525	14.00	\$7,350.00
Robert Rowley (Associate) (2023)	\$475	1.00	\$475.00
Wesley Mann (Associate) (2024)	\$300	15.70	\$4,710.00
Julia Kim (Staff Attorney) (2024)	\$430	25.00	\$10,750.00
Adam Drapkin (Staff Attorney) (2023)	\$420	18.20	\$7,644.00
Adam Drapkin (Staff Attorney) (2024)	\$430	10.70	\$4,601.00
Christopher Frasca (Paralegal) (2023-2024)	\$390	26.70	\$10,413.00
Cheryl Boria (Paralegal) (2024)	\$390	14.00	\$5,460.00
Euterpe Lourdes Pina (Paralegal) (2023)	\$375	0.50	\$187.50
<b>Totals for Task 8:</b>		<b>597.40</b>	<b>\$395,708.00</b>
<b>Task 9: Settlement</b>			
<b>Professional</b>	<b>Hourly Rate</b>	<b>Hours</b>	<b>Historic Lodestar</b>
Jonathan Gardner (Partner) (2025)	\$1,375	0.30	\$412.50
Nicole Zeiss (Partner) (2023-2024)	\$1,075	12.90	\$13,867.50

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Nicole Zeiss (Partner) (2025)	\$1,125	96.70	\$108,787.50
Alfred Fatale (Partner) (2024)	\$1,000	2.20	\$2,200.00
Alfred Fatale (Partner) (2025)	\$1,100	56.00	\$61,600.00
Elizabeth Rosenberg (Of Counsel) (2023)	\$875	21.00	\$18,375.00
Elizabeth Rosenberg (Of Counsel) (2025)	\$975	133.10	\$129,772.50
Derick Cividini (Of Counsel) (2025)	\$850	0.80	\$680.00
Beth Khinchuk (Associate) (2025)	\$600	44.30	\$26,580.00
Charles Wood (Associate) (2025)	\$600	0.40	\$240.00
Rachel Berger (Associate) (2025)	\$575	0.30	\$172.50
Adam Drapkin (Staff Attorney) (2024)	\$430	31.60	\$13,588.00
Adam Drapkin (Staff Attorney) (2025)	\$455	14.50	\$6,597.50
Christopher Frasca (Paralegal) (2024)	\$390	0.90	\$351.00
Cheryl Boria (Paralegal) (2025)	\$415	30.00	\$12,450.00
<b>Totals for Task 9:</b>		<b>445.00</b>	<b>\$395,674.00</b>
<b>Task 10: Class Certification</b>			
<b>Professional</b>	<b>Hourly Rate</b>	<b>Hours</b>	<b>Historic Lodestar</b>
Nicole Zeiss (Partner) (2023-2024)	\$1,075	20.40	\$21,930.00
Alfred Fatale (Partner) (2022)	\$925	3.30	\$3,052.50
Alfred Fatale (Partner) (2023)	\$950	100.90	\$95,855.00
Alfred Fatale (Partner) (2025)	\$1,100	0.30	\$330.00
Joseph Cotilletta (Associate) (2023)	\$625	13.60	\$8,500.00
Lisa Strejlau (Associate) (2022)	\$500	3.30	\$1,650.00
Charles Wood (Associate) (2023)	\$525	0.30	\$157.50
Robert Rowley (Associate) (2023)	\$475	109.30	\$51,917.50

DECLARATION OF ALFRED L. FATALE III ON BEHALF OF LABATON KELLER SUCHAROW LLP  
 IN SUPPORT OF APPLICATION FOR AN AWARD OF ATTORNEYS' FEES AND LITIGATION EXPENSES X  
 CASE NO. 21-CV-07405-MCS-AS

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Amy Greenbaum (Investigator) (2023)	\$625	1.00	\$625.00
Christopher Frasca (Paralegal) (2023)	\$390	27.60	\$10,764.00
Euterpe Lourdes Pina (Paralegal) (2023)	\$375	9.20	\$3,450.00
<b>Totals for Task 10:</b>		<b>289.20</b>	<b>\$198,231.50</b>
<b>Task 11: Motions to Dismiss and Legal Research</b>			
<b>Professional</b>	<b>Hourly Rate</b>	<b>Hours</b>	<b>Historic Lodestar</b>
Jonathan Gardner (Partner) (2023)	\$1,275	1.80	\$2,295.00
Alfred Fatale (Partner) (2022)	\$925	23.80	\$22,015.00
Alfred Fatale (Partner) (2023)	\$950	33.50	\$31,825.00
Alfred Fatale (Partner) (2024)	\$1,000	28.40	\$28,400.00
Lisa Streljau (Associate) (2022)	\$500	109.50	\$54,750.00
Charles Wood (Associate) (2022)	\$500	2.50	\$1,250.00
Charles Wood (Associate) (2023)	\$525	3.10	\$1,627.50
Robert Rowley (Associate) (2023)	\$475	73.00	\$34,675.00
Robert Rowley (Associate) (2024)	\$500	156.50	\$78,250.00
Christopher Frasca (Paralegal) (2022-2024)	\$390	81.00	\$31,590.00
Euterpe Lourdes Pina (Paralegal) (2022-2023)	\$375	5.80	\$2,175.00
Anaika Richardson (Paralegal) (2024)	\$200	10.30	\$2,060.00
<b>Totals for Task 11:</b>		<b>529.20</b>	<b>\$290,912.50</b>
<b>Task 12: Depositions and Preparation</b>			
<b>Professional</b>	<b>Hourly Rate</b>	<b>Hours</b>	<b>Historic Lodestar</b>
Alfred Fatale (Partner) (2023)	\$950	19.30	\$18,335.00
Alfred Fatale (Partner) (2024)	\$1,000	47.70	\$47,700.00
Joseph Cotilletta (Associate) (2023)	\$625	12.10	\$7,562.50
Joseph Cotilletta (Of Counsel) (2024)	\$750	269.80	\$202,350.00

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Derick Cividini (Of Counsel) (2023)	\$750	4.10	\$3,075.00
Derick Cividini (Of Counsel) (2024)	\$800	1.20	\$960.00
Beth Khinchuk (Associate) (2024)	\$550	39.20	\$21,560.00
Charles Wood (Associate) (2023)	\$525	0.20	\$105.00
Charles Wood (Associate) (2024)	\$550	254.90	\$140,195.00
Charles Wood (Associate) (2025)	\$600	0.50	\$300.00
Rachel Berger (Associate) (2024)	\$525	133.40	\$70,035.00
Robert Rowley (Associate) (2023)	\$475	68.60	\$32,585.00
Robert Rowley (Associate) (2024)	\$500	139.40	\$69,700.00
Wesley Mann (Associate) (2024)	\$300	221.90	\$66,570.00
Julia Kim (Staff Attorney) (2023-2024)	\$430	898.50	\$386,355.00
Adam Drapkin (Staff Attorney) (2023)	\$420	56.40	\$23,688.00
Adam Drapkin (Staff Attorney) (2024)	\$430	406.30	\$174,709.00
Kendall Wostl (Staff Attorney) (2023-2024)	\$430	559.80	\$240,714.00
Amy Greenbaum (Investigator) (2023-2024)	\$625	2.80	\$1,750.00
<b>Totals for Task 12:</b>		<b>3,136.10</b>	<b>\$1,508,248.50</b>
<b>Task 13: Litigation Strategy/Analysis</b>			
<b>Professional</b>	<b>Hourly Rate</b>	<b>Hours</b>	<b>Historic Lodestar</b>
Jonathan Gardner (Partner) (2022)	\$1,250	4.20	\$5,250.00
Jonathan Gardner (Partner) (2023-2024)	\$1,275	7.50	\$9,562.50
Alfred Fatale (Partner) (2021)	\$825	4.90	\$4,042.50
Alfred Fatale (Partner) (2022)	\$925	12.60	\$11,655.00
Alfred Fatale (Partner) (2023)	\$950	15.70	\$14,915.00
Alfred Fatale (Partner) (2024)	\$1,000	5.90	\$5,900.00

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Joseph Cotilletta (Associate) (2022)	\$600	49.10	\$29,460.00
Joseph Cotilletta (Associate) (2023)	\$625	120.40	\$75,250.00
Joseph Cotilletta (Of Counsel) (2024)	\$750	183.80	\$137,850.00
Derick Cividini (Of Counsel) (2023)	\$750	6.30	\$4,725.00
Beth Khinchuk (Associate) (2024)	\$550	20.00	\$11,000.00
Beth Khinchuk (Associate) (2025)	\$600	1.80	\$1,080.00
Lisa Strejlau (Associate) (2021)	\$450	0.80	\$360.00
Lisa Strejlau (Associate) (2022)	\$500	43.40	\$21,700.00
Lisa Strejlau (Associate) (2023)	\$525	1.00	\$525.00
Charles Wood (Associate) (2023)	\$525	19.70	\$10,342.50
Rachel Berger (Associate) (2025)	\$575	0.10	\$57.50
Robert Rowley (Associate) (2023)	\$475	8.00	\$3,800.00
Robert Rowley (Associate) (2024)	\$500	2.60	\$1,300.00
<b>Totals for Task 13:</b>		<b>507.80</b>	<b>\$348,775.00</b>
<b>Task 14: Case Management</b>			
<b>Professional</b>	<b>Hourly Rate</b>	<b>Hours</b>	<b>Historic Lodestar</b>
Jonathan Gardner (Partner) (2022)	\$1,250	0.30	\$375.00
Jonathan Gardner (Partner) (2023)	\$1,275	0.30	\$382.50
Nicole Zeiss (Partner) (2025)	\$1,125	0.50	\$562.50
Alfred Fatale (Partner) (2021)	\$825	3.00	\$2,475.00
Alfred Fatale (Partner) (2022)	\$925	3.00	\$2,775.00
Alfred Fatale (Partner) (2023)	\$950	13.20	\$12,540.00
Alfred Fatale (Partner) (2024)	\$1,000	12.80	\$12,800.00
Joseph Cotilletta (Associate) (2022)	\$600	9.90	\$5,940.00

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Joseph Cotilletta (Associate) (2023)	\$625	3.30	\$2,062.50
Joseph Cotilletta (Of Counsel) (2024)	\$750	13.80	\$10,350.00
Joseph Cotilletta (Partner) (2025)	\$825	1.20	\$990.00
Beth Khinchuk (Associate) (2024)	\$550	20.40	\$11,220.00
Beth Khinchuk (Associate) (2025)	\$600	0.20	\$120.00
Lisa Strejlau (Associate) (2021)	\$450	0.40	\$180.00
Lisa Strejlau (Associate) (2022)	\$500	2.00	\$1,000.00
Charles Wood (Associate) (2021)	\$450	0.70	\$315.00
Charles Wood (Associate) (2022)	\$500	1.40	\$700.00
Charles Wood (Associate) (2023)	\$525	5.10	\$2,677.50
Rachel Berger (Associate) (2024)	\$525	0.80	\$420.00
Rachel Berger (Associate) (2025)	\$575	0.20	\$115.00
Robert Rowley (Associate) (2023)	\$475	6.00	\$2,850.00
Robert Rowley (Associate) (2024)	\$500	1.00	\$500.00
Wesley Mann (Associate) (2023-2024)	\$300	4.90	\$1,470.00
Kendall Wostl (Staff Attorney) (2023)	\$430	0.70	\$301.00
Christopher Frasca (Paralegal) (2021-2024)	\$375	5.30	\$1,987.50
Christopher Frasca (Paralegal) (2022-2024)	\$390	374.60	\$146,094.00
Cheryl Boria (Paralegal) (2023)	\$375	1.60	\$600.00
Cheryl Boria (Paralegal) (2024)	\$390	2.20	\$858.00
Cheryl Boria (Paralegal) (2025)	\$415	0.80	\$332.00
Euterpe Lourdes Pina (Paralegal) (2022)	\$375	0.50	\$187.50
<b>Totals for Task 14:</b>		<b>490.10</b>	<b>\$223,180.00</b>
<b>Grand Total:</b>		<b>18,379.90</b>	<b>\$9,390,860.00</b>

# **Exhibit C**

***Honest Securities Litigation***

**EXHIBIT C**

**STANDING ORDER TABLE 2**

**FIRM: LABATON KELLER SUCHAROW LLP  
 REPORTING PERIOD: INCEPTION THROUGH JUNE 12, 2025**

<b>Professional</b>	<b>Hourly Rate</b>	<b>Hours by Task</b>	<b>Hours on Task</b>	<b>Totals</b>	
Jonathan Gardner (Partner)	\$1,100 (2021)	<b>Task</b>	<b>Hours on Task</b>	<b>Hours: 60.40</b> <b>Hist. Lodestar: \$76,830.00</b>	
	\$1,250 (2022)				
	\$1,275 (2023-24)				
	\$1,375 (2025)				
	Initial Research and Factual Development				2.50
	Mediation				43.50
	Settlement				0.30
	Motions to Dismiss and Legal Research				1.80
Nicole Zeiss (Partner)	\$1,075 (2023-24)	<b>Task</b>	<b>Hours on Task</b>	<b>Hours: 130.50</b> <b>Hist. Lodestar: \$145,147.50</b>	
	\$1,125 (2025)				
	Settlement				109.60
	Class Certification				20.40
	Case Management				0.50
Alfred Fatale (Partner)	\$825 (2021)	<b>Task</b>	<b>Hours on Task</b>	<b>Hours: 993.00</b> <b>Hist. Lodestar: \$965,400.00</b>	
	\$925 (2022)				
	\$950 (2023)				
	\$1,000 (2024)				
	\$1,100 (2025)				
	Initial Research and Factual Development				3.20
	Drafting Initial/Amended Complaints				84.80
	Discovery from Defendants/3rd Parties				94.70
	Discovery from Lead Plaintiff				47.00
	Pretrial Motions and Legal Research				67.20
	Court Appearances and Preparation				116.80
	Experts/Consultants				82.40
	Mediation				110.40
	Settlement				58.20
Class Certification	104.50				

Professional	Hourly Rate	Hours by Task		Totals
		Motions to Dismiss and Legal Research	85.70	
		Depositions and Preparation	67.00	
		Litigation Strategy/Analysis	39.10	
		Case Management	32.00	
Francis McConville (Partner)	\$800 (2021)	<b>Task</b>	<b>Hours on Task</b>	<b>Hours: 18.30</b> <b>Hist. Lodestar: \$14,640.00</b>
		Pretrial Motions and Legal Research	18.30	
Joseph Cotilletta (Partner)	\$600 (2022) \$625 (2023) \$750 (2024) \$825 (2025)	<b>Task</b>	<b>Hours on Task</b>	<b>Hours: 1,312.60</b> <b>Hist. Lodestar: \$937,675.00</b>
		Initial Research and Factual Development	1.00	
		Drafting Initial/Amended Complaints	0.80	
		Discovery from Defendants/3rd Parties	273.90	
		Discovery from Lead Plaintiff	12.10	
		Pretrial Motions and Legal Research	102.40	
		Court Appearances and Preparation	1.50	
		Experts/Consultants	187.20	
		Mediation	56.70	
		Class Certification	13.60	
		Depositions and Preparation	281.90	
		Litigation Strategy/Analysis	353.30	
		Case Management	28.20	
Elizabeth Rosenberg (Of Counsel)	\$875 (2023) \$975 (2025)	<b>Task</b>	<b>Hours on Task</b>	<b>Hours: 154.10</b> <b>Hist. Lodestar: \$148,147.50</b>
		Settlement	154.10	
Derick Cividini (Of Counsel)	\$725 (2022) \$750 (2023) \$800 (2024) \$850 (2025)	<b>Task</b>	<b>Hours on Task</b>	<b>Hours: 112.30</b> <b>Hist. Lodestar: \$84,220.00</b>
		Discovery from Defendants/3rd Parties	92.80	
		Discovery from Lead Plaintiff	7.10	
		Settlement	0.80	
		Depositions and Preparation	5.30	
		Litigation Strategy/Analysis	6.30	
Beth Khinchuk	\$550 (2024)	<b>Task</b>	<b>Hours on Task</b>	<b>Hours: 1,142.10</b>

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Professional	Hourly Rate	Hours by Task		Totals
(Associate)	\$600 (2025)			<b>Hist. Lodestar: \$631,130.00</b>
		Initial Research and Factual Development	0.50	
		Drafting Initial/Amended Complaints	4.30	
		Discovery from Defendants/3rd Parties	571.00	
		Discovery from Lead Plaintiff	113.10	
		Pretrial Motions and Legal Research	40.80	
		Experts/Consultants	176.60	
		Mediation	109.90	
		Settlement	44.30	
		Depositions and Preparation	39.20	
		Litigation Strategy/Analysis	21.80	
		Case Management	20.60	
Lisa Streljau (Associate)	\$450 (2021) \$500 (2022) \$525 (2023)	<b>Task</b>	<b>Hours on Task</b>	<b>Hours: 835.50</b> <b>Hist. Lodestar: \$417,405.00</b>
		Initial Research and Factual Development	37.70	
		Drafting Initial/Amended Complaints	154.70	
		Discovery from Defendants/3rd Parties	192.40	
		Discovery from Lead Plaintiff	60.70	
		Pretrial Motions and Legal Research	228.10	
		Court Appearances and Preparation	0.60	
		Experts/Consultants	0.90	
		Class Certification	3.30	
		Motions to Dismiss and Legal Research	109.50	
		Litigation Strategy/Analysis	45.20	
		Case Management	2.40	
Charles Wood (Associate)	\$450 (2021) \$500 (2022) \$525 (2023) \$550 (2024) \$600 (2025)	<b>Task</b>	<b>Hours on Task</b>	<b>Hours: 677.20</b> <b>Hist. Lodestar: \$360,122.50</b>
		Initial Research and Factual Development	3.90	
		Drafting Initial/Amended Complaints	34.00	
		Discovery from Defendants/3rd Parties	132.60	

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Professional	Hourly Rate	Hours by Task		Totals
		Discovery from Lead Plaintiff	12.60	
		Pretrial Motions and Legal Research	53.10	
		Court Appearances and Preparation	0.30	
		Experts/Consultants	0.80	
		Mediation	151.10	
		Settlement	0.40	
		Class Certification	0.30	
		Motions to Dismiss and Legal Research	5.60	
		Depositions and Preparation	255.60	
		Litigation Strategy/Analysis	19.70	
		Case Management	7.20	
Rachel Berger (Associate)	\$525 (2024) \$575 (2025)	<b>Task</b>	<b>Hours on Task</b>	<b>Hours: 192.30</b> <b>Hist. Lodestar: \$102,547.50</b>
		Discovery from Defendants/3rd Parties	8.90	
		Experts/Consultants	34.60	
		Mediation	14.00	
		Settlement	0.30	
		Depositions and Preparation	133.40	
		Litigation Strategy/Analysis	0.10	
		Case Management	1.00	
Robert Rowley (Associate)	\$475 (2023) \$500 (2024)	<b>Task</b>	<b>Hours on Task</b>	<b>Hours: 1,960.40</b> <b>Hist. Lodestar: \$961,402.50</b>
		Initial Research and Factual Development	30.30	
		Drafting Initial/Amended Complaints	112.20	
		Discovery from Defendants/3rd Parties	1052.30	
		Discovery from Lead Plaintiff	36.40	
		Pretrial Motions and Legal Research	131.80	
		Experts/Consultants	32.00	
		Mediation	1.00	
		Class Certification	109.30	
		Motions to Dismiss and Legal Research	229.50	
		Depositions and Preparation	208.00	
		Litigation Strategy/Analysis	10.60	
		Case Management	7.00	
Wesley Mann (Associate)	\$275 (2022) \$300 (2023-24)	<b>Task</b>	<b>Hours on Task</b>	<b>Hours: 525.40</b> <b>Hist. Lodestar: \$157,505.00</b>

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Professional	Hourly Rate	Hours by Task		Totals
	\$350 (2025)			
		Initial Research and Factual Development	4.80	
		Drafting Initial/Amended Complaints	3.80	
		Discovery from Defendants/3rd Parties	151.40	
		Discovery from Lead Plaintiff	7.50	
		Pretrial Motions and Legal Research	19.90	
		Experts/Consultants	95.50	
		Mediation	15.70	
		Depositions and Preparation	221.90	
		Case Management	4.90	
Julia Kim (Staff Attorney)	\$430 (2023-24) \$455 (2025)	<b>Task</b>	<b>Hours on Task</b>	<b>Hours: 4,144.50</b> <b>Hist. Lodestar: \$1,792,785.00</b>
		Discovery from Defendants/3rd Parties	3125.00	
		Experts/Consultants	96.00	
		Mediation	25.00	
		Depositions and Preparation	898.50	
Adam Drapkin (Staff Attorney)	\$420 (2023) \$430 (2024) \$455 (2025)	<b>Task</b>	<b>Hours on Task</b>	<b>Hours: 3,091.70</b> <b>Hist. Lodestar: \$1,320,040.50</b>
		Discovery from Defendants/3rd Parties	2262.60	
		Experts/Consultants	291.40	
		Mediation	28.90	
		Settlement	46.10	
		Depositions and Preparation	462.70	
Kendall Westl (Staff Attorney)	\$430 (2023-24)	<b>Task</b>	<b>Hours on Task</b>	<b>Hours: 1,536.80</b> <b>Hist. Lodestar: \$660,824.00</b>
		Initial Research and Factual Development	1.60	
		Discovery from Defendants/3rd Parties	974.70	
		Depositions and Preparation	559.80	
		Case Management	0.70	
Robert McDermott (Staff Attorney)	\$450 (2023)	<b>Task</b>	<b>Hours on Task</b>	<b>Hours: 424.50</b> <b>Hist. Lodestar: \$191,025.00</b>
		Discovery from Defendants/3rd Parties	414.50	
		Discovery from Lead Plaintiff	10.00	
Amy Greenbaum	\$550 (2021)	<b>Task</b>	<b>Hours on Task</b>	<b>Hours: 57.60</b>

Professional	Hourly Rate	Hours by Task		Totals
(Investigator)	\$575 (2022) \$625 (2023-24)			<b>Hist. Lodestar: \$34,465.00</b>
		Initial Research and Factual Development	31.10	
		Discovery from Defendants/3rd Parties	8.10	
		Discovery from Lead Plaintiff	14.60	
		Class Certification	1.00	
		Depositions and Preparation	2.80	
Gabrielle Frenkel (Investigator)	\$400 (2021) \$425 (2022) \$475 (2023-24)	<b>Task</b>	<b>Hours on Task</b>	<b>Hours: 74.90</b> <b>Hist. Lodestar: \$30,967.50</b>
		Initial Research and Factual Development	74.90	
Christopher Frasca (Paralegal)	\$375 (2021) \$390 (2022-24)	<b>Task</b>	<b>Hours on Task</b>	<b>Hours: 730.80</b> <b>Hist. Lodestar: \$284,754.00</b>
		Initial Research and Factual Development	3.50	
		Drafting Initial/Amended Complaints	34.70	
		Discovery from Defendants/3rd Parties	22.30	
		Discovery from Lead Plaintiff	10.20	
		Pretrial Motions and Legal Research	59.90	
		Court Appearances and Preparation	1.00	
		Experts/Consultants	83.10	
		Mediation	26.70	
		Settlement	0.90	
		Class Certification	27.60	
		Motions to Dismiss and Legal Research	81.00	
		Case Management	379.9	
Cheryl Boria (Paralegal)	\$375 (2023) \$390 (2024) \$415 (2025)	<b>Task</b>	<b>Hours on Task</b>	<b>Hours: 62.60</b> <b>Hist. Lodestar: \$25,152.50</b>
		Pretrial Motions and Legal Research	0.50	
		Experts/Consultants	13.50	
		Mediation	14.00	
		Settlement	30.00	
		Case Management	4.60	

Professional	Hourly Rate	Hours by Task		Totals
Euterpe Lourdes Pina (Paralegal)	\$360 (2021)	<b>Task</b>	<b>Hours on Task</b>	<b>Hours: 92.50</b>
	\$375 (2022-23)			<b>Hist. Lodestar: \$34,441.50</b>
		Drafting Initial/Amended Complaints	13.80	
		Pretrial Motions and Legal Research	62.70	
		Mediation	0.50	
		Class Certification	9.20	
		Motions to Dismiss and Legal Research	5.80	
		Case Management	0.50	
Shella Mundo (Paralegal)	\$375 (2022)	<b>Task</b>	<b>Hours on Task</b>	<b>Hours: 24.30</b>
		Drafting Initial/Amended Complaints	24.30	<b>Hist. Lodestar: \$9,112.50</b>
Richardson, Anaika (Paralegal)	\$200 (2024)	<b>Task</b>	<b>Hours on Task</b>	<b>Hours: 25.60</b>
		Drafting Initial/Amended Complaints	7.00	<b>Hist. Lodestar: \$5,120.00</b>
		Discovery from Lead Plaintiff	2.00	
		Pretrial Motions and Legal Research	6.30	
		Motions to Dismiss and Legal Research	10.30	

# **Exhibit D**

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*Honest Services Litigation*  
EXHIBIT D  
LABATON TIME BY TASK

Categories:

- (1) Initial Research and Factual Development
- (2) Drafting Initial/Amended Complaints
- (3) Discovery from Defendants/3rd Parties
- (4) Discovery from Lead Plaintiff
- (5) Pretrial Motions and Legal Research

- (6) Court Appearances and Preparation
- (7) Experts/Counselors
- (8) Mediation
- (9) Settlement
- (10) Class Certification

- (11) Motions to Dismiss and Legal Research
- (12) Depositions and Preparation
- (13) Litigation Strategy/Analysis
- (14) Case Management

Name	Position	1	2	3	4	5	6	7	8	9	10	11	12	13	14	Total Hours	Historical Rate	Current Rate	Historical Lodestar	Current Lodestar
Gardner, Jonathan	(P)	2.50	-	-	-	-	-	-	43.50	0.30	-	1.80	-	11.70	0.60	60.40	\$1,100 - \$1,375	\$76,830.00	\$83,070.00	
Zanis, Nicole	(P)	-	-	-	-	-	-	-	-	109.60	20.40	-	-	-	-	130.50	\$1,075 - \$1,125	\$1,125	\$145,147.50	\$146,812.50
Fankle, Alfred	(P)	3.20	84.80	94.70	47.00	67.20	116.80	82.40	110.40	58.20	104.50	85.70	67.00	39.10	32.00	993.00	\$825 - \$1,100	\$1,100	\$865,400.00	\$1,092,300.00
McConville, Francis	(P)	-	-	-	-	18.30	-	-	-	-	-	-	-	-	-	18.30	\$800	\$1,050	\$14,640.00	\$19,215.00
Conliska, Joseph	(P)	1.00	0.80	273.90	12.10	102.40	1.50	187.20	56.70	-	13.60	-	281.90	353.30	28.20	1,312.60	\$600 - \$825	\$825	\$937,675.00	\$1,082,895.00
Rosenberg, Elizabeth	(OC)	-	-	-	-	-	-	-	-	194.10	-	-	-	-	-	194.10	\$875 - \$975	\$975	\$148,147.50	\$150,247.50
Cristiani, Derrick	(OC)	-	-	92.80	7.10	-	-	-	-	0.80	-	-	-	5.30	6.30	112.30	\$725 - \$850	\$850	\$84,220.00	\$95,455.00
Klucznik, Beth	(A)	0.50	4.30	571.00	113.10	40.80	-	176.60	109.90	44.30	-	-	39.20	21.80	20.60	1,142.10	\$550 - \$600	\$600	\$631,130.00	\$685,260.00
Stojan, Lisa	(A)	37.70	154.70	192.40	60.70	228.10	0.60	0.90	-	-	3.30	109.50	-	45.20	2.40	835.50	\$450 - \$525	\$600	\$417,405.00	\$501,300.00
Wood, Charles	(A)	3.90	34.00	132.60	12.60	53.10	0.30	0.80	151.10	0.40	0.30	5.60	255.60	19.70	7.20	677.20	\$450 - \$600	\$600	\$360,122.50	\$406,320.00
Besser, Rachel	(A)	-	-	8.90	-	-	-	34.60	14.00	0.30	-	-	133.40	0.10	1.00	182.30	\$525 - \$575	\$575	\$102,547.50	\$110,572.50
Konway, Robert	(A)	30.30	112.20	1,052.30	36.40	131.80	-	32.00	1.00	-	108.30	229.50	208.00	10.60	7.00	1,960.40	\$475 - \$500	\$500	\$861,402.50	\$980,200.00
Mann, Wesley	(A)	4.80	3.80	151.40	7.50	19.90	-	95.50	25.00	-	-	-	898.50	-	4.90	525.40	\$275 - \$350	\$350	\$177,505.00	\$183,890.00
Kim, Julia	(SA)	-	-	3,125.00	-	-	-	96.00	15.00	-	-	-	-	-	-	4,144.50	\$430 - \$455	\$455	\$1,792,785.00	\$1,885,747.50
Draplin, Adam	(SA)	-	-	2,262.60	-	-	-	291.40	28.90	46.10	-	-	462.70	-	-	3,091.70	\$420 - \$455	\$455	\$1,350,040.50	\$1,406,723.50
Wool, Kendall	(SA)	1.60	-	974.70	-	-	-	-	-	-	-	-	559.80	-	0.70	1,536.80	\$430	\$455	\$660,824.00	\$699,244.00
McDermott, Robert	(SA)	-	-	414.50	10.00	-	-	-	-	-	-	-	-	-	-	404.50	\$450	\$450	\$191,025.00	\$191,025.00
Greenbaum, Amy	(T)	31.10	-	8.10	14.60	-	-	-	-	-	1.00	-	2.80	-	-	57.60	\$550 - \$625	\$650	\$34,465.00	\$37,440.00
Frederick, Gabriella	(T)	74.90	-	-	-	-	-	-	-	-	-	-	-	-	-	74.90	\$400 - \$475	\$500	\$30,967.50	\$37,450.00
Frasca, Christopher	(PL)	3.50	34.70	22.30	10.20	59.90	1.00	83.10	26.70	0.90	27.60	\$1.00	-	-	379.90	730.80	\$375 - \$390	\$415	\$284,754.00	\$303,282.00
Born, Cheryl	(PL)	-	-	-	-	0.50	-	13.50	14.00	30.00	-	-	-	-	4.60	62.60	\$375 - \$415	\$415	\$25,152.50	\$25,979.00
Pena, Emagee Lourdes	(PL)	-	13.80	-	-	61.70	-	-	0.50	-	9.20	5.80	-	-	0.50	92.50	\$360 - \$375	\$375	\$34,441.50	\$34,687.50
Miranda, Sheila	(PL)	-	24.30	-	-	-	-	-	-	-	-	-	-	-	-	24.30	\$375	\$375	\$9,112.50	\$9,112.50
Richardson, Annika	(PL)	-	7.00	-	2.00	6.30	-	-	-	-	10.30	-	-	-	-	25.60	\$200	\$225	\$5,120.00	\$5,760.00
<b>TOTALS:</b>		195.00	474.40	9,377.20	333.30	791.00	120.20	1,094.00	597.40	445.00	289.20	529.20	3,136.10	507.80	490.10	18,379.90			\$9,390,860.00	\$10,173,968.50

- (I) Investigator
- (P) Partner
- (PL) Paralegal
- (OC) Of Counsel
- (SA) Staff Attorney
- (A) Associate

# **Exhibit E**

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*Honest Securities Litigation*

**EXHIBIT E**

**EXPENSE REPORT**

FIRM: LABATON KELLER SUCHAROW LLP  
 REPORTING PERIOD: INCEPTION THROUGH JUNE 12, 2025

<b>CATEGORY</b>		<b>TOTAL AMOUNT</b>
Court / Witness / Service Fees		\$12,171.61
Long Distance / Wi-Fi Access		\$123.90
Postage / Overnight Delivery Services		\$526.70
Online Legal & Factual Research		\$30,817.78
Experts		\$1,214,460.00
Damages/Causation/Plan of Allocation	\$160,708.75	
COVID-19 Impacts	\$362,926.25	
Corporate Control	\$259,800.00	
Due Diligence	\$238,225.00	
Asset Tracing	\$192,800.00	
Counsel for Confidential Witness		\$6,835.00
Litigation Support		\$178,160.62
Mediation Fees		\$73,560.00
Deposition Reporting and Court Transcripts		\$114,199.00
Work-Related Transportation / Hotels / Meals		\$22,368.78*
Duplicating		\$23,880.97
In-House Color: (26,697 pages at \$0.40 per page)	\$10,678.80	

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In-House BW: (16,183 pages at \$0.20 per page)	\$3,236.60	
Outside Copying	\$9,965.57	
Outside Messengers		\$500.00
<b>TOTAL</b>		<b>\$1,677,604.36</b>

\* The total for Work-Related Transportation/Hotels/Meals includes \$6,000 in estimated travel costs in connection with attending the final Settlement Hearing. If less than this estimate is incurred, the Settlement Fund will be refunded. If more is incurred, \$6,000 will be the cap.

# **EXHIBIT F**

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*Honest Securities Litigation*

**EXHIBIT F**

**FIRM RESUME**



2025

# Labaton Keller Sucharow Credentials

New York | Delaware | London | Washington, D.C.

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## About the Firm

### ***Labaton Keller Sucharow has recovered billions of dollars for investors, businesses, and consumers***

Founded in 1963, Labaton Keller Sucharow LLP has earned a reputation as one of the leading plaintiffs' firms in the United States. For more than 60 years, Labaton Keller Sucharow has successfully exposed corporate misconduct and recovered billions of dollars in the United States and around the globe on behalf of investors and consumers. Our mission is to continue this legacy and to continue to advance market fairness and transparency in the areas of securities, corporate governance and shareholder rights, and data privacy and cybersecurity litigation, as well as whistleblower representation. Our Firm has recovered significant losses for investors and secured corporate governance reforms on behalf of the nation's largest institutional investors, including public pension, Taft-Hartley, and hedge funds, investment banks, and other financial institutions.

Along with securing newsworthy recoveries, the Firm has a track record for successfully prosecuting complex cases from discovery to trial to verdict. As *Chambers and Partners* has noted, the Firm is ***"considered one of the greatest plaintiffs' firms,"*** and *The National Law Journal* "Elite Trial Lawyers" recently recognized our attorneys for their ***"cutting-edge work on behalf of plaintiffs."*** Our appellate experience includes winning appeals that increased settlement values for clients and securing a landmark U.S. Supreme Court victory in 2013 that benefited all investors by reducing barriers to the certification of securities class action cases.

Our Firm provides global securities portfolio monitoring and advisory services to more than 300 institutional investors, including public pension funds, asset managers, hedge funds, mutual funds, banks, sovereign wealth funds, and multi-employer plans—with collective assets under management (AUM) in excess of \$4.5 trillion. We are equipped to deliver results due to our robust infrastructure of more than 90 full-time attorneys, a dynamic professional staff, and innovative technological resources. Labaton Keller Sucharow attorneys are skilled in every stage of business litigation and have challenged corporations from every sector of the financial market. Our professional staff includes financial analysts, paralegals, e-discovery specialists, certified public accountants, certified fraud examiners, and a forensic accountant. We have one of the largest in-house investigative teams in the securities bar.



**Securities Litigation:** As a leader in the securities litigation field, the Firm is a trusted advisor to more than 300 institutional investors with collective assets under management in excess of \$4.5 trillion. Our practice focuses on portfolio monitoring and domestic and international securities litigation for sophisticated institutional investors. Since the passage of the Private Securities Litigation Reform Act of 1995, we have recovered more than \$27 billion in the aggregate. Our success is driven by the Firm’s robust infrastructure, which includes one of the largest in-house investigative teams in the plaintiffs’ bar.

**Corporate Governance and Shareholder Rights Litigation:** Our breadth of experience in shareholder advocacy has also taken us to Delaware, where we press for corporate reform through our Wilmington office. These efforts have already earned us a string of enviable successes, including the historic \$1 billion cash settlement three weeks before trial in *In re Dell Technologies Inc. Class V Stockholders Litigation*, the largest shareholder settlement ever in any state court in America and the 17th largest shareholder settlement of all time in federal and state court, and a \$153.75 million settlement on behalf of shareholders in *In re Freeport-McMoRan Copper & Gold Inc. Derivative Litigation*, one of the largest derivative settlements ever achieved in the Court of Chancery.

**Consumer Protection and Data Privacy Litigation:** Labaton Keller Sucharow is dedicated to putting our expertise to work on behalf of consumers who have been wronged by fraud in the marketplace. Built on our world-class litigation skills, deep understanding of federal and state rules and regulations, and an unwavering commitment to fairness, our Consumer Protection and Data Privacy Litigation focuses on protecting consumers and improving the standards of business conduct through litigation and reform. Our team achieved a historic \$650 million settlement in *the In re Facebook Biometric Information Privacy Litigation* matter—the largest consumer data privacy settlement ever, and one of the first cases asserting biometric privacy rights of consumers under Illinois’ Biometric Information Privacy Act (BIPA).

*“Labaton Keller Sucharow is 'superb' and 'at the top of its game.' The Firm's team of 'hard-working lawyers...push themselves to thoroughly investigate the facts' and conduct 'very diligent research.'”*

*– The Legal 500*



## Securities Class Action Litigation Practice

Labaton Keller Sucharow has been an advocate and trusted partner on behalf of institutional investors for more than 60 years. As a result of the significant victories the Firm has obtained for clients, Labaton Keller Sucharow has earned a reputation as a leading law firm for pension funds, asset managers, and other large institutional investors across the world.

Since the passage of the Private Securities Litigation Reform Act of 1995 (PSLRA), the Firm has recovered more than **\$27 billion** for injured investors through securities class actions prosecuted throughout the United States against numerous public corporations and other corporate wrongdoers.

We have earned the trust of our clients and the courts, serving as lead counsel in some of the most intricate and high-profile securities fraud cases in history. These notable recoveries would not be possible without our exhaustive case evaluation process, which allows our securities litigators to focus solely on cases with strong merits. The benefits of our selective approach are reflected in the low dismissal rate of the securities cases we pursue, a rate well below the industry average.

Our attorneys are skilled in every stage of business litigation and have challenged corporations from every sector of the financial markets. More than half of the Firm's partners have trial experience. In many instances, this broad experience with every stage of litigation is supplemented by knowledge and expertise gained from prior professional experience. For example, seven of the Firm's partners have worked in government, including the Department of Justice (DOJ).

From investigation to the litigation of claims, we work closely with our clients to provide the information and analysis necessary to fully protect their investments. Labaton Keller Sucharow is one of the first firms in the country to have a dedicated, in-house investigations department. ***The Firm stands out in the securities class action bar in that our monitoring, investigation, and litigation services are all performed in-house.***

The Firm's success is reflected in the results Labaton Keller Sucharow achieves for its clients. Our world-class case evaluation and development services are informed by our experience serving as lead/co-lead counsel in more than 275 U.S. federal securities class actions.

### Representative Experience

Labaton Keller Sucharow has achieved notable successes in financial and securities class actions on behalf of investors, including the following:



### ***In re American International Group, Inc. Securities Litigation***

In one of the most complex and challenging securities cases in history, Labaton Keller Sucharow secured more than **\$1 billion** in recoveries on behalf of co-lead plaintiffs Ohio Public Employees Retirement System, State Teachers Retirement System of Ohio, and Ohio Police and Fire Pension Fund in a case arising from allegations of bid rigging and accounting fraud. To achieve this remarkable recovery, the Firm took over 100 depositions and briefed 22 motions to dismiss. The full settlement entailed a \$725 million settlement with American International Group (AIG), a \$97.5 million settlement with AIG's auditors, a \$115 million settlement with former AIG officers and related defendants, and an additional \$72 million settlement with General Reinsurance Corporation.

### ***In re Countrywide Financial Corp. Securities Litigation***

Labaton Keller Sucharow, as lead counsel for the New York State Common Retirement Fund and the five New York City public pension funds, secured a \$624 million settlement on behalf of investors in one of the nation's largest issuers of mortgage loans. The Firm's focused investigation and discovery efforts uncovered incriminating evidence of credit risk misrepresentations. The settlement is one of the top 20 securities class action settlements in the history of the PSLRA.

### ***In re Apple Inc. Securities Litigation***

Labaton Keller Sucharow secured a \$490 million settlement on behalf of our client the Employees' Retirement System of the State of Rhode Island. The case involves Apple's January 2017 software update that allegedly secretly slowed the performance of certain iPhones with battery-related issues, leading consumers to prematurely believe their devices had become obsolete and upgrade their iPhones at a fast rate. Apple revealed it had been intentionally slowing down certain iPhones, also disclosing that the problem was battery-related, as opposed to device-related, and offered discounted replacement batteries throughout 2018 in light of public outrage. The deliberate materially false and misleading statements also disregarded the U.S.-China trade war, declining Chinese economy, and the strength of the U.S. dollar had negatively impacted demand for iPhones in Greater China, Apple's third-largest marketing and most important growth market.

### ***In re HealthSouth Corp. Securities Litigation***

Labaton Keller Sucharow served as co-lead counsel to New Mexico State Investment Council in a case stemming from one of the largest frauds ever perpetrated in the healthcare industry. The \$671 million settlement recovered for the class is one of the top 15 securities class action settlements of all time. In early 2006, lead plaintiffs negotiated a settlement of \$445 million with defendant HealthSouth. In 2009, the court also granted final approval to a \$109 million settlement with defendant Ernst & Young LLP. In addition, in 2010, the court granted final approval to a \$117 million settlement with the remaining principal defendants in the case—UBS AG, UBS Warburg LLC, Howard Capek, Benjamin Lorello, and William McGahan.



### ***In re Schering-Plough/ENHANCE Securities Litigation***

As co-lead counsel, Labaton Keller Sucharow secured a \$473 million settlement on behalf of co-lead plaintiff Massachusetts Pension Reserves Investment Management Board. The settlement was approved after five years of litigation and just three weeks before trial. This recovery is one of the largest securities fraud class action settlements against a pharmaceutical company. The Special Masters' Report noted, "The outstanding result achieved for the class is the direct product of outstanding skill and perseverance by Co-Lead Counsel . . . no one else . . . could have produced the result here—no government agency or corporate litigant to lead the charge and the Settlement Fund is the product solely of the efforts of Plaintiffs' Counsel."

### ***In re Waste Management, Inc. Securities Litigation***

Labaton Keller Sucharow achieved an extraordinary settlement that provided for the recovery of \$457 million in cash, plus an array of far-reaching corporate governance measures. Labaton Keller Sucharow represented lead plaintiff Connecticut Retirement Plans and Trust Funds. At the time of the settlement, it was the largest common fund settlement of a securities action achieved in any court within the Fifth Circuit and the third largest achieved in any federal court in the nation.

### ***In re General Motors Corp. Securities Litigation***

Labaton Keller Sucharow secured a settlement of \$303 million as co-lead counsel in a case against automotive giant General Motors (GM) and its auditor Deloitte & Touche LLP (Deloitte). The final settlement is one of the largest settlements ever secured in the early stages of a securities fraud case, which consisted of a cash payment of \$277 million by GM and \$26 million in cash from Deloitte. Lead plaintiff Deka Investment GmbH alleged that GM, its officers, and its outside auditor overstated GM's income by billions of dollars and GM's operating cash flows by tens of billions of dollars, through a series of accounting manipulations.

### ***Wyatt v. El Paso Corp.***

Labaton Keller Sucharow secured a \$285 million class action settlement against the El Paso Corporation on behalf of the co-lead plaintiff, an individual. The case involved a securities fraud stemming from the company's inflated earnings statements, which cost shareholders hundreds of millions of dollars during a four-year span. Upon approving the settlement, the court commended the efficiency with which the case had been prosecuted, particularly in light of the complexity of the allegations and the legal issues.

### ***In re Bear Stearns Cos., Inc. Securities, Derivative & ERISA Litigation***

Labaton Keller Sucharow served as co-lead counsel, securing a \$294.9 million settlement on behalf of lead plaintiff State of Michigan Retirement Systems and the class. The action alleged that Bear Stearns and certain officers and directors made misstatements and omissions in connection with Bear Stearns' financial condition, including losses in the value of its mortgage-backed assets and Bear Stearns' risk profile and liquidity. The action further claimed that Bear Stearns' outside auditor, Deloitte, made misstatements and omissions in connection with its audits of Bear Stearns' financial statements for



fiscal years 2006 and 2007. Our prosecution of this action required us to develop a detailed understanding of the arcane world of packaging and selling subprime mortgages. Our complaint was called a “tutorial” for plaintiffs and defendants alike in this fast-evolving area. After surviving motions to dismiss, the court granted final approval to settlements with the defendant Bear Stearns for \$275 million and with Deloitte for \$19.9 million.

### ***In re Massey Energy Co. Securities Litigation***

Labaton Keller Sucharow secured a \$265 million all-cash settlement as co-lead counsel representing the Commonwealth of Massachusetts Pension Reserves Investment Trust in a case arising from one of the most notorious mining disasters in U.S. history. The settlement was reached with Alpha Natural Resources, Massey’s parent company. Investors alleged that Massey falsely told investors it had embarked on safety improvement initiatives and presented a new corporate image following a deadly fire at one of its coalmines in 2006. After another devastating explosion, which killed 29 miners in 2010, Massey’s market capitalization dropped by more than \$3 billion.

### ***Boston Retirement System v. Uber Technologies, Inc.***

Labaton Keller Sucharow achieved a \$200 million settlement serving as lead counsel representing Boston Retirement System in an action against Uber Technologies Inc. The case alleges that offering documents for Uber’s May 2019 IPO misleadingly heralded a “new day at Uber” and that Uber had left its checkered history in the past, while failing to disclose material facts concerning Uber’s global playbook for illegally launching and operating its ridesharing business, illegal misclassification of Uber drivers as independent contractors rather than employees, deficient safety policies and practices that led to sexual assaults and other abuses, slowing growth, and massive restructuring and layoffs planned for the weeks and months after the IPO. The Firm overcame several hurdles to reach a settlement, including defeating Defendants’ motion to appeal class certification in the U.S. Court of Appeals for the Ninth Circuit and overcoming Defendants’ request to block the depositions of 16 high-level Uber executives and members of the board of directors.

### ***Eastwood Enterprises, LLC v. Farha (WellCare Securities Litigation)***

Labaton Keller Sucharow served as co-lead counsel and secured a \$200 million settlement on behalf of the New Mexico State Investment Council and the Public Employees Retirement Association of New Mexico over allegations that WellCare Health Plans, Inc., a Florida-based healthcare service provider, disguised its profitability by overcharging state Medicaid programs. Further, under the terms of the settlement approved by the court, WellCare agreed to pay an additional \$25 million in cash if, at any time in the next three years, WellCare was acquired or otherwise experienced a change in control at a share price of \$30 or more after adjustments for dilution or stock splits.

### ***In re SCANA Corporation Securities Litigation***

Labaton Keller Sucharow served as co-lead counsel and secured a \$192.5 million settlement on behalf of the class and co-lead plaintiff West Virginia Investment Management Board in this matter against a



regulated electric and natural gas public utility. When the case settled in 2019, it represented the largest securities fraud settlement in the history of the District of South Carolina. The action alleged that for a period of two years, the company and certain of its executives made a series of misstatements and omissions regarding the progress, schedule, costs, and oversight of a key nuclear reactor project in South Carolina. Labaton Keller Sucharow conducted an extensive investigation into the alleged fraud, including by interviewing 69 former SCANA employees and other individuals who worked on the nuclear project. In addition, Labaton Keller Sucharow obtained more than 1,500 documents from South Carolina regulatory agencies, SCANA's state-owned junior partner on the nuclear project, and a South Carolina newspaper, among others, pursuant to the South Carolina Freedom of Information Act (FOIA). This information ultimately provided the foundation for our amended complaint and was relied upon by the court extensively in its opinion denying defendants' motion dismiss.

### ***In re Bristol-Myers Squibb Securities Litigation***

Labaton Keller Sucharow served as lead counsel representing the lead plaintiff, union-owned LongView Collective Investment Fund of the Amalgamated Bank (LongView), against drug company Bristol-Myers Squibb (BMS). LongView claimed that the company's press release touting its new blood pressure medication, Vanlev, left out critical information— that undisclosed results from the clinical trials indicated that Vanlev appeared to have life-threatening side effects. The Food and Drug Administration (FDA) expressed serious concerns about these side effects and BMS released a statement that it was withdrawing the drug's FDA application, resulting in the company's stock price falling and losing nearly 30 percent of its value in a single day. After a five-year battle, we won relief on two critical fronts. First, we secured a \$185 million recovery for shareholders, and second, we negotiated major reforms to the company's drug development process that will have a significant impact on consumers and medical professionals across the globe. Due to our advocacy, BMS must now disclose the results of clinical studies on all of its drugs marketed in any country.

### ***In re Fannie Mae 2008 Securities Litigation***

Labaton Keller Sucharow secured a \$170 million settlement as co-lead counsel on behalf of co-lead plaintiff Boston Retirement System. The lead plaintiffs alleged that Fannie Mae and certain of its current and former senior officers violated federal securities laws, by making false and misleading statements concerning the company's internal controls and risk management with respect to Alt-A and subprime mortgages. The lead plaintiffs also alleged that defendants made misstatements with respect to Fannie Mae's core capital, deferred tax assets, other-than-temporary losses, and loss reserves. Labaton Keller Sucharow successfully argued that investors' losses were caused by Fannie Mae's misrepresentations and poor risk management, rather than by the financial crisis. This settlement is a significant feat, particularly following the unfavorable result in a similar case involving investors in Fannie Mae's sibling company, Freddie Mac.



### ***In re Broadcom Corp. Class Action Litigation***

Labaton Keller Sucharow served as lead counsel on behalf of lead plaintiff New Mexico State Investment Council in a case stemming from Broadcom Corp.'s \$2.2 billion restatement of its historic financial statements for 1998–2005. In 2010, the Firm achieved a \$160.5 million settlement with Broadcom and two individual defendants to resolve this matter, representing the second largest up-front cash settlement ever recovered from a company accused of options backdating. Following a Ninth Circuit ruling confirming that outside auditors are subject to the same pleading standards as all other defendants, the district court denied the motion by Broadcom's auditor, Ernst & Young, to dismiss on the ground of loss causation. This ruling is a major victory for the class and a landmark decision by the court—the first of its kind in a case arising from stock-options backdating. In 2012, the court approved a \$13 million settlement with Ernst & Young.

### ***In re Satyam Computer Services Ltd. Securities Litigation***

Satyam Computer Services Ltd. (Satyam), referred to as “India’s Enron,” engaged in one of the most egregious frauds on record. In a case that rivals the Enron and Bernie Madoff scandals, Labaton Keller Sucharow represented lead plaintiff, UK-based Mineworkers’ Pension Scheme, which alleged that Satyam, related entities, Satyam’s auditors, and certain directors and officers made materially false and misleading statements to the investing public about the company’s earnings and assets, artificially inflating the price of Satyam securities. Labaton Keller Sucharow achieved a \$125 million settlement with Satyam and a \$25.5 million settlement with the company’s auditor, PricewaterhouseCoopers. .

### ***Boston Retirement System v. Alexion Pharmaceuticals Inc***

Serving as co-lead counsel representing Public Employee Retirement System of Idaho, Labaton Keller Sucharow achieved a \$125 million settlement in a securities fraud case against Alexion Pharmaceuticals, Inc. and certain of its executives. The suit alleges that Alexion, a pharmaceutical drug company that generated nearly all of its revenue from selling the Company’s flagship drug, Soliris, made materially false and misleading statements and omissions principally connected to Alexion’s sales practices in connection with the marketing of Soliris.

### ***In re Mercury Interactive Corp. Securities Litigation***

Labaton Keller Sucharow served as co-lead counsel and secured a \$117.5 million settlement on behalf of co-lead plaintiff Steamship Trade Association/International Longshoremen’s Association Pension Fund. The plaintiffs alleged that Mercury Interactive Corp. (Mercury) backdated option grants used to compensate employees and officers of the company. Mercury’s former CEO, CFO, and General Counsel actively participated in and benefited from the options backdating scheme, which came at the expense of the company’s shareholders and the investing public.

### ***In re CannTrust Holdings Inc. Securities Litigation***

Labaton Keller Sucharow served as U.S. lead counsel on behalf of lead plaintiffs Granite Point Master Fund, LP; Granite Point Capital; and Scorpion Focused Ideas Fund in this action against CannTrust



Holdings Inc., a cannabis company primarily traded on the Toronto Stock Exchange and the New York Stock Exchange, resulting in landmark settlements totaling CA\$129.5 million. Class actions against the company commenced in both the U.S. and Canada, with the U.S. class action asserting that CannTrust made materially false and misleading statements and omissions concerning its compliance with relevant cannabis regulations and an alleged scheme to increase its cannabis production.

### ***In re Oppenheimer Champion Fund Securities Fraud Class Actions and In re Core Bond Fund***

Labaton Keller Sucharow served as lead counsel and represented individuals and the proposed class in two related securities class actions brought against Oppenheimer Funds, Inc., among others, and certain officers and trustees of two funds—Oppenheimer Core Bond Fund and Oppenheimer Champion Income Fund. The Firm achieved settlements amounting to \$100 million: \$52.5 million in *In re Oppenheimer Champion Fund Securities Fraud Class Actions* and a \$47.5 million settlement in *In re Core Bond Fund*. The lawsuits alleged that the investment policies followed by the funds resulted in investor losses when the funds suffered drops in net asset value despite being presented as safe and conservative investments to consumers.

### ***In re Computer Sciences Corporation Securities Litigation***

As lead counsel representing Ontario Teachers' Pension Plan Board, Labaton Keller Sucharow secured a \$97.5 million settlement in this “rocket docket” case involving accounting fraud. The settlement was the third largest all-cash recovery in a securities class action in the Fourth Circuit and the second largest all-cash recovery in such a case in the Eastern District of Virginia. The plaintiffs alleged that IT consulting and outsourcing company, Computer Sciences Corporation (CSC), fraudulently inflated its stock price by misrepresenting and omitting the truth about the state of its most visible contract and its internal controls. In particular, the plaintiffs alleged that CSC assured the market that it was performing on a \$5.4 billion contract with the UK National Health Service when CSC internally knew that it could not deliver on the contract, departed from the terms of the contract, and as a result, was not properly accounting for the contract.

### ***In re Allstate Corporation Securities Litigation***

Labaton Keller Sucharow achieved a \$90 million settlement as lead counsel representing the Carpenters Pension Trust Fund for Northern California, the Carpenters Annuity Trust Fund for Northern California, and the City of Providence Employee Retirement System in a securities case against The Allstate Corporation and certain current and former executives. The suit alleged that Allstate implemented an aggressive growth strategy, including lowering the company's underwriting standards, in an effort to grow its auto insurance business. Defendants are accused of concealing the resulting increase in the number of claims filed by the company's auto insurance customers for several months, while the company's CEO sold \$33 million in Allstate stock. The Firm vigorously litigated the case for more than five years, overcoming Allstate's motion to dismiss and winning class certification two times, following remand to the District Court by the Seventh Circuit Court of Appeals.



### ***In re Nielsen Holdings PLC Securities Litigation***

Labaton Keller Sucharow served as lead counsel representing Public Employees' Retirement System of Mississippi and secured a \$73 million settlement in a securities class action against the data analytics company Nielsen Holdings PLC over allegations the company misrepresented the strength and resiliency of its business and the impact of the European Union's General Data Protection Regulation, commonly known as the GDPR.

### ***City of Miami Fire Fighters and Police Officers Retirement Trust v. Okta, Inc.***

Labaton Keller Sucharow achieved a \$60 million settlement serving as lead counsel to Nebraska Investment Council and North Carolina Retirement Systems in a securities fraud case against Okta, Inc., the company's CEO Todd McKinnon, CFO and Executive Vice Chairman Brett Tighe, and COO and Co-Founder Frederic Kerrest. The case arises from Okta's acquisition of Auth0 in 2021 alleging Okta misled investors about the success of the post-acquisition integration with Auth0 by touting the benefits of the Auth0 integration for the Company; concealing the attrition of key senior Auth0 employees, along with key Okta employees, which caused severe problems for the integration; and concealing issues in the sales organization, such as Okta's difficulties selling products in Auth0's portfolio and vice versa.

### ***Allison v. Oak Street Health Inc.***

Labaton Keller Sucharow achieved a \$60 million settlement serving as co-lead counsel to Boston Retirement Systems against Oak Street founder and CEO Michael Pykosz, Oak Street CFO Timothy Cook, two private equity firms and the subsidiaries in which they hold Oak Street stock, certain members of Oak Street's board of directors, and the underwriters for Oak Street's August 2020 IPO, December 2020 Secondary Public Offering (SPO), February 2021 SPO, and May 2021 SPO. The suit alleges that Oak Street Health, which focuses exclusively on patients that are Medicare eligible, failed to disclose that it used two forms of prohibited marketing tactics to attract new patients to sign up at its primary care centers.

### ***In re Resideo Technologies Inc. Securities Litigation***

Labaton Keller Sucharow served as co-lead counsel and secured a \$55 million settlement on behalf of Naya Capital Management in an action alleging Resideo failed to disclose the negative effects of a spin-off on the company's product sales, supply chain, and gross margins, and misrepresented the strength of its financial forecasts.

### ***Public Employees' Retirement System of Mississippi v. Endo Int'l plc***

Labaton Keller Sucharow served as lead counsel in a securities class action against Endo Pharmaceuticals. The case settled for \$50 million, the largest class settlement in connection with a secondary public offering obtained in any court pursuant to the Securities Act of 1933. The action alleged that Endo failed to disclose adverse trends facing its generic drugs division in advance of a secondary public offering that raised \$2 billion to finance the acquisition of Par Pharmaceuticals in 2015. The Firm overcame several procedural hurdles to reach this historic settlement, including successfully



opposing defendants' attempts to remove the case to federal court and to dismiss the class complaint in state court.

### ***Sinnathurai v. Novavax, Inc.***

Labaton Keller Sucharow achieved a \$47 million settlement serving as co-lead counsel in a securities class action against Novavax, Inc., a biotechnology company that focuses on the discovery, development, and commercialization of vaccines to prevent serious infectious diseases and address health needs, representing an individual. The company's product candidates include NVX-CoV2373, which was in development as a vaccine for COVID-19. Prior to the start of the Class Period, Novavax announced that it planned to complete Emergency Use Authorization (EUA) submissions for NVX-CoV2373 with the FDA in the second quarter of 2021. The suit alleges Novavax made false and/or misleading statements and/or failed to disclose that it overstated its manufacturing capabilities and downplayed manufacturing issues that would impact its approval timeline for NVX-CoV2373; as a result, Novavax was unlikely to meet its anticipated EUA regulatory timelines.

### ***In re JELD-WEN Holding, Inc. Securities Litigation***

Labaton Keller Sucharow was court-appointed co-lead counsel and represented Public Employees' Retirement System of Mississippi in a securities class action lawsuit against JELD-WEN Holding, Inc. and certain of its executives. The parties reached an agreement to settle the action for \$40 million. The case is related to allegedly false and misleading statements and omissions concerning JELD-WEN's allegedly anticompetitive conduct and financial results in the doorskins and interior molded door markets and the merit of a lawsuit filed against JELD-WEN by an interior door manufacturer.

### ***City of Warren Police and Fire Retirement System v. World Wrestling Entertainment, Inc.***

Labaton Keller Sucharow served as court-appointed lead counsel in a securities class action against World Wrestling Entertainment, Inc. (WWE), securing a \$39 million settlement on behalf of lead plaintiff Firefighters Pension System of the City of Kansas City Missouri Trust. The action alleged WWE defrauded investors by making false and misleading statements in connection with certain of its key overseas businesses in the Middle East North Africa region. The lead plaintiff further alleged that the price of WWE publicly traded common stock was artificially inflated as a result of the company's allegedly false and misleading statements and omissions and that the price declined when the truth was allegedly revealed through a series of partial revelations.

### ***In re Uniti Group Inc. Securities Litigation***

Labaton Keller Sucharow served as co-lead counsel in a securities class action against Uniti Group Inc. and recovered \$38.875 million. The action alleged misstatements and omissions concerning the validity and propriety of the April 24, 2015, REIT spin-off through which Uniti was formed and the master lease agreement Uniti entered into with Windstream Services with respect to telecommunications equipment. The court issued an order denying defendants' motion to dismiss in its entirety and denied



defendants' motion for reconsideration of that ruling. In discovery, the Firm participated in dozens of depositions and reviewed millions of pages of documents.

### ***In re Conduent Sec. Litigation***

Labaton Keller Sucharow achieved a \$32 million settlement in a securities class action against Conduent Inc., a company that specializes in providing infrastructure technology for its clients across multiple sectors, including E-ZPass Group. As part of the company's toll-collecting operations, Conduent offered a system that eliminated toll booths altogether, called all-electronic tolling or cashless tolling. The suit alleges that Conduent and its former CEO and former CFO falsely represented to investors that the company had addressed legacy IT issues it faced after its spin-off from Xerox. After extensive delays, Conduent finally started to migrate and consolidate its data centers without the necessary IT mapping resulting in severe network outages and service issues for multiple cashless tolling clients from several states including New York, Maryland, New Jersey, and Texas, which withheld revenue from or fined Conduent for its failure to meet its service requirements under its tolling contracts with those agencies.

### ***Pension Trust Fund for Operating Engineers v. DeVry Education Group, Inc.***

In a case that underscores the skill of our in-house investigative team, Labaton Keller Sucharow secured a \$27.5 million recovery in an action alleging that DeVry Education Group, Inc. issued false statements to investors about employment and salary statistics for DeVry University graduates. The Firm took over as lead counsel after a consolidated class action complaint and an amended complaint were both dismissed. Labaton Keller Sucharow filed a third amended complaint, which included additional allegations based on internal documents obtained from government entities through FOIA and allegations from 13 new confidential witnesses who worked for DeVry. In denying defendants' motion to dismiss, the court concluded that the "additional allegations . . . alter[ed] the alleged picture with respect to scienter" and showed "with a degree of particularity . . . that the problems with DeVry's [representations] . . . were broad in scope and magnitude."

### ***ODS Capital LLC v. JA Solar Holdings Co. Ltd.***

In a hard-won victory for investors, Labaton Keller Sucharow secured a \$21 million settlement in a securities class action against JA Solar Holdings Co. Ltd and certain of its executives on behalf of ODS Capital LLC. The litigation involved allegations that defendants made misstatements or omissions that artificially depressed the price of JA Solar securities in order to avoid paying a fair price during the company's take-private transaction. As court-appointed co-lead counsel, Labaton Keller Sucharow revived the suit in an August 2022 Second Circuit ruling, after a lower court initially granted JA Solar's dismissal bid.

### ***Vancouver Alumni Asset Holdings Inc. v. Daimler A.G.***

Labaton Keller Sucharow served as lead counsel on behalf of Public School Retirement System of Kansas City, Missouri, and secured a \$19 million settlement in a class action against automaker Daimler



AG. The action arose out of Daimler’s alleged misstatements and omissions touting its Mercedes-Benz diesel vehicles as “green” when independent tests showed that under normal driving conditions, the vehicles exceeded the nitrous oxide emissions levels set by U.S. and E.U. regulators. Defendants lodged two motions to dismiss the case. However, the Firm was able to overcome both challenges. The court then stayed the action after the U.S. DOJ intervened. The Firm worked with the DOJ and defendants to partially lift the stay in order to allow lead plaintiffs to seek limited discovery.

### ***Avila v. LifeLock, Inc.***

Labaton Keller Sucharow served as co-lead counsel and secured a \$20 million settlement on behalf of Oklahoma Police Pension and Retirement System and Oklahoma Firefighters Pension and Retirement System in a securities class action against LifeLock. The action alleged that LifeLock misrepresented the capabilities of its identity theft alerts to investors. While LifeLock repeatedly touted the “proactive,” “near real-time” nature of its alerts, the actual timeliness of such alerts to customers did not resemble a near real-time basis. After being dismissed by the Arizona District Court twice, the Firm was able to successfully appeal the case to the Ninth Circuit and secured a reversal of the District Court’s dismissals. The case settled shortly after being remanded to the District Court.

### ***In re Prothena Corporation PLC Securities Litigation***

Labaton Keller Sucharow, as co-lead counsel, secured a \$15.75 million recovery in a securities class action against development-stage biotechnology company, Prothena Corp. The action alleged that Prothena and certain of its senior executives misleadingly cited the results of an ongoing clinical study of NEOD001—a drug designed to treat amyloid light chain amyloidosis and one of Prothena’s principal assets. Despite telling investors that early phases of testing were successful, defendants later revealed that the drug was “substantially less effective than a placebo.” Upon this news, Prothena’s stock price dropped nearly 70 percent.

### ***In re Acuity Brands, Inc. Securities Litigation***

Labaton Keller Sucharow secured a \$15.75 million settlement as co-lead counsel representing Public Employees' Retirement System of Mississippi in a securities class action lawsuit against Acuity Brands, Inc., a leading provider of lighting solutions for commercial, institutional industrial, infrastructure, and residential applications throughout North America and select international markets. The suit alleged that Acuity misled investors about the impact of increased competition on its business, including its relationship with its largest retail customer, Home Depot. Despite defendants’ efforts, the court denied their motion to dismiss in significant part and granted class certification, rejecting their arguments in full. Defendants appealed the class certification order to the Eleventh Circuit Court of Appeals, which the Firm vigorously opposed. Subsequently, the parties mediated and agreed on a settlement-in-principle, and the Eleventh Circuit stayed the appeal and removed the case from the docket.



## Awards and Accolades

### Consistently Ranked as a Leading Firm:



Labaton Keller Sucharow was named a **2024 Securities Group of the Year** by *Law360*. This annual list highlights the practice groups behind the major litigation wins that have shaped the legal landscape.



*Benchmark Litigation* recognized Labaton Keller Sucharow both nationally and regionally, in **New York** and **Delaware**, in its 2025 edition and named 8 Partners as **Litigation Stars** and **Future Stars** across the U.S. The Firm received top rankings in the **Securities** and **Dispute Resolution** categories. The publication also named the Firm a **"Top Plaintiffs Firm"** in the nation.



Labaton Keller Sucharow is recognized by *Chambers USA 2024* among the leading plaintiffs' firms in the nation, receiving a total of three practice group rankings and seven partners ranked or recognized. *Chambers* notes that the Firm is **"top flight all-round,"** a **"very high-quality practice,"** with **"good, sensible lawyers."**



Labaton Keller Sucharow has been recognized as one of the **Nation's Best Plaintiffs' Firms** by *The Legal 500*. In 2025, the Firm earned a **Tier 1 ranking in Securities Litigation** and ranked for its excellence in **M&A Litigation**. 4 Labaton Keller Sucharow attorneys were ranked or recommended in the guide noting the Firm as a **"very sophisticated high-end plaintiff's firm"** with **"skilled and dedicated," "extremely thoughtful,"** and **"attentive, professional, and responsive"** attorneys.



*The National Law Journal* "Elite Trial Lawyers" recognized Labaton Keller Sucharow as the **2023 Securities Litigation and Shareholder Rights Firm of the Year** and **Diversity Initiative Firm of the Year**. The awards recognize U.S. based law firms that have performed exemplary and cutting-edge work on behalf of plaintiffs.



*Lawdragon* recognized 18 Labaton Keller Sucharow attorneys among the **500 Leading Plaintiff Financial Lawyers** in the country in their 2025 guide. The guide recognizes attorneys that are "the best in the nation – many would say the world – at representing plaintiffs."



Six Labaton Keller Sucharow attorneys have been recognized by *The Best Lawyers in America*® 2025 Edition across six different categories. Labaton Keller Sucharow's attorneys received the recognition in the **Litigation – Securities, Corporate Governance Law, Mass Tort Litigation / Class Actions: Plaintiffs,** and **Mergers & Acquisitions Law** categories.



# Professional Profiles



## Eric J. Belfi Chairman

Eric J. Belfi is Chairman of Labaton Keller Sucharow LLP, one of the leading plaintiffs' firms in the world. As Chairman and Head of the Firm's Executive Committee, Eric is responsible for establishing the Firm's strategic direction and driving business innovation, growth, and a culture of performance and collaboration. His commitment to these priorities has helped the Firm deepen its practice area expertise, expand its global reach, and earn industry recognition for its workplace culture.

An accomplished litigator and former prosecutor, Eric represents many of the largest and most influential institutional investors across the world. His practice is focused on complex securities and shareholder rights litigation, both in the United States and abroad. In addition to his litigation practice, Eric chairs the Firm's Client Development Group and plays a central role in the Case Evaluation Group, helping to identify and develop impactful matters on behalf of institutional investor clients.

Highly regarded by industry observers for his professional achievements, Eric has been recognized by *Chambers & Partners USA* as a "notable practitioner" and is recommended by *The Legal 500* for excellence in the field of securities litigation. He has also been named a leading global lawyer by *Lawdragon*.

A respected voice on legal and regulatory issues, Eric has been featured in *The Wall Street Journal*, *Financial Times*, *Law360*, and the *National Law Journal*, among others.

Prior to joining Labaton Keller Sucharow, Eric served as an Assistant Attorney General for the State of New York, where he led complex white-collar investigations with a focus on securities law violations.



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### Practice Areas:

- ✘ Securities Litigation
- ✘ Corporate Governance and Shareholder Rights Litigation
- ✘ Non-U.S. Securities Litigation

### Bar Admissions:

- ✘ New York



He also served as an Assistant District Attorney in Westchester County, prosecuting economic and environmental crimes.

Eric is an active member of several industry organizations, including the National Association of Public Pension Attorneys (NAPPA), the National Conference on Public Employee Retirement Systems (NCPERS), and the International Foundation of Employee Benefit Plans (IFEBC). He serves on the Corporate Advisory Board of Cold Spring Harbor Laboratory and is a leading advocate for the North Shore Land Alliance. Eric remains deeply engaged with St. John's University and plays a leading role in the Christopher J. Keller Memorial Scholarship Fund.

Eric earned his Juris Doctor from St. John's University School of Law and received his Bachelor of Arts from Georgetown University.



## Jonathan Gardner

### Managing Partner and Head of Litigation

Jonathan Gardner serves as the Managing Partner of Labaton Keller Sucharow LLP and as a member of its Executive Committee. He is based in the Firm's New York office.

With more than 30 years of experience, Jonathan serves as the Firm's Head of Litigation, overseeing all litigation matters, including the prosecution of complex securities fraud cases on behalf of institutional investors. He has played a pivotal role in developing the Firm's groundbreaking Alternative Dispute Resolution (ADR) Practice in response to the increasing use of mandatory arbitration clauses in consumer contracts.

Recognized as a "Star" by *Benchmark Litigation* and praised by peers as "engaged and strategic," Jonathan has also been named an "MVP" by *Law360* for securing significant successes in high-stakes litigation and complex global matters. Ranked by *Chambers & Partners USA* for Securities Litigation, he is described as "an outstanding lawyer who knows how to get results," while *The Legal 500* highlights his ability to "understand the unique nature of complex securities litigation and strive for practical, results-driven outcomes." *Crain's New York Business* named Jonathan a "Notable Leader in Law," and *Lawdragon* highlighted him as one of the "Managing Partners You Need to Know." He is also recognized by *Lawdragon* among the top "Global Plaintiff Lawyers," "Leading Lawyers," "Leading Litigators in America," and "Leading Plaintiff Financial Lawyers."

Jonathan has played an integral role in securing some of the largest class action recoveries against corporate offenders since the global financial crisis. He oversaw the Firm's team in the investigation and prosecution of *Boston Retirement System v. Uber Technologies, Inc.*, which resulted in a \$200 million recovery, and *In re Barrick Gold Securities Litigation*, which resulted in a \$140 million recovery, among other cases. He has also served as the lead attorney in numerous cases resulting in significant



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#### Practice Areas:

- ✘ Securities Litigation
- ✘ Alternative Dispute Resolution

#### Bar Admissions:

- ✘ New York



recoveries for injured class members, including *In re Hewlett-Packard Company Securities Litigation* (\$57 million recovery); *Public Employees' Retirement System of Mississippi v. Endo International PLC* (\$50 million recovery); *Medoff v. CVS Caremark Corporation* (\$48 million recovery); *In re Nu Skin Enterprises, Inc., Securities Litigation*, (\$47 million recovery); *In re Intuitive Surgical Securities Litigation* (\$42.5 million recovery); *In re Carter's Inc. Securities Litigation* (\$23.3 million recovery against Carter's and certain officers, as well as its auditing firm PricewaterhouseCoopers); and *In re Aeropostale Inc. Securities Litigation* (\$15 million recovery).

Jonathan has led the Firm's representation of investors in many high-profile cases including *Rubin v. MF Global Ltd.*, which involved allegations of material misstatements and omissions in a Registration Statement and Prospectus issued in connection with MF Global's IPO. The case resulted in a recovery of \$90 million for investors. Jonathan also represented lead plaintiff City of Edinburgh Council as Administering Authority of the Lothian Pension Fund in *In re Lehman Brothers Equity/Debt Securities Litigation*, which resulted in settlements exceeding \$600 million against Lehman Brothers' former officers and directors, Lehman's former public accounting firm, as well as the banks that underwrote Lehman Brothers' offerings. In representing lead plaintiff Massachusetts Bricklayers and Masons Trust Funds in an action against Deutsche Bank, Jonathan secured a \$32.5 million recovery for a class of investors injured by the bank's conduct in connection with certain residential mortgage-backed securities.

Jonathan has also been responsible for prosecuting several of the Firm's options backdating cases, including *In re Monster Worldwide, Inc. Securities Litigation* (\$47.5 million settlement); *In re SafeNet, Inc. Securities Litigation* (\$25 million settlement); *In re Semtech Securities Litigation* (\$20 million settlement); and *In re MRV Communications, Inc. Securities Litigation* (\$10 million settlement). He also was instrumental in *In re Mercury Interactive Corp. Securities Litigation*, which settled for \$117.5 million, one of the largest settlements or judgments in a securities fraud litigation based on options backdating. Jonathan also represented the Successor Liquidating Trustee of Lipper Convertibles, a convertible bond hedge fund, in actions against the fund's former independent auditor and a member of the fund's general partner as well as numerous former limited partners who received excess distributions. He successfully recovered over \$5.2 million for the Successor Liquidating Trustee from the limited partners and \$29.9 million from the former auditor.

Jonathan is a member of the Federal Bar Council, New York State Bar Association, and Association of the Bar of the City of New York.

Jonathan earned his Juris Doctor from St. John's University School of Law. He received his bachelor's degree from American University.



## Jake Bissell-Linsk Partner



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### Practice Areas:

- ✘ Securities Litigation
- ✘ Consumer Protection and Data Privacy Litigation

### Bar Admissions:

- ✘ New York

Jake Bissell-Linsk is a Partner in the New York office of Labaton Keller Sucharow LLP. Jake focuses his practice on representing large institutional investors in securities fraud class actions.

Jake has been recognized as a “Leading Plaintiff Financial Lawyer” by *Lawdragon*, and *Benchmark Litigation* named him to their “40 & Under List.” Earlier in his career he was recognized as a “Rising Star” by *The National Law Journal’s* Elite Trial Lawyers and *New York Law Journal*, as well as a “Next Generation Lawyer” by *Lawdragon*. The *Best Lawyers in America*® listed him as one of the “Best Lawyers in America: Ones to Watch” in the Mass Tort Litigation / Class Actions: Plaintiffs category.

Jake has litigated federal securities class actions in jurisdictions across the country at both the District Court and Appellate Court level. He is currently litigating cases against General Motors and Cruise alleging executives misrepresented the safety and capabilities of their autonomous driving technologies; against Boeing alleging the company misstated its safety practices; against Cronos for alleged accounting fraud related to cannabis sales; and against Shanda concerning misstatements and omissions prior to a management buyout.

Jake has played a pivotal role in securing favorable settlements for investors in a variety of securities actions, including recent matters against Nielsen (\$73 million settlement), a case that involved allegations of inflated goodwill and the effect of the EU’s GDPR on the company; Oak Street Health (\$60 million settlement), a case involving allegations that it used two forms of prohibited marketing tactics to attract Medicare-eligible patients to sign up at its primary care centers; Qihoo (\$29.75 million settlement) and JA Solar (\$21 million settlement), cases alleging misrepresentations about projections and post-merger plans included in proxies prior to a management buyout; and Mindbody (\$9.75 million settlement), a case alleging false guidance and inadequate disclosures prior to a private equity buyout.



Beyond securities cases, Jake is currently litigating a class action alleging that Flo Health improperly shared app users' health data and that Meta, Google and Flurry improperly intercepted confidential user data. Jake also regularly provides pro bono assistance to pro se parties through the Federal Pro Se Legal Assistance Project.

Jake was previously a Litigation Associate at Davis Polk & Wardwell LLP, where he worked on complex commercial litigation including contract disputes, bankruptcies, derivative suits, and securities claims. He also assisted defendants in government investigations and provided litigation advice on M&A transactions and during restructurings.

Jake earned his Juris Doctor, *magna cum laude*, from the University of Pennsylvania Law School. He served as Senior Editor of the *University of Pennsylvania Law Review* and Associate Editor of the *East Asia Law Review*. While in law school, Jake interned for Judge Melvin L. Schweitzer at the New York Supreme Court (Commercial Division). He received his bachelor's degree, *magna cum laude*, from Hamline University.



## Guillaume Buell

### Partner

Guillaume Buell is a Partner in the New York and London offices at Labaton Keller Sucharow LLP. He is an experienced and trusted advisor to a wide range of institutional investors in the United States, the United Kingdom, Canada, and Europe regarding global securities litigation, corporate governance matters, and shareholder rights. His clients include a wide range of pension funds, asset managers, insurance companies, and other sophisticated investors. As part of the Firm's Non-U.S. Securities Litigation Practice, which is one of the first of its kind, Guillaume serves as liaison counsel to institutional investors in select overseas matters. He also advises clients in connection with complex consumer matters.

Guillaume has been recognized by *Lawdragon* among the top "500 Global Plaintiff Lawyers" and as a "Next Generation Lawyer." *Benchmark Litigation* also named him to their "40 & Under List."

Guillaume has played an important role in cases against CVS Caremark, Unifi Group, Nu Skin Enterprises, Conduent, Stamps.com, Genworth Financial, Rent-A-Center, and Castlight Health, among others.

Prior to joining Labaton Keller Sucharow, Guillaume was an attorney with Cahill Gordon & Reindel LLP in New York and Hicks Davis Wynn, P.C. in Houston, where he provided legal counsel to a wide range of Fortune 500 and other corporate clients in the aviation, construction, energy, financial, consumer, pharmaceutical, and insurance sectors in state and federal litigations, government investigations, and internal investigations.

Guillaume is an active member of the National Association of Public Pension Attorneys (NAPPA), where he serves as an appointed member of its Securities Litigation Committee, Fiduciary & Governance



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#### Practice Areas:

- ✘ Securities Litigation
- ✘ Non-U.S. Securities Litigation
- ✘ Corporate Governance and Shareholder Rights Litigation

#### Bar Admissions:

- ✘ Massachusetts
- ✘ New York
- ✘ Texas
- ✘ Supreme Court of the United States



Committee, and the New Member Education Committee. In addition, he is actively involved with the National Conference on Public Employee Retirement Systems (NCPERS), the Association of Canadian Pension Management (ACPM), the Michigan Association of Public Employee Retirement Systems (MAPERS), the National Association of Shareholder and Consumer Attorneys (NASCAT), and the International Foundation of Employee Benefit Plans (IFEBP).

Guillaume received his Juris Doctor from Boston College Law School, where he was the recipient of the Boston College Law School award for outstanding contributions to the law school community. He was also a member of the National Environmental Law Moot Court Team, which advanced to the national quarterfinals and received recognition for best oralists. While in law school, Guillaume was a Judicial Intern with the Honorable Loretta A. Preska, United States District Court for the Southern District of New York, and an Intern with the Government Bureau of the Attorney General of Massachusetts. He received his Bachelor of Arts, *cum laude* with departmental honors, from Brandeis University.

Guillaume is fluent in French and conversant in German. He is an Eagle Scout and actively involved in his hometown's local civic organizations.



## Michael P. Canty Partner and General Counsel



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### Practice Areas:

- ✘ Securities Litigation
- ✘ Consumer Protection and Data Privacy Litigation

### Bar Admissions:

- ✘ New York

Michael P. Canty is a Partner in the New York office of Labaton Keller Sucharow LLP, where he serves on the Firm's Executive Committee and as its General Counsel. In addition, he leads two of the Firm's Litigation teams and serves as Chair of the Firm's Consumer Protection and Data Privacy Litigation Practice.

Highly regarded as one of the country's elite litigators, Michael has been recommended by *The Legal 500* and recognized as a "Litigation Star" by *Benchmark Litigation*. In addition, he has been named a "Plaintiffs' Trailblazer," "Class Action / Mass Tort Litigation Trailblazer," and a "NY Trailblazer" by *The National Law Journal* and the *New York Law Journal*, respectively, for his impact on the practice and business of law. *Lawdragon* has recognized him as one of the country's "Leading Litigators," "Leading Plaintiff Financial Lawyers," and "Leading Plaintiff Consumer Lawyers." The *New York Law Journal* also shortlisted Michael for the 2024 "Attorney of the Year." *Crain's New York Business* selected him to its list of "Notable Litigators and Trial Attorneys."

Michael has successfully prosecuted a number of high-profile securities matters on behalf of institutional investors, including *Boston Retirement System v. Alexion Pharmaceuticals Inc.* (\$125 million settlement), *In re The Allstate Corporation Securities Litigation* (\$90 million settlement), *In re Okta, Inc. Securities Litigation* (\$60 million settlement), and *Sinnathurai v. Novavax, Inc.* (\$47 million settlement) as well as matters involving Advanced Micro Devices, Camping World Holdings, and Credit Acceptance Corp, among others. Michael is actively leading the litigation of prominent cases against Fidelity National Information Services, Estée Lauder, ZoomInfo, StoneCo, Opendoor, and PG&E.

In addition to his securities practice, Michael has extensive experience representing consumers in high-profile data privacy litigation. Most notably, one of Michael's most recent successes was the historic



\$650 million settlement in the *In re Facebook Biometric Information Privacy Litigation* matter—one of the largest consumer data privacy settlements ever and one of the first cases asserting consumers’ biometric privacy rights under Illinois’ Biometric Information Privacy Act (BIPA). Michael currently serves as co-lead counsel in *Garner v. Amazon.com, Inc.* alleging Amazon’s illegal wiretapping and surreptitious recording through its Alexa-enabled devices.

Prior to joining Labaton Keller Sucharow, Michael served as an Assistant U.S. Attorney in the U.S. Attorney’s Office for the Eastern District of New York, where he was the Deputy Chief of the Office’s General Crimes Section. During his time as a federal prosecutor, Michael also served in the Office’s National Security and Cybercrimes Section. Prior to this, he served as an Assistant District Attorney for the Nassau County District Attorney’s Office, where he handled complex state criminal offenses and served in the Office’s Homicide Unit.

Michael has extensive trial experience both from his days as a prosecutor in New York City for the U.S. Department of Justice and as a Nassau County Assistant District Attorney. Michael served as trial counsel in more than 35 matters, many of which related to violent crime, white-collar, and terrorism-related offenses. He played a pivotal role in *United States v. Abid Naseer*, where he prosecuted and convicted an al-Qaeda operative who conspired to carry out attacks in the United States and Europe. Michael also led the investigation in *United States v. Marcos Alonso Zea*, a case in which he successfully prosecuted a citizen for attempting to join a terrorist organization in the Arabian Peninsula and for providing material support for planned attacks.

Before becoming a prosecutor, Michael worked as a Congressional Staff Member for the U.S. House of Representatives. He primarily served as a liaison between the Majority Leader’s Office and the Government Reform and Oversight Committee. During his time with the House of Representatives, Michael managed congressional oversight of the United States Postal Service and reviewed and analyzed counter-narcotics legislation as it related to national security matters.

Michael is a frequent commentator on legal issues and has been featured in *The Washington Post*, *Law360*, and *The National Law Journal*, among others, and has appeared on CBS and NPR.

He is a member of the Federal Bar Council American Inn of Court, which endeavors to create a community of lawyers and jurists and promotes the ideals of professionalism, mentoring, ethics, and legal skills. He is also a member of the National Association of Public Pension Attorneys (NAPPA) and Michigan Association of Public Employee Retirement Systems (MAPERS).

Michael earned his Juris Doctor, *cum laude*, from St. John’s University’s School of Law. He received his Bachelor of Arts, *cum laude*, from Mary Washington College.



## James T. Christie

### Partner



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#### Practice Areas:

✦ Securities Litigation

#### Bar Admissions:

✦ New York

James T. Christie is a Partner in the New York office of Labaton Keller Sucharow LLP. James focuses on prosecuting complex securities fraud cases on behalf of institutional investors. He is currently involved in litigating cases against major U.S. and non-U.S. corporations, such as Array, Estee Lauder, Fidelity National Information Services (FIS), Nikola, Opendoor, and StoneCo.

James is a member of the Firm's Executive Committee and also serves as Assistant General Counsel and Co-Chair of the Technology Committee.

Seen as a rising star in securities litigation, James is recommended by *The Legal 500* and has been named to *Benchmark Litigation's* "40 & Under Hot List." He has been recognized as a "Rising Star of the Plaintiffs Bar" by *The National Law Journal*, a "Next Generation Lawyer" and "Leading Plaintiff Financial Lawyer" by *Lawdragon*, and a "Securities Rising Star" by *Law360*, which noted his leadership in several high-profile matters. In addition, *The Best Lawyers in America*® listed him as one of the "Best Lawyers in America: Ones to Watch" in the Litigation: Securities category.

James was an integral part of the Firm's team that helped recover \$192.5 million for investors in a settlement for *In re SCANA Corporation Securities Litigation*. James served in a critical role in recovering a \$125 million settlement on behalf of investors in *Boston Retirement System v. Alexion Pharmaceuticals, Inc.* James was a crucial part of a cross-border effort in *In re Canntrust Holdings Securities Litigation* that was able to obtain a landmark CA\$129.5 million settlement against a Canadian cannabis producer and its executive officers. James was actively involved in litigating *In re Okta, Inc. Securities Litigation*, which resulted in a \$60 million settlement. James helped lead an effort in fast-paced case litigated in the Eastern District of Virginia, *In re Jeld-Wen Holding, Inc. Securities*



Litigation, where the Firm recovered \$40 million for injured investors. In addition, James was a key contributor to the Firm's efforts in recovering \$47 million for investors in a case against a vaccine manufacturer in *Sinnathurai v. Novavax, Inc.* James also assisted in recovering \$20 million on behalf of investors in *Avila v. LifeLock, Inc.*, where he played a significant role in obtaining a key appellate victory in the Ninth Circuit Court of Appeals reversing the district court's order dismissing the case with prejudice. In addition, James assisted in the \$14.75 million recovery secured for investors against PTC Therapeutics Inc., a pharmaceutical manufacturer of orphan drugs, in *In re PTC Therapeutics, Inc. Securities Litigation*.

James previously served as a Judicial Intern in the U.S. District Court for the Eastern District of New York under the Honorable Sandra J. Feuerstein.

He is an active member of the American Bar Association, the Federal Bar Council, and the Georgia Association of Public Pension Trustees (GAPPT), where he serves on the Rules Committee.

James earned his Juris Doctor from St. John's University School of Law, where he was the Senior Articles Editor of the *St. John's Law Review*, and his Bachelor of Science, *cum laude*, from St. John's University Tobin College of Business.



## Joseph N. Cotilletta Partner

Joseph Cotilletta is a Partner in the New York office of Labaton Keller Sucharow LLP, where he prosecutes complex securities fraud cases on behalf of institutional and individual investors. He also represents investors in corporate governance and transactional matters, including class action and derivative litigation

Joe has repeatedly been recognized as a "Top 40 Under 40" civil trial lawyer by *The National Trial Lawyers*. He has also been recognized as a "Rising Star of the Plaintiffs Bar" by *The National Law Journal* "Elite Trial Lawyers" and as a "Next Generation Lawyer" by *Lawdragon*.

In recent years, Joe has achieved extraordinary results for investors. He was a senior member of the litigation team that achieved a \$200 million recovery in *Boston Retirement Systems v. Uber Technologies, Inc.* — a case that alleged Uber's \$8.1 billion IPO offering documents misrepresented the company's business model, growth strategy, passenger safety efforts, and financial condition. The settlement was the fourth largest securities class action settlement in 2024.

Additionally, Joe was part of the team that secured a \$1 billion settlement in *In re Dell Technologies Inc. Class V Stockholders Litigation*. The settlement currently stands as the largest shareholder settlement ever in any state court in America and the 17th largest shareholder settlement of all time in federal and state court.

Before joining Labaton Keller Sucharow, Joe was a senior associate at a prominent national law firm, where he gained substantial trial and litigation experience pursuing high-value cases in various jurisdictions throughout the United States. Joe helped obtain multi-million-dollar recoveries from some of the largest companies in the world and set legal precedent in multiple areas of the law. Since the start of his legal career, Joe has dedicated himself to becoming a skilled advocate, sharpening his



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### Practice Areas:

- ✘ Corporate Governance and Shareholder Rights
- ✘ Securities Litigation

### Bar Admissions:

- ✘ New York
- ✘ New Jersey



litigation expertise while trying numerous cases as first or second chair and taking and defending hundreds of depositions.

Joe is a member of the Commercial and Federal Litigation Section as well as the Securities Litigation Committee of the New York State Bar Association.

Joe earned his Juris Doctor from Penn State Law, where he was selected to join the Order of Barristers and served as an Articles Editor for the *Penn State International Law Review* and as an extern for the Honorable Kim R. Gibson of the Western District of Pennsylvania. He was selected for publication and served on the executive board for the school's Moot Court. Joe received his Bachelor of Science in Business Administration from Bryant University, where he was captain of the Men's Lacrosse team that advanced to the program's first semi-finals playoff appearance.

He is conversant in Italian.



## Thomas A. Dubbs Partner

Thomas A. Dubbs is a Partner in the New York office of Labaton Keller Sucharow LLP. Tom focuses on the representation of institutional investors in domestic and multinational securities cases. Tom serves and has served as lead or co-lead counsel in some of the most important federal securities class actions in recent years, including those against American International Group, the Bear Stearns Companies, Facebook, Fannie Mae, Broadcom, and WellCare.

Tom is highly-regarded in his practice. He has been named a top litigator by *Chambers & Partners USA* for more than 11 consecutive years and has been consistently ranked as a “Leading Lawyer in Securities Litigation” by *The Legal 500. Law360* named him an “MVP of the Year” for distinction in class action litigation, and he has been recognized by *The National Law Journal* and *Benchmark Litigation* for excellence in securities litigation. *Lawdragon* has recognized Tom as a “Global Plaintiff Lawyer” and one of the country’s “Leading Plaintiff Financial Lawyers,” in addition to naming him to their Hall of Fame. Tom has also received a rating of AV Preeminent from the publishers of the Martindale-Hubbell directory. Furthermore, *The Legal 500* has inducted Tom into its Hall of Fame—an honor presented only to the four plaintiffs’ securities litigators “who have received constant praise by their clients for continued excellence.”

Tom has played an integral role in securing significant settlements in numerous high-profile cases, including *In re American International Group, Inc. Securities Litigation* (settlements totaling more than \$1 billion); *In re Bear Stearns Companies, Inc. Securities Litigation* (\$275 million settlement with Bear Stearns Companies plus a \$19.9 million settlement with Deloitte & Touche LLP, Bear Stearns’ outside auditor); *In re HealthSouth Securities Litigation* (\$671 million settlement); *Eastwood Enterprises LLC v. Farha et al.* (WellCare Securities Litigation) (over \$200 million settlement); *In re Fannie Mae 2008 Securities Litigation* (\$170 million settlement); *In re Broadcom Corp. Securities Litigation* (\$160.5 million



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### Practice Areas:

- ✘ Securities Litigation

### Bar Admissions:

- ✘ New York
- ✘ U.S. Supreme Court



settlement with Broadcom, plus \$13 million settlement with Ernst & Young LLP, Broadcom's outside auditor); *In re St. Paul Travelers Securities Litigation* (\$144.5 million settlement); *In re Amgen Inc. Securities Litigation* (\$95 million settlement); and *In re Vesta Insurance Group, Inc. Securities Litigation* (\$78 million settlement).

Representing an affiliate of the Amalgamated Bank, Tom successfully led a team that litigated a class action against Bristol-Myers Squibb, which resulted in a settlement of \$185 million as well as major corporate governance reforms. He has argued before the U.S. Supreme Court and has argued 10 appeals dealing with securities or commodities issues before the U.S. Courts of Appeals.

Due to his reputation in securities law, Tom frequently lectures to institutional investors and other groups, such as the Government Finance Officers Association, the National Conference on Public Employee Retirement Systems, and the Council of Institutional Investors. He is a prolific author of articles related to his field, including "Textualism and Transnational Securities Law: A Reappraisal of Justice Scalia's Analysis in *Morrison v. National Australia Bank*," which he penned for the *Southwestern Journal of International Law*. He has also written several columns in U.K. publications regarding securities class actions and corporate governance.

Prior to joining Labaton Keller Sucharow, Tom was Senior Vice President & Senior Litigation Counsel for Kidder, Peabody & Co. Incorporated, where he represented the company in many class actions, including the *First Executive* and *Orange County* litigation and was first chair in many securities trials. Before joining Kidder, Tom was head of the litigation department at Hall, McNicol, Hamilton & Clark, where he was the principal partner representing Thomson McKinnon Securities Inc. in many matters, including the *Petro Lewis* and *Baldwin-United* class actions.

Tom serves as a FINRA Arbitrator and is an Advisory Board Member for the Institute for Transnational Arbitration. He is a member of the New York State Bar Association and the Association of the Bar of the City of New York, as well as a patron of the American Society of International Law. Tom is an active member of the American Law Institute and is currently an adviser on the proposed Restatement of the Law Third, Conflict of Laws; he was also a member of the Consultative Groups for the Restatement of the Law Fourth, U.S. Foreign Relations Law, and the Principles of Law, Aggregate Litigation. Tom also serves on the Board of Directors for The Sidney Hillman Foundation.

Tom earned his Juris Doctor and his bachelor's degree from the University of Wisconsin-Madison. He received his master's degree from the Fletcher School of Law and Diplomacy, Tufts University.



## Alfred L. Fatale III Partner



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### Practice Areas:

- ✦ Securities Litigation

### Bar Admissions:

- ✦ New York

Alfred L. Fatale III is a Partner in the New York office of Labaton Keller Sucharow LLP. Leading one of the Firm's Securities Litigation teams, he is actively overseeing litigation against PACS Group, Inc., Concho Resources, Norfolk Southern Corporation, Rent the Runway, The Honest Company, Inc., and PDD Holdings, Inc. among others.

Alfred's success in moving the needle in the legal industry has earned him recognition from *Chambers & Partners USA* as a top Securities Litigator, as well as *The National Law Journal* as a "Plaintiffs' Lawyer Trailblazer" and *The American Lawyer* as a "Northeast Trailblazer." *Business Today* named Alfred one of the "Top 10 Most Influential Securities Litigation Lawyer in New York." *Lawdragon* has recognized him as one of the country's "Leading Plaintiff Financial Lawyers," "Leading Litigators," and "Next Generation Lawyers." *Benchmark Litigation* also recognized him as a "Future Star" and named him to their "40 & Under List," and *The Best Lawyers in America*® listed him as one of the "Best Lawyers in America: Ones to Watch" in the Litigation: Securities category.

Alfred led the team that secured a \$200 million recovery in *Boston Retirement System v. Uber Technologies, Inc.*, a case that alleged Uber's \$8.1 billion IPO offering documents misrepresented the company's business model, growth strategy, passenger safety efforts, and financial condition.

In addition, Alfred represents individual and institutional investors in cases related to the protection of the financial markets and public securities offerings in trial and appellate courts throughout the country. In particular, he is leading the Firm's efforts to litigate securities claims in state courts following the U.S. Supreme Court's decision in *Cyan, Inc. v. Beaver County Employees Retirement Fund* while also overseeing litigation of several cases in federal courts.



Since joining the Firm in 2016, Alfred has lead the investigation and prosecution of successful cases such as *In re ADT Inc. Securities Litigation*, resulting in a \$30 million recovery; *In re BrightView Holdings, Inc. Securities Litigation*, resulting in a \$11.5 million recovery; *John Ford, Trustee of the John Ford Trust v. UGI Corporation*, resulting in a \$10.25 million recovery; *Plymouth County Retirement Association v. Spectrum Brands Holdings Inc.*, resulting in a \$9 million recovery; *In re SciPlay Corp. Securities Litigation*, resulting in an \$8.275 million recovery; and *In re Livent Corp. Securities Litigation*, resulting in a \$7.4 million recovery.

Prior to joining Labaton Keller Sucharow, Alfred was an Associate at Fried, Frank, Harris, Shriver & Jacobson LLP, where he advised and represented financial institutions, investors, officers, and directors in a broad range of complex disputes and litigations including cases involving violations of federal securities law and business torts.

Alfred is an active member of the American Bar Association and the New York City Bar Association.

Alfred earned his Juris Doctor from Cornell Law School, where he was a member of the *Cornell Law Review* as well as the Moot Court Board. He also served as a Judicial Extern under the Honorable Robert C. Mulvey. He received his bachelor's degree, *summa cum laude*, from Montclair State University.



## Christine M. Fox

### Partner



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#### Practice Areas:

- ✦ Securities Litigation

#### Bar Admissions:

- ✦ New York

Christine M. Fox is a Partner in the New York office of Labaton Keller Sucharow LLP. With more than 25 years of securities litigation experience, Christine prosecutes complex securities fraud cases on behalf of institutional investors. In addition to her litigation responsibilities, Christine serves as the Chair of the Firm's Diversity Committee and Pro Bono Committee and is a member of the Firm's Investigations Committee.

*The National Law Journal's* "Elite Trial Lawyers" has selected Christine to its class of Elite Women of the Plaintiffs Bar, and *Lawdragon* has repeatedly recognized her as one of the "Leading Plaintiff Financial Lawyers in America."

Christine is actively involved in litigating matters against Boeing, Catalent, F45 Training, and Unity Software. She has played a pivotal role in securing favorable settlements for investors in class actions against Barrick Gold Corporation, one of the largest gold mining companies in the world (\$140 million recovery); Nielsen, a data analytics company that provides clients with information about consumer preferences (\$73 million recovery); Oak Street Health, a primary care center operator that focus exclusively on Medicare-eligible patients (\$60 million recovery, pending final court approval); CVS Caremark, the nation's largest pharmacy retail chain (\$48 million recovery); Nu Skin Enterprises, a multilevel marketing company (\$47 million recovery); Intuitive Surgical, a manufacturer of robotic-assisted technologies for surgery (\$42.5 million recovery); and World Wrestling Entertainment, a media and entertainment company (\$39 million recovery).

Christine is actively involved in several pro bono immigration cases at the Firm.

Prior to joining the Firm, Christine worked at a national litigation firm focusing on securities, antitrust, and consumer litigation in state and federal courts. She played a significant role in securing class action



recoveries in a number of high-profile securities cases, including *In re Merrill Lynch Co., Inc. Research Reports Securities Litigation* (\$475 million recovery); *In re Informix Corp. Securities Litigation* (\$136.5 million recovery); *In re Alcatel Alsthom Securities Litigation* (\$75 million recovery); and *In re Ambac Financial Group, Inc. Securities Litigation* (\$33 million recovery).

She is a member of the American Bar Association, New York State Bar Association, and Puerto Rican Bar Association.

Christine earned her Juris Doctor from the University of Michigan Law School and received her bachelor's degree from Cornell University.

Christine is conversant in Spanish.



## Jamie E. Hanley Partner-in-Charge London

Jamie E. Hanley is the Partner-in-Charge of the London office of Labaton Keller Sucharow LLP and a member of the Firm's Client Development and Case Evaluation Groups. An accomplished litigator with more than 25 years of experience in the UK, Jamie has represented thousands of individual and institutional investors. His practice focuses on international securities and shareholder rights litigation, as well as advancing corporate governance reforms.

Jamie has a particular interest in ESG issues, and throughout his career he has stood on the side of workers and individuals who have been harmed by corporate negligence and malfeasance.

Jamie is recognized as a "Leading Global Litigator" by *Lawdragon*.

Prior to joining Labaton Keller Sucharow LLP, Jamie served at the Management Board level at two leading UK law firms for 17 years and then as General Counsel at the GMB Trade Union, where he retains an interest.

Outside of work, Jamie is heavily engaged in civic and political issues. He is an experienced chairman, having led boards across the legal, political, and educational sectors. He is currently non-executive Chair of a major more than £60 million UK anchor institution. Jamie has twice stood for election to the UK Parliament, and as a policy maker and campaigner, he has worked alongside two UK Prime Ministers and a U.S. President.

Jamie is an active member of Pensions and Lifetime Savings Association (PLSA) and Pensions for Purpose.



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### Practice Areas:

- ✘ Securities Litigation
- ✘ Non-U.S. Securities Litigation

### Bar Admissions:

- ✘ England & Wales - Solicitor



Jamie graduated with Honours in Law from The University of Hull, subsequently graduating from The College of Law with Commendation. Jamie is also a graduate of the Oxford University Executive Leadership Programme. Jamie is a practicing solicitor and is qualified to practice in England and Wales.



## Thomas G. Hoffman, Jr

### Partner

Thomas G. Hoffman, Jr. is a Partner in the New York office of Labaton Keller Sucharow LLP. Thomas focuses on representing institutional investors in complex securities actions.

Tom was instrumental in securing a \$1 billion recovery in the eight-year litigation against AIG and related defendants in *In re American International Group, Inc. Securities Litigation*. He also was a key member of the Labaton Keller Sucharow teams that secured significant recoveries for investors in numerous other securities actions, including *In re 2008 Fannie Mae Securities Litigation* (\$170 million settlement) and *In re The Allstate Corporation Securities Litigation* (\$90 million settlement).

Thomas earned his Juris Doctor from UCLA School of Law, where he was Editor-in-Chief of the *UCLA Entertainment Law Review* and served as a Moot Court Executive Board Member. In addition, he served as a judicial extern to the Honorable William J. Rea, United States District Court for the Central District of California. Thomas received his bachelor's degree, with honors, from New York University.



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#### Practice Areas:

✘ Securities Litigation

#### Bar Admissions:

✘ New York



## Francis P. McConville

### Partner



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#### Practice Areas:

✘ Securities Litigation

#### Bar Admissions:

✘ New York

Francis P. McConville is a Partner in the New York office of Labaton Keller Sucharow LLP and a member of the Firm's Executive Committee. He focuses on prosecuting complex securities fraud cases on behalf of institutional investor clients. As Chair of the Firm's Case Evaluation Group, Francis leads the identification, investigation, and development of potential actions to recover investment losses caused by violations of the federal securities laws and to vindicate shareholder rights in response to corporate and fiduciary misconduct.

Francis has been named a "Rising Star" of securities litigation in *Law360's* list of attorneys under 40 whose legal accomplishments transcend their age. *The Best Lawyers in America*® named him among the "Ones to Watch" in the Securities Litigation category and *Lawdragon* has recognized him as one of the country's "Leading Plaintiff Financial Lawyers" and "Next Generation Lawyers." *Benchmark Litigation* also recognized him as a "Future Star" and named him to their "40 & Under List."

Francis has played a key role in filing several matters on behalf of the Firm, including *Boston Retirement System v. Uber Technologies, Inc.* (\$200 million settlement); *In re SCANA Securities Litigation* (\$192.5 million settlement); *Boston Retirement System v. Alexion Pharmaceuticals, Inc.* (\$125 million settlement); *In re Nielsen Holdings PLC Securities Litigation* (\$73 million settlement); *In re The Boeing Company Securities Litigation*; *In re PG&E Corporation Securities Litigation*; *In re The Estée Lauder Companies, Inc. Securities Litigation*; *Ohio Carpenters Pension Fund v. Norfolk Southern Corporation*; and *In re Fidelity National Information Services, Inc. Securities Litigation*, among others.

Prior to joining Labaton Keller Sucharow, Francis was a Litigation Associate at a national law firm primarily focused on securities and consumer class action litigation. Francis has represented institutional and individual clients in federal and state courts across the country in class action securities



litigation and shareholder disputes, along with a variety of commercial litigation matters. He assisted in the prosecution of several matters, including *Kiken v. Lumber Liquidators Holdings, Inc.* (\$42 million recovery); *Hayes v. MagnaChip Semiconductor Corp.* (\$23.5 million recovery); and *In re Galena Biopharma, Inc. Securities Litigation* (\$20 million recovery).

Francis is an active member of the National Association of Public Pension Attorneys (NAPPA). He has served on *Law360's* Securities Editorial Advisory Board.

Francis received his Juris Doctor, *magna cum laude*, from New York Law School where he was named a John Marshall Harlan Scholar and received a Public Service Certificate. Francis served as Associate Managing Editor of the *New York Law School Law Review* and worked in the Urban Law Clinic. He earned his Bachelor of Arts degree from the University of Notre Dame.



## Domenico Minerva

### Partner

Domenico “Nico” Minerva is a Partner in the New York office of Labaton Keller Sucharow LLP. A former financial advisor, his work focuses on securities and shareholder derivative litigation, representing Taft-Hartley, public pension funds, hedge funds, asset managers, insurance companies, and banks across the world. Nico advises leading pension funds and other institutional investors on issues related to corporate fraud in the U.S. securities markets.

Nico is described by clients as “always there for us” and known to provide “an honest answer and describe all the parameters and/or pitfalls of each and every case.” As a result of his work, the Firm has received a Tier 1 ranking in Class Actions from *The Legal 500*. *Lawdragon* has recognized Nico as one of the country’s “Leading Plaintiff Financial Lawyers” and “Leading Global Litigators.”

Nico’s extensive securities litigation experience includes the case against global security systems company Tyco and co-defendant PricewaterhouseCoopers (*In re Tyco International Ltd., Securities Litigation*), which resulted in a \$3.2 billion settlement—the largest single-defendant settlement in post-PSLRA history.

He also has counseled companies and institutional investors on corporate governance reform. Nico played an important role in the \$1 billion recovery in *In re Dell Technologies Inc. Class V Stockholders Litigation*, which currently stands as the largest shareholder settlement ever in any state court in America and the 17th largest shareholder settlement of all time in federal and state court.

On behalf of consumers, Nico represented a plaintiff in *In re ConAgra Foods Inc.*, over misleading claims that Wesson-brand vegetable oils are 100% natural.



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#### Practice Areas:

- ✘ Securities Litigation
- ✘ Corporate Governance and Shareholder Rights Litigation

#### Bar Admissions:

- ✘ New York
- ✘ Delaware



An accomplished speaker, Nico has given numerous presentations to investors on topics related to corporate fraud, wrongdoing, and waste.

He is an active member of the National Association of Public Pension Plan Attorneys (NAPPA) and the International Foundation of Employee Benefit Plans (IFEBP).

Nico earned his Juris Doctor from Tulane University Law School, where he completed a two-year externship with the Honorable Kurt D. Engelhardt of the United States District Court for the Eastern District of Louisiana. He received his bachelor's degree from the University of Florida.



## Lauren A. Ormsbee

### Partner

Lauren A. Ormsbee is a Partner in the New York office of Labaton Keller Sucharow LLP. Leading one of the Firm’s Securities Litigation teams, her practice focuses on prosecuting complex securities fraud cases on behalf of institutional investors. She is actively overseeing cases against Olaplex, New York Community Bancorp, Extreme Networks, Zeta Global Holdings, and QuidelOrtho Corporation.

Lauren has been recognized as one of “The Top 50 Attorneys of New York” by *Attorney Intel* and as a “Leading Plaintiff Financial Lawyer” by *Lawdragon*. *Crain’s New York Business* selected her to its list of “Notable Litigators and Trial Attorneys.”

Lauren has obtained hundreds of millions of dollars in recoveries representing institutional investors and individuals in a variety of class and direct actions, including *In re HealthSouth Bondholder Litigation*, resulting in a \$230 million recovery; *In re Wilmington Trust Securities Litigation*, resulting in a \$210 million recovery; and *In re SCANA Corporation Securities Litigation*, resulting in a \$192.5 million recovery, among others.

Prior to joining the Firm, Lauren was a Partner at Bernstein Litowitz Berger & Grossmann LLP. Previously, Lauren was an Associate at Paul Weiss Rifkind Wharton & Garrison LLP and served as a law clerk to the Honorable Colleen McMahon in the Southern District of New York.

Lauren is an active member of the New York City Bar Association, currently serving as co-Chair of the NYC Bar’s Securities Litigation Committee, and the National Association of Public Pension Attorneys. Lauren also serves on *Law360*’s Securities Editorial Advisory Board.

Lauren earned her Juris Doctor, *cum laude*, from the University of Pennsylvania Law School. Lauren received her Bachelor of Arts from Duke University.



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#### Practice Areas:

- ✘ Securities Litigation

#### Bar Admissions:

- ✘ New York
- ✘ Supreme Court of the United States



## Mark D. Richardson

### Partner



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#### Practice Areas:

- ✘ Corporate Governance and Shareholder Rights Litigation

#### Bar Admissions:

- ✘ Delaware
- ✘ New York
- ✘ Pennsylvania

Mark D. Richardson is a Partner in the Delaware office of Labaton Keller Sucharow LLP. Mark focuses on representing shareholders in corporate governance and transactional matters, including class action and derivative litigation.

Mark has been named to *Benchmark Litigation's* "40 & Under List," and is recommended by *The Legal 500* for his work in the Delaware Court of Chancery. Clients highlighted his team's ability to "generate strong cases and take creative and innovative positions." *Lawdragon* has recognized him as one of the country's "Leading Plaintiff Financial Lawyers" and "Next Generation Lawyers." *The Best Lawyers in America*® named him among the "Ones to Watch" in the Corporate Governance and Compliance Law, Mergers and Acquisitions Law, and Securities Litigation categories.

Mark has litigated numerous matters through trial, including in the Delaware Court of Chancery, FINRA and AAA arbitrations, and a five-month jury trial in New Jersey state court. Mark served as co-lead counsel in the following matters that recently were tried or settled: *In re Dell Technologies Inc. Class V Stockholders Litigation* (\$1 billion settlement); *Ontario Provincial Council of Carpenters' Pension Trust Fund, et al. v. Walton, et al.* (\$123 million settlement plus corporate governance reforms); *In re Pattern Energy Group Inc. Stockholders Litigation* (\$100 million class settlement—largest settlement of Revlon claims in Delaware history); *In re Columbia Pipeline Group, Inc.* (\$79 million pre-trial partial settlement and \$199 million post-trial ruling); *In re Coty Inc. Stockholder Litigation* (\$35 million settlement); *In re Straight Path Communications Inc. Consolidated Stockholder Litigation* (\$12.5 million partial settlement); *In re Amtrust Financial Services Stockholder Litigation* (\$40 million settlement); *In re AGNC Investment Corp.* (\$35.5 million settlement); *In re Stamps.com* (\$30 million settlement); *In re Homefed Corp.* (\$15 million settlement); and *In re CytoDyn Corp.* (rescission of over \$50 million in director and officer stock awards).



Prior to joining Labaton Keller Sucharow, Mark was an Associate at Schulte Roth & Zabel LLP where he gained substantial experience in complex commercial litigation within the financial services industry and advised and represented clients in class action litigation, expedited bankruptcy proceedings and arbitrations, fraudulent transfer actions, proxy fights, internal investigations, employment disputes, breaches of contract, enforcement of non-competes, data theft, and misappropriation of trade secrets.

In addition to his active caseload, Mark has contributed to numerous publications and is the recipient of The Burton Awards Distinguished Legal Writing Award for his article published in the *New York Law Journal*, "Options When a Competitor Raids the Company." His notable publications include the article "Zapata Drift': A Proposal for Improving Trust in the Special Litigation Committee Process" published in the *Delaware Journal of Corporate Law*. Mark also serves on Law360's Delaware Editorial Advisory Board.

Mark earned his Juris Doctor from Emory University School of Law, where he served as the President of the Student Bar Association. He received his Bachelor of Science from Cornell University.



## Michael H. Rogers

### Partner



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#### Practice Areas:

✘ Securities Litigation

#### Bar Admissions:

✘ New York

Michael H. Rogers is a Partner in the New York office of Labaton Keller Sucharow LLP. An experienced litigator, Mike focuses on prosecuting complex securities fraud cases on behalf of institutional investors.

Mike is recommended by *The Legal 500* in the area of Securities Litigation.

Mike has been a member of the lead counsel teams in many successful class actions, including those against Countrywide Financial (\$624 million settlement), HealthSouth (\$671 million settlement), State Street (\$300 million settlement), SCANA (\$192.5 million settlement), CannTrust (CA \$129.5 million settlement), Alexion Pharmaceuticals (\$125 million settlement), Mercury Interactive (\$117.5 million settlement), Computer Sciences Corp. (\$97.5 million settlement), Novavax (\$47 million settlement), Jeld-Weld Holding (\$40 million recovery), Virtus Investment Partners (\$20 million settlement), and Acuity Brands (\$15.75 million settlement).

Prior to joining Labaton Keller Sucharow, Mike was an attorney at Kasowitz, Benson, Torres & Friedman LLP, where he practiced securities and antitrust litigation, representing international banking institutions bringing federal securities and other claims against major banks, auditing firms, ratings agencies and individuals in complex multidistrict litigation. He also represented an international chemical shipping firm in arbitration of antitrust and other claims against conspirator ship owners. Mike began his career as an attorney at Sullivan & Cromwell, where he was part of Microsoft's defense team in the remedies phase of the Department of Justice antitrust action against the company.

Mike earned his Juris Doctor, *magna cum laude*, from the Benjamin N. Cardozo School of Law, Yeshiva University, where he was a member of the *Cardozo Law Review*. He received his bachelor's degree, *magna cum laude*, from Columbia University.



## Brendan W. Sullivan

### Partner



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#### Practice Areas:

- ✦ Corporate Governance and Shareholder Rights Litigation

#### Bar Admissions:

- ✦ Delaware

Brendan W. Sullivan is a Partner in the Delaware office of Labaton Keller Sucharow LLP. He focuses on representing investors in corporate governance and transactional matters, including class action litigation.

Brendan helped secure a \$100 million settlement, currently the largest settlement of *Revlon* claims in Delaware history, in *In re Pattern Energy Group Inc. Stockholders Litigation* and a \$79 million pre-trial partial settlement with trial judgment in excess of \$200 million in *In re Columbia Pipeline Group, Inc. Merger Litigation*.

Brendan is recommended by *The Legal 500* for the excellence of his work in the Delaware Court of Chancery and Dispute Resolution and is recognized as a “Next Generation Lawyer” by *Lawdragon*. *Law360* named him a “Securities Rising Star” and *Benchmark Litigation* also named him to their “40 & Under List.”

Prior to joining Labaton Keller Sucharow, Brendan was an Associate at Paul, Weiss, Rifkind, Wharton & Garrison LLP where he gained substantial experience in class and derivative matters relating to mergers and acquisitions and corporate governance. During law school, he was a Law Clerk for Honorable Judge Leonard P. Stark, U.S. District Court for the District of Delaware.

Brendan’s pro bono experience includes representing a Delaware charter school in a mediation concerning a malpractice claim against its former auditor.

Brendan earned his Juris Doctor from Georgetown University Law Center where he was the Notes Editor on the *Georgetown Law Journal* and his Bachelor of Arts from the University of Delaware.



## Irina Vasilchenko

### Partner

Irina Vasilchenko is a Partner in the New York office of Labaton Keller Sucharow LLP and head of the Firm's Associate Training Program. Irina focuses on prosecuting complex securities fraud cases on behalf of institutional investors and has over a decade of experience in such litigation.

Irina is recognized as an up-and-coming litigator whose legal accomplishments transcend her age. She has been named repeatedly to *Benchmark Litigation's* "40 & Under List" and has also been recognized as a "Future Star" by *Benchmark Litigation*, as well as a "Rising Star" by *Law360*. Additionally, *Lawdragon* has named her one of the "Leading Plaintiff Financial Lawyers in America."

Irina is involved in actively prosecuting the high-profile cases including *Weston v. DocuSign, Inc.* and *Lilien v. Olaplex Holdings, Inc.*, among others.

Irina also played a pivotal role in securing a historic \$192.5 million settlement for investors in energy company SCANA Corp. over a failed nuclear reactor project in South Carolina, as well as a \$19 million settlement in a shareholders' suit against Daimler AG over its Mercedes Benz diesel emissions scandal. Since joining Labaton Keller Sucharow, she also has been a key member of the Firm's teams that have obtained favorable settlements for investors in numerous securities cases, including *In re Massey Energy Co. Securities Litigation* (\$265 million settlement); *In re Fannie Mae 2008 Securities Litigation* (\$170 million settlement); *In re Amgen Inc. Securities Litigation* (\$95 million settlement); *In re Hewlett-Packard Company Securities Litigation* (\$57 million settlement); *Vancouver Alumni Asset Holdings Inc. v. Daimler A.G.* (\$19 million settlement); *Perreleouis v. Gogo Inc.* (\$17.3 million); *In re Acuity Brands, Inc. Securities Litigation* (\$15.75 million settlement); and *In re Extreme Networks, Inc. Securities Litigation* (\$7 million settlement).



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#### Practice Areas:

- ✘ Securities Litigation

#### Bar Admissions:

- ✘ Massachusetts
- ✘ New York
- ✘ U.S. Supreme Court



Irina maintains a commitment to pro bono legal service, including representing an indigent defendant in a criminal appeal case before the New York First Appellate Division, in association with the Office of the Appellate Defender. As part of this representation, she argued the appeal before the First Department panel. Prior to joining Labaton Keller Sucharow, Irina was an Associate in the general litigation practice group at Ropes & Gray LLP, where she focused on securities litigation.

She is a member of the New York State Bar Association and New York City Bar Association.

Irina received her Juris Doctor, *magna cum laude*, from Boston University School of Law where she was an editor of the *Boston University Law Review* and was the G. Joseph Tauro Distinguished Scholar, the Paul L. Liacos Distinguished Scholar, and the Edward F. Hennessey Scholar. Irina earned a Bachelor of Arts in Comparative Literature, *summa cum laude* and *Phi Beta Kappa*, from Yale University.

Irina is fluent in Russian and proficient in Spanish.



## John Vielandi Partner

John Vielandi is a Partner in the New York office of Labaton Keller Sucharow LLP. John focuses on representing investors in corporate governance and fiduciary duty matters, including shareholder class and derivative litigation.

John has been recognized as a “Leading Plaintiff Financial Lawyer” by *Lawdragon*.

Notable matters where John served as lead or co-lead counsel include *In re Warner Bros. Discovery, Inc. Stockholders Litigation* (\$125 million class settlement); *Ontario Provincial Council of Carpenters Pension Trust Fund v Walton et al.* (\$123 million derivative settlement and robust governance reforms); *In re Pattern Energy Group Inc. Stockholders Litigation* (\$100 million class settlement); *Nantahala Capital Partners II Limited Partnership v. QAD Inc.* (\$65 million class settlement); *In re Coty Inc. Stockholder Litigation* (\$35 million class and derivative settlement and additional governance reforms); *Employees' Retirement System of Rhode Island v Marciano et al.* (\$30 million derivative settlement and substantial governance reforms); *Macomb County Employees' Retirement System v. McBride et al.*, (\$30 million derivative settlement); *In re Golden Nugget Online Gaming, Inc. Stockholders Litigation* (\$22 million class settlement); *In re HomeFed Corp. Stockholder Litigation* (\$15 million settlement); *In re Hemisphere Media Group, Inc. Stockholders' Litigation* (\$15 million class settlement); and *John Makris, et al. v. Ionis Pharmaceuticals, Inc., et al.* (\$12.5 million settlement).

John joined the Firm from Bernstein Litowitz Berger & Grossmann, where he was a key member of the teams that litigated numerous high-profile actions, including *City of Monroe Employees' Retirement System v. Rupert Murdoch et al.* and *In re Vaalco Energy, Inc. Consolidated Stockholder Litigation*. While in law school, John was a Legal Intern at the New York City Office of Administrative



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### Practice Areas:

- ✦ Corporate Governance and Shareholder Rights Litigation

### Bar Admissions:

- ✦ New York



Trials and Hearings and a Judicial Intern for the Honorable Carolyn E. Demarest of the New York State Supreme Court.

John earned his Juris Doctor from Brooklyn Law School, where he was the Notes and Comments Editor for the *Journal of Corporate, Financial and Commercial Law*, and was awarded the CALI Excellence for the Future Award. He received his bachelor's degree from Georgetown University.



## Carol C. Villegas

### Partner



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#### Practice Areas:

- ✘ Securities Litigation
- ✘ Consumer Protection and Data Privacy Litigation

#### Bar Admissions:

- ✘ New York

Carol C. Villegas is a Partner in the New York office of Labaton Keller Sucharow LLP. Carol focuses on prosecuting complex securities fraud and consumer cases on behalf of institutional investors and individuals. Leading one of the Firm's Securities Litigation teams, she is actively overseeing litigation against Boeing, PayPal, Olaplex, DocuSign, Catalent, Flo Health, Amazon, and Hain, among others. In addition to her flourishing domestic practice, Carol holds a variety of leadership positions within the Firm, including serving on the Firm's Executive Committee, Chair of the Firm's Women's Initiative, and as Chief of Compliance.

Carol's development of innovative case theories in complex cases, her skillful handling of discovery work, and her adept ability during oral arguments has earned her accolades as one of the "top Securities Litigators" in the country from *Chambers & Partners USA* and *The Legal 500*, which hails her as "attentive, professional, and responsive" and highlights clients praise for helping them "better understand the process and how to value a case." She has also been recognized by *Law360* as a "Class Action MVP," *The National Law Journal* as a "Plaintiffs' Trailblazer," and the *New York Law Journal* as a "Top Woman in Law," "New York Trailblazer," and "Distinguished Leader." *Business Today* named Carol one of the "Top 10 Most Influential Securities Litigation Lawyers in New York." *The National Law Journal's* "Elite Trial Lawyers" has repeatedly recognized her superb ability to excel in high stakes matters on behalf of plaintiffs and selected her to its class of "Elite Women of the Plaintiffs Bar" and as a finalist for "Plaintiff Attorney of the Year." *Benchmark Litigation* has recognized her as a "Litigation Star" and among the "Top 250 Women in Litigation" and has shortlisted her for "Plaintiff Litigator of the Year." *Lawdragon* has named her one of the country's "Leading Lawyers," "Leading Litigators," "Leading Plaintiff Financial Lawyers," and "Leading Plaintiff Consumer Lawyers." Additionally, *Crain's New York Business* selected Carol to its lists of "Notable Women in Law" and "Notable Litigators and



Trial Attorneys.” The *Women in Business Law Awards* has named Carol “Securities Litigator of the Year” and “Thought Leader of the Year” and has been shortlisted for “Privacy and Data Protection Lawyer of the Year.” *Chambers & Partners USA* selected Carol as a finalist for “Diversity & Inclusion: Outstanding Contribution” and *New York Law Journal’s* New York Legal Awards selected her as a “Lawyer of the Year” finalist.

Notable recent successes include *In re Nielsen Holdings PLC Securities Litigation* (\$73 million settlement), *Allison v. Oak Street Health Inc.* (\$60 million settlement), and *City of Warren Police and Fire Retirement System v. World Wrestling Entertainment, Inc.* (\$39 million settlement). Carol has also played a pivotal role in securing favorable settlements for investors, including in cases against DeVry, a for-profit university; AMD, a multi-national semiconductor company; Liquidity Services, an online auction marketplace; Aeropostale, a leader in the international retail apparel industry; Vocera, a healthcare communications provider; and Prothena, a biopharmaceutical company, among others. Carol has also helped revive a securities class action against LifeLock after arguing an appeal before the Ninth Circuit. The case settled shortly thereafter.

Prior to joining Labaton Keller Sucharow, Carol served as the Assistant District Attorney in the Supreme Court Bureau for the Richmond County District Attorney’s office, where she took several cases to trial. She began her career as an Associate at King & Spalding LLP, where she worked as a federal litigator.

Carol is an active member of the New York State Bar Association’s Women in the Law Section and Chair of the Board of Directors of the City Bar Fund, the nonprofit 501(c)(3) arm of the New York City Bar Association. In 2024, she was appointed by the Court of Appeals to the New York State Board of Law Examiners, an organization that administers the bar examination to candidates seeking admission to practice law in the State of New York. Carol is also a member of the National Association of Public Pension Attorneys (NAPPA), the National Council on Teacher Retirement (NCTR), the National Association of Women Lawyers, and the Hispanic National Bar Association. In addition, Carol previously served on *Law360’s* Securities Editorial Board.

Carol is a frequent commentator on legal issues and has been featured in the *Financial Times*, *Law360*, *Investment & Pensions Europe*, and *National Law Journal*, among others.

Carol earned her Juris Doctor from New York University School of Law, where she was the recipient of The Irving H. Jurow Achievement Award for the Study of Law and received the Association of the Bar of the City of New York Diversity Fellowship. She received her bachelor’s degree, with honors, from New York University.

She is fluent in Spanish.



## Michael C. Wagner

### Partner

Michael C. Wagner is a Partner in the Delaware office of Labaton Keller Sucharow LLP. Michael focuses on representing shareholders in corporate governance and transactional matters, including class action and derivative litigation.

Michael helped secure a \$100 million settlement, currently the largest settlement of *Revlon* claims in Delaware history, from Pattern Energy. He has also successfully prosecuted cases against Dole, Versum Materials, Arthrocare, and Genetech, among others.

Michael is recommended by *The Legal 500* and has been recognized by *Lawdragon* as one of the “Leading Plaintiff Financial Lawyers in America.”

Previously, Michael was a Partner at Smith, Katzenstein & Jenkins LLP and at Kessler Topaz Meltzer & Check, LLP. As a litigator for more than 25 years, he has prosecuted a wide variety of matters for investors, in Delaware and in other jurisdictions across the country, at both the trial and appellate levels. He has previously represented investment banks, venture capital funds, and hedge fund managers as well as Fortune 500 companies.

His pro bono work includes guardianship and PFA matters.

Michael earned his Juris Doctor from the University of Pittsburgh School of Law. He served as Associate Editor before becoming Lead Executive Editor for the *Journal of Law and Commerce*. Michael received his bachelor's degree from Franklin and Marshall College.



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#### Practice Areas:

- ✘ Corporate Governance and Shareholder Rights Litigation

#### Bar Admissions:

- ✘ Pennsylvania
- ✘ Delaware



## Ned Weinberger Partner

Ned Weinberger is a Partner in the Delaware office of Labaton Keller Sucharow LLP and Chair of the Firm's Corporate Governance and Shareholder Rights Litigation Practice. An experienced advocate of shareholder rights, Ned focuses almost exclusively on representing investors in corporate governance and transactional matters, including shareholder class, derivative, and appraisal litigation.

Ned has been recognized for many years by *Chambers & Partners USA* in the Delaware Court of Chancery, earning a Band 1 ranking. He is noted for being "a very good case strategist and strong oral advocate." After being named a "Future Star" early in his career, Ned is now recognized by *Benchmark Litigation* as a "Litigation Star" and has been selected to *Benchmark's* "40 & Under List." He has also been named a "Leading Lawyer" by *The Legal 500*, whose sources remarked that he "is one of the best plaintiffs' lawyers in Delaware," who "commands respect and generates productive discussion where it is needed." *Law360* named Ned a "Securities MVP" and *The National Law Journal* named him a "Plaintiffs' Trailblazer." *Lawdragon* has also recognized him as one of the country's "Leading Plaintiff Financial Lawyers" and "Leading Litigators" and *The Best Lawyers in America*® listed him as one of the "Best Lawyers in America" in the Litigation: Mergers and Acquisitions category.

In 2022, Ned was named a "Litigator of the Week" by *The American Lawyer* for securing a \$1 billion cash settlement three weeks before trial in *In re Dell Technologies Inc. Class V Stockholders Litigation*. The \$1 billion recovery in *Dell*, which the Delaware Court of Chancery described as the "first home run" in M&A shareholder litigation, currently stands as the largest shareholder settlement ever in any state court in America and the 17th largest shareholder settlement of all time in federal and state court.



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### Practice Areas:

- ✘ Corporate Governance and Shareholder Rights Litigation

### Bar Admissions:

- ✘ Delaware
- ✘ New York
- ✘ Pennsylvania



Other notable recoveries where Ned served as lead or co-lead counsel include: *Ontario Provincial Council of Carpenters' Pension Trust Fund, et al. v. Walton, et al.* (\$123 million settlement plus corporate governance reforms); *In re Pattern Energy Group Inc. Stockholders Litigation* (\$100 million class settlement—largest settlement of *Revlon* claims in Delaware history); *In re Columbia Pipeline Group, Inc. Merger Litigation* (\$79 million pre-trial partial settlement and \$199 million post-trial ruling); *Nantahala Capital Partners II Limited Partnership v. QAD Inc.* (\$65 million class recovery); *In re AmTrust Financial Services Inc. Stockholder Litigation* (\$40 million class settlement); *H&N Management Group, Inc. & Aff Cos Frozen Money Purchase Plan v. Couch, et al.* (\$35.5 million class settlement); *Employees' Retirement System of Rhode Island v. Marciano et al.* (\$30 million settlement, plus significant corporate governance reforms); *In re HomeFed Corp. Stockholder Litigation* (\$15 million settlement); and *John Makris, et al. v. Ionis Pharmaceuticals, Inc., et al.* (\$12.5 million settlement), among others.

Ned has also provided his expertise in numerous matters that have helped positively shape Delaware law for the benefit of shareholders. For example, in *Olenik v. Lodzinski*, Ned successfully argued to the Delaware Supreme Court that where a controlling shareholder substantively engages with management before committing to so-called *MFW* conditions, the transaction should not be subject to business judgment deference.

Ned is a Member of the Advisory Board of the Institute for Law and Economic Policy (ILEP), a research and educational foundation dedicated to enhancing investor and consumer access to the civil justice system. Ned also serves on the Board of Directors of the Jewish Federation of Delaware.

Ned earned his Juris Doctor from the Louis D. Brandeis School of Law at the University of Louisville, where he served on the *Journal of Law and Education*. He received his bachelor's degree, *cum laude*, from Miami University.



## Mark S. Willis

### Partner

Mark S. Willis is a Partner in the D.C. and London offices of Labaton Keller Sucharow LLP. With more than three decades of experience, his practice focuses on domestic and international securities litigation. Mark advises leading pension funds, investment managers, and other institutional investors from around the world on their legal remedies when impacted by securities fraud and corporate governance breaches. Mark also heads the Firm's non-U.S. practice, advising clients in over 100 cases in jurisdictions such as Australia, Japan, Brazil, Canada, the UK, Germany, the Netherlands, Italy, Denmark, and elsewhere. This practice is wholly unique in that it is genuinely global, independent, and fully comprehensive.

Mark is recommended by *The Legal 500* for excellence in securities litigation and has been named one of *Lawdragon's* top "Global Plaintiff Lawyers," "Leading Global Litigators," and "Leading Plaintiff Financial Lawyers in America." Under his leadership, the Firm has been awarded *Law360's* "Practice Group of the Year Awards" for Class Actions and Securities.

In U.S. matters, Mark currently represents Caisse de dépôt et placement du Québec, one of Canada's largest institutional investors, against PayPal in one of the largest ongoing U.S. shareholder class actions, as well as the Utah Retirement Systems in several pending shareholder actions. He represented institutions from the UK, Spain, the Netherlands, Denmark, Germany, Belgium, Canada, Japan and the U.S. in a novel lawsuit in Texas against BP plc that salvaged claims dismissed from the parallel U.S. class action. In the *Converium* class action, Mark represented a Greek institution in a nearly four-year battle that eventually became the first U.S. class action settled on two continents (*i.e.*, New York and Amsterdam). The Dutch portion of this \$145 million trans-Atlantic recovery involved a landmark decision that substantially broadened that court's jurisdictional reach to a scenario where the claims were not brought under Dutch law, the wrongdoing occurred outside the Netherlands, and none of the



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#### Practice Areas:

- ✘ Securities Litigation
- ✘ Non-U.S. Securities Litigation

#### Bar Admissions:

- ✘ District of Columbia



parties were domiciled there. In the *Parmalat* case, known as the “Enron of Europe” due to the size and scope of the fraud, Mark represented a group of European institutions and eventually recovered nearly \$100 million and negotiated governance reforms with two large European banks, making this the first time in a shareholder class action that such reforms were secured from non-issuer defendants.

Mark has written on corporate, securities, and investor protection issues—often with an international focus—in industry publications such as *International Law News*, *Professional Investor*, *European Lawyer*, and *Investment & Pensions Europe*. He has also authored several chapters in international law treatises on European corporate law and on the listing and subsequent disclosure obligations for issuers listing on European stock exchanges. He also speaks at conferences and at client forums on investor protection through the U.S. federal securities laws, corporate governance measures, and the impact on shareholders of non-U.S. investor remedies.

Mark is an active member of the National Association of Public Pension Plan Attorneys (NAPPA).

Mark earned his Juris Doctor from the Pepperdine University School of Law and his Master of Laws from Georgetown University Law Center.



## Nicole M. Zeiss

### Partner



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#### Practice Areas:

✦ Securities Litigation

#### Bar Admissions:

✦ New York

Nicole M. Zeiss is a Partner in the New York office of Labaton Keller Sucharow LLP. A litigator with more than two decades of class action experience, Nicole leads the Firm's Settlement Group, which analyzes the fairness and adequacy of the procedures used in class action settlements. Her practice focuses on negotiating and documenting complex class action settlements and obtaining the required court approval of the settlements, notice procedures, and payments of attorneys' fees.

Nicole was part of the Labaton Keller Sucharow team that successfully litigated the \$185 million settlement in *In re Bristol-Myers Squibb Securities Litigation*. She played a significant role in *In re Monster Worldwide, Inc. Securities Litigation* (\$47.5 million settlement). Nicole also litigated on behalf of investors who were damaged by fraud in the telecommunications, hedge fund, and banking industries. Over the past fifteen years, Nicole has been focused on finalizing the Firm's securities class action settlements, including in cases against Schering-Plough (\$473 million), Massey Energy Company (\$265 million), SCANA (\$192.5 million), Fannie Mae (\$170 million), and Alexion Pharmaceuticals (\$125 million), among many others.

Prior to joining Labaton Keller Sucharow, Nicole practiced poverty law at MFY Legal Services. She also worked at Gaynor & Bass practicing general complex civil litigation, particularly representing the rights of freelance writers seeking copyright enforcement.

Nicole is a member of the New York City Bar Association and the New York State Bar Association. Nicole also maintains a commitment to pro bono legal services.

She received a Juris Doctor from the Benjamin N. Cardozo School of Law, Yeshiva University, and earned a Bachelor of Arts in Philosophy from Barnard College.



## Mark Bogen Of Counsel

Mark Bogen is Of Counsel in the D.C. office of Labaton Keller Sucharow LLP. Mark advises leading pension funds and other institutional investors on issues related to corporate fraud in domestic and international securities markets. His work focuses on securities and consumer class action litigation, representing Taft-Hartley and public pension funds across the country.

Among his many efforts to protect his clients' interests and maximize shareholder value, Mark helped bring claims against and secure a settlement with Abbott Laboratories' directors, whereby the company agreed to implement sweeping corporate governance reforms, including an extensive compensation clawback provision going beyond the requirements under the Dodd-Frank Act.

Mark has written weekly legal columns for the *Sun Sentinel*, one of the largest daily newspapers circulated in Florida. He has been legal counsel to the American Association of Professional Athletes, an association of over 4,000 retired professional athletes. He has also served as an Assistant State Attorney and as a Special Assistant to the State Attorney's Office in the State of Florida.

Mark earned his Juris Doctor from Loyola University School of Law. He received his bachelor's degree from the University of Illinois.

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### Practice Areas:

- ✘ Securities Litigation

### Bar Admissions:

- ✘ Illinois
- ✘ Florida



## Hui Chang Of Counsel



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### Practice Areas:

✘ Non-U.S. Securities Litigation

### Bar Admissions:

✘ New York

Hui Chang is Of Counsel in the New York office of Labaton Keller Sucharow LLP and concentrates her practice in the area of shareholder litigation and client relations. As a co-manager of the Firm's Non-U.S. Securities Litigation Practice, Hui focuses on advising institutional investor clients regarding fraud-related losses on securities, and on the investigation and development of securities fraud class, group, and individual actions outside of the United States.

Hui previously served as a member of the Firm's Case Evaluation Group, where she was involved in the identification, investigation, and development of potential actions to recover investment losses resulting from violations of the federal securities laws, and corporate and fiduciary misconduct, and assisted the Firm in securing a number of lead counsel appointments in several class actions.

Prior to joining Labaton Keller Sucharow, Hui was a Litigation Associate at a national firm primarily focused on securities class action litigation, where she played a key role in prosecuting a number of high-profile securities fraud class actions, including *In re Petrobras Securities Litigation* (\$3 billion recovery).

She is a member of the National Association of Public Pension Plan Attorneys (NAPPA), National Council on Teacher Retirement (NCTR), State Association of County Retirement Systems (SACRS) and the National Association of State Retirement Administrators (NASRA).

Hui earned her Juris Doctor from the University of California, Hastings College of Law, where she worked as a Graduate Research Assistant and a Moot Court Teaching Assistant. She received her bachelor's degree from the University of California, Berkeley.



## Derick I. Cividini Of Counsel

Derick I. Cividini is Of Counsel in the New York office of Labaton Keller Sucharow LLP and serves as the Firm's Director of E-Discovery. Derick focuses on prosecuting complex securities fraud cases on behalf of institutional investors, including class actions, corporate governance matters, and derivative litigation. As the Director of E-Discovery, he is responsible for managing the Firm's discovery efforts, particularly with regard to the implementation of e-discovery best practices for ESI (electronically stored information) and other relevant sources.

Derick was part of the team that represented lead plaintiff City of Edinburgh Council as Administering Authority of the Lothian Pension Fund in *In re Lehman Brothers Equity/Debt Securities Litigation*, which resulted in settlements totaling \$516 million against Lehman Brothers' former officers and directors as well as most of the banks that underwrote Lehman Brothers' offerings.

Prior to joining Labaton Keller Sucharow, Derick was a litigation attorney at Kirkland & Ellis LLP, where he practiced complex civil litigation. Earlier in his litigation career, he worked on product liability class actions with Hughes Hubbard & Reed LLP.

Derick earned his Juris Doctor and Master of Business Administration from Rutgers University. He received his Bachelor of Science in Finance from Boston College.



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### Practice Areas:

✘ Securities Litigation

### Bar Admissions:

✘ New York



## James M. Fee Of Counsel

James M. Fee is Of Counsel in the New York office of Labaton Keller Sucharow LLP. As a senior member of the Firm's Alternative Dispute Resolution Practice, he represents more than one million clients in complex matters involving data breaches, misuse of personal data, cryptocurrency, consumer finance, and personal banking litigation.

In addition to his work in ADR, James has significant experience prosecuting securities fraud class actions on behalf of institutional investors. James has been a key member of teams that achieved significant recoveries for investors in actions against Alexion Pharmaceuticals (\$125 million settlement), Oak Street Health (\$60 million settlement), and Barclays PLC (\$19.5 million settlement). James also has a role in litigation teams prosecuting claims against Catalent, DocuSign, F45 Training, Hain Celestial, and Masimo.

Prior to joining Labaton Keller Sucharow, James was an Associate at a plaintiffs' securities litigation firm where he was involved in the prosecution of several high-profile securities class actions including cases against Equifax (\$149 million settlement), Novo Nordisk (\$100 million settlement), and Boeing. Before law school, James served as a Legislative Aide at the U.S. Senate.

James has extensive pro bono experience, which includes working on asylum applications, drafting various amicus filings, and successfully resolving Section 1983 claims brought by a Rikers Island inmate. Additionally, James is an Accredited Attorney at the U.S. Department of Veterans Affairs, qualified to assist veterans with their disability benefits claims.

James earned a Juris Doctor from Boston College Law School. He received a Bachelor of Arts in Political Science from the University of Pennsylvania.



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### Practice Areas:

- ✘ Alternative Dispute Resolution
- ✘ Securities Litigation

### Bar Admissions:

- ✘ New York
- ✘ Massachusetts



## Lara Goldstone Of Counsel



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### Practice Areas:

✘ Securities Litigation

### Bar Admissions:

✘ Colorado

Lara Goldstone is Of Counsel in the New York office of Labaton Keller Sucharow LLP. Lara advises leading pension funds and other institutional investors in the United States and Canada on issues related to corporate fraud in the U.S. securities markets. Her work focuses on monitoring the well-being of institutional investments and counseling clients on best practices in securities, corporate governance and shareholder rights, and consumer class action litigation.

Lara has achieved significant settlements on behalf of clients. She represented investors in high-profile cases against LifeLock, KBR, Fifth Street Finance Corp., NII Holdings, Rent-A-Center, and Castlight Health. Lara has also served as legal adviser to clients who have pursued claims in state court, derivative actions in the form of serving books and records demands, and non-U.S. actions.

Before joining Labaton Keller Sucharow, Lara worked as a Legal Intern in the Larimer County District Attorney's Office and the Jefferson County District Attorney's Office. She also volunteered at Crossroads Safehouse, which provided legal representation to victims of domestic violence. Prior to her legal career, Lara worked at Industrial Labs where she worked closely with Federal Drug Administration standards and regulations. In addition, she was a teacher in Irvine, California.

Lara is an active member of the International Foundation of Employee Benefit Plans (IFEBC), and Texas Association of Public Employee Retirement Systems (TEXPERS). She is also a member of the Firm's Women's Initiative.

Lara earned her Juris Doctor from the University of Denver Sturm College of Law. She received her bachelor's degree from George Washington University.



## James McGovern Of Counsel



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### Practice Areas:

- ✘ Securities Litigation
- ✘ Corporate Governance and Shareholder Rights Litigation

### Bar Admissions:

- ✘ Washington D.C.
- ✘ Maryland

James McGovern is Of Counsel in the Washington, D.C. office of Labaton Keller Sucharow LLP and advises leading pension funds and other institutional investors on issues related to corporate fraud in domestic and international securities markets. James' work focuses primarily on securities litigation and corporate governance, representing Taft-Hartley, public pension funds, and other institutional investors across the country in domestic securities actions. He also advises clients as to their potential claims tied to securities-related actions in foreign jurisdictions.

James has worked on a number of large securities class action matters, including *In re Worldcom, Inc. Securities Litigation*, the second-largest securities class action settlement since the passage of the PSLRA (\$6.1 billion recovery); *In re Parmalat Securities Litigation* (\$90 million recovery); *In re American Home Mortgage Securities Litigation* (amount of the opt-out client's recovery is confidential); *In re The Bancorp Inc. Securities Litigation* (\$17.5 million recovery); *In re Pozen Securities Litigation* (\$11.2 million recovery); *In re Cabletron Systems, Inc. Securities Litigation* (\$10.5 million settlement); and *In re UICI Securities Litigation* (\$6.5 million recovery).

In the corporate governance arena, James helped bring claims against Abbott Laboratories' directors on account of their mismanagement and breach of fiduciary duties for allowing the company to engage in a 10-year off-label marketing scheme. Upon settlement of this action, the company agreed to implement sweeping corporate governance reforms, including an extensive compensation clawback provision going beyond the requirements under the Dodd-Frank Act.

Following the unprecedented takeover of Fannie Mae and Freddie Mac by the federal government in 2008, James was retained by a group of individual and institutional investors to seek recovery of the



massive losses they had incurred when the value of their shares in these companies was essentially destroyed. He brought and continues to litigate a complex takings class action against the federal government for depriving Fannie Mae and Freddie Mac shareholders of their property interests in violation of the Fifth Amendment of the U.S. Constitution, and causing damages in the tens of billions of dollars.

James also has addressed members of several public pension associations, including the Texas Association of Public Employee Retirement Systems and the Michigan Association of Public Employee Retirement Systems, where he discussed how institutional investors could guard their assets against the risks of corporate fraud and poor corporate governance.

Prior to focusing his practice on plaintiffs securities litigation, James was an attorney at Latham & Watkins where he worked on complex litigation and FIFRA arbitrations, as well as matters relating to corporate bankruptcy and project finance. At that time, he co-authored two articles on issues related to bankruptcy filings: *Special Issues In Partnership* and *Limited Liability Company Bankruptcies* and *When Things Go Bad: The Ramifications of a Bankruptcy Filing*.

James earned his Juris Doctor, *magna cum laude*, from Georgetown University Law Center. He received his bachelor's and master's from American University, where he was awarded a Presidential Scholarship and graduated with high honors.



## Elizabeth Rosenberg Of Counsel

Elizabeth Rosenberg is Of Counsel in the New York office of Labaton Keller Sucharow LLP. Elizabeth focuses on litigating complex securities fraud cases on behalf of institutional investors, with a focus on obtaining court approval of class action settlements, notice procedures and payment of attorneys' fees.

Prior to joining Labaton Keller Sucharow, Elizabeth was an Associate at Whatley Drake & Kallas LLP, where she litigated securities and consumer fraud class actions. Elizabeth began her career as an Associate at Milberg LLP where she practiced securities litigation and was also involved in the pro bono representation of individuals seeking to obtain relief from the World Trade Center Victims' Compensation Fund.

Elizabeth earned her Juris Doctor from Brooklyn Law School. She received her bachelor's degree from the University of Michigan.



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### Practice Areas:

✦ Securities Litigation

### Bar Admissions:

✦ New York



## William Schervish Of Counsel

William Schervish is Of Counsel in the New York office of Labaton Keller Sucharow LLP and serves as the Firm's Director of Financial Research. As a key member of the Firm's Case Evaluation Group, William identifies, analyzes, and develops cases alleging securities fraud and other forms of corporate misconduct that expose the Firm's institutional clients to legally recoverable losses.

William has been practicing securities law for more than 15 years. As a complement to his legal experience, William is a Certified Public Accountant (CPA), a CFA® Charterholder, and a Certified Fraud Examiner (CFE) with extensive work experience in accounting and finance.

William has played a key role in filing several matters on behalf of the Firm, including *In re Barrick Gold Securities Litigation* (\$140 million recovery); *In re Nielsen Holdings PLC Securities Litigation* (\$73 million recovery); *In re Uniti Group Inc. Securities Litigation* (\$39 million recovery); *In re The Estée Lauder Companies, Inc. Securities Litigation*; and *In re Fidelity National Information Services, Inc. Securities Litigation*, among others.

Prior to joining the Firm, William worked as a finance attorney at Mayer Brown LLP, where he drafted and analyzed credit default swaps, indentures, and securities offering documents on behalf of large banking institutions. William's professional background also includes positions in controllership, securities analysis, and commodity trading. He began his career as an auditor at PricewaterhouseCoopers.

William earned a Juris Doctor, *cum laude*, from Loyola University. He received a Bachelor of Science, *cum laude*, in Business Administration from Miami University, where he was a member of the Business and Accounting Honor Societies.



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### Practice Areas:

- ✘ Securities Litigation

### Bar Admissions:

- ✘ New York
- ✘ Florida

# Exhibit 4

Position	Seq#	Firms	Count	Low	25th Percentile	Median	75th Percentile	High
<b>2024</b>								
<b>Partners</b>								
1)	Akin Gump Strauss Hauer & Feld LLP	30	\$1,245	\$1,480	\$1,590	\$1,825	\$2,195	
2)	Jones Day	13	\$1,100	\$1,350	\$1,450	\$1,550	\$2,000	
3)	Kasowitz Benson Torres LLP	22	\$605	\$1,081	\$1,200	\$1,338	\$2,200	
4)	Kirkland & Ellis LLP	75	\$1,365	\$1,555	\$1,695	\$2,065	\$2,445	
5)	Kramer Levin Naftalis & Frankel LLP	27	\$1,300	\$1,488	\$1,620	\$1,730	\$2,000	
6)	Latham & Watkins LLP	64	\$1,424	\$1,600	\$1,810	\$1,942	\$2,240	
7)	Milbank LLP	25	\$1,495	\$1,795	\$1,965	\$2,245	\$2,245	
8)	Morrison & Foerster LLP	13	\$1,400	\$1,400	\$1,625	\$1,700	\$2,000	
9)	O'Melveny & Myers LLP	8	\$1,405	\$1,425	\$1,565	\$1,603	\$1,885	
10)	Paul Hastings LLP	9	\$1,835	\$1,985	\$1,985	\$1,985	\$2,300	
11)	Paul, Weiss, Rifkind, Wharton, & Garrison LLP	37	\$1,695	\$1,995	\$2,175	\$2,205	\$2,395	
12)	Quinn Emanuel Urquhart & Sullivan LLP	7	\$1,505	\$1,695	\$1,810	\$2,123	\$2,410	
13)	Sidley Austin LLP	34	\$1,500	\$1,600	\$1,675	\$1,744	\$2,125	
14)	Skadden, Arps, Slate, Meagher, & Flom LLP	24	\$1,395	\$1,854	\$1,908	\$1,917	\$1,989	
15)	Weil, Gotshal & Manges LLP	34	\$1,553	\$1,795	\$1,895	\$1,995	\$2,350	
16)	Willkie Farr & Gallagher LLP	32	\$1,150	\$1,650	\$1,923	\$2,250	\$2,250	
17)	Wilmer Cutler Pickering Hale and Dorr LLP	4	\$1,535	\$1,591	\$1,630	\$1,686	\$1,795	
<b>Of Counsel</b>								
1)	Akin Gump Strauss Hauer & Feld LLP	49	\$1,055	\$1,235	\$1,325	\$1,400	\$1,650	
2)	Jones Day	1	\$1,075	\$1,075	\$1,075	\$1,075	\$1,075	
3)	Kasowitz Benson Torres LLP	3	\$800	\$913	\$1,025	\$1,050	\$1,075	
4)	Kirkland & Ellis LLP	1	\$1,745	\$1,745	\$1,745	\$1,745	\$1,745	
5)	Kramer Levin Naftalis & Frankel LLP	12	\$1,215	\$1,280	\$1,380	\$1,386	\$1,730	
6)	Latham & Watkins LLP	18	\$1,470	\$1,495	\$1,530	\$1,635	\$1,800	
7)	Milbank LLP	12	\$1,425	\$1,538	\$1,575	\$1,575	\$1,795	
8)	Morrison & Foerster LLP	4	\$1,300	\$1,300	\$1,300	\$1,350	\$1,500	
9)	O'Melveny & Myers LLP	4	\$1,265	\$1,265	\$1,270	\$1,281	\$1,299	
10)	Paul Hastings LLP	6	\$1,120	\$1,700	\$1,850	\$1,876	\$2,185	
11)	Paul, Weiss, Rifkind, Wharton, & Garrison LLP	24	\$1,500	\$1,650	\$1,815	\$1,815	\$1,815	
12)	Quinn Emanuel Urquhart & Sullivan LLP	3	\$1,570	\$1,623	\$1,675	\$1,675	\$1,675	
13)	Sidley Austin LLP	6	\$1,425	\$1,444	\$1,525	\$1,588	\$1,825	
14)	Skadden, Arps, Slate, Meagher, & Flom LLP	17	\$630	\$1,521	\$1,521	\$1,521	\$1,674	
15)	Weil, Gotshal & Manges LLP	13	\$1,436	\$1,595	\$1,595	\$1,595	\$1,760	
16)	Willkie Farr & Gallagher LLP	2	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	
17)	Wilmer Cutler Pickering Hale and Dorr LLP	2	\$1,270	\$1,293	\$1,315	\$1,338	\$1,360	
<b>Associates</b>								
1)	Akin Gump Strauss Hauer & Feld LLP	59	\$605	\$840	\$925	\$1,000	\$1,200	
2)	Jones Day	26	\$605	\$631	\$700	\$818	\$1,025	
3)	Kasowitz Benson Torres LLP	18	\$525	\$625	\$688	\$888	\$1,400	
4)	Kirkland & Ellis LLP	114	\$735	\$815	\$975	\$1,256	\$1,595	
5)	Kramer Levin Naftalis & Frankel LLP	44	\$720	\$889	\$1,110	\$1,320	\$1,380	
6)	Latham & Watkins LLP	96	\$760	\$1,145	\$1,275	\$1,345	\$1,900	
7)	Milbank LLP	64	\$575	\$825	\$1,125	\$1,275	\$1,475	
8)	Morrison & Foerster LLP	19	\$725	\$963	\$995	\$1,148	\$1,295	
9)	O'Melveny & Myers LLP	2	\$980	\$1,003	\$1,025	\$1,048	\$1,070	
10)	Paul Hastings LLP	22	\$885	\$910	\$985	\$1,268	\$1,395	
11)	Paul, Weiss, Rifkind, Wharton, & Garrison LLP	86	\$825	\$1,120	\$1,225	\$1,415	\$1,560	
12)	Quinn Emanuel Urquhart & Sullivan LLP	12	\$940	\$1,086	\$1,238	\$1,386	\$1,515	
13)	Sidley Austin LLP	65	\$650	\$895	\$1,150	\$1,280	\$1,425	
14)	Skadden, Arps, Slate, Meagher, & Flom LLP	48	\$608	\$1,013	\$1,197	\$1,287	\$1,389	
15)	Weil, Gotshal & Manges LLP	78	\$747	\$920	\$1,175	\$1,290	\$1,470	
16)	Willkie Farr & Gallagher LLP	29	\$740	\$935	\$1,215	\$1,425	\$1,475	
17)	Wilmer Cutler Pickering Hale and Dorr LLP	2	\$865	\$903	\$940	\$978	\$1,015	
<b>Paralegals</b>								
1)	Akin Gump Strauss Hauer & Feld LLP	14	\$335	\$374	\$415	\$434	\$530	
2)	Jones Day	1	\$525	\$525	\$525	\$525	\$525	
3)	Kasowitz Benson Torres LLP	9	\$310	\$315	\$340	\$350	\$465	
4)	Kirkland & Ellis LLP	4	\$525	\$525	\$575	\$625	\$625	
5)	Kramer Levin Naftalis & Frankel LLP	7	\$515	\$525	\$525	\$540	\$555	
6)	Latham & Watkins LLP	18	\$349	\$450	\$450	\$450	\$560	
7)	Morrison & Foerster LLP	13	\$365	\$460	\$500	\$505	\$550	
8)	Paul, Weiss, Rifkind, Wharton, & Garrison LLP	37	\$410	\$435	\$480	\$480	\$540	
9)	Quinn Emanuel Urquhart & Sullivan LLP	2	\$515	\$524	\$533	\$541	\$550	
10)	Sidley Austin LLP	9	\$390	\$435	\$470	\$570	\$605	
11)	Skadden, Arps, Slate, Meagher, & Flom LLP	3	\$393	\$393	\$393	\$399	\$405	
12)	Weil, Gotshal & Manges LLP	12	\$350	\$434	\$482	\$508	\$595	
13)	Willkie Farr & Gallagher LLP	5	\$345	\$345	\$345	\$440	\$590	
14)	Wilmer Cutler Pickering Hale and Dorr LLP	2	\$620	\$643	\$665	\$688	\$710	
<b>Law Clerk</b>								
1)	Akin Gump Strauss Hauer & Feld LLP	1	\$420	\$420	\$420	\$420	\$420	
2)	Jones Day	4	\$700	\$700	\$700	\$700	\$700	
3)	Quinn Emanuel Urquhart & Sullivan LLP	2	\$605	\$615	\$625	\$635	\$645	
4)	Sidley Austin LLP	3	\$400	\$430	\$460	\$805	\$1,150	
5)	Skadden, Arps, Slate, Meagher, & Flom LLP	1	607.5	607.5	607.5	607.5	607.5	
6)	Willkie Farr & Gallagher LLP	5	415	565	565	740	935	
<b>Staff Attorney</b>								
1)	Jones Day	1	\$625	\$625	\$625	\$625	\$625	
2)	Kasowitz Benson Torres LLP	20	\$400	\$400	\$463	\$490	\$575	
3)	Milbank LLP	3	\$350	\$350	\$350	\$350	\$350	
4)	Paul, Weiss, Rifkind, Wharton, & Garrison LLP	9	\$645	\$645	\$645	\$675	\$700	
<b>Financial Analyst</b>								
1	Latham & Watkins LLP	6	\$553	\$563	\$570	\$570	\$570	
2	Skadden, Arps, Slate, Meagher, & Flom LLP	3	553	553	553	553	553	

Position	Firms	Count	Low	25th Percentile	Median	75th Percentile	High
2024			Rate (%Diff.)	Rate (%Diff.)	Rate (%Diff.)	Rate (%Diff.)	Rate (%Diff.)
<b>All Partners</b>							
	All Firms Sampled	458	\$605 (-19%)	\$1,575 (+74%)	\$1,795 (+80%)	\$1,995 (+86%)	\$2,445 (+78%)
	Labaton Keller Sucharow LLP	26	\$750	\$906	\$1,000	\$1,075	\$1,375
<b>Senior Partners</b>							
	All Firms Sampled	380	\$950 (+9%)	\$1,608 (+68%)	\$1,825 (+80%)	\$2,048 (+90%)	\$2,445 (+78%)
	Labaton Keller Sucharow LLP	22	\$875	\$956	\$1,013	\$1,075	\$1,375
<b>Mid-Level Partners</b>							
	All Firms Sampled	46	\$605 (-27%)	\$1,498 (+82%)	\$1,595 (+93%)	\$1,695 (+105%)	\$1,995 (+142%)
	Labaton Keller Sucharow LLP	2	\$825	\$825	\$825	\$825	\$825
<b>Junior Partners</b>							
	All Firms Sampled	32	\$1,295 (+73%)	\$1,396 (+86%)	\$1,531 (+104%)	\$1,580 (+111%)	\$2,245 (+199%)
	Labaton Keller Sucharow LLP	2	\$750	\$750	\$750	\$750	\$750
<b>Of Counsel</b>							
	All Firms Sampled	177	\$630 (+5%)	\$1,325 (+91%)	\$1,500 (+94%)	\$1,620 (+103%)	\$2,185 (+119%)
	Labaton Keller Sucharow LLP	16	\$600	\$694	\$775	\$800	\$1,000
<b>All Associates</b>							
	All Firms Sampled	784	\$525 (+75%)	\$895 (+79%)	\$1,120 (+124%)	\$1,290 (+124%)	\$1,900 (+192%)
	Labaton Keller Sucharow LLP	34	\$300	\$500	\$500	\$575	\$650
<b>Senior Associates</b>							
	All Firms Sampled	172	\$525 (-5%)	\$1,274 (+132%)	\$1,359 (+131%)	\$1,470 (+135%)	\$1,900 (+192%)
	Labaton Keller Sucharow LLP	16	\$550	\$550	\$588	\$625	\$650
<b>Mid-Level Associates</b>							
	All Firms Sampled	243	\$625 (+25%)	\$1,128 (+126%)	\$1,238 (+148%)	\$1,290 (+158%)	\$1,645 (+229%)
	Labaton Keller Sucharow LLP	12	\$500	\$500	\$500	\$500	\$500
<b>Junior Associates</b>							
	All Firms Sampled	369	\$575 (+92%)	\$815 (+141%)	\$895 (+94%)	\$1,000 (+111%)	\$1,475 (+211%)
	Labaton Keller Sucharow LLP	6	\$300	\$338	\$463	\$475	\$475
<b>Paralegals</b>							
	All Firms Sampled	136	\$310 (+55%)	\$420 (+12%)	\$455 (+21%)	\$510 (+31%)	\$710 (+63%)
	Labaton Keller Sucharow LLP	19	\$200	\$375	\$375	\$390	\$435
<b>Staff Attorneys</b>							
	All Firms Sampled	33	\$350 (+0%)	\$400 (-6%)	\$475 (+10%)	\$645 (+43%)	\$700 (+47%)
	Labaton Keller Sucharow LLP	30	\$350	\$425	\$430	\$450	\$475
<b>Investigators</b>							
	All Firms Sampled	0	\$0 (+0%)	\$0 (+0%)	\$0 (+0%)	\$0 (+0%)	\$0 (+0%)
	Labaton Keller Sucharow LLP	6	\$425	\$454	\$470	\$494	\$625
<b>Law Clerks</b>							
	All Firms Sampled	16	\$400 (+45%)	\$539 (+96%)	\$626 (+128%)	\$700 (+155%)	\$1,150 (+283%)
	Labaton Keller Sucharow LLP	5	\$275	\$275	\$275	\$275	\$300

# **Exhibit 5**

## Compendium of Unreported Cases

<i>In re Alphabet Inc. Sec. Litig.,</i> No. 18-cv-06245, slip op. (N.D. Cal. Sept. 30, 2024) .....	1
<i>In re Intuitive Surgical Sec. Litig.,</i> No. 5:13-cv-01920, slip op. (N.D. Cal. Dec. 20, 2018) .....	2
<i>In re Tezos Sec. Litig.,</i> No. 17-cv-06779, slip op. (N.D. Cal. Aug. 28, 2020) .....	3
<i>In re Twitter Inc. Sec. Litig.,</i> No. 4:16-cv-05314, slip op. (N.D. Cal. Oct. 13, 2022) .....	4
<i>In re Twitter Inc. Sec. Litig.,</i> No. 4:16-cv-05314, slip op. (N.D. Cal. Nov. 21, 2022) .....	5

**TAB 1**

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United States District Court  
Northern District of California

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

In re ALPHABET, INC. SECURITIES  
LITIGATION.

Case No. [18-cv-06245-TLT](#)

**ORDER GRANTING MOTION FOR  
FINAL APPROVAL OF  
SETTLEMENT; GRANTING MOTION  
FOR ATTORNEY FEES, COSTS,  
REALLOCATION OF REMAINDER  
AND DE MINIMUS DONATION**

Re: Dkt. Nos. 233, 234

The Court previously granted a motion for preliminary approval of a Class Action Settlement between Lead Plaintiff State of Rhode Island, Office of the Rhode Island Treasurer, on behalf of the Employees' Retirement System of Rhode Island, individually and on behalf of all others similarly situated, and Defendants Alphabet, Inc. et. al., on April 2, 2024 and April 9, 2024. ECF 228; ECF 232. As directed by the Court's preliminary approval orders, Plaintiffs filed their motion for attorneys' fees and costs. ECF 234.

In their Final Settlement, Plaintiffs submitted a declaration indicating that there were 58 timely opt out members and two untimely opt out members. ECF 238, Declaration of Ross D. Murray ¶ 6. There were no objectors to the final settlement, but three objectors to the attorneys' fee award. Id. ¶ 7. The Court held a hearing and took arguments from the parties on September 24, 2024. ECF 241.

Having considered the motion briefing, the terms of the Settlement Agreement, the objections and response thereto, the arguments of counsel, and the other matters on file in this action, the Court **GRANTS** the motion for final approval.

The Court finds the settlement fair, adequate, and reasonable. The provisional

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1 appointments of the class representative and class counsel are confirmed.

2 The Motion for Attorney Fees and Expenses is **GRANTED**. The Court **ORDERS** that  
3 class counsel shall be paid \$66,500,000 (19% of the Settlement Amount) in attorneys’ fees; and  
4 \$1,540,059.57 in litigation costs.

5 **I. BACKGROUND**

6 **A. Procedural History**

7 Plaintiff Adam Wicks initiated this securities class action and filed a complaint against  
8 defendants Alphabet, Lawrence E. Page, Sundar Pichai, and Ruth Porat on October 11, 2018  
9 (“Wicks Action”). Compl., ECF 1. On October 12, 2018, the case was assigned to Judge Jeffrey  
10 S. White. ECF 3. On November 19, 2018, *El Mawardy v. Alphabet, Inc., et al.*, No. 18-cv-5704,  
11 (“El Mawardy Action”) was transferred to this Court from the U.S. District Court for the Eastern  
12 District of New York. ECF 15, at 2 n.1.

13 On December 10, 2018, Plaintiffs the Retirement System, Adam Wick, Theodoros  
14 Vaskopulos, Richard R. Costa UDT (“Costa”), and Ironworkers Locals 40,361 & 417 Union  
15 Security Funds (the “Ironworkers”) each separately moved for consolidation of the actions,  
16 appointment as lead plaintiff, and approval of lead Counsel. ECFs. 15, 18, 25, 42. Plaintiff  
17 Vaskopulos withdrew his motion on December 14, 2018. ECF 33. On December 18, 2018,  
18 Plaintiff Wicks filed a joint administrative motion for consideration of whether the El Mawardy  
19 Action was related to the Wicks Action. ECF 34. The motion was granted on December 20,  
20 2018. ECF 36. On December 24, 2018, Plaintiff the Retirement System filed an opposition to the  
21 motions for consolidation of related actions, appointment as Lead Plaintiff, and approval as Lead  
22 Counsel against Plaintiffs Ironworkers and Costa. ECF 39. On December 31, 2018, Plaintiff the  
23 Retirement System filed a notice of unopposed motion. ECF 40.

24 On January 7, 2019, Judge White granted Plaintiff the Retirement System’s motion for  
25 consolidation of related actions and captioned the action “In re ALPHABET, INC. SECURITIES  
26 LITIGATION.”<sup>1</sup> ECF 44. The Court also appointed the Retirement system as Lead Plaintiff and

27 \_\_\_\_\_  
28 <sup>1</sup>Judge White consolidated *Wicks v. Alphabet, Inc.*, No. 18-cv-06245 (filed Oct. 11, 2018);  
and *El Mawardy v. Alphabet, Inc.*, No. 18-cv-07018 (transferred to this District on Nov. 1, 2018).

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1 appointed Robbins Geller Rudman & Dowd LLP as Lead Counsel. *Id.* at 2 (first citing 15 U.S.C.  
2 § 78u4(a)(3)(B); and then citing 15 U.S.C. §78u-4(a)(3)(B)(v)). On January 25, 2019, Plaintiff  
3 Bao filed an administrative motion to consider whether cases should be related. ECF 45. The  
4 motion was granted, and the cases were related on February 6, 2019.<sup>2</sup> ECF 46.

5 On April 26, 2019, Plaintiffs filed their consolidated amended class action complaint  
6 against defendants Alphabet, Page, Pichai, Google, Enright, and Walker. ECF 62. On April 30,  
7 2019, plaintiffs Ian Green, Leo Shumacher, Steve Stims and Joseph Lipovich, and Scott Galbiati  
8 filed a motion for administrative relief to consider whether their cases were related or for  
9 consideration of a sua sponte judicial referral for purpose of determining relationship. ECF 65;  
10 Civ. L.R. 3-12. On May 13, 2019, the cases were related to the Wicks Action. ECF 66. On June  
11 21, 2022, Plaintiffs moved to certify class, appoint a class representative, and appoint class  
12 counsel. ECF 102. On September 8, 2022, Plaintiffs filed a motion for leave to file a supplement  
13 to their consolidated amended complaint. ECF 136. The motion for leave was granted and the  
14 motion to certify the class was stricken. ECF 153. Plaintiffs filed a supplement to their  
15 consolidated amended complaint on February 28, 2023. ECF 154. Plaintiffs refiled their motion  
16 to certify class on May 2, 2023. ECF 165. Defendants filed an opposition to the motion on June  
17 30, 2023. ECF 181.

18 On July 24, 2023, Judge White recused himself from this matter. ECF 188. The case was  
19 reassigned to the Court on July 25, 2023. ECF 189. The Court ordered Lead Plaintiff to re-notice  
20 the motion to certify the class on July 31, 2023. ECF 192. Lead Plaintiff filed a notice of  
21 conditional withdrawal of the motion for class certification without prejudice on July 31, 2023.  
22 ECF 193. On the same day, Defendants responded with a request to finish briefing the class  
23 certification motion. ECF 194. The Court held a case management conference and published a  
24 case management scheduling order on August 1, 2023. ECF 196. The Court set the hearing on  
25 the motion to certify class for October 24, 2023. *Id.* Lead Plaintiff filed a reply for the motion to

26 \_\_\_\_\_  
27 ECF 44. The Wicks Action serves as the master filed for every action in the consolidated action.  
28 *Id.* at 1.

<sup>2</sup>The Court related, *Bao v. Page*, No. 19-cv-00314, and *Cordeiro v. Page*, No. 19-cv-00447 to the instant case. ECF 46.

1 certify class on August 14, 2023. ECF 198.<sup>3</sup>

2 On October 20, 2023, the Class Certification hearing set for October 24, 2023, was vacated  
3 at the request of counsel and reset for March 5, 2024. ECF 218.

4 On February 4, 2024, the parties reached a settlement prior to class certification with the  
5 assistance of an experienced mediator at arm’s-length under the supervision of the Hon. Layn R.  
6 Phillips (Ret.) of Phillips ADR (“Judge Phillips”).

7 On April 2, 2024, the Court granted preliminary approval of the class action settlement, but  
8 requested additional information, including information on objections, exclusions, deadlines for  
9 notice, and questions for the final hearing. ECF 228. On April 9, 2024, the Court again granted  
10 the preliminary approval of the class action settlement and provided for notice. ECF 232.

11 On July 19, 2024, Lead Plaintiff filed this settlement for final approval and approval of  
12 plan of allocation. ECF 233. It also filed a motion for attorney fees and expenses. ECF 234.  
13 Defendants filed a response and reply. ECF 237; 239. Lead Plaintiff filed its reply. ECF 238.

14 The Settlement Class is described as follows: “all Persons that purchased or otherwise  
15 acquired Alphabet Class A and/or Class C stock during the period from April 23, 2018, through  
16 April 30, 2019, inclusive. Excluded from the Settlement Class are Defendants and their families,  
17 the officers, directors, and affiliated of Defendants, at all relevant times, members of their  
18 immediate families and their legal representatives, heirs, successors, or assigns, and any entity in  
19 which Defendants have or had a controlling interest. Also excluded from the Settlement Class is  
20 any Person who timely and validly sought exclusion from the Settlement Class.” ECF 239.

21 **B. Terms of the Settlement Agreement**

22 Under the terms of the Settlement Agreement, defendant will pay \$350,000,000.00 into a  
23 common settlement fund, without admitting liability. This amount includes attorneys’ fees and  
24 costs and the cost of class notice and settlement administration.

25 **i. Attorneys’ Fees and Costs**

26  
27 <sup>3</sup>On October 4, 2023, the Court granted a motion for leave for Joseph A. Grundfest to file a  
28 brief as amicus curae. ECF 216. However, the Court rescinded the order on October 5, 2023, as  
the filing was untimely and did not comply with Civil Local Rule 7-3(d). *Id.* The Court did not  
consider the supplemental brief in consideration of the instant motion.

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1 Under the Settlement Agreement, Plaintiff's counsel, Robbins Geller Rudman & Dowd  
2 LLP, agreed to seek an award of attorneys' fees not to exceed 19% of the Settlement Amount,  
3 \$66,500,000.00, and no more than \$1,540,059.57,<sup>4</sup> in litigation costs. ECF 234, at 3.

4 **ii. Class Relief**

5 After deductions from the common fund for fees and costs, approximately \$289,300,000  
6 will remain to be distributed among the participating class members. Class members will be paid  
7 according to the calculations described in ECF 222 under Calculation of Recognized Loss  
8 Amounts. ECF 222, Ex. A-1.

9 **iii. Remainder**

10 The Settlement Agreement provides that “[i]f there is any balance remaining in the Net  
11 Settlement Fund after a reasonable amount of time following the date of the initial distribution of  
12 the Net Settlement Fund, Lead Counsel shall, if feasible, reallocate such balance among  
13 Authorized Claimants who negotiated the checks sent to them in the initial distribution and who  
14 would receive at least \$10.00 in an equitable and economical fashion.” ECF 222, Ex. 1, at 21.  
15 “These reallocations shall be repeated until the balance remaining in the Net Settlement Fund is *de*  
16 *minimis* and such remaining balance shall then be donated to the Investor Protection Trust.” *Id.*

17 **C. Class Notice and Claims Administration**

18 The Settlement Agreement is being administered by Gilardi & Co. LLC (“Gilardi”).  
19 Following the Court’s preliminary approval and conditional certification of the settlement, Gilardi,  
20 the Class Administrator, mailed or emailed more than 1.2 million copies of the Summary Notice to  
21 potential Settlement Class Members and nominees. ECF 236, Murray Decl. ¶ 11. The Summary  
22 Notice was also published in *The Wall Street Journal* and transmitted over *Business Wire*, and the  
23 website created for the Settlement ([www.AlphabetSecuritiesSettlement.com](http://www.AlphabetSecuritiesSettlement.com)) contains the  
24 Stipulation, Notice, Proof of Claim, and Preliminary Approval Order. *Id.* ¶ 12; ECF 233, at 7-8.  
25 If mail was returned as undeliverable for which new addresses were identified, they were re-  
26 mailed to those new addresses. ECF 236, Murray Decl. ¶ 4.

27  
28

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<sup>4</sup>This amount is lower than the \$1,750,000 provided in the Notice. ECF 234, at 16.

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1 Class members were given until August 23, 2024 to object or exclude themselves from the  
2 Settlement Agreement. ECF 236, Murray Decl. ¶ 2. Since the Initial Mailing Declaration, 58  
3 persons filed timely requests to opt out of the Settlement Class. *Id.* ¶ 6. Two persons filed late  
4 requests. *Id.* The 58 opt-out members represent a total of 5,983 shares while the two untimely  
5 opt-out members represent a total of 37 shares out of an estimated 113,850,000 damaged shares.  
6 ECF 238-1, at 2. The opt-out members’ shares represent 0.005% of the total shares. *Id.*

7 **II. FINAL APPROVAL OF SETTLEMENT**

8 **A. Legal Standard**

9 A court may approve a proposed class action settlement of a certified class only “after a  
10 hearing and on finding that it is fair, reasonable, and adequate,” and that it meets the requirements  
11 for class certification. Fed. R. Civ. P. 23(e)(2). In reviewing the proposed settlement, a court need  
12 not address whether the settlement is ideal or the best outcome, but only whether the settlement is  
13 fair, free of collusion, and consistent with plaintiff’s fiduciary obligations to the class. *Hanlon v.*  
14 *Chrysler Corp.*, 150 F.3d at 1027. The *Hanlon* court identified the following factors relevant to  
15 assessing a settlement proposal: (1) the strength of the plaintiff’s case; (2) the risk, expense,  
16 complexity, and likely duration of further litigation; (3) the risk of maintaining class action status  
17 throughout the trial; (4) the amount offered in settlement; (5) the extent of discovery completed  
18 and the stage of the proceeding; (6) the experience and views of counsel; (7) the presence of a  
19 government participant; and (8) the reaction of class members to the proposed settlement. *Id.* at  
20 1026 (citation omitted); *Churchill Vill., L.L.C. v. Gen. Elec.*, 361 F.3d 566, 575 (9th Cir. 2004).

21 Settlements that occur before formal class certification also “require a higher standard of  
22 fairness.” *In re Mego Fin. Corp. Sec. Litig.*, 213 F.3d 454, 458 (9th Cir. 2000). In reviewing such  
23 settlements, in addition to considering the above factors, a court also must ensure that “the  
24 settlement is not the product of collusion among the negotiating parties.” *In re Bluetooth Headset*  
25 *Prods. Liab. Litig.*, 654 F.3d 935, 946-47 (9th Cir. 2011).

26 **B. Analysis**

27 **i. The Settlement Class Meets the Prerequisites for Certification**

28 As the Court found in its order granting preliminary approval and conditional certification

1 of the settlement class herein, the prerequisites of Rule 23 have been satisfied purposes of  
2 certification of the Settlement Class. ECF 228.

3 **ii. Adequacy of Notice**

4 A court must “direct notice [of a proposed class settlement] in a reasonable manner to all  
5 class members who would be bound by the proposal.” Fed. R. Civ. P. 23(e)(1). “The class must  
6 be notified of a proposed settlement in a manner that does not systematically leave any group  
7 without notice.” *Officers for Justice v. Civil Serv. Comm'n*, 688 F.2d 615, 624 (9th Cir. 1982).  
8 Adequate notice requires: (i) the best notice practicable; (ii) reasonably calculated, under the  
9 circumstances, to apprise the Class members of the proposed settlement and of their right to object  
10 or to exclude themselves as provided in the settlement agreement; (iii) reasonable and constitute  
11 due, adequate, and sufficient notice to all persons entitled to receive notice; and (iv) meet all  
12 applicable requirements of due process and any other applicable requirements under federal law.  
13 *Phillips Petroleum Co. v. Shutts*, 472 U.S. 797, 812 (1985). Due process requires “notice  
14 reasonably calculated, under all the circumstances, to apprise interested parties of the pendency of  
15 the action and afford them an opportunity to present their objections.” *Mullane v. Cent. Hanover*  
16 *Bank & Tr. Co.*, 339 U.S. 306, 314 (1950).

17 The Court found the parties’ proposed notice procedures provided the best notice  
18 practicable and reasonably calculated to apprise Class Members of the settlement and their rights  
19 to object or exclude themselves. Pursuant to those procedures, more than 1.2 million copies of the  
20 Summary Notice were mailed or emailed to potential Settlement Class Members and nominees;  
21 the Summary Notice was also published in *The Wall Street Journal* and transmitted over *Business*  
22 *Wire*; and the website created for the Settlement ([www.AlphabetSecuritiesSettlement.com](http://www.AlphabetSecuritiesSettlement.com))  
23 contains the Stipulation, Notice, Proof of Claim, and Preliminary Approval Order. ECF 233, at 7-  
24 8. The Claims Administrator also mailed or emailed 254 Claim Packages to potential Settlement  
25 Class Members and nominees, resulting in 948,245 asserted claims. ECF 238, at 1.

26 Based upon the foregoing, the Court finds that the Settlement Class has been provided  
27 adequate notice.

28 **iii. The Settlement is Fair and Reasonable**

1 As the Court previously found in its order granting preliminary approval, the *Hanlon*  
2 factors indicate the settlement here is fair and reasonable and treats class members equitably  
3 relative to one another. *Hanlon v. Chrysler Corp.*, 150 F.3d 1011, 1026 (9th Cir. 1998); ECF 232.

4 The reaction of the class was mostly positive. The Court received 3 objections, 58 timely  
5 exclusions, and two untimely exclusions as of the August 23, 2024 deadline. The objections and  
6 exclusions constitute 0.005% of the total damaged shares. ECF 238-1, at 2. “[T]he absence of a  
7 large number of objections to a proposed class action settlement raises a strong presumption that  
8 the terms of a proposed class settlement action are favorable to the class members.” *In re*  
9 *Omnivision Techs., Inc.*, 559 F.Supp.2d 1036, 1043 (N.D. Cal. 2008) (citation omitted); *see also*  
10 *Churchill Vill.*, 361 F.3d at 577 (holding that approval of a settlement that received 45 objections  
11 (0.05%) and 500 opt-outs (0.56%) out of 90,000 class members was proper).

12 In its preliminary approval order, the Court approved the proposed plan of allocation. ECF  
13 232. That plan is: Class members are bound by the determinations and judgments in this Action  
14 unless they timely request to be excluded or “opt out” from the Settlement Class no later than  
15 August 23, 2024. *Id.* ¶ 19. The Court should find the plan of allocation to be fair and reasonable  
16 and that it treats class members equitably and it should approve that plan of allocation. *Id.*

17 **iv. Objections**

18 Three individuals submitted objections: Faris Sabri Azzouni; Richard A. Hauser; Larry D.  
19 Killion. ECF 238, Ex. A. The Court has considered all objections and overrules them for the  
20 reasons stated on the record at oral argument, and as further explained below. The Court  
21 addresses each objector’s arguments in turn.

22 Objector Azzouni filed an objection indicating that Class C shareholder pay would drop  
23 from \$2.85 per share to \$0.56 if the Court were to grant the request attorneys’ fee award. ECF  
24 238, Ex. A. Plaintiff responds that these numbers are incorrect because \$0.56 represents the  
25 estimated cost per share, not the price per share. Accordingly, because Azzouni’s understanding  
26 of the numbers is incorrect, the Court overrules this objection.

27 Objector Hauser submitted a boilerplate objection stating that the fee is disproportionate to  
28 the work necessary to this settlement. ECF 238, Ex. A. Hauser, however, does not suggest what

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1 would be an “appropriate amount” of fees. *Id.* The Court therefore overrules this objection as  
2 well.

3 Finally, objector Killion objected to the Plaintiffs’ attorneys use of a contingency fee and  
4 argued that counsel should “base their fee on defensible court approved reasonable time and  
5 hourly rates actually spent on the case.” ECF 238, Ex. A. Because the Court can determine that  
6 the attorney fee award is fair, reasonable, and based on both the percentage-of-recovery method  
7 and the lodestar method, as analyzed below, the Court overrules this last objection. *See* Section  
8 III.

9 **v. Certification is Granted and Settlement is Approved**

10 After reviewing all the required factors, the Court finds the Settlement Agreement to be  
11 fair, reasonable, and adequate, and certification of the Settlement Class as defined therein to be  
12 proper. The remainder recipient, Investor Protection Trust, is **APPROVED**.

13 **III. MOTION FOR ATTORNEYS’ FEES, COSTS, AND EXPENSES**

14 **A. Attorneys’ Fee Award**

15 Attorneys’ fees and costs may be awarded in a certified class action under Federal Rule of  
16 Civil Procedure 23(h). Such fees must be found “fair, reasonable, and adequate” to be approved.  
17 Fed. R. Civ. P. 23(e); *Staton v. Boeing Co.*, 327 F.3d 938, 963 (9th Cir. 2003). To “avoid  
18 abdicating its responsibility to review the agreement for the protection of the class, a district court  
19 must carefully assess the reasonableness of a fee amount spelled out in a class action settlement  
20 agreement.” *Id.* at 963. “[T]he members of the class retain an interest in assuring that the fees to  
21 be paid class counsel are not unreasonably high,” since unreasonably high fees are a likely  
22 indicator that the class has obtained less monetary or injunctive relief than they might otherwise.  
23 *Id.* at 964.

24 The Court analyzes an attorneys’ fee request based on either a percentage of the total  
25 settlement fund made available to the class, including costs, fees, and injunctive relief, or the  
26 “lodestar” method. *Vizcaino v. Microsoft Corp.*, 290 F.3d 1043, 1047 (9th Cir. 2002). The Ninth  
27 Circuit encourages courts to use another method as a cross-check to avoid a “mechanical or  
28 formulaic approach that results in an unreasonable reward.” *In re Bluetooth*, 654 F.3d at 944–45

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1 (citing *Vizcaino*, 290 F.3d at 1050–51).

2 **i. Percentage-of-Recovery Method**

3 When using the percentage-of-recovery method, courts consider a number of factors,  
4 including whether class counsel “ ‘achieved exceptional results for the class,’ whether the case  
5 was risky for class counsel, whether counsel's performance ‘generated benefits beyond the cash  
6 settlement fund,’ the market rate for the particular field of law (in some circumstances), the  
7 burdens class counsel experienced while litigating the case (e.g., cost, duration, foregoing other  
8 work), and whether the case was handled on a contingency basis.” *In re Online DVD-Rental*  
9 *Antitrust Litig.*, 779 F.3d 934, 954-55 (9th Cir. 2015) (quoting *Vizcaino*, 290 F.3d at 1047-50.  
10 “[T]he most critical factor [in determining appropriate attorney’s fee awards] is the degree of  
11 success obtained.” *Hensley v. Eckerhart*, 461 U.S. 424, 436 (1983).

12 Under the percentage-of-the-fund method, courts in the Ninth Circuit “typically calculate  
13 25% of the fund as the ‘benchmark’ for a reasonable fee award, providing adequate explanation in  
14 the record of any ‘special circumstances’ justifying a departure.” *In re Bluetooth*, 654 F.3d at 942  
15 (citing *Six (6) Mexican Workers v. Ariz. Citrus Growers*, 904 F.2d 1301, 1311 (9th Cir. 1990)).  
16 The benchmark should be adjusted when the percentage recovery would be “either too small or  
17 too large in light of the hours devoted to the case or other relevant factors.” *Six (6) Mexican*  
18 *Workers*, 904 F.2d at 1311.

19 Class counsel here requests an attorneys’ fee award of \$66,500,000. Applying the  
20 percentage of recovery method, the parties determined the total settlement value to be  
21 \$350,000,000. The attorneys’ fees requested would come to 19% of this total. This amount is  
22 below the 25% benchmark. Given the size of this settlement, and that it occurred before class  
23 certification, the Court must give additional scrutiny to the attorneys’ fee request. First, the Court  
24 looks at the results achieved. Plaintiffs’ counsel achieved a settlement of 25% of the stretch  
25 damages, significantly higher than the median securities class action recovery of damages. *See*  
26 LAARNI T. BULAN & LAURA E. SIMMONS, SECURITIES CLASS ACTION SETTLEMENTS: 2023 REVIEW  
27 AND ANALYSIS 7 (Cornerstone Research 2024) (providing research on median settlements as a  
28 percentage of damages and finding that the median recovery is at most around 8%); *Hefler v.*

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1 Wells Fargo & Co., NO. 16-cv-05479-JST, 2018 WL 6619983, at \*8 (N.D. Cal. Dec. 18, 2018)  
2 (finding the median recoveries in securities fraud class actions was 2.5 percent between 2008 and  
3 2016 and 3 percent in 2017); ECF 234, at 7. Lead Counsel alleges that Plaintiffs’ counsel  
4 achieved an outstanding result for the Settlement Class. *Id.* at 8. Indeed, Plaintiffs achieved the  
5 largest privacy and cybersecurity-related securities class action lawsuit settlement in this district.<sup>5</sup>

6 Next, this case was risky because it contained a complex issue that resulted in six years of  
7 litigation. *See In re Facebook, Inc., IPO Sec. & Derivative Litig.*, 343 F. Supp. 3d 394, 416  
8 (S.D.N.Y. 2018) (finding that “securities actions are highly complex” and that “securities class  
9 litigation is notably difficult and notoriously uncertain”). Plaintiffs’ counsel put in over 20,000  
10 hours into the settlement, which involved an appeal before the Ninth Circuit. Furthermore,  
11 Plaintiffs’ counsel handled the case on a contingency fee basis and has received no compensation  
12 thus far, which weighs in favor of granting higher attorney fees. *See Vizcaino*, 290 F.3d at 1050  
13 (holding that representing class counsel on a contingency fee basis required counsel to forgo other  
14 work and resulted in a decline of the firm’s annual income).

15 Additionally, an award of 19% is below the typical 25% benchmark in the Northern  
16 District of California. *In re Wells Fargo & Co. Shareholder Derivative Litigation*, 445 F. Supp.  
17 3d 508, 525 (N.D. Cal. 2020). It is also lower than the traditional mean and median fee awards in  
18 this district. *Rodman v. Safeway Inc.*, No. 11-cv-03003-JST, 2018 WL 4030558, at \* (N.D. Cal.  
19 Aug. 23, 2018) (providing a chart graphing attorneys’ fees from 2009 to 2013 that begins at 22%  
20 and ends at 32%, and then providing that between 2006 and 2007 the mean attorney fee award for  
21 a high recovery settlement was 18.4% and the median was 19%). In one outlier case, a court in  
22 this district awarded class counsel a 13.5% attorneys’ fee, but this award was at the counsel’s  
23 request due to low recovery in the action. *In re LDK Solar Securities Litigation*, No. C 07-5182-  
24 WHA, 2010 WL 3001384, at \*4 (N.D. Cal. July 29, 2010).

25 Although Lead Counsel in the present case requests \$66,500,000, this request is similar to  
26

27  
28 <sup>5</sup>*Google Parent Alphabet Agrees to Pay Shareholders \$350 Million Over Data Leak*, ISS  
INSIGHTS (March 12, 2024), <https://insights.issgovernance.com/posts/google-parent-alphabet-agrees-to-pay-shareholders-350-million-over-data-leak/>.

1 the \$52,800,000 attorneys’ fee award in *Wells Fargo*, which came to 22% of the total settlement.  
2 *In re Wells Fargo*, 445 F. Supp. 3d at 526. Accordingly, after careful analysis of attorney fee  
3 trends and similar cases, the Court finds that a fee award of 19% is fair, reasonable, and adequate.

4 **ii. Lodestar Cross-Check**

5 Under the lodestar approach, a court multiplies the number of hours reasonably expended  
6 by the reasonable hourly rate. *Kelly v. Wengler*, 822 F.3d 1085, 1099 (9th Cir. 2016) (“[A] court  
7 calculates the lodestar figure by multiplying the number of hours reasonably expended on a case  
8 by a reasonable hourly rate. A reasonable hourly rate is ordinarily the ‘prevailing market rate [] in  
9 the relevant community.’”).

10 The Court has considered a cross-check using the lodestar method. Here, the lodestar  
11 multiplier is approximately 4.58, which the Court finds reasonable. *See In re Facebook Biometric*  
12 *Info. Priv. Litig.*, 522 F. Supp. 3d 617, 633 (N.D. Cal. 2021) (approving a fee award with a  
13 lodestar multiplier of 4.71); ECF 234, at 14. Plaintiffs’ attorneys worked 23,026.30 hours at rates  
14 ranging from \$110 per hour to \$1400 per hour for a total of \$14,514,240.00. ECF 234, Ex. A.  
15 The Court finds that the hours claimed were reasonably incurred and that the rates charged are  
16 reasonable and commensurate with those charged by attorneys with similar experience in the  
17 market. *See Fleming v. Impax Lab’ys Inc.*, 2022 WL 2789496, at \*9 (N.D. Cal. July 15, 2022)  
18 (approving hourly rates between \$760 and \$1,325 for partners and \$175 and \$520 for associates).  
19 The Court also finds that Class Counsel represented their clients with skill and diligence and  
20 obtained an excellent result for the class, taking into account the possible outcomes and risks of  
21 proceeding trial.

22 **iii. Objections**

23 Defendants do not oppose the fee request, although three individual objectors do. These  
24 objectors challenge the fee amount because they argue not much will be left to shareholders. For  
25 instance, the first objector believes that the Lead Counsel is concerned that Class C shareholder  
26 pay will drop from \$2.85 per share to \$0.56. ECF 238, Ex. A, at 1. This objector, however,  
27 confused these number: \$2.85 per share is the estimated recovery number while \$0.56 is the cost  
28 of expenses that will be subtracted from the \$2.85. The total estimated cost per Class C share

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1 remains \$0.56. The second objector submitted a boilerplate objection arguing that a fee of 19% is  
2 excessive. *Id.* at 27. The third objector objects to contingency payment structures, arguing that  
3 counsel should base their fees on their time and hourly rates rather than the contingency fee  
4 agreement. *Id.* at 30. The Court takes these objectors’ concerns into consideration, but determines  
5 that the attorneys’ fee award is fair, reasonable, and adequate based on the foregoing.

6 Accordingly, the Court finds an award of attorneys’ fees in the amount of \$66,500,000 to  
7 be fair, reasonable, and adequate.

8 **B. Costs Award**

9 Class counsel is entitled to reimbursement of reasonable out-of-pocket expenses. Fed. R.  
10 Civ. P. 23(h); *see Harris v. Marhoefer*, 24 F.3d 16, 19 (9th Cir. 1994) (holding that attorneys may  
11 recover reasonable expenses that would typically be billed to paying clients in non-contingency  
12 matters). Costs compensable under Rule 23(h) include “nontaxable costs that are authorized by  
13 law or by the parties’ agreement.” Fed. R. Civ. P. 23(h). Here, class counsel seeks reimbursement  
14 for litigation expenses, and provides records documenting those expenses, in the amount of  
15 \$1,540,059.57. The Court finds this cost amount reasonable, fair, and adequate.

16 **IV. CONCLUSION**

17 Based upon the foregoing, the motion for final approval of class settlement is **GRANTED**.  
18 The motion for attorneys’ fees and costs is **GRANTED** as follows: Class Counsel is awarded  
19 \$66,500,000 in attorneys’ fees and \$1,540,059.57 in litigation costs.

20 After deductions from the common fund for fees and costs, approximately \$289,300,000  
21 shall remain to be distributed among the participating class members. Class members shall be  
22 paid according to the calculations described in ECF 222 under Calculation of Recognized Loss  
23 Amounts.

24 With respect to residuals, the Net Settlement Fund and Lead Counsel shall reallocate such  
25 balance among Authorized Claimants who negotiated the checks sent to them in the initial  
26 distribution and who would receive at least \$10.00 in an equitable and economical fashion.

27 These reallocations shall be repeated until the balance remaining in the Net Settlement  
28 Fund is *de minimis* and such remaining balance shall then be donated to the Investor Protection

United States District Court  
Northern District of California

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Trust.

Without affecting the finality of this order in any way, the Court retains jurisdiction of all matters relating to the interpretation, administration, implementation, effectuation and enforcement of this order and the Settlement.

**IT IS HEREBY ORDERED, ADJUDGED AND DECREED** that final judgment is **ENTERED** in accordance with the terms of the Settlement, the Order Granting Preliminary Approval of Class Action Settlement filed on February 5, 2024 (ECF 222), and this order.

This document will constitute a final judgment (and a separate document constituting the judgment) for purposes of Rule 58, Federal Rules of Civil Procedure.

The parties shall file a post-distribution accounting in accordance with this District’s Procedural Guidance for Class Action Settlements no later than April 10, 2025. The Court **SETS** a compliance deadline on May 6, 2025, on the Court’s 2:00 pm. calendar, to verify timely filing of the post-distribution accounting.

This order terminates Docket Nos. 233 and 234.

**IT IS SO ORDERED.**

Dated: September 30, 2024

  
TRINA L. THOMPSON  
United States District Judge

**TAB 2**

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16 *Lead Counsel for Plaintiffs and the Class*

17 **UNITED STATES DISTRICT COURT**  
18 **NORTHERN DISTRICT OF CALIFORNIA**  
19 **SAN JOSE DIVISION**

20  
21 IN RE INTUITIVE SURGICAL  
SECURITIES LITIGATION

Case No. 5:13-cv-01920 EJD (HRL)

CLASS ACTION

**[PROPOSED] ORDER AWARDING  
ATTORNEYS' FEES, PAYMENT OF  
EXPENSES, AND PAYMENT OF  
CLASS REPRESENTATIVES'  
EXPENSES**

22  
23  
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25  
26 On December 20, 2018, a hearing having been held before this Court to determine,  
27 among other things, whether and in what amount to award (1) Class Counsel in the above-  
28 captioned consolidated securities class action (the "Action") fees and litigation expenses directly

1 relating to their representation of the Class; and (2) Class Representatives their costs and  
2 expenses (including lost wages), pursuant to the Private Securities Litigation Reform Act of 1995  
3 (the “PSLRA”). The Court having considered all matters submitted to it at the hearing and  
4 otherwise; and it appearing that a notice of the hearing substantially in the form approved by the  
5 Court (the “Settlement Notice”) was mailed to all reasonably identified Class Members; and that  
6 a summary notice of the hearing (the “Summary Notice”), substantially in the form approved by  
7 the Court, was published in *Investor’s Business Daily* and transmitted over *PR Newswire*; and  
8 the Court having considered and determined the fairness and reasonableness of the award of  
9 attorneys’ fees and expenses requested;

10 NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that:

- 11 1. The Court has jurisdiction over the subject matter of this Action and over all  
12 parties to the Action, including all Class Members who have not timely and validly requested  
13 exclusion, Plaintiffs’ counsel, and the Claims Administrator.
- 14 2. All capitalized terms used herein have the meanings set forth and defined in the  
15 Stipulation and Agreement of Settlement, dated as of September 11, 2018 (the “Stipulation”).
- 16 3. Notice of Class Counsel’s application for attorneys’ fees and payment of litigation  
17 expenses was given to all Class Members who could be identified with reasonable effort. The  
18 form and method of notifying the Class of the application for attorneys’ fees and expenses met  
19 the requirements of Rules 23 and 54 of the Federal Rules of Civil Procedure, Section 21D(a)(7)  
20 of the Securities Exchange Act of 1934, 15 U.S.C. § 78u-4(a)(7), as amended by the PSLRA, due  
21 process, and other applicable law, constituted the best notice practicable under the  
22 circumstances, and constituted due and sufficient notice to all persons and entities entitled  
23 thereto.
- 24 4. Class Counsel are hereby awarded, on behalf of all Plaintiffs’ counsel, attorneys’  
25 fees in the amount of \$8,075,000 plus interest at the same rate earned by the Settlement Fund  
26 (which is 19% of the Settlement Fund), and payment of litigation expenses in the amount of  
27 \$1,988,789.66, which sums the Court finds to be fair and reasonable.

1           5.       The award of attorneys' fees and litigation expenses may be paid to Class Counsel  
2 from the Settlement Fund immediately upon entry of this Order, subject to the terms, conditions,  
3 and obligations of the Stipulation, which terms, conditions, and obligations are incorporated  
4 herein.

5           6.       In making this award of attorneys' fees and payment of litigation expenses to be  
6 paid from the Settlement Fund, the Court has analyzed the factors considered within the Ninth  
7 Circuit and found that:

8                   (a)       The Settlement has created a common fund of \$42.5 million in cash and  
9 that numerous Class Members who submit acceptable Claim Forms will benefit from the  
10 Settlement created by the efforts of counsel;

11                   (b)       The requested attorneys' fees and payment of litigation expenses have  
12 been reviewed and approved as fair and reasonable by Class Representatives, sophisticated  
13 institutional investors that were directly involved in the prosecution and resolution of the Action  
14 and who have a substantial interest in ensuring that any fees paid to counsel are duly earned and  
15 not excessive;

16                   (c)       Class Counsel undertook the Action on a contingent basis, and have  
17 received no compensation during the Action, and any fee and expense award has been  
18 contingent on the result achieved;

19                   (d)       The Action involves complex factual and legal issues and, in the absence  
20 of settlement, would involve lengthy proceedings whose resolution would be uncertain;

21                   (e)       Class Counsel conducted the Action and achieved the Settlement with  
22 skillful and diligent advocacy;

23                   (f)       Plaintiffs' counsel have devoted approximately 41,813.90 hours, with a  
24 lodestar value of \$21,548,609.00 to achieve the Settlement;

25                   (g)       The amount of attorneys' fees awarded are fair and reasonable and are  
26 less than fee awards approved in cases within the Ninth Circuit with similar recoveries;

1 (h) Notice was disseminated to putative Class Members stating that Class  
2 Counsel would be submitting an application for attorneys' fees in an amount not to exceed 19%  
3 of the Settlement Fund, which includes interest, and payment of litigation expenses incurred in  
4 connection with the prosecution of this Action up to \$2,500,000 plus interest, and that such  
5 application also might include a request that Class Representatives be reimbursed their  
6 reasonable costs and expenses (including lost wages) directly related to their representation of  
7 the Class; and

8 (i) There were no objections to the application for attorneys' fees or  
9 expenses.

10 7. In accordance with the PSLRA, the Court hereby awards Class Representative  
11 Employees' Retirement System of the State of Hawaii \$49,754.18 for its costs and expenses  
12 directly related to its representation of the Class, and Class Representative Greater Pennsylvania  
13 Carpenters' Pension Fund \$9,100.00 for its costs and expenses directly related to its  
14 representation of the Class.

15 8. Any appeal or challenge affecting this Court's approval of any attorneys' fee,  
16 expense application, or award of costs and expenses to Class Representatives in the Action, shall  
17 in no way disturb or affect the finality of the Judgment entered with respect to the Settlement.

18 9. Exclusive jurisdiction is retained over the subject matter of this Action and over  
19 all parties to the Action, including the administration of the Settlement.

20 10. In the event that the Settlement is terminated or does not become Final or the  
21 Effective Date does not occur in accordance with the terms of the Stipulation, this order shall be  
22 rendered null and void to the extent provided by the Stipulation and shall be vacated in  
23 accordance with the Stipulation.

24  
25 Dated: December 20, 2018

  
HONORABLE EDWARD J. DAVILA  
UNITED STATES DISTRICT JUDGE

**TAB 3**

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**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA**

IN RE TEZOS SECURITIES LITIGATION

This document relates to:

ALL ACTIONS

No. 3:17-cv-06779-RS  
(Consolidated)

**CLASS ACTION**

**ORDER AWARDING ATTORNEYS'  
FEES, LITIGATION EXPENSES,  
AND AWARDS FOR PLAINTIFFS**

1 WHEREAS, a Consolidated Complaint for Violations of the Federal Securities Laws is  
2 pending in this Court entitled *In re Tezos Securities Litigation*, No. 3:17-cv-06779-RS.

3 WHEREAS, by Order dated May 1, 2020 (the “Preliminary Approval Order”), this Court (a)  
4 preliminarily approved the Settlement and the proposed forms and methods of providing Notice to  
5 the Settlement Class; (b) provided Settlement Class Members with the opportunity to object to the  
6 proposed Settlement and Plaintiffs’ Lead Counsel’s application for an award of attorneys’ fees and  
7 litigation expenses; and (c) scheduled a hearing regarding final approval of the Settlement;

9 WHEREAS, the Court conducted a hearing on August 27, 2020 (the “Settlement Fairness  
10 Hearing”) to consider, among other things, (a) whether Lead Plaintiff and Plaintiffs’ Lead Counsel  
11 have adequately represented the interests of the Settlement Class; (b) whether the proposed  
12 Settlement on the terms and conditions provided for in the Stipulation is fair, reasonable, and  
13 adequate to the Settlement Class, and should be approved by the Court; and (c) whether the  
14 application by Plaintiffs’ Counsel for an award of attorneys’ fees and litigation expenses should be  
15 approved; and  
16

17 WHEREAS, it appearing that due notice of the terms of the Settlement and Releases and the  
18 Settlement Fairness Hearing has been given in accordance with the Preliminary Approval Order; the  
19 Parties having appeared by their respective attorneys of record; the Court having heard and  
20 considered evidence in support of Plaintiffs’ Counsel’s request for an award of attorneys’ fees and  
21 litigation expenses; the attorneys for the respective Parties having been heard; an opportunity to be  
22 heard having been given to all other persons or entities requesting to be heard in accordance with the  
23 Preliminary Approval Order; the Court having determined that notice to the Settlement Class was  
24 adequate and sufficient; the Court having found that Plaintiffs’ Lead Counsel’s request for an award  
25 of attorneys’ fees and litigation expenses is fair, reasonable and adequate and otherwise being fully  
26 informed in the premises and good cause appearing therefore:  
27

28 ORDER AWARDING LEAD COUNSEL’S ATTORNEYS’ FEES,  
REIMBURSEMENT OF LITIG. EXPENSES, AND SERVICE AWARDS FOR PLAINTIFFS  
CASE NO. 3:17-CV-06779-RS

1 NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED this 28th  
2 day of August, 2020, as follows:

3 1. Unless otherwise defined in this Order, the capitalized terms used herein shall have the  
4 same meanings as set forth in the Stipulation of Settlement dated March 16, 2020 (ECF No. 246-1)  
5 (“Settlement Agreement” or “Stipulation”), and filed with the Court.  
6

7 2. The Court has jurisdiction over the subject matter of this application and all matters  
8 relating thereto, including all members of the Class who have not timely and validly requested  
9 exclusion.

10 3. The Court hereby awards Plaintiffs’ Counsel<sup>1</sup> attorneys’ fees of one-third of the  
11 Settlement Fund or \$8,333,333.33, plus litigation expenses in the amount of \$203,017.93, together  
12 with the interest earned thereon for the same time period and at the same rate as that earned on the  
13 Settlement Fund until paid. The Court finds that the amount of fees awarded is fair and reasonable  
14 under the “percentage-of-recovery” method given the substantial risks of non-recovery, the time and  
15 effort involved, and the result obtained for the Class. The Court additionally finds that the costs and  
16 expenses were reasonably incurred in the ordinary course of prosecuting this case and were necessary  
17 given its complex nature and broad scope.  
18

19 4. Finally, the Court approves the following Plaintiff awards: Lead Plaintiff Trigon  
20 Trading Pty. Ltd. (\$7,500), and additional Federal Plaintiffs Pumaro LLC (\$7,500), Artiom Frunze  
21 (\$7,500), Hayden Hsiung (\$5,000), and Gijs Matser (\$5,000), and to State Litigation Plaintiff Andrew  
22 Baker (\$5,000). The Court further approves reimbursement in the amount of \$475 to Trigon Trading  
23 Pty. Ltd. for costs and expenses directly related to their representation of the Settlement Class. These  
24

25  
26 \_\_\_\_\_  
27 <sup>1</sup>Plaintiffs’ Counsel are Block & Leviton LLP; Hung G. Ta, Esq. PLLC; Hagens Berman Sobol  
28 Shapiro LLP; LTL Attorneys LLP; the Restis Law Firm, P.C.; Lite DePalma Greenberg, LLC; and  
State Lead Counsel Taylor-Copeland Law, and Robbins Geller Rudman & Dowd LLP.

1 awards are reasonable and justified given the time and effort expended and the work performed and  
2 the active participation in the litigation and settlement processes by the class representatives on behalf  
3 of the members of the settlement class; the time the class representatives spent away from family,  
4 friends, relationships, and work and other responsibilities while working on this matter on behalf of  
5 the Settlement Class; the benefit to Settlement Class Members of Plaintiffs' actions on their behalf;  
6 and the length of this case.

8 5. The awarded attorneys' fees and expenses and interest earned thereon shall immediately  
9 be paid to Plaintiffs' Counsel subject to the terms, conditions and obligations of the Stipulation, and  
10 in particular ¶ 7 thereof, which terms, conditions and obligations are incorporated.

12 **IT IS SO ORDERED.**

14 DATED: August 28, 2020

  
\_\_\_\_\_  
THE HONORABLE RICHARD SEEBORG  
UNITED STATES DISTRICT JUDGE

**TAB 4**

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14 [Additional counsel appear on signature page.]

15 UNITED STATES DISTRICT COURT  
16 NORTHERN DISTRICT OF CALIFORNIA  
17 OAKLAND DIVISION

18 In re TWITTER INC. SECURITIES ) Case No. 4:16-cv-05314-JST (SK)  
19 LITIGATION )  
20 \_\_\_\_\_ ) CLASS ACTION  
This Document Relates To: ) CLASS COUNSEL’S NOTICE OF MOTION  
21 ALL ACTIONS. ) AND MOTION FOR AN AWARD OF  
22 \_\_\_\_\_ ) ATTORNEYS’ FEES, EXPENSES, AND  
AWARDS TO CLASS REPRESENTATIVES  
23 PURSUANT TO 15 U.S.C. §78u-4(a)(4) AND  
MEMORANDUM OF POINTS AND  
24 AUTHORITIES IN SUPPORT THEREOF

JUDGE: Hon. Jon S. Tigar  
25 DATE: November 17, 2022  
26 TIME: 2:00 p.m. (via videoconference)

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**NOTICE OF MOTION AND MOTION**

**TO: ALL PARTIES AND THEIR ATTORNEYS OF RECORD**

PLEASE TAKE NOTICE that on November 17, 2022, at 2:00 p.m., via teleconference, in the courtroom of the Honorable Jon S. Tigar, in the United States District Court for the Northern District of California, 1301 Clay Street, Oakland, California, Class Counsel Robbins Geller Rudman & Dowd LLP (“Robbins Geller”) and Motley Rice LLC (“Motley Rice”), on behalf of all Plaintiffs’ Counsel, will move the Court for an Order awarding attorneys’ fees and providing for payment of litigation expenses and awards to Class Representatives pursuant to 15 U.S.C. §78u-4(a)(4).

This Motion is based on the following Memorandum of Points and Authorities, the accompanying Joint Declaration of Daniel S. Drosman and Lance V. Oliver in Support of: (1) Class Representatives’ Motion for Final Approval of Settlement and Plan of Allocation, and (2) Class Counsel’s Motion for an Award of Attorneys’ Fees, Expenses, and Awards to Class Representatives Pursuant to 15 U.S.C. §78u-4(a)(4) (“Joint Declaration” or “Joint Decl.”) and its exhibits, the Declarations of Plaintiffs’ Counsel, all prior pleadings and papers in this Litigation, the arguments of counsel, and such additional information or argument as may be required by the Court.

A proposed Order will be submitted with Class Counsel’s reply submission on November 10, 2022, after the October 27, 2022 deadline for Class Members to object to the motion for fees and expenses has passed.

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**STATEMENT OF ISSUES TO BE DECIDED**

1. Whether the Court should approve as fair and reasonable Class Counsel’s application for an attorneys’ fee award for all Plaintiffs’ Counsel in the amount of 22.5% of the Settlement Fund (the Settlement Amount, plus all interest accrued thereon).
2. Whether the Court should approve Class Counsel’s request for payment of \$3,570,056.21 in litigation costs and expenses incurred by Plaintiffs’ Counsel in the Litigation, plus all interest accrued thereon.
3. Whether the Court should award Class Representatives National Elevator Industry Pension Fund (“NEIPF”) \$6,531.00 and KBC Asset Management NV (“KBC”) \$28,000 pursuant to 15 U.S.C. §78u-4(a)(4) for their time and expenses incurred in their representation of the Class.

1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I. INTRODUCTION**

3 After more than five years of hard-fought litigation, on the eve of trial, Class Counsel secured  
4 a cash settlement of \$809,500,000.00 on behalf of the Class (the “Settlement”). The Settlement is  
5 the second-largest securities class action settlement ever obtained in the Ninth Circuit. It yields an  
6 exceptional recovery of between 24% and 30% of the Class’s estimated recoverable damages –  
7 many multiples of the median ratio of recovery-to-investor losses obtained in securities class action  
8 settlements between 2012 and 2021. See Janeen McIntosh and Svetlana Starykh, *Recent Trends in*  
9 *Securities Class Action Litigation: 2021 Full-Year Review* (NERA Jan. 25, 2022) (“NERA Report”)  
10 at 24, Fig. 22, attached as Exhibit C to the Joint Declaration.

11 The Settlement would not have been achieved without counsel’s skill, dogged pursuit, and  
12 refusal to accept a lower settlement. Counsel expended substantial resources – approximately  
13 73,400 hours in professional time and over \$3.5 million of their own cash expenses – all without any  
14 assurance of recovery. Given the size of the Settlement and the percentage of recovery, the result is  
15 extraordinary by any measure.

16 As compensation for their efforts, Class Counsel, on behalf of all Plaintiffs’ Counsel, request  
17 that the Court award 22.5% of the Settlement Amount, plus the interest earned thereon. Class  
18 Counsel’s fee request is reasonable, particularly considering the extent of their efforts and the *ex-*  
19 *ante* risks of this case. Defendants were represented by several of the nation’s most respected  
20 securities litigators who exhausted every litigation strategy in an effort to end the Litigation without  
21 any recovery for the Class. From the outset to the eve of trial, Class Counsel overcame each of these  
22 challenges.

23 Class Counsel spent a year investigating the alleged fraud before filing the initial complaint.  
24 The complaint largely survived Defendants’ motion to dismiss, and Class Counsel obtained class  
25 certification, and undertook exhaustive discovery efforts. These efforts included, among other  
26 things, reviewing millions of pages of documents and taking and defending more than three dozen  
27 depositions. Class Counsel litigated an array of discovery disputes, and defeated a hotly-contested  
28 summary judgment motion. Class Counsel also worked closely with six expert witnesses to obtain

1 detailed expert reports on complex subjects, including loss causation, social media user and  
2 engagement metrics, stock trading plans, corporate disclosure requirements and processes, and  
3 analyst, investor, and advertiser perceptions of Twitter. Class Counsel then fended off myriad  
4 pretrial motions to exclude Plaintiffs’ trial experts and evidence and were prepared to try this case  
5 when it settled on the eve of trial. At all stages of the action, Class Counsel exhibited diligence, hard  
6 work, and skill.

7       The 22.5% fee requested falls below the Ninth Circuit’s 25% fee benchmark in common-  
8 fund litigation as well as the usual and customary range that clients pay lawyers to handle complex  
9 commercial cases in the private market. A 22.5% fee award is merited here because of the outsized  
10 recovery obtained for the Class in the face of risks that Class Counsel faced in the Litigation. *See*  
11 Joint Decl., ¶13. A lodestar cross-check also confirms the reasonableness of the requested fee. The  
12 lodestar multiplier of approximately 4.14 here falls well within the range of multipliers awarded in  
13 the Ninth Circuit, particularly in cases (as here) where the risk was substantial and the recovery was  
14 exceptional. *See* Expert Declaration of Professor William B. Rubenstein (“Rubenstein Decl.”),  
15 ¶¶57-62, attached as Exhibit G to the Joint Declaration. The fee request is also supported by Class  
16 Representatives, both sophisticated institutions, a fact that is afforded significant weight in the  
17 analysis. *See* §III.C.6, *infra*; Declaration of Robert Betts on behalf of NEIPF (“Betts Decl.”) and  
18 Declaration of Bart Elst on behalf of KBC (“Elst Decl.”) (“Class Representative Declarations”),  
19 attached as Exhibits E and F, respectively, to the Joint Declaration.

20       Likewise, Plaintiffs’ Counsel’s litigation costs, charges, and expenses of \$3,570,056.21 (plus  
21 interest accrued thereon) should be awarded in full as they were reasonably and necessarily incurred  
22 in the prosecution of the Litigation. Finally, the Class Representatives should also be awarded their  
23 modest time and expenses as provided by the Private Securities Litigation Reform Act of 1995  
24 (“PSLRA”). 15 U.S.C. §78u-4(a)(4).

25       In accordance with the Preliminary Approval Order, over 401,000 copies of the Notice have  
26 been mailed to potential Class Members and their nominees through October 10, 2022, and the  
27 Summary Notice was published in *The Wall Street Journal* and transmitted over *PR Newswire*. *See*  
28 Declaration of Bradford H. Amann Regarding: (A) Dissemination of the Settlement Notice and

1 Claim Form; and (B) Publication of the Summary Settlement Notice (“Epiq Decl.”), ¶¶10, 12,  
2 attached as Exhibit D to the Joint Declaration. The Notice advised potential Class Members that  
3 Class Counsel would apply for an award of attorneys’ fees in an amount not to exceed 22.5% of the  
4 Settlement Fund, payment of litigation expenses not to exceed \$4 million, and aggregate PSLRA  
5 awards to the Class Representatives not to exceed \$40,000. Epiq Decl., Ex. B, Notice at 2. The fees  
6 and expenses sought do not exceed the amounts projected in the Notice. The deadline set by the  
7 Court to object to the requested attorneys’ fees and expenses has not yet passed, but, to date, no  
8 objections to the requested attorneys’ fees and expenses have been received. Joint Decl., ¶118.<sup>1</sup>

9 In short, Class Counsel respectfully submit that the requested fee is fair and reasonable.<sup>2</sup>

## 10 **II. HISTORY OF THE LITIGATION**

11 As set forth in this District’s Procedural Guidance for Class Action Settlements (“Northern  
12 District Guidelines”), Final Approval, §2, the Court is directed to “the history and facts set out in the  
13 motion for final approval” regarding “the case history and background facts” relevant to the  
14 Settlement, which will not be repeated here.<sup>3</sup> Suffice it to say, Class Counsel have invested  
15 substantial time and money in the prosecution of the Litigation, including investigating background  
16 facts, interviewing witnesses, drafting the Complaint, briefing dispositive motions, conducting  
17 discovery, reviewing documents, working with experts, preparing for, taking and defending fact and  
18 expert depositions, and preparing for trial, all in furtherance of, and resulting in, the Settlement now  
19 before this Court.

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23 <sup>1</sup> The deadline for the filing of objections is October 27, 2022. Should any objections be received,  
24 Class Counsel will address them in their reply papers, due on November 10, 2022.

25 <sup>2</sup> Plaintiffs’ Counsel includes Class Counsel Robbins Geller Rudman & Dowd LLP and Motley  
26 Rice LLC and other counsel who worked on this case: Bleichmar Fonti & Auld LLP and Labaton  
Sucharow LLP.

27 <sup>3</sup> Specifically, *see* (i) Class Representatives’ Memorandum of Points and Authorities in Support of  
28 Motion for Final Approval of Settlement and Plan of Allocation, as well as (ii) the Joint Declaration  
both filed contemporaneously herewith.

1 **III. THE REQUESTED FEE IS FAIR AND REASONABLE**

2 **A. The Court Should Award Attorneys’ Fees Using the**  
3 **Percentage-of-the-Fund Method**

4 The Supreme Court has long recognized that “a litigant or a lawyer who recovers a common  
5 fund for the benefit of persons other than himself or his client is entitled to a reasonable attorney’s  
6 fee from the fund as a whole.” *Boeing Co. v. Van Gemert*, 444 U.S. 472, 478 (1980). The Ninth  
7 Circuit similarly holds that “a private plaintiff, or his attorney, whose efforts create, discover,  
8 increase or preserve a fund to which others also have a claim is entitled to recover from the fund the  
9 costs of his litigation, including attorneys’ fees.” *Vincent v. Hughes Air W., Inc.*, 557 F.2d 759, 769  
10 (9th Cir. 1977); accord *In re Nat’l Collegiate Athletic Ass’n Grant-in-Aid Cap Antitrust Litig.*, 768  
11 F. App’x. 651, 653 (9th Cir. 2019). Courts correctly recognize that fee awards incentivize attorneys  
12 to represent class clients who might otherwise be denied access to counsel on a contingency basis.  
13 See *Stanger v. China Elec. Motor, Inc.*, 812 F.3d 734, 741 (9th Cir. 2016). An award of reasonable  
14 attorneys’ fees in securities class actions thus serves the public interest. As the Supreme Court has  
15 repeatedly emphasized, private securities actions are “an essential supplement to criminal  
16 prosecutions and civil enforcement actions” brought by the United States Securities Exchange  
17 Commission (“SEC”). *Tellabs, Inc. v. Makor Issues & Rts., Ltd.*, 551 U.S. 308, 313 (2007). See  
18 also *Amgen Inc. v. Conn. Ret. Plans & Tr. Funds*, 568 U.S. 455, 478 (2013) (“meritorious private  
19 actions to enforce federal antifraud securities laws are an essential supplement to criminal  
20 prosecutions and civil enforcement actions”).<sup>4</sup>

21 Although courts have discretion to employ either the percentage of recovery or lodestar  
22 method (*In re Bluetooth Headset Prods. Liab. Litig.*, 654 F.3d 935, 942 (9th Cir. 2011)), “[t]he use  
23 of the percentage-of-the-fund method in common-fund cases is the prevailing practice in the Ninth  
24 Circuit for awarding attorneys’ fees and permits the Court to focus on a showing that a fund  
25 conferring benefits on a class was created through the efforts of plaintiffs’ counsel.” *In re Korean*  
26 *Air Lines Co., Antitrust Litig.*, 2013 WL 7985367, at \*1 (C.D. Cal. Dec. 23, 2013); see also *In re*  
27 *Amkor Tech., Inc. Sec. Litig.*, 2009 WL 10708030, at \*1 (D. Ariz. Nov. 19, 2009) (stating

28 <sup>4</sup> Citations are omitted and emphasis is added throughout unless otherwise indicated.

1 percentage-of-recovery method most appropriate to award attorneys’ fees in securities class action);  
2 *In re Omnivision Techs., Inc.*, 559 F. Supp. 2d 1036, 1046 (N.D. Cal. 2008) (“[U]se of the  
3 percentage method in common fund cases appears to be dominant.”). Thus, the Ninth Circuit has  
4 expressly and consistently approved the use of the percentage method in common fund cases. *See*,  
5 *e.g.*, *Vizcaino v. Microsoft Corp.*, 290 F.3d 1043, 1047-48 (9th Cir. 2002).

6 The PSLRA likewise contemplates that fees be awarded on a percentage basis, authorizing  
7 attorneys’ fees and expenses to counsel that do not exceed ““a reasonable percentage of the amount  
8 of any damages and prejudgment interest actually paid to the class.”” 15 U.S.C. §78u-4(a)(6); *see*  
9 *also In re Rite Aid Corp. Sec. Litig.*, 396 F.3d 294, 300 (3d Cir. 2005) (“[T]he percentage-of-  
10 recovery method was incorporated in the [PSLRA].”).

11 The rationale for compensating counsel in common fund cases on a percentage basis is  
12 sound. First, it is consistent with the practice in the private marketplace where contingent fee  
13 attorneys are customarily compensated by a percentage of the recovery. *See Vinh Nguyen v. Radiant*  
14 *Pharms. Corp.*, 2014 WL 1802293, at \*9 (C.D. Cal. May 6, 2014). Second, the percentage approach  
15 more closely aligns “the lawyers’ interests with achieving the highest award for the class members”  
16 in the shortest amount of time. *Id.* “[C]ourts try to . . . [tie] together the interests of class members  
17 and class counsel” by “tether[ing] the value of an attorneys’ fees award to the value of the class  
18 recovery . . . [t]he more valuable the class recovery, the greater the fees award . . . [a]nd vice versa.”  
19 *In re HP Inkjet Printer Litig.*, 716 F.3d 1173, 1178 (9th Cir. 2013). In fact, the percentage of the  
20 fund method so closely harmonizes the interests of class counsel and the absent plaintiffs, that a  
21 “consensus” has developed that includes “leading academics, researchers at the RAND Institute for  
22 Civil Justice, and many judges . . . [i]n indeed, it is difficult to find anyone who contends otherwise.”  
23 Charles Silver, *Due Process and the Lodestar Method: You Can’t Get There from Here*, 74 Tul. L.  
24 Rev. 1809, 1819-20 (June, 2000). On the other hand, the Ninth Circuit has recognized that the  
25 lodestar method creates the perverse incentive for counsel to “expend more hours than may be  
26 necessary on litigating a case.” *Vizcaino*, 290 F.3d at 1050 n.5.

1           **B.     A Fee of 22.5% of the Settlement Fund Is Reasonable Under Either**  
2           **the Percentage or Lodestar Method**

3           Whether assessed under the percentage-of-recovery or lodestar approach, the fee request of  
4           22.5% of the Settlement Fund – representing a multiplier of approximately 4.14 – is fair and  
5           reasonable.

6                   **1.     The Requested Attorneys’ Fees Are Reasonable Under the**  
7                   **Percentage Method**

8           Class Counsel seek a fee of 22.5% of the Settlement Fund. “Because the [22.5] percent  
9           award requested is below the [25%] ‘benchmark’ percentage for a reasonable fee award in the Ninth  
10          Circuit, it is ‘presumptively reasonable.’” *Hefler v. Wells Fargo & Co.*, 2018 WL 6619983, at \*13  
11          (N.D. Cal. Dec. 18, 2018), *aff’d sub nom. Hefler v. Pekoc*, 802 F. App’x 285 (9th Cir. 2020). In  
12          fact, “in most common fund cases, the award exceeds that benchmark.” *Omnivision*, 559 F. Supp.  
13          2d at 1047.

14          This request is also within the range of percentage fees that courts in this Circuit have  
15          awarded in large complex class actions. *See, e.g., Andrews v. Plains All Am. Pipeline L.P.*, 2022 WL  
16          4453864, at \*4 (C.D. Cal. Sept. 20, 2022) (awarding 32% of \$230 million settlement); *Hefler*, 2018  
17          WL 6619983, at \*16 (awarding 20% of \$480 million settlement); *In re: Cathode Ray Tube (CRT)*  
18          *Antitrust Litig.*, 2016 WL 4126533, at \*1 (N.D. Cal. Aug. 3, 2016) (awarding 27.5% of \$576 million  
19          settlement); *In re TFT-LCD (Flat Panel) Antitrust Litig.*, 2013 WL 1365900, at \*8 (N.D. Cal. Apr. 3,  
20          2013) (awarding 28.5% fee on \$1.08 billion settlement).

21          A 22.5% fee award is also consistent with awards in large securities fraud cases in other  
22          circuits. *See, e.g., Pearlstein v. Blackberry Ltd.*, 2022 WL 4554858, at \*11 (S.D.N.Y. Sept. 29,  
23          2022) (awarding 33% of \$165 million settlement); *In re Pfizer Inc. Sec. Litig.*, No. 1:04-cv-09866-  
24          LTS-HBP, slip op. at 2 (S.D.N.Y. Dec. 21, 2016) (ECF 727) (awarding 28% of \$486 million  
25          settlement); *Jaffe v. Household Int’l.*, 2016 WL 10571774, at \*1 (N.D. Ill. Nov. 10, 2016) (awarding  
26          24.68% of \$1.575 billion settlement); *In re Merck & Co. Inc. Sec., Derv. & “ERISA” Litig.*, 2016  
27          WL 11575090, at\*5-\*6 (D.N.J. June 28, 2016) (awarding 20% fee in \$1.062 billion settlement); *In*  
28          *re Initial Pub. Offering Sec. Litig.*, 671 F. Supp. 2d 467, 516 & n.354 (S.D.N.Y. 2009) (awarding  
33.3% of \$586 million settlement).

1 A comparison to other cases, however, is merely the starting point. In setting a fee award  
2 here, the most important factors for this Court are the results and risks of *this* case, which exceed  
3 comparator cases in almost all respects. The monetary result speaks for itself. As for the risks, Class  
4 Counsel here did not have the luxury of piggybacking on a prior admitted fraud, financial  
5 restatement, or parallel governmental investigation with a consequent share price decline. To the  
6 contrary, Class Counsel investigated this *sui generis* matter independently and successfully litigated  
7 the case notwithstanding the serious risk of no recovery at all. This supports an award at the higher  
8 end of the range of awarded fee percentages. *See* Rubenstein Decl., ¶¶47, 58. *See also In re Broiler*  
9 *Chicken Antitrust Litig.*, 2022 U.S. Dist. LEXIS 184031, at \*7 (N.D. Ill. Oct. 7, 2022) (awarding  
10 33% fee in \$181 million settlement in case “[w]ithout the benefit of a prior government investigation  
11 to guide them. . .”).

12 As this Court has observed, some judges have reasoned that cases with large-dollar common  
13 funds (so-called mega-fund cases) call for lower percentage awards. *See, e.g.*, ECF 658 at 8, ¶25  
14 (Order Preliminarily Approving Settlement and Providing for Notice). But the Ninth Circuit has  
15 rejected the application of any such bright line rule with respect to this subset of cases. *See, e.g.*,  
16 *Vizcaino*, 290 F.3d at 1047 (declining to adopt principle that “the percentage of an award generally  
17 decreases as the amount of the fund increases”); *In re Optical Disk Drive Prods. Antitrust Litig.*,  
18 959 F.3d 922, 933 (9th Cir. 2020) (“[The Ninth Circuit has] already declined to adopt a bright-line  
19 rule requiring the use of sliding-scale fee awards for class counsel in megafund cases.”), *aff’d*, 804 F.  
20 App’x 445 (9th Cir. 2020); *In re Nat’l Collegiate Athletic Ass’n Grant-in-Aid Cap Antitrust Litig.*,  
21 2017 WL 6040065, at \*7 (N.D. Cal. Dec. 6, 2017) (“To . . . apply the increase-decrease principle and  
22 reduce an otherwise reasonable fee simply because this is a ‘megafund’ case would be  
23 unreasonable.”), *aff’d*, 768 F. App’x 651 (9th Cir. 2019); *TFT-LCD*, 2013 WL 1365900, at \*8  
24 (rejecting argument that “a sliding scale model” must be used “due to the size of the Settlement  
25 Fund” and awarding 28.5% fee award on \$1.08 billion settlement recovery).

26 As discussed in §III.C. below, the various factors to be considered by the Court, including the  
27 outstanding result achieved and the substantial risks, support the reasonableness of a requested  
28 22.5% fee award in this case.

2. The Requested Attorneys’ Fees Are Reasonable Under the Lodestar Method

To assess the reasonableness of a fee awarded under the percentage-of-the-fund method, courts may (but are not obligated to) cross-check the proposed award against counsel’s lodestar. *Farrell v. Bank of Am. Corp., N.A.*, 827 F. App’x 628, 630 (9th Cir. 2020) (refusing to mandate “a [cross-check] requirement”); *Plains All Am.*, 2022 WL 4453864, at \*2 (finding a cross-check unnecessary given the circumstances); *In re Amgen Inc. Sec. Litig.*, 2016 WL 10571773, at \*9 (C.D. Cal. Oct. 25, 2016) (noting that “analysis of the lodestar is not required for an award of attorneys’ fees in the Ninth Circuit”). A lodestar cross check is “neither mathematical precision nor bean counting.” *Bellinghausen v. Tractor Supply Co.*, 306 F.R.D. 245, 264 (N.D. Cal. 2015); *accord Hefler*, 2018 WL 6619983, at \*14 (Tigar, J.) (confirming that ““trial courts need not, and indeed should not, become green-eyeshade accountants”” in context of lodestar crosscheck, and noting that “the Court seeks to ‘do rough justice, not to achieve auditing perfection’”).

“Courts ‘calculate[] the fee award by multiplying the number of hours reasonably spent by a reasonable hourly rate and then enhancing that figure, if necessary, to account for the risks associated with the representation.’” *Cheng Jiangchen v. Rentech, Inc.*, 2019 WL 5173771, at \*10 (C.D. Cal. Oct. 10, 2019) (alteration in original) (quoting *Paul, Johnson, Alston & Hunt v. Graulity*, 886 F.2d 268, 272 (9th Cir. 1989)). Moreover, it is appropriate to use counsel’s current hourly rates, rather than historical ones, which compensates for the delay in payment and the loss of interest on the funds. *See Mo. v. Jenkins by Agyei*, 491 U.S. 274, 284 (1989); *Fischel v. Equitable Life Assurance Soc’y of U.S.*, 307 F.3d 997, 1010 (9th Cir. 2002).<sup>5</sup> This Court has previously applied current rates when evaluating lodestars. *See Hefler*, 2018 WL 6619983, at \*14 n.17.

As detailed here and in the accompanying declarations of Plaintiffs’ Counsel, 73,445.11 hours of attorney and para-professional time were expended prosecuting the Litigation for the benefit of the Class for over five years, through January 7, 2022. Plaintiffs’ Counsel’s lodestar, derived by multiplying the hours spent on the Litigation by each attorney and litigation professional by their

<sup>5</sup> In any event, the differences here between the lodestars under current or historical rates is minimal, and under either approach the resulting multiplier is within the range of court-approved multipliers.

1 current hourly rates, is \$43,931,080.75. At historical rates, Plaintiffs’ Counsel’s lodestar is  
2 \$42,057,929.75. Accordingly, the requested fee of 22.5% represents a multiplier of 4.14 Plaintiffs’  
3 Counsel’s lodestar at current rates and 4.33 at historical rates. Here, the hours spent to obtain the  
4 results are more than reasonable. Class Counsel obtained a landmark settlement by pushing the case  
5 to the brink of trial. As detailed in the Joint Declaration and in Plaintiffs’ Counsel’s Declarations,  
6 there is no question that the hours expended were necessary. *See also* Rubenstein Decl., ¶¶46-48.<sup>6</sup>

7 Class Counsel’s hourly rates, too, are reasonable. Rubenstein Decl., ¶¶17-38. For attorneys  
8 with 16 years of experience or less, Plaintiffs’ Counsel’s average rate is lower than the average  
9 approved in settlements in this District. *Id.*, ¶24, Ex. D. For the senior attorneys with supervisory  
10 roles, the rate is slightly higher than average. *Id.* That is unsurprising, considering that Class  
11 Counsel have been recognized as among the top in their profession. *Id.* Further, Class Counsel’s  
12 rates have recent judicial approval by other members of this Court. *See Fleming v. Impax Labs. Inc.*,  
13 2022 WL 2789496, at \*9 (N.D. Cal. July 15, 2022) (approving hourly rates of \$760 to \$1,325 for  
14 partners, \$895 to \$1,150 for counsel, and \$175 to \$520 for associates, and finding Robbins Geller’s  
15 “billing rates in line with prevailing rates in this district for personnel of comparable experience,  
16 skill, and reputation”); *see also In re Volkswagen “Clean Diesel” Mktg., Sales Pracs., & Prods.*  
17 *Liab. Litig.*, 2017 WL 1047834, at \*5 (N.D. Cal. Mar. 17, 2017) (approving “blended average hourly  
18 billing rate” of \$529 per hour “for all work performed and projected” and “billing rates ranging from  
19 \$275 to \$1,600 for partners, \$150 to \$790 for associates, and \$80 to \$490 for paralegals” for Motley  
20 Rice and other plaintiffs’ firms); *State of Wash. v. McKesson Drug Corp. et al.*, No. 19-2-06975-9,  
21 Findings of Fact and Conclusions of Law and Order Awarding Plaintiffs’ Attorney Fees And Costs  
22 Associated with State’s Fee Petition, at 5 (King Cnty. Super. Ct. Sept. 1, 2021) (noting “Motley Rice  
23 sets its hourly rates for attorneys practicing in complex civil litigation consistent with the rates  
24 charged nationally for similar services by lawyers of reasonably comparable skill, experience, and  
25 reputation”).

26 <sup>6</sup> The actual realized multiplier has already, and will continue to decline over time as Class  
27 Counsel devote additional attorney time to preparing final approval materials as well as overseeing  
28 processing of claims by the Claims Administrator and the distribution of the Settlement funds to  
Class Members with valid claims. No additional counsel fees will be sought for such work.

1 The last piece of the cross-check analysis is the risk multiplier. “Courts regularly award  
2 lodestar multipliers of up to eight times the lodestar, and in some cases, even higher multipliers.”  
3 *Beckman v. KeyBank, N.A.*, 293 F.R.D. 467, 481 (S.D.N.Y. 2013) (citing *Vizcaino*, 290 F.3d at  
4 1052-54); *Craft v. Cnty. of San Bernardino*, 624 F. Supp. 2d 1113, 1125 (C.D. Cal. 2008) (noting  
5 “ample authority” for multiplier of 5.2 and collecting cases with substantially higher multipliers); *see*  
6 *also In re Facebook Biometric Info. Priv. Litig.*, 522 F. Supp. 3d 617, 633 (N.D. Cal. 2021)  
7 (awarding fee in \$650 million common fund settlement representing 4.71 multiplier, finding that  
8 “the results obtained and the risks at trial warrant a higher-end multiplier”), *aff’d*, 2022 WL 822923  
9 (9th Cir. Mar. 17, 2022); *McKnight v. Uber Techs., Inc.*, 2021 WL 4205055, at \*7 (N.D. Cal. Sept. 2,  
10 2021) (Tigar, J.) (noting that a “fee award [that] results in a multiplier of 4.14” is not “remarkable”  
11 when “the settlement represented an ‘excellent result’ for the class”); *Kang v. Wells Fargo Bank,*  
12 *N.A.*, 2021 WL 5826230, at \*18 (N.D. Cal. Aug. 12, 2021) (awarding class counsel 22% of the  
13 Settlement Fund with a resulting multiplier of 5.2); *Perez v. Rash Curtis & Assocs.*, 2021 WL  
14 4503314, at \*5 (N.D. Cal. Oct. 1, 2021) (approving a multiplier of 4.8); *Thompson v. Transamerica*  
15 *Life Ins. Co.*, 2020 WL 6145104, at \*4 (C.D. Cal. Sept. 16, 2020) (“The Court’s lodestar cross-check  
16 analysis of the fee award yields a current multiplier of 4.2, which is within the range of appropriate  
17 multipliers recognized by this Court and by other courts within the Ninth Circuit.”); *Gutierrez v.*  
18 *Wells Fargo Bank, N.A.*, 2015 WL 2438274, at \*7 (N.D. Cal. May 21, 2015) (approving a 5.5  
19 multiplier in a \$203 million settlement); *In re Verifone Holdings, Inc. Sec. Litig.*, 2014 WL  
20 12646027, at \*2 (N.D. Cal. Feb. 18, 2014) (“[A]lthough the lodestar cross-check reveals a high  
21 multiplier – 4.3 . . . the Court finds that the multiplier here is acceptable in light of the very  
22 substantial risks involved.”). Moreover, Ninth Circuit has determined in the context of a cross-check  
23 that a multiplier of 6.85 was “well within the range of multipliers that courts have allowed.” *Steiner*  
24 *v. Am. Broad. Co., Inc.*, 248 F. Appx 780, 783 (9th Cir. 2007).

25 As more fully explained in the Joint Declaration, this is not a typical case in terms of either  
26 the risk undertaken by Class Counsel or the results achieved for the Class. Accordingly, if the  
27 lodestar cross-check returns a multiplier above the average – but well within the range deemed  
28 permissible by the Ninth Circuit – it would serve to confirm the appropriateness of the instant fee

1 request. Here, the cross-check calculation, without accounting for the substantial amount of work  
2 that remains to be done to complete this Settlement, results in a risk multiplier of 4.14, which is  
3 reasonable under the circumstances.

4 **C. The Factors Considered by Courts in the Ninth Circuit Support the**  
5 **Requested Fee**

6 Application of the factors that courts in this Circuit consider when determining whether a fee  
7 is fair also strongly support the reasonableness of the requested 22.5% fee. These include: (1) the  
8 results achieved; (2) the risks of litigation; (3) the skill required and quality of work; (4) the  
9 contingent nature of the fee and financial burden carried by the plaintiffs; (5) awards made in similar  
10 cases; (6) the reaction of the class; and (7) a lodestar cross-check. *Vizcaino*, 290 F.3d at 1048-50.

11 **1. Class Counsel Achieved an Excellent Result for the Class**

12 Courts have consistently recognized that the result achieved is “the most critical factor” to  
13 consider in making a fee award. *Hensley v. Eckerhart*, 461 U.S. 424, 436 (1983); *Hefler*, 2018 WL  
14 6619983, at \*13. Here, against substantial risks, Class Counsel obtained an excellent recovery for  
15 the Class, both in terms of overall amount (\$809,500,000.00) and as a percentage of the estimated  
16 recoverable damages (24%-30%). *See, e.g., In re Charles Schwab Corp. Sec. Litig.*, 2011 WL  
17 1481424, at \*4 (N.D. Cal. Apr. 19, 2011) (Alsup, J.) (observing that \$200 million settlement  
18 represented 35.9% of the estimated damages and remarking that when “a substantial percentage of  
19 [the class’s] requested damages” was obtained, “this is a good settlement for the class”); *Peace*  
20 *Officers’ Annuity & Benefit Fund of Ga. v. Davita Inc.*, 2021 U.S. Dist. LEXIS 131699, at \*7 (D.  
21 Colo. July 15, 2021) (underscoring that settlement which recovered “between 31% and 43% of the  
22 Class’s damages – eight to eleven times greater than the median 3.9% recovery in similar actions,”  
23 was “a significant achievement which, in the Court’s view, further supports granting the fee  
24 request”). Indeed, this recovery is more than 7.5 times the median percentage recovery for cases  
25 settled with estimated damages of \$1 billion or more in 2021, and at least 18 times the median ratio  
26 of settlements-to-investor losses in 2021.<sup>7</sup> The \$809,500,000.00 recovery places the Settlement in

27 <sup>7</sup> *See* Laarni T. Bulan & Laura E. Simmons, *Securities Class Action Settlements – 2021 Review*  
28 *and Analysis* at 6, 14 (Cornerstone Research 2022) (finding median settlements as a percentage of  
estimated damages was 4.2% in 2021 for Rule 10b-5 cases involving over \$1 billion in damages and

1 the top-20 largest securities class action settlements since the enactment of the PSLRA, and is the  
2 second largest ever obtained in the Ninth Circuit.<sup>8</sup>

## 3                   2.       The Litigation Was Uncertain and Highly Complex

4           The “complexity of the issues and the risks” undertaken are also important factors in  
5 determining a fee award. *In re Pac. Enters. Sec. Litig.*, 47 F.3d 373, 379 (9th Cir. 1995); *see also*  
6 *Vizcaino*, 290 F.3d at 1048 (“Risk is a relevant circumstance.”). “[I]n general, securities actions are  
7 highly complex and . . . securities class litigation is notably difficult and notoriously uncertain.”  
8 *Hefler*, 2018 WL 6619983, at \*13. Indeed, “[t]o be successful, a securities class-action plaintiff  
9 must thread the eye of a needle made smaller and smaller over the years by judicial decree and  
10 congressional action.” *Alaska Elec. Pension Fund v. Flowserve Corp.*, 572 F.3d 221, 235 (5th Cir.  
11 2009). For these reasons, in securities class actions, fee awards often exceed the 25% benchmark  
12 recognized in the Ninth Circuit. *Omnivision*, 559 F. Supp. 2d at 1047.

13           This Litigation was uniquely complex and risky. Plaintiffs’ claims involved alleged  
14 misrepresentations and omissions of information concerning Twitter’s user growth and engagement.  
15 *See* Joint Decl., ¶19. The issues raised were highly technical, and litigating this case required Class  
16 Counsel to develop a sophisticated understanding of Twitter’s engagement metrics, and their  
17 importance to both the Company and the financial markets.

18           Despite their ultimate success, Class Counsel assumed significant risk at every procedural  
19 step of the Litigation. *See generally* Joint Decl. Defendants argued emphatically in their motion to  
20 dismiss that they were not required to disclose certain engagement metrics, and that Plaintiffs had  
21 not established falsity or scienter. ECFs 91-1, 104. Notwithstanding those contentions, Plaintiffs  
22 largely prevailed. Defendants then opposed class certification, arguing that appointing NEIPF and  
23 its counsel would contravene the PSLRA and harm the Class, and further contended that Lead  
24 Plaintiff’s market efficiency expert did not proffer a suitable model under *Comcast Corp. v.*  
25 *Behrend*, 569 U.S. 27 (2013), and instead impermissibly made “general assertions about the typical

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26 6.2% for cases of all sizes between 2017 and 2021 in cases settled after a ruling on summary  
27 judgment motions); NERA Report at 24, Fig. 22 (noting median ratio of settlements to investor  
losses was 1.8% in 2021), attached as Exhibits A and C, respectively, to the Joint Declaration.

28 <sup>8</sup> *See The Top 100 U.S. Class Action Settlements of All-Time*, at 7 (ISS SCAS 2022).

1 calculation of damages in securities actions, without tying them to the facts of this case.” *See* ECF  
2 162 at 7-21. Yet Class Representatives prevailed again, and achieved a certified class.

3         Plaintiffs faced even greater risks at summary judgment, where Defendants pressed every  
4 available factual and legal argument. In particular, Defendants maintained that discovery had  
5 disproved Class Representatives’ theory that Twitter’s failure to disclose an alleged decline in the  
6 number of daily logins (“DAU”) rendered Twitter’s statements regarding user growth and  
7 engagement misleading. ECF 352-3 at 1. Defendants claimed that discovery established that DAU  
8 did not decline as alleged and further that “Defendants [had] acted with candor and in good faith in  
9 disclosing to the market useful and accurate user growth and engagement information.” *Id.*

10         Defendants also presented evidence countering Class Representatives’ loss causation  
11 theories, maintaining that they had failed to account for numerous confounding, non-fraud related  
12 disclosures that Twitter made on April 28 and July 28, and failed to disentangle the stock price  
13 movement caused by those disclosures from the alleged fraud-related disclosures. *Id.* at 2. The  
14 Court denied Defendants’ motion. ECF 478. The parties also filed competing motions to exclude  
15 several of the others’ experts. Joint Decl., ¶67.

16         Two of those motions were directed to the testimony of Sam Hui and Steven Feinstein. (Mr.  
17 Hui was Class Counsel’s key expert on social media user growth and engagement metrics and Dr.  
18 Feinstein was Class Counsel’s expert on loss causation and damages.) The exclusion of either one of  
19 these experts could well have impacted a ruling on summary judgment. *See* Joint Decl., ¶61. On  
20 January 28, 2020, the Court denied Defendants’ motions to exclude the testimony of Hui and  
21 Feinstein. ECF 421. Even after navigating summary judgment and Defendants’ (subsequently  
22 rejected) request for reconsideration, Class Representatives still bore the substantial risk of a six-  
23 week-long liability-phase jury trial. Defendants’ counsel were determined to undercut Class  
24 Representatives’ case through pre-trial motions, moving to exclude critical categories of evidence  
25 and exhibits. *See* Joint Decl., ¶67.

26         At trial, the case would have turned largely on expert testimony concerning highly technical  
27 subject matters and the credibility of fact witnesses – nearly all of whom were represented by  
28 defense counsel (or were still employed at Twitter). Defendants needed only to defeat one element

1 of Class Representatives’ claims to prevail, and there was a significant risk the jury would agree with  
2 Defendants’ experts and find no liability, no damages, or award far less than Class Representatives  
3 sought to recover. *See, e.g., Vinh Nguyen*, 2014 WL 1802293, at \*2 (noting, in securities class  
4 action, that “[p]roving and calculating damages required a complex analysis, requiring the jury to  
5 parse divergent positions of expert witnesses in a complex area of the law. The outcome of that  
6 analysis is inherently difficult to predict and risky”).

7 Defendants also raised numerous challenges disputing the falsity of their alleged  
8 misstatements and vigorously disputed (and continue to dispute) their scienter. *See In re Immune*  
9 *Response Sec. Litig.*, 497 F. Supp. 2d 1166, 1172 (S.D. Cal. 2007) (“[T]he issue[] of scienter . . . [is]  
10 complex and difficult to establish at trial.”). Moreover, even if Class Representatives obtained a  
11 favorable verdict at the liability phase, at the second phase of trial, Defendants would have had the  
12 opportunity to challenge each Class Members’ presumption of reliance and damages due them. Joint  
13 Decl., ¶107.

14 Should the Class’s claims had survived the second phase of trial, they would *still* have faced  
15 the risk of partial or complete reversal in post-trial proceedings. *See, e.g., In re Apollo Grp. Sec.*  
16 *Litig.*, 2008 U.S. Dist. LEXIS 61995 (D. Ariz. Aug. 4, 2008) (granting motion for a judgment as a  
17 matter of law, overturning \$277 million verdict in favor of plaintiffs based on insufficient evidence  
18 of loss causation); *Rentech, Inc.*, 2019 WL 5173771, at \*9 (“The risk that further litigation might  
19 result in Plaintiffs not recovering at all, particularly a case involving complicated legal issues, is a  
20 significant factor in the award of fees.”); *Amkor*, 2009 WL 10708030, at \*2 (approving fee award of  
21 25% where class counsel had “borne all the ensuing risk – including the risk of affirmance on  
22 Plaintiffs’ appeal, surviving dispositive motions, obtaining class certification, proving liability,  
23 causation and damages, prevailing in a ‘battle of the experts,’ and litigating the Action through trial  
24 and possible appeals”).

25 Thus, there existed a significant risk that class-wide recoverable damages would have been  
26 far less than \$809.5 million. Therefore, the \$809.5 million Settlement, achieved in the face of these  
27 significant risks, amply supports the requested 22.5% fee award.

1                                   **3.       The Skill Required and Quality of Work**

2           The quality of Class Counsel’s representation further supports the reasonableness of the  
3 requested fee. Not only did Class Counsel successfully litigate the case through several potentially  
4 dispositive motions, but they brought the case to the brink of trial, forcing settlement only days  
5 before jury selection. Moreover, Class Counsel are nationally recognized leaders in securities class  
6 actions and complex litigation. *See* www.rgrdlaw.com; www.motleyrice.com. The firms have a  
7 track record of trying cases, or settling cases at a premium on the eve of trial after moving trial teams  
8 and support personnel around the country. Clients retain Class Counsel to benefit from their  
9 experience and resources in order to obtain the largest possible recovery for the class in question.  
10 Here, Class Counsel’s skill and experience brought about an exceptional result, further supporting  
11 the requested fee award.

12           The standing of opposing counsel should also be weighed because such standing reflects the  
13 challenge faced by Class Counsel. *See, e.g., Wing v. Asarco Inc.*, 114 F.3d 986, 989 (9th Cir. 1997).  
14 Defendants chose nationally known and highly capable representation from Cooley LLP and  
15 Simpson Thacher & Bartlett LLP, both well-regarded and prestigious firms.<sup>9</sup> These firms spared no  
16 effort or expense on behalf of Defendants in their zealous defense. Class Representatives’ ability to  
17 obtain a favorable result for the Class while litigating against these formidable defense firms and  
18 their well-financed clients further evidences the quality of Class Counsel’s work and weighs in favor  
19 of awarding the requested fee.

20                                   **4.       The Contingent Nature of the Fee and the Financial Burden**  
21                                   **Carried by Class Counsel**

22           It has long been recognized that attorneys are entitled to an enhanced fee when their  
23 compensation is contingent in nature. *See, e.g., Omnivision*, 559 F. Supp. 2d at 1047 (“The  
24 importance of assuring adequate representation for plaintiffs who could not otherwise afford  
25 competent attorneys justifies providing those attorneys who do accept matters on a contingent-fee  
26 basis a larger fee than if they were billing by the hour or on a flat fee.”); *Stanger*, 812 F.3d at 741

27 <sup>9</sup> *See, e.g., Vault, 2023 Vault Law 100*, <https://legacy.vault.com/best-companies-to-work-for/law/top-100-law-firms-rankings> (ranking Simpson Thacher & Bartlett LLP as the 8th and Cooley LLP as the  
28 19th most prestigious law firms in the United States).

1 (“Risk multipliers incentivize attorneys to represent class clients, who might otherwise be denied  
2 access to counsel, on a contingency basis. This incentive is especially important in securities  
3 cases.”); *see also, e.g.*, Rubenstein Decl., ¶¶50-52. Indeed, there have been many class actions in  
4 which counsel for the plaintiffs took on the risk of pursuing claims on a contingency basis, expended  
5 thousands of hours and dollars, yet received no remuneration whatsoever despite their diligence and  
6 expertise. *See Savani v. URS Pro. Sols. LLC*, 2014 WL 172503, at \*5 (D.S.C. Jan. 15, 2014) (“In  
7 complex and multi-year class action cases, the risks of the litigation are immense and the risk of  
8 receiving little or no recovery is a major factor in awarding attorney’s fees. ***The risk of no recovery***  
9 ***in complex cases of this sort is not merely hypothetical.***”). Even a plaintiff who evades summary  
10 judgment and succeeds at trial may find a favorable verdict in its favor overturned on appeal or on a  
11 post-trial motion.

12         The risk of no recovery for a class and its counsel in complex cases of this type is very real.  
13 For example, in *In re Oracle Corp. Sec. Litig.*, 2009 WL 1709050 (N.D. Cal. June 19, 2009), *aff’d*,  
14 627 F.3d 376 (9th Cir. 2010), a case that Robbins Geller prosecuted, the court granted summary  
15 judgment to defendants after eight years of litigation, after plaintiff’s counsel incurred over  
16 \$7 million in out-of-pocket expenses, and worked over 100,000 hours, representing a lodestar of  
17 approximately \$40 million (in 2010 dollars). In another Ninth Circuit PSLRA case, after a lengthy  
18 trial involving securities claims against JDS Uniphase Corporation, the jury reached a verdict in  
19 defendants’ favor. *See In re JDS Uniphase Corp. Sec. Litig.*, 2007 WL 4788556 (N.D. Cal. Nov. 27,  
20 2007).

21         Here, Plaintiffs’ Counsel have received no compensation during the course of the Litigation  
22 and invested over 73,400 hours for a total lodestar of approximately \$43.9 million and incurred  
23 expenses of over \$3.5 million in prosecuting this case. Additional (uncompensated) work in  
24 connection with the Settlement and claims administration already has been undertaken, and will be  
25 required going forward. Any fee award has always been contingent on the result achieved and on  
26 this Court’s discretion. *See Hefler*, 2018 WL 6619983, at \*13 (“Plaintiffs’ Counsel bore a heavy  
27 financial burden in expending substantial resources – a claimed lodestar of over \$29 million – on a  
28 contingency basis.”).

1 Because the fee in this matter was entirely contingent, the only certainty was that there would  
2 be no fee without a successful result. Nevertheless, Class Counsel committed significant resources  
3 of both time and money to vigorously prosecute this action, and successfully brought it to a highly  
4 favorable conclusion for the Class’s benefit. *See generally* Joint Declaration. The contingent nature  
5 of counsel’s representation thus supports approval of the requested fee. *See Plains All Am.*, 2022  
6 WL 4453864, at \*3 (in awarding 33% fee on \$165 million settlement in case “litigated . . . to the  
7 point of trial,” court found “the substantial risks borne by Class Counsel in pursuing this class action  
8 for seven years with no guarantee of recovering fees or litigation expenses also militates in favor of  
9 finding the requested fee award reasonable”).

10 **5. Awards Made in Similar Cases Support the Fee Request**

11 Class Counsel’s fee request is also supported by awards made in similar cases. As discussed  
12 in §III.B.1., the 22.5% fee request is below the Ninth Circuit’s 25% benchmark and within the range  
13 of fee percentages awarded in comparable settlements. As further addressed in §III.B.2., the  
14 resulting multiplier of 4.14 on Plaintiffs’ Counsel’s lodestar is also within the range of lodestar  
15 multipliers applied in cases of this nature with substantial contingency fee risks. *See* Rubenstein  
16 Decl., ¶¶56-57; *see also, e.g., Fleisher v. Phoenix Life Ins. Co.*, 2015 WL 10847814, at \*1 (S.D.N.Y.  
17 Sept. 9, 2015) (awarding fee resulting in a 4.87 multiplier where class would “receive over \$130  
18 million in total value” and when the settlement was reached only “on the eve of trial, after class  
19 certification and decertification briefing and rulings, voluminous cross-motions for summary  
20 judgment and rulings, and the submission of the Joint Preliminary Trial Report, exhibit and witness  
21 lists, objections, and deposition designations, *voir dire* questions, and proposed jury instructions”);  
22 *Gutierrez*, 2015 WL 2438274, at \*7 (approving a 5.5 multiplier in a \$203 million settlement); *In re*  
23 *Rite Aid Corp. Sec. Litig.*, 362 F. Supp. 2d 587, 589 (E.D. Pa. 2005) (approving a 6.96 multiplier in a  
24 \$126.6 million settlement); *In re DaimlerChrysler Sec. Litig.*, 2004 U.S. Dist. LEXIS 31757, at \*5  
25 (D. Del. Feb. 5, 2004) (approving multiplier of 4.2 in a \$300 million settlement); *In re Charter*  
26 *Comm’ns, Inc. Sec. Litig.*, 2005 WL 4045741, at \*18 (E.D. Mo. June 30, 2005) (approving 5.61  
27 multiplier in \$146,250,000 settlement); *In re Luckin Coffee Inc. Sec. Litig.*, No. 1:20-cv-01293-JPC,  
28 slip op. at 2-3 (S.D.N.Y. July 22, 2022) (ECF 338) (approving a multiplier of 4.64 in a \$175 million

1 settlement); *Nieman v. Duke Energy Corp.*, 2015 WL 13609363 (W.D.N.C. Nov. 2, 2015)  
2 (approving multiplier of 6.43 in \$146,250,000 settlement); *In re Cardinal Health Inc. Sec. Litig.*, 528  
3 F. Supp. 2d 752 (S.D. Ohio 2007) (approving a multiplier of 5.9 in a \$600 million settlement); *In re*  
4 *3Com Corp. Sec. Litig.*, No. C-97-1083-EAI, slip op. at 10 (N.D. Cal. Mar. 9, 2001) (ECF 180)  
5 (awarding fee representing a 6.67 multiplier in a \$259 million settlement).

6 **6. The Class’s Reaction to Date Supports the Fee Request**

7 Courts within in the Ninth Circuit also consider the reaction of the class when deciding  
8 whether to award the requested fee. *See, e.g., In re Wash. Mutual, Inc. Sec. Litig.*, 2011 WL  
9 8190466, at \*2 (W.D. Wash. Nov. 4, 2011) (noting, in approving fee request, that “no substantive  
10 objections to the amount of fees and expenses requested were filed”); *accord* Northern District  
11 Guidelines, Final Approval, §1. While a certain number of objections are to be expected in a large  
12 class action such as this, “the absence of a large number of objections to a proposed class action  
13 settlement raises a strong presumption that the terms of a proposed class action settlement . . . are  
14 favorable to the class members.” *Nat’l Rural Telecomms. Coop. v. DIRECTV, Inc.*, 221 F.R.D. 523,  
15 529 (C.D. Cal. 2004); *Hefler*, 2018 WL 6619983, at \*15 (“As with the Settlement itself, the lack of  
16 objections from institutional investors ‘who presumably had the means, the motive, and the  
17 sophistication to raise objections’ [to the attorneys’ fee] weighs in favor of approval.”).

18 Class Members were informed in the Notice that Class Counsel would move the Court for an  
19 award of attorneys’ fees in an amount not to exceed 22.5% of the Settlement Fund, for payment of  
20 litigation expenses not to exceed \$4 million, and for statutory awards to Class Representatives not to  
21 exceed an aggregate amount of \$40,000, pursuant to the PSLRA (15 U.S.C. §78u-4(a)(4)). Class  
22 Members were also advised of their right to object to the fee and expense request, and that such  
23 objections are to be filed with the Court no later than October 27, 2022.

24 While the October 27, 2022 deadline to object to the fee and expense application has not yet  
25 passed, to date, not a *single* objection has been received. Should any objections be received, Class  
26 Counsel will address them in their reply papers. Finally, Class Representatives, institutions with  
27 substantial stakes in the litigation, have approved the percentage sought here. *See Hatamian v.*  
28 *Advanced Micro Devices, Inc.*, 2018 WL 8950656, at \*2 (N.D. Cal. Mar. 2, 2018) (approving fee

1 where request “reviewed and approved as fair and reasonable by Class Representatives, sophisticated  
2 institutional investors”). This is as Congress intended when it enacted the PSLRA. *In re Cendant*  
3 *Corp. Litig.*, 264 F.3d 201, 220 (3d Cir. 2001). See Betts Decl., ¶5; Elst Decl., ¶6.

4 **IV. COUNSEL’S EXPENSES ARE REASONABLE AND SHOULD BE**  
5 **APPROVED**

6 Plaintiffs’ Counsel further request an award of their litigation expenses in the amount of  
7 \$3,570,056.21. These expenses were incurred in prosecuting and resolving the action on behalf of  
8 the Class.

9 “Attorneys who create a common fund are entitled to the reimbursement of expenses they  
10 advanced for the benefit of the class.” *Vincent v. Reser*, 2013 WL 621865, at \*5 (N.D. Cal. Feb. 19,  
11 2013). In assessing whether counsel’s expenses are compensable in a common fund case, courts  
12 look to whether the particular costs are of the type typically billed by attorneys to paying clients in  
13 the marketplace. See *Harris v. Marhoefer*, 24 F.3d 16, 19 (9th Cir. 1994) (“Harris may recover as  
14 part of the award of attorney’s fees those out-of-pocket expenses that ‘would normally be charged to  
15 a fee-paying client.’”); *Hefler*, 2018 WL 6619983, at \*44. Here, the expenses sought by Plaintiffs’  
16 Counsel are of the type that are routinely charged to hourly paying clients and, therefore, should be  
17 reimbursed out of the common fund.<sup>10</sup> See *Vincent*, 2013 WL 621865, at \*5 (granting award of costs  
18 and expenses for “three experts and the mediator, photocopying and mailing expenses, travel  
19 expenses, and other reasonable litigation related expenses”); *Redwen v. Sino Clean Energy, Inc.*,  
20 2013 U.S. Dist. LEXIS 100275, at \*32 (C.D. Cal. July 9, 2013) (reimbursing “expenses for  
21 mediation fees, copying, telephone calls, expert expenses, research costs, travel, postage,  
22 messengers, and filing fees”); *Barbosa v. Cargill Meat Sols. Corp.*, 297 F.R.D. 431, 454 (E.D. Cal.

23  
24  
25 <sup>10</sup> These include expenses associated with, among other things, experts and consultants, service of  
26 process, online legal and factual research, travel, and mediation. A large component of Class  
27 Counsel’s expenses is for the costs of experts and consultants, all of whom were qualified and  
28 necessary to litigate this action. Courts in this Circuit regularly approve reimbursements for expert  
fees. See, e.g., *Franco v. Ruiz Food Prods., Inc.*, 2012 WL 5941801, at \*22 (E.D. Cal. Nov. 27,  
2012) (noting expert fees are among the “types of fees . . . routinely reimbursed”); *Ontiveros v.*  
*Zamora*, 303 F.R.D. 356, 375 (E.D. Cal. 2014) (granting expense reimbursement to class counsel  
and noting “itemized costs relating to . . . expert fees” were “reasonable litigation expenses”).

1 2013) (“[T]ravel, mediation fees, photocopying, [a] private investigator to locate missing Class  
2 Members, and delivery and mail charges . . . are routinely reimbursed.”).

3 The Notice informed Class Members that Class Counsel would apply for payment of  
4 litigation expenses in an amount not to exceed \$4 million. *See* Epiq Decl., Ex. B Notice at 2. The  
5 amount of expenses for which payment is now sought, \$3,570,056.21, is less than the amount  
6 published in the Notice, to which no Class Member has objected.

7 **V. COUNSEL’S AWARDED FEES AND EXPENSES SHOULD BE PAID**  
8 **UPON THE COURT’S ORDER GRANTING THE AWARD**

9 Class Representatives request that the entirety of Class Counsel’s awarded fees and expenses  
10 be paid upon the Court’s order granting such award, as provided in the Stipulation of Settlement  
11 (“Stipulation”). *See* Stipulation, ¶6.2. ECF 653-4. Nonetheless, if the Court opts to defer any  
12 attorneys’ fees, Class Counsel request that the Court defer no more than \$3.5 million.

13 The Stipulation provides that Class Counsel will receive their fees upon award by the Court.  
14 Federal courts across the country regularly approve such payment provisions in complex class  
15 actions. *See, e.g., In re Optical Disk Drive Prod. Antitrust Litig.*, 2016 WL 7364803, at \*13 (N.D.  
16 Cal. Dec. 19, 2016) (stating such “provisions are common practice in the Ninth Circuit”), *vacated*  
17 *and remanded on other grounds*, 959 F.3d 922 (9th Cir. 2020); *In re TFT-LCD (Flat Panel)*  
18 *Antitrust Litig.*, 2011 WL 7575004, at \*1 (N.D. Cal. Dec. 27, 2011) (noting that federal “routinely  
19 approve settlements that provide for payment of attorneys’ fees prior to final disposition”)  
20 (collecting cases); *Verifone*, 2014 WL 12646027, at \*2 (noting that payment upon fee approval  
21 provisions pose no problem under the PSLRA); *Mauss v. NuVasive, Inc.*, 2018 WL 6421623, at \*13  
22 (S.D. Cal. Dec. 6, 2018) (approving payment of fee award in PSLRA case within 10 days of  
23 judgment).

24 Nonetheless, this Court’s recently amended Standing Order provides that it will “typically  
25 withhold between 10% and 25% of the attorney’s fees granted at final approval until after the post-  
26 distribution accounting has been filed.” This provision parallels the Advisory Committee’s Notes to  
27 Rule 23, which provide that in some cases deferral is appropriate. None of the concerns that  
28

1 undergird this suggestion, however, are present here. *See* Fed. R. Civ. P. 23(h), Advisory  
2 Committee’s Notes to 2003 Amendment.

3         The Notes, for example, suggest deferral “may be appropriate” where the relief to the class is  
4 composed of “future payments” or is otherwise variable in nature. *See id.* In such a case, deferral  
5 allows a court to better assess the actual value of the payments the Class receives and, in turn,  
6 measure the fairness of counsel’s fee. That concern is of no moment here, because the value of the  
7 Class’s claims are neither variable nor dependent upon future events.<sup>11</sup> Once approved, the Plan of  
8 Allocation sets that value and the Class will receive the entirety of the Net Settlement Fund. *See*  
9 ECF 653-4, §5. A deferral could also be appropriate if there is a concern that, once paid, Class  
10 Counsel is no longer incentivized to serve the Class through final distribution. Here again, in this  
11 case no such concern exists. Class Counsel are well-funded, experienced securities fraud litigators.  
12 *See* Joint Decl., ¶115. In scores of other past cases, they have served the Class’s interests through  
13 final distribution with no need for the deferral of fees. The same will be true here – Class Counsel  
14 will devote whatever time is necessary to ensure the distribution is completed accurately and in a  
15 timely fashion. *See id.*

16         Finally, deferring fees in this case may be counterproductive. Immediate payment of Class  
17 Counsel’s fees and expenses will not burden the Class. *See Pelzer v. Vassalle*, 655 F. App’x 352,  
18 365 (6th Cir. 2016) (noting provision providing for payment upon issuance of an order of final  
19 approval “does not harm the class members in any discernible way, as the size of the settlement fund  
20 available to the class will be the same regardless of when the attorneys get paid”); *see also Brown v.*

21 \_\_\_\_\_  
22 <sup>11</sup> The extraordinary result here is underscored by the fact that Class Counsel not only vigorously  
23 negotiated for every last penny, as is evidenced by the amount of the Settlement – Class Counsel did  
24 not stop at \$750 million or even \$800 million, but pushed and pushed right to the end for the very  
25 last dollar – resulting in the extra \$9.5 million. And, even after that extraordinary number was  
26 obtained, Class Counsel also demanded that the settlement payment be made immediately, not  
27 following preliminary approval as is most often agreed to by plaintiffs’ counsel. *See, e.g., Hefler v.*  
28 *Wells Fargo & Co.*, Stipulation and Agreement of Settlement, 4:16-cv-05479-JST, ECF 225-1, ¶8  
(N.D. Cal. July 31, 2018), ECF 225-1, ¶18 (“In consideration of the settlement of the Released  
Plaintiffs’ Claims against Defendants’ Releasees, Wells Fargo shall pay or cause to be paid the  
Settlement Amount into the Escrow Account by the later of: (a) fifteen (15) business days after the  
date of entry by the Court of an order preliminarily approving the Settlement; or (b) ten (10) business  
days after Wells Fargo’s receipt from Lead Counsel of [payment] information.”). That continued  
advocacy has itself to date yielded an additional \$6.7 million for the Class in the way of interest.

1 *Hain Celestial Grp. Inc.*, 2016 WL 631880, at \*10 (N.D. Cal. Feb. 17, 2016) (approving fee payment  
2 provision because while “[t]he plaintiffs’ counsel has the option of being paid fees before resolution  
3 of any appeal; they also must return them immediately if the settlement is overturned on appeal”).  
4 On the other hand, deferral will unfairly impact Class Counsel. To date, Class Counsel have not  
5 been paid for over six years of work. Moreover, Class Counsel stopped assessing the Class for its  
6 time as of the date of filing of the Stipulation. Thus, any deferred fee is compensation that Class  
7 Counsel has earned, but cannot access and which it will not be able to access for potentially another  
8 year or more. This effectively devalues Class Counsel’s payment. Class Counsel thus respectfully  
9 submit that payment of Class Counsel’s fee and expenses upon Court approval, without deferral, is  
10 appropriate. If the Court deems a deferral necessary, it should be small amount considering the large  
11 size of the settlement.

12 **VI. CLASS REPRESENTATIVES’ REQUEST FOR AWARDS PURSUANT**  
13 **TO 15 U.S.C. §78u-4(a)(4) IS REASONABLE**

14 Class Representatives seek an award of \$34,531.00, collectively, pursuant to 15 U.S.C. §78u-  
15 4(a)(4), in connection with their representation of the Class, as detailed in the accompanying Class  
16 Representative Declarations. Under the PSLRA, a class representative may seek an award of  
17 reasonable costs and expenses directly relating to the representation of the class. *See* 15 U.S.C.  
18 §78u-4(a)(4); *see also Staton v. Boeing Co.*, 327 F.3d 938, 977 (9th Cir. 2003) (holding that named  
19 plaintiffs are eligible for “reasonable” payments as part of a class action settlement).

20 When evaluating the reasonableness of a lead plaintiff award, courts may consider factors  
21 such as “the actions the plaintiff has taken to protect the interests of the class, the degree to which  
22 the class has benefitted from those actions, . . . the amount of time and effort the plaintiff expended  
23 in pursuing the litigation” among others. *Id.* (ellipse in original). Moreover, the Northern District  
24 of California Procedural Guidelines for Class Action Settlements state that “[a]ll requests for service  
25 awards must be supported by evidence of the value provided by the proposed awardees, the risks  
26 they undertook in participating, the time they spent on the litigation, and any other justifications for

27  
28

1 the awards.”<sup>12</sup> As detailed in the Class Representative Declarations, Class Representatives devoted  
2 extensive time and effort monitoring the Litigation and directing Class Counsel, including reviewing  
3 and commenting on case filings, providing input on discovery strategy, devoting considerable time  
4 and effort to collect materials responsive to Defendants’ requests for production of documents and  
5 other written discovery, sitting for deposition, and providing input on the parties’ mediation efforts.  
6 Class Representative KBC focused approximately 200 hours of its employees’ time on various  
7 aspects of this Action, and Class Representative NEIPF likewise spent considerable time  
8 participating and overseeing the Litigation; yet, the requested awards are modest in light of the total  
9 value of the settlement overseen by these plaintiffs. Moreover, both Class Representatives also  
10 undertook risks in pursuing these claims. *See, e.g., Wehlage v. Evergreen at Arvin LLC*, 2012 WL  
11 4755371, at \*5 (N.D. Cal. Oct. 4, 2012) (finding award justified for plaintiffs “lending their names to  
12 this case, and thus subjecting themselves to public attention”); *In re CenturyLink Sales Pracs. & Sec.*  
13 *Litig.*, 2020 WL 7133805, at \*13 (D. Minn. Dec. 4, 2020) (award justified because “[c]lass  
14 [r]epresentatives participated and willingly took on the responsibility of prosecuting the case and  
15 publicly lending their names to this lawsuit, opening themselves up to scrutiny and attention from  
16 both the public and media”).

17 Class Representatives were actively involved through every step of the action, and under  
18 such circumstances, courts have approved as reasonable awards for class representatives that are  
19 comparable to those requested here. *See Hatamian*, 2018 WL 8950656, at \*4 (Gonzalez Rogers, J.)  
20 (granting PSLRA service award of \$14,875.00 to KBC for approximately 106 hours devoted to the  
21 litigation); *see also, e.g., In re Marsh & McLennan Cos., Inc. Sec. Litig.*, 2009 WL 5178546, at \*21  
22 (S.D.N.Y. Dec. 23, 2009) (awarding \$144,657 to the New Jersey Attorney General’s Office and  
23 \$70,000 to the Ohio Funds “to compensate them for their reasonable costs and expenses incurred in  
24 managing this litigation and representing the Class,” and holding that their efforts were “precisely  
25 the types of activities that support awarding reimbursement of expenses to class representatives”); *In*

26 \_\_\_\_\_  
27 <sup>12</sup> Northern District of California Procedural Guidelines for Class Action Settlements (last modified  
28 Aug. 4, 2022), <https://www.cand.uscourts.gov/forms/procedural-guidance-for-class-action-settlements/>.

1 *re Gilat Satellite Networks, Ltd.*, 2007 WL 2743675, at \*18-\*19 (E.D.N.Y. Sept. 18, 2007)  
2 (approving \$10,000 award, representing 25 hours at \$300 per hour, plus other time); *McPhail v. First*  
3 *Command Fin. Plan., Inc.*, 2009 U.S. Dist. LEXIS 26544, at \*24-\*25 (S.D. Cal. Mar. 30, 2009)  
4 (approving awards ranging up to \$10,422.30 and noting that “the requested reimbursement is  
5 consistent with payments in similar securities cases”).

6 **VII. CONCLUSION**

7 Class Counsel obtained an excellent result for the Class. Based on the foregoing and the  
8 entire record, Class Representatives and Class Counsel respectfully request that the Court: (i) award  
9 Class Counsel attorneys’ fees of 22.5% of the Settlement Amount and payment of \$3,570,056.21 in  
10 litigation expenses, plus interest on both amounts at the same rate as earned by the Settlement Fund,  
11 and (ii) awards to Class Representatives of \$34,531.00, as permitted by the PSLRA.

12 DATED: October 13, 2022

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify under penalty of perjury that on October 13, 2022, I authorized the electronic filing of the foregoing with the Clerk of the Court using the CM/ECF system which will send notification of such filing to the email addresses on the attached Electronic Mail Notice List, and I hereby certify that I caused the mailing of the foregoing via the United States Postal Service to the non-CM/ECF participants indicated on the attached Manual Notice List.

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## Mailing Information for a Case 4:16-cv-05314-JST In re Twitter Inc. Securities Litigation

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13 *Co-Class Counsel for the Class*

14 UNITED STATES DISTRICT COURT  
15 NORTHERN DISTRICT OF CALIFORNIA  
16 OAKLAND DIVISION

17 In re TWITTER INC. SECURITIES ) Case No. 4:16-cv-05314-JST (SK)  
18 LITIGATION )  
 ) CLASS ACTION  
19 \_\_\_\_\_ )  
This Document Relates To: ) ORDER AWARDING ATTORNEYS' FEES  
20 ) AND EXPENSES \*AS MODIFIED\*  
ALL ACTIONS. )  
21 \_\_\_\_\_ )

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1 THIS MATTER having come before the Court on November 17, 2022, on Class  
2 Counsel’s motion for an award of attorneys’ fees, expenses, and awards to Class Representatives  
3 pursuant to 15 U.S.C. §78u-4(a)(4) (ECF 661) in the above-captioned action. The Court here  
4 addresses Class Counsel’s requests for fees and expenses, and issues a separate order concerning  
5 awards to the Class Representatives pursuant to 15 U.S.C. §78u-4(a)(4). The Court having  
6 considered all papers filed and proceedings conducted herein and otherwise being fully informed  
7 of the matters hereto and good cause appearing therefore;

8 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that:

9 1. For purposes of this Order, the terms used herein shall have the same meanings as  
10 set forth in the Stipulation of Settlement dated January 5, 2022 (the “Stipulation”). ECF 653-4.

11 2. This Court has jurisdiction over the subject matter of this Litigation and all  
12 matters relating hereto, including all members of the Class who have not timely and validly  
13 requested exclusion.

14 3. Notice of Class Counsel’s motion for attorneys’ fees and payment of expenses  
15 was given to all Class Members who could be identified with reasonable effort. The form and  
16 method of notifying the Class of the motion for attorneys’ fees and expenses met the  
17 requirements of Rules 23 and 54 of the Federal Rules of Civil Procedure, Section 21D(a)(7) of  
18 the Securities Exchange Act of 1934, 15 U.S.C. §78u-4(a)(7), as amended by the Private  
19 Securities Litigation Reform Act of 1995, due process, and any other applicable law, constituted  
20 the best notice practicable under the circumstances, and constituted due and sufficient notice to  
21 all persons and entities entitled thereto.

22 4. The Court hereby awards Class Counsel attorneys’ fees of 22.5% of the  
23 Settlement Amount, plus expenses in the amount of \$3,570,056.21, together with the interest  
24 earned thereon for the same time period and at the same rate as that earned on the Settlement  
25 Fund until paid. The Court finds that the amount of fees awarded is appropriate, fair, and  
26 reasonable under the “percentage-of-recovery” method given the substantial risks of non-  
27 recovery, the contingent nature of the representation, awards in similar cases, the time and effort  
28

1 involved, and the result obtained for the Class. See *Vizcaino v. Microsoft Corp.*, 290 F.3d 1043,  
2 1049-50 (9th Cir. 2002).

3           5.       Ninety percent of the awarded attorneys' fees and expenses and interest earned  
4 thereon shall be paid to Class Counsel from the Settlement Fund immediately upon entry of the  
5 Judgment and this Order, subject to the terms, conditions, and obligations of the Stipulation, the  
6 terms, conditions, and obligations of which are incorporated herein. The remaining 10% of the  
7 awarded attorneys' fees and expenses and interest earned thereon will be withheld until a post-  
8 distribution accounting has been filed. A post-distribution accounting must be filed within 21  
9 days after the distribution of settlement funds.

10           6.       In making this award of fees and expenses to Class Counsel, the Court has  
11 considered and found that:

12                   (a)       the Settlement has created a fund of \$809,500,000 in cash that is already  
13 on deposit, and numerous Class Members who submit, or have submitted, valid Proof of Claim  
14 forms will benefit from the Settlement created by Class Counsel;

15                   (b)       over 464,450 copies of the Notice were disseminated to potential Class  
16 Members indicating that Class Counsel would move for attorneys' fees not to exceed 22.5% of  
17 the Settlement Amount and for expenses in an amount not to exceed \$4,000,000, plus interest  
18 thereon, and no objections to the fees or expenses were filed by Class Members;

19                   (c)       Class Counsel have pursued the Litigation and achieved the Settlement  
20 with skill, perseverance, and diligent advocacy;

21                   (d)       Class Counsel have expended substantial time and effort pursuing the  
22 Litigation on behalf of the Class;

23                   (e)       Class Counsel pursued the Litigation on a contingent basis, having  
24 received no compensation during the Litigation, and any fee amount has been contingent on the  
25 result achieved;

26                   (f)       the Litigation involves complex factual and legal issues and, in the  
27 absence of settlement, would involve lengthy proceedings whose resolution would be uncertain;

28

1 (g) had Class Counsel not achieved the Settlement, there would remain a  
2 significant risk that the Class may have recovered less or nothing from Defendants;

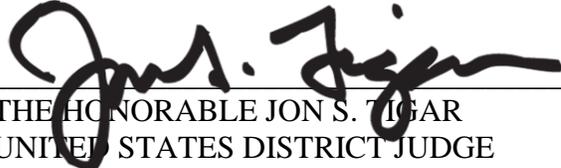
3 (h) Plaintiffs' Counsel have devoted over 73,400 hours, with a lodestar value  
4 of \$43,931,080.75 to achieve the Settlement;

5 (i) Class Representatives approved the amount of attorneys' fees awarded as  
6 fair and reasonable; and

7 (j) the attorneys' fees and expenses awarded are fair and reasonable and  
8 consistent with awards in similar cases within the Ninth Circuit.

9 IT IS SO ORDERED.

10 DATED: November 21, 2022

11   
12 THE HONORABLE JON S. TIGAR  
13 UNITED STATES DISTRICT JUDGE

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# **Exhibit 6**

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and the Class*

\*admitted *pro hac vice*

*Class Counsel for Class Representative  
Kathie Ng and the Class*

**UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA**

IN RE THE HONEST COMPANY, INC.  
SECURITIES LITIGATION

Case No. 21-cv-07405-MCS-AS

**DECLARATION OF CLASS  
REPRESENTATIVE KATHIE NG  
IN SUPPORT OF MOTION FOR  
FINAL APPROVAL OF  
SETTLEMENT AND MOTION FOR  
AWARD OF ATTORNEYS' FEES  
AND EXPENSES**

Hearing Date: July 28, 2025  
Time: 9:00 a.m.  
Courtroom: 7C  
Judge: Hon. Mark C. Scarsi

1 I, KATHIE NG, declare as follows, under penalty of perjury pursuant to 28  
2 U.S.C. § 1746:

3 1. I am the Court-appointed Class Representative for the Class certified by  
4 the Court in the above-captioned securities class action (the “Action”).<sup>1</sup> I respectfully  
5 submit this declaration in connection with final approval of the proposed Settlement of  
6 the Action for \$27,500,000 in cash, approval of the proposed Plan of Allocation for  
7 distributing the proceeds of the Settlement, and approval of Class Counsel’s request  
8 for attorneys’ fees and litigation expenses. I also respectfully submit this declaration  
9 in support of my request for an award, pursuant to the Private Securities Litigation  
10 Reform Act of 1995, 15 U.S.C. § 77z-1(a)(4) (“PSLRA”), in connection with the time  
11 that I dedicated to the litigation on behalf of the Class. I have personal knowledge of  
12 the statements herein and, if called as a witness, could competently testify about them.

13 **BACKGROUND AND OVERSIGHT OF ACTION**

14 2. I reside in San Francisco, CA and received a degree in business  
15 management. My current occupation is as a title escrow officer. I have been investing  
16 for more than 18 years and was motivated by the events underlying the Action to seek  
17 appointment as a plaintiff in the case.

18 3. Pursuant to the PSLRA, on January 26, 2022, the Court appointed me as  
19 the sole Lead Plaintiff in the Action. Thereafter, through Class Counsel Labaton Keller  
20 Sucharow LLP and The Schall Law Firm, I filed a motion for certification of the Action  
21 as a class action. On May 1, 2023, the Court certified the Class and appointed me as  
22 Class Representative.

23 4. During the course of the litigation, I have been in regular contact with my  
24 counsel, through various phone calls, Zoom meetings, and emails. In my capacity as  
25 Lead Plaintiff (and later Class Representative), I: gathered and reviewed my trade  
26 documentation; completed certifications and declarations in support of case filings;

27 \_\_\_\_\_  
28 <sup>1</sup> Unless otherwise indicated, capitalized terms have the meanings given to them in the Stipulation and Agreement of Settlement, dated March 11, 2025. *See* ECF No. 304-3.



1 costs and expenses that were necessary for the prosecution and resolution of this  
2 complex and long-running case.

3 8. I further understand that reimbursement of a representative plaintiff's  
4 costs and expenses in connection with their representation of a class, including lost  
5 wages, is authorized under the PSLRA. For this reason, in connection with Class  
6 Counsel's request for expenses, I am seeking reimbursement for the time I dedicated  
7 to the Action, which was time that I otherwise would have dedicated to my professional  
8 endeavors as an escrow officer. My effective hourly rate, based on my annual  
9 compensation, is approximately \$99.00 per hour.

10 9. In my capacity as a representative plaintiff, I estimate that I have spent at  
11 least 75 hours performing the tasks summarized above in order to achieve a recovery  
12 for the Class. Given my substantial participation in this litigation, I respectfully request  
13 reimbursement of \$7,425 for these efforts.

14 **CONCLUSION**

15 10. In light of the above, I respectfully request that the Court approve: (a)  
16 Class Representative's motion for final approval of the proposed Settlement and plan  
17 of allocation for calculating claims; and (b) Class Counsel's request for an award of  
18 attorneys' fees, payment of litigation expenses, and reimbursement of my expenses  
19 pursuant to the PSLRA.

20  
21 I declare under penalty of perjury that the foregoing is true and correct.

22 Executed on 6/23/2025.

23  
24 Signed by:  
KATHIE NG  
B5048BC0BBDC4BB...  
KATHIE NG