UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

PALM TRAN, INC. AMALGAMATED TRANSIT UNION LOCAL 1577 PENSION PLAN, Individually and On Behalf of All Others Similarly Situated, Plaintiff, v. CREDIT ACCEPTANCE CORPORATION, BRETT A. ROBERTS, and KENNETH S. BOOTH, Defendants.	Case No. 20-cv-12698 Honorable Linda V. Parker

DECLARATION OF MICHAEL P. CANTY IN SUPPORT OF (I) LEAD PLAINTIFFS' MOTION FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT AND PLAN OF ALLOCATION AND (II) LEAD COUNSEL'S MOTION FOR AN AWARD OF ATTORNEYS' FEES AND PAYMENT OF LITIGATION EXPENSES

I, MICHAEL P. CANTY, declare as follows, pursuant to 28 U.S.C. §1746:

1. I am a partner in the law firm of Labaton Sucharow LLP ("Labaton Sucharow"). Labaton Sucharow serves as Court-appointed Lead Counsel for Lead Plaintiffs Ontario Provincial Council of Carpenters' Pension Trust Fund and Millwright Regional Council of Ontario Pension Trust Fund (collectively, "Lead Plaintiffs") and the proposed class in the above-captioned litigation (the "Action").[1] I have been actively involved in prosecuting and resolving the Action, am familiar with its proceedings, and have personal knowledge of the matters set forth herein based upon my supervision of and participation in all material aspects of the Action.

2. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, I submit this declaration in support of Lead Plaintiffs' Motion for Final Approval of Class Action Settlement and Plan of Allocation. I also submit this declaration in support of Lead Counsel's Motion for an Award of Attorneys' Fees and Payment of Litigation Expenses, on behalf of my firm and other Plaintiffs' Counsel.[2] Both motions have the full support of Lead Plaintiffs. *See* Declaration of Tom Cardinal

[1] All capitalized terms used herein that are not otherwise defined shall have the meanings provided in the Stipulation and Agreement of Settlement, dated August 24, 2022 (the "Stipulation", ECF No. 42-2), which was entered into by and among (i) Lead Plaintiffs, on behalf of themselves and the Settlement Class, and (ii) Credit Acceptance Corporation ("Credit Acceptance" or the "Company"), Brett A. Roberts and Kenneth S. Booth (collectively, "Defendants," and together with Lead Plaintiffs, the "Parties").

[2] Plaintiffs' Counsel are Labaton Sucharow LLP, Clark Hill PLC, and Himelfarb Proszanski.

on Behalf of Ontario Provincial Council of Carpenters' Pension Trust Fund, dated October 31, 2022 attached hereto as Exhibit 1, and the Declaration of Mark Beardsworth on Behalf of Millwright Regional Council of Ontario Pension Trust Fund, dated November 2, 2022, attached hereto as Exhibit 2.[3]

I. PRELIMINARY STATEMENT

3. The proposed Settlement now before the Court provides for the full resolution of all claims in the Action, and related claims, in exchange for a cash payment of $12,000,000. As detailed herein, Lead Plaintiffs and Lead Counsel respectfully submit that the Settlement represents a favorable result for the Settlement Class in light of the significant risks of continuing to litigate the Action.

4. Lead Plaintiffs and Lead Counsel are well-informed of the strengths and weaknesses of the claims and defenses to the claims. In choosing to settle, Lead Plaintiffs and Lead Counsel took into consideration the substantial risks associated with advancing the claims alleged in the Action, as well as the duration and complexity of the legal proceedings that remained ahead. As discussed below, had the Settlement not been reached, there were considerable barriers to a greater recovery, or any recovery at all. Principally, Defendants have argued in their pending

[3] Citations to "Exhibit" or "Ex.___" herein refer to exhibits to this Declaration. For clarity, citations to exhibits that have attached exhibits will be referenced as "Ex. __-__." The first numerical reference is to the designation of the entire exhibit attached hereto and the second alphabetical reference is to the exhibit designation within the exhibit itself.

motion to dismiss, and would continue to argue throughout continued litigation, that Lead Plaintiffs had neither alleged particularized facts demonstrating, nor could they prove, any false or misleading statement or omission of material fact. Defendants have also argued, and would continue to maintain, that Lead Plaintiffs have neither pled, nor would they be able to prove, that Defendants allegedly made any misstatements or omissions with scienter. Further, issues relating to establishing loss causation and the calculation of the class's damages would have been hotly disputed, with Defendants arguing that none of the allegedly corrective disclosures were actionable. These issues would have come down to an inherently unpredictable and hotly disputed "battle of the experts." Accordingly, in the absence of a settlement, there was a very real risk that the class could have recovered nothing or an amount significantly less than the negotiated Settlement.

5. In contrast with these challenges, the Settlement provides a favorable recovery that is above industry trends. The $12 million recovery is above the median settlement amount of $7.9 million for securities actions between 2012 and 2021 alleging claims under the Exchange Act and is higher than the median recovery in 2021 of $8.3 million, and higher than the $5.8 million median recovery between 2017 and 2021 in cases that settled after a motion to dismiss was filed, but before a ruling. *See* Laarni T. Bulan and Laura E. Simmons, *Securities Class Action Settlements – 2021 Review and Analysis*, at 1, 13, 14 (Cornerstone Research 2022),

Ex. 3. Thus, compared to other similarly situated cases in 2021, and during the past few years, the Settlement is a very favorable outcome for the Settlement Class.

6. In addition to seeking approval of the Settlement, Lead Plaintiffs seek approval of the proposed Plan of Allocation governing the calculation of claims and the distribution of the Settlement proceeds. As discussed below, the proposed Plan of Allocation was developed with the assistance of Lead Plaintiffs' consulting damages expert and provides for the distribution of the Net Settlement Fund to Settlement Class Members who submit Claim Forms that are approved for payment on a *pro rata* basis based on their losses attributable to the alleged fraud.

7. With respect to the Fee and Expense Application, as discussed in the Memorandum of Law in Support of Lead Counsel's Motion for an Award of Attorneys' Fees and Payment of Litigation Expenses ("Fee Brief"), the requested fee of 30% of the Settlement Fund would be fair both to the Settlement Class and to Plaintiffs' Counsel, and warrants the Court's approval. This fee request is on par with fee percentages frequently awarded in this type of action and, under the facts of this case, is justified in light of the benefits that Lead Counsel conferred on the Settlement Class, the risks they undertook, the quality of the representation, the nature and extent of the legal services, and the fact that Plaintiffs' Counsel pursued the case at their financial risk. Lead Counsel also seeks $59,615.60 in Litigation Expenses incurred in connection with their work.

II. HISTORY OF THE ACTION

A. The Initial Complaint and Appointment of Lead Plaintiffs and Lead Counsel

8. A securities class action complaint was filed on October 2, 2020 in this Court by Palm Tran, Inc. Amalgamated Transit Union Local 1577 Pension Plan on behalf of all persons and entities who purchased or otherwise acquired Credit Acceptance common stock from November 1, 2019 through August 28, 2020, in *Palm Tran, Inc. Amalgamated Transit Union Loc. 1577 Pension Plan v. Credit Acceptance Corp.*, No. 20-CV-12698 (E.D. Mich.) (the "Action"). ECF No. 1.

9. The initial complaint alleged violations of Sections 10(b) and 20(a) of the Securities Exchange Act ("Exchange Act") and Rule 10b-5 promulgated thereunder. To establish a claim under the Exchange Act, a plaintiff must prove: (i) the defendant made a material misrepresentation or omission; (ii) with scienter; (iii) in connection with the purchase or sale of a security; (iv) reliance on the material misrepresentation or omission; (v) economic loss; and (vi) loss causation.

10. The Action asserted claims against Credit Acceptance and the Individual Defendants arising from Credit Acceptance's alleged misrepresentations to investors throughout the Class Period regarding Credit Acceptance's compliance with consumer protection laws. In general, the initial complaint alleged that the price of Credit Acceptance common stock was artificially inflated as a result of Defendants' conduct. The complaint further alleged that when the truth regarding

these unfair and deceptive trade practices was allegedly disclosed to the market, the price of Credit Acceptance shares declined causing damages to the proposed class.

11. On December 1, 2020, Ontario Provincial Council of Carpenters' Pension Trust Fund and Millwright Regional Council of Ontario Pension Trust Fund filed a Motion for Appointment as Lead Plaintiff and Approval of Selection of Lead Counsel pursuant to the procedure set forth by the Private Securities Litigation Reform Act of 1995 (the "PSLRA"). ECF No. 16.

12. On May 28, 2021, pursuant to the PSLRA, the Court issued an order appointing Ontario Provincial Council of Carpenters' Pension Trust Fund and Millwright Regional Council of Ontario Pension Trust Fund as Lead Plaintiffs and appointing Labaton Sucharow LLP as Lead Counsel and Clark Hill as Liaison Counsel to represent the class. ECF No. 28.

B. Lead Plaintiffs' Investigation and the Amended Complaint

13. After their appointment, Lead Plaintiffs, through Lead Counsel, continued their investigation into the claims for the purpose of drafting a comprehensive amended complaint that would survive the strictures of the PSLRA. During this process, Lead Counsel engaged in a thorough factual investigation that included, among other things, the review and analysis of: (i) press releases, news articles, transcripts, and other public statements issued by or concerning Credit Acceptance and the Individual Defendants; (ii) research reports issued by financial

analysts concerning Credit Acceptance's business; (iii) Credit Acceptance's filings with the U.S. Securities and Exchange Commission ("SEC"); (iv) news articles, media reports and other publications concerning the auto lending industry and markets; (v) other publicly available information and data concerning Credit Acceptance, its securities, and the markets therefor.

14. Lead Counsel's investigation, conducted by and through attorneys and investigators, also included the identification of 162 former employees of Credit Acceptance with relevant knowledge, of whom 143 were contacted and 31 were interviewed on a confidential basis.

15. Lead Counsel thoroughly investigated Credit Acceptance's historical financial statements and SEC filings. Lead Counsel reviewed relevant balance sheet changes during the Class Period and the accounting policies (and changes therein) for relevant assets. As detailed below, Lead Counsel consulted with an economic expert regarding loss causation and damages.

16. Lead Counsel also reviewed Defendant Roberts' compensation and insider sales throughout his tenure at the Company, utilizing data provided by Bloomberg, and engaged in a comparative analysis of his sales before and during the Class Period in order to support Lead Plaintiffs' scienter allegations.

17. Lead Counsel sent Freedom of Information Act ("FOIA") requests to the Massachusetts AG in connection with the Company's allegedly illegal, unfair,

and deceptive trade practices with respect to auto lending, debt collection, repossession, and asset-backed securitizations; Consumer Financial Protection Bureau ("CFPB") in connection with its Notice and Opportunity to Respond and Advise ("NORA") letter; New York AG in connection with the investigation relating to Credit Acceptance's loan origination and collection practices and its securitizations; Maryland AG and New Jersey AGs in connection with the investigation relating to Credit Acceptance's repossession practices, sale policies and procedures, loan origination practices, and collection practices; and United States Department of Justice requesting information related to subprime automotive finance and related securitization activities.

18. Further, Lead Counsel also reviewed numerous available research reports issued by financial analysts concerning Credit Acceptance's business and operations, as well as transcripts of conference calls hosted by Defendants during which analysts asked relevant questions of Defendants. These conference calls, press releases, and reports provided invaluable insight into the market's awareness of key industry trends impacting Credit Acceptance, including Credit Acceptance's exposure to regulatory action.

19. In consultation with Lead Plaintiffs' damages experts, Lead Counsel also reviewed statistically significant stock price movements for an extended period both before and after the class period alleged in the initial complaint. Based on this

review and the ongoing review of developments in the Action, Lead Counsel identified allegedly statistically significant stock price declines and related disclosures, which were included in the Complaint as allegedly corrective disclosures, including the Massachusetts Attorney General filing a complaint and alleging that the Company engaged in unfair and deceptive trade practices with respect to auto lending, debt collection, repossessions, and asset-backed securitizations.

20. On July 22, 2021, Lead Plaintiffs filed their Amended Class Action Complaint for Violations of the Federal Securities Laws (the "Complaint" or "Amended Complaint") (ECF No. 31).

C. Defendants' Motion to Dismiss

21. On September 2, 2021, Defendants filed their motion to dismiss the Complaint (the "Motion to Dismiss"). ECF No. 35. Defendants argued, *inter alia*, that the alleged misstatements constitute inactionable omissions, statements of puffery, and generic risk warnings, and that Lead Plaintiffs have not pled sufficient facts to demonstrate that any alleged misstatement was false when made. With respect to scienter, Defendants argued that Lead Plaintiffs did not allege facts supporting a strong inference that Defendants knowingly misrepresented or omitted material facts. Moreover, Defendants argued that Defendant Roberts's stock sales

did not demonstrate scienter; and that Lead Plaintiffs had not sufficiently alleged loss causation.

22. On October 14, 2021, Lead Plaintiffs opposed the Motion to Dismiss. ECF No. 38. With respect to the misstatements pled in the Complaint, Lead Plaintiffs argued that they were false and misleading because they failed to disclose that Credit Acceptance was allegedly violating the law when the Company allegedly: (1) approved and funded high risk loans that it knew and/or was reckless in not knowing customers were unable to repay; (2) engaged in the illegal practice of marking up prices for cars sold to certain borrowers; (3) required the purchase of vehicle service contracts ("VSCs"); and (4) engaged in illegal debt collection and repossession practices. Moreover, Lead Plaintiffs argued that the Complaint pled particularized facts demonstrating the falsity of the misstatements, including statements from former Credit Acceptance employees.

23. With respect to scienter, Lead Plaintiffs argued that the Complaint alleged five of the *Helwig* factors and other indicia that, when viewed holistically, provided support for a strong inference of scienter. Moreover, Lead Plaintiffs argued that the Complaint properly alleged that Defendant Roberts had suspiciously timed insider stock sales while he was in possession of information contradicting his public statements.

24. On November 11, 2021, Defendants filed a reply in further support of their Motion to Dismiss. ECF No. 40. The motion was pending at the time the Settlement was reached.

III. RISKS OF CONTINUED LITIGATION

25. Based on their experience and close knowledge of the facts of the case and law governing the claims, Lead Counsel has determined that settlement at this juncture is in the best interests of the Settlement Class. As described herein, at the time the Settlement was reached, there were sizable risks facing Lead Plaintiffs with respect to both pleading and establishing liability, loss causation, and damages were the case to continue.

A. Risks Related to Liability – Falsity and Scienter

26. Lead Plaintiffs faced a very real risk of not surviving Defendants' pending Motion to Dismiss. Defendants strenuously argued that the alleged misstatements are inactionable statements of opinion, puffery, or generic risk warnings, and that Lead Plaintiffs have not even pled sufficient facts to demonstrate that any alleged misstatement was false when made. Defendants also argued that Lead Plaintiffs did not plead a strong inference of scienter with respect to each Defendant, or sufficiently plead loss causation. According to analyses of federal securities class actions conducted by NERA Consulting, in 2020, 77% of filed securities class actions were dismissed, and in 2021, 64% were dismissed. *See*

Janeen McIntosh and Svetlana Starykh, *Recent Trends in Securities Class Action Litigation: 2021 Full-Year Review* (NERA 2022), Ex. 4 at 11. Moreover, motions to dismiss securities class actions from 2012 to 2021 were denied in full only 19% of the time. *Id*. at 14.

27. Even if Lead Plaintiffs overcame Defendants' Motion to Dismiss, Defendants would likely move for summary judgment following discovery, arguing, among other things, that there was no evidence that there was anything false or misleading to investors about the way Credit Acceptance was describing or employing its business practices. Defendants likely would have sought to separate Credit Acceptance's allegedly predatory lending and collection practices with respect to consumers, from misstatements to investors, and likely would have argued that Lead Plaintiffs improperly rely on "unproven consumer protection allegations" to prove securities fraud allegations.

28. Regarding the falsity of the alleged misstatements, Defendants would likely have contended that the alleged misrepresentations and omissions are inactionable as a matter of law. In particular, Defendants likely would have continued to maintain that the Company made robust disclosures about the risks of the regulatory environments that it operated in, as well as about ongoing investigations into those practices. With respect to the alleged misrepresentations concerning Credit Acceptance's compliance with applicable laws and regulations,

loan offerings, and risk warnings, Defendants would have likely continued to maintain that such statements were either true, inactionable puffery, or opinions that were "fully explained" to investors.

29. Moreover, scienter would have remained a key issue well beyond the Motion to Dismiss. Specifically, Defendants likely would have continued to argue and seek to establish, among other things, that: (i) they disclosed the information they had a duty to disclose about each regulatory investigation and material litigation involving Credit Acceptance, and (ii) they did not knowingly make any false or misleading statements or omissions, instead they were doing their best to comply with intense regulations and to be forthcoming about the environment they were operating in, while cooperating with investigators and defending their business practices. Additionally, Defendants would likely seek to establish that they did not profit from the alleged fraud, including, for example, by showing that Defendant Kenneth S. Booth purchased many shares of Credit Acceptance stock during the Class Period and that his net holdings increased during that same period, even while the value of his holdings declined.

B. Risks Concerning Loss Causation and Damages

30. Assuming that Lead Plaintiffs overcame the above risks at the motion to dismiss stage, summary judgment, and trial, Lead Plaintiffs also faced significant challenges in ultimately proving loss causation and damages.

31. Here, Defendants would have sought to establish that the declines in Credit Acceptance's stock price were not caused by the truth concerning Defendants' alleged false statements being revealed. If Lead Plaintiffs did not meet their burden of establishing causation by a preponderance of the evidence for at least one alleged corrective disclosure, then the class would have recovered nothing.

32. Lead Plaintiffs' consulting damages expert has estimated that if liability were established with respect to both allegedly corrective disclosures (the Company's January 30, 2020 announcement of its 4Q2019 and full year 2019 financial results and the August 2020 disclosures of the Massachusetts Attorney General's enforcement action against the Company), maximum aggregate damages recoverable at trial, based on stock price declines on the three alleged disclosures dates and with netting of gains on pre-class period purchases, would be approximately $370 million. However, Defendants were certain to attack the alleged disclosures underlying this estimate both at summary judgment and trial.

33. For instance, Defendants would likely argue throughout continued litigation that the stock price drop on January 31, 2020 was not attributable to the alleged fraud at all. Specifically, Defendants would likely contend that the Company's stock price declined on that day primarily because it had "reported disappointing loan unit and dollar growth," "loss of market share, decreased loan volume, lower dealer signups despite a relation of signup requirements, and higher

than expected loan provisions," which were unrelated to the alleged fraud. They also would have likely challenged the price impact of the announcement of the Company's "adoption of new accounting standards," which Lead Plaintiffs alleged was a materialization of the risks that had not been disclosed to investors. Proving damages related to this disclosure would have involved a complex and challenging expert driven "disaggregation" analysis to parse out the impact of information that was not related to the alleged fraud. Losing this disclosure would decrease Lead Plaintiffs' estimated aggregate damages by approximately $100 million. Under this scenario, the Settlement represents approximately 4.6% of estimated damages.

34. With respect to the August 2020 disclosures concerning the Massachusetts' Attorney General's lawsuit, Defendants would likely seek to present evidence at summary judgment and trial that the disclosures were not corrective because they did not reveal any new information to the market. They would likely argue that the Massachusetts' Attorney General's views concerning the Company's business practices and alleged violations of Massachusetts' laws were known to the market because the Company had disclosed, in January 2019 before the start of the Class Period, that the Attorney General's Office was conducting an investigation relating to the Company's sub-prime loan origination and collection. If this argument were credited by the Court at summary judgment, or the jury at trial,

recoverable damages would have been significantly decreased or eliminated altogether.

35. Finally, as the case continued, the Parties' respective damages experts would strongly disagree with each other's assumptions and their respective methodologies. The risk that the Court or a jury would credit Defendants' expert's anticipated damages positions over those of Lead Plaintiffs would have considerable consequences in terms of the amount of recovery for the Settlement Class, even assuming liability were proven.

IV. MEDIATED SETTLEMENT NEGOTIATIONS

36. The proposed Settlement resulted from a thoughtful and demanding mediation process. Early in the litigation, the Parties were cognizant of the practical problem that prolonged litigation would likely quickly result in both sides expending significant resources. Given that fact, the Parties considered both the advisability of an early resolution of the litigation, and the means by which they could do so in a manner that protected their respective interests.

37. The Parties agreed to retain Robert Meyer, Esq. of JAMS to act as mediator and to oversee a formal mediation. Mr. Meyer has been involved in the mediation of hundreds of disputes and has been a full-time mediator, arbitrator, and special master since 2006. Mr. Meyer has successfully mediated numerous

securities class action lawsuits in federal and state courts alleging violations of the Exchange Act.

38. In anticipation of a formal mediation session, each side prepared and exchanged written submissions addressing liability and damages for the Parties' and mediator's review. The material allowed each side to better understand the other's position and provided Lead Plaintiffs with valuable insight into the risks of establishing Defendants' liability and the protracted process of seeking to do so.

39. On April 1, 2022, Lead Plaintiffs and Defendants met with Mr. Meyer via Zoom, in an attempt to reach a settlement. Although an agreement to settle was not reached at the mediation, mediated discussions continued thereafter. Based on the Mediator's recommendation, Lead Plaintiffs and Defendants ultimately reached an agreement in principle to settle the claims on June 13, 2022, subject to the negotiation of the terms of a formal settlement agreement and approval by the Court.

40. The Parties then negotiated the Stipulation, which was executed on August 24, 2022. *See* ECF No. 42-2. The agreements between the Parties concerning the Settlement are the Stipulation and the Confidential Supplemental Agreement Regarding Requests for Exclusion.[4]

[4] The Supplemental Agreement sets forth the conditions under which Defendants may terminate the Settlement in the event that requests for exclusion exceed a certain amount (the "Termination Threshold"). As is standard in securities class actions, such agreements are not made public in order to avoid incentivizing the formation of a group of opt-outs for the sole purpose of leveraging the Termination Threshold

41. On August 24, 2022, Lead Plaintiffs moved for preliminary approval of the Settlement. ECF No. 42. On September 19, 2022, the Court entered the Preliminary Approval Order, authorizing that notice of the Settlement be sent to Settlement Class Members (ECF No. 48) and scheduled the Settlement Hearing for December 7, 2022 to consider whether to grant final approval to the Settlement (ECF No. 50).

V. LEAD PLAINTIFFS' COMPLIANCE WITH PRELIMINARY APPROVAL ORDER AND REACTION OF THE SETTLEMENT CLASS TO DATE

42. Pursuant to the Preliminary Approval Order, the Court appointed JND Legal Administration ("JND") as Claims Administrator in the Action and instructed JND to disseminate copies of the Notice of Pendency and Proposed Settlement of Class Action and Motion for Attorneys' Fees and Expenses and Proof of Claim (collectively the "Notice Packet") by mail and to publish the Summary Notice of Pendency and Proposed Settlement of Class Action and Motion for Attorneys' Fees and Expenses ("Summary Notice").

43. The Notice Packet, attached as Exhibit A to the Declaration of Luiggy Segura Regarding (A) Mailing of the Notice Packet; (B) Publication of the Summary Notice; and (C) Report on Requests for Exclusion to Date, dated November 2, 2022

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to exact an individual settlement. The Parties have submitted the Supplemental Agreement to the Court *in camera*.

("Mailing Decl." or "Mailing Declaration") (Exhibit 5 hereto), provides potential Settlement Class Members with information about the terms of the Settlement and contains, among other things: (i) a description of the Action and the Settlement; (ii) the terms of the proposed Plan of Allocation for calculating claims; (iii) an explanation of Settlement Class Members' right to participate in the Settlement; (iv) an explanation of Settlement Class Members' rights to object to the Settlement, the Plan of Allocation, and/or the Fee and Expense Application, or exclude themselves from the Settlement Class; and (v) the manner for submitting a Claim Form in order to be eligible for a payment from the net proceeds of the Settlement. The Notice also informs Settlement Class Members of Lead Counsel's intention to apply for an award of attorneys' fees in an amount not to exceed 30% of the Settlement Fund and for payment of litigation expenses in an amount not to exceed $125,000.

44. As detailed in the Mailing Declaration, JND mailed Notice Packets to potential Settlement Class Members as well as banks, brokerage firms, and other third-party nominees whose clients may be Settlement Class Members. Ex. 5 ¶¶3-12. In total, to date, JND has mailed 65,513 Notice Packets to potential nominees and Settlement Class Members by first-class mail, postage prepaid. *Id.* ¶12. To disseminate the Notice, JND obtained the names and addresses of potential Settlement Class Members from data provided by the Company's transfer agent and

from banks, brokers, and other nominees whose clients may be Settlement Class Members. *Id.* ¶¶4-11.

45. On October 17, 2022, JND also caused the Summary Notice to be published in *The Wall Street Journal* and to be transmitted over the internet using *PR Newswire*. *Id.* ¶13 and Exhibit B thereto.

46. JND also maintains and posts information regarding the Settlement on the website, www.CreditAcceptanceSecuritiesSettlement.com, to provide Settlement Class Members with information concerning the Settlement, as well as downloadable copies of the Notice Packet and the Stipulation. *Id*. ¶15. Lead Counsel also posted the Notice Packet on its website.

47. Pursuant to the terms of the Preliminary Approval Order, the deadline for Settlement Class Members to submit objections to the Settlement, the Plan of Allocation, and/or the Fee and Expense Application, or to request exclusion from the Settlement Class is November 16, 2022. To date, no objections to the Settlement, the Plan of Allocation, or the Fee and Expense Application have been received, and no requests for exclusion have been received. *Id*. ¶16.

48. Should any objections or requests for exclusion be received, Lead Plaintiffs will address them in their reply papers, which are due to be filed with the Court on November 30, 2022.

VI. THE PLAN OF ALLOCATION FOR DISTRIBUTION OF SETTLEMENT PAYMENTS

49. Pursuant to the Preliminary Approval Order, and as set forth in the Notice, all Settlement Class Members who wish to participate in the distribution of the Net Settlement Fund must submit a valid Claim Form, including all required information, postmarked no later than December 2, 2022. As provided in the Notice, after deduction of Court-awarded attorneys' fees and expenses, Notice and Administration Expenses, and all applicable Taxes, the balance of the Settlement Fund (the "Net Settlement Fund") will be distributed to eligible claimants according to the plan of allocation approved by the Court (the "Plan of Allocation").

50. The proposed Plan of Allocation, which is set forth in full in the Notice (Ex. 5-A at 14-18), was designed to achieve an equitable and rational distribution of the Net Settlement Fund. Lead Counsel developed the Plan of Allocation in close consultation with Lead Plaintiffs' consulting damages expert and believes that the plan provides a fair and reasonable method to equitably distribute the Net Settlement Fund among Authorized Claimants.

51. The Plan of Allocation provides for distribution of the Net Settlement Fund among Authorized Claimants on a *pro rata* basis based on their "Recognized Claims," calculated according to the Plan of Allocation's formulas, which are consistent with Lead Plaintiffs' theories of liability and alleged damages under the Exchange Act. These formulas consider the amount of alleged artificial inflation in

the prices of Credit Acceptance publicly traded common stock, as estimated by Lead Plaintiffs' expert.

52. Claimants will be eligible for a payment based on when they purchased, held, or sold their Credit Acceptance shares. The Court-approved Claims Administrator, under Lead Counsel's direction, will calculate Claimants' Recognized Claims using the transactional information provided in their Claim Forms. Claims may be submitted to the Claims Administrator through the mail, online using the settlement website, or for large investors with thousands of transactions through email to JND's electronic filing team. (Neither the Parties nor the Claims Administrator independently have claimants' transactional information.) Lead Plaintiffs' losses will be calculated in the same manner.

53. Once the Claims Administrator has processed all submitted claims and provided Claimants with an opportunity to cure deficiencies or challenge rejection determinations, payment distributions will be made to eligible Authorized Claimants using checks and wire transfers. After an initial distribution, if there is any balance remaining in the Net Settlement Fund (whether by reason of tax refunds, uncashed checks or otherwise) after a reasonable period of time from the date of initial distribution, Lead Counsel will, if feasible and economical, re-distribute the balance among Authorized Claimants who have cashed their checks. Re-distributions will be repeated until the balance in the Net Settlement Fund is no longer economically

feasible to distribute. *See* Ex. 5-A ¶64. Any balance that still remains in the Net Settlement Fund after re-distribution(s), which is not economical to reallocate, after payment of any outstanding Notice and Administration Expenses or Taxes, will be donated to the Consumer Federation of America, or such other secular, non-profit approved by the Court. *Id*.

54. To date, there have been no objections to the Plan of Allocation.

55. In sum, the proposed Plan of Allocation, developed in consultation with Lead Plaintiffs' consulting damages expert, was designed to fairly and rationally allocate the Net Settlement Fund among Authorized Claimants. Accordingly, Lead Counsel respectfully submits that the proposed Plan of Allocation is fair, reasonable, and adequate and should be approved.

VII. LEAD COUNSEL'S APPLICATION FOR ATTORNEYS' FEES AND EXPENSES IS REASONABLE

A. Consideration of Relevant Factors Justifies a 30% Fee

56. Consistent with the Notice to the Settlement Class, Lead Counsel, on behalf of itself and Plaintiffs' Counsel, seeks a fee award of 30% of the Settlement Fund, which includes accrued interest. Lead Counsel also requests payment of Litigation Expenses in connection with the prosecution of the Action from the Settlement Fund in the amount of $59,615.60, plus accrued interest. Lead Counsel submits that, for the reasons discussed below and in the accompanying Fee Brief,

such awards would be reasonable and appropriate under the circumstances before the Court.

1. Lead Plaintiffs Support the Fee and Expense Application

57. Lead Plaintiffs have evaluated and fully support the Fee and Expense Application. Ex. 1 ¶¶2, 5-6 and Ex. 2 ¶¶2, 5-6. In coming to this conclusion, Lead Plaintiffs—sophisticated institutional investors that were involved throughout the prosecution of the Action and negotiation of the Settlement—considered the recovery obtained as well as Lead Counsel's efficient prosecution of the claims to obtain a favorable recovery. *Id*.

2. The Time and Labor of Plaintiffs' Counsel

58. The investigation, prosecution, and settlement of the claims asserted in the Action required diligent efforts on the part of Plaintiffs' Counsel. The tasks undertaken by Plaintiffs' Counsel in this case are detailed above.

59. Among other efforts, Lead Counsel conducted a comprehensive investigation in connection with the preparation of the Complaint, and engaged in a vigorous settlement process with experienced defense counsel. At all times throughout the pendency of the Action, Lead Counsel's efforts were driven and focused on advancing the litigation to bring about the most successful outcome for the Settlement Class, whether through settlement or trial.

60. Attached hereto are counsel declarations detailing their time and expenses, which are submitted in support of the request for an award of attorneys' fees and payment of Litigation Expenses. *See* Declaration of Michael P. Canty on Behalf of Labaton Sucharow LLP (Ex. 6), and Declaration of Ronald A. King on Behalf of Clark Hill PLC (Ex. 7).

61. Included with these declarations are schedules that summarize the time of each firm, as well as each firm's litigation expenses by category (the "Fee and Expense Schedules").[5] The attached declarations and the Fee and Expense Schedules report the amount of time spent by Lead Plaintiffs' attorneys and professional support staff and the "lodestar" calculations, *i.e.*, their hours multiplied by their current hourly rates.[6] As explained in each declaration, they were prepared from daily time records regularly prepared and maintained by the respective firms, which are available at the request of the Court.

62. The hourly rates of Plaintiffs' Counsel here range from $625 to $1,300 for partners, $625 to $850 for of-counsels, and $350 to $575 for associates. *See* Exs. 6-A and 7-A. It is respectfully submitted that the hourly rates for attorneys and professional support staff included in these schedules are reasonable and customary

[5] Attached hereto as Exhibit 8 is a summary table of the lodestars and expenses of Plaintiffs' Counsel.

[6] As set forth in their respective firm declarations, Plaintiffs' Counsel have included time from inception through and including October 31, 2022.

within the securities class action bar. Exhibit 9, attached hereto, is a table of hourly rates for defense firms compiled by Labaton Sucharow from fee applications submitted by such firms nationwide in bankruptcy proceedings in 2021. The analysis shows that across all types of attorneys, Plaintiffs' Counsel's rates are consistent with, or lower than, the firms surveyed.

63. Plaintiffs' Counsel have collectively expended 2,524.7 hours prosecuting the Action. *See* Exs. 6-A, 7-A, and 8. The resulting collective lodestar is $1,512,963.50. *Id*. The requested fee of 30% of the Settlement Fund ($3,600,000 before interest, at the same rate as is earned by the Settlement Fund) results in a "multiplier" of 2.4 on the lodestar.

3. The Professional Skill and Standing of Plaintiffs' Counsel

64. Plaintiffs' Counsel are each highly experienced and skilled litigation law firms. Exs. 6-C and 7-C.

65. The expertise and experience of Lead Counsel Labaton Sucharow's attorneys are described in Exhibit 6-C annexed hereto. Labaton Sucharow has served as lead counsel in a number of high profile matters, for example: *In re Am. Int'l Grp., Inc. Sec. Litig.*, No. 04-8141 (S.D.N.Y.) (representing the Ohio Public Employees Retirement System, State Teachers Retirement System of Ohio, and Ohio Police & Fire Pension Fund and reaching settlements of $1 billion); *In re HealthSouth Corp. Sec. Litig.*, No. 03-1500 (N.D. Ala.) (representing the State of

Michigan Retirement System, New Mexico State Investment Council, and the New Mexico Educational Retirement Board and securing settlements of more than $600 million); and *In re Schering-Plough Corp. / ENHANCE Sec. Litig.*, Civil Action No. 08-397 (DMC) (JAD) (D.N.J.) (representing Massachusetts Pension Reserves Investment Management Board and reaching a settlement of $473 million).

4. Standing and Caliber of Opposing Counsel

66. The quality of the work performed by Lead Counsel in attaining the Settlement should also be evaluated in light of the quality of opposing counsel. Here, Defendants were represented by two highly respected defense firms— Skadden, Arps, Slate Meagher & Flom LLP and Dickinson Wright PLLC. These counsel are skilled and experienced securities attorneys with vast resources. In the face of this knowledgeable and formidable defense, Lead Counsel was nonetheless able to develop a case that was sufficiently strong to persuade Defendants to settle on terms that are favorable to the Settlement Class.

5. The Contingency Risk Faced by Plaintiffs' Counsel

67. From the outset, Lead Counsel understood that they were embarking on a complex, expensive, and lengthy litigation with no guarantee of ever being compensated for the substantial investment of time and money the case would require. In undertaking that responsibility, Lead Counsel were obligated to ensure that sufficient resources were dedicated to the prosecution of the Action, and that

funds were available to compensate staff and to cover the considerable costs that a case such as this requires. With an average time of several years for these cases to conclude, the financial burden on contingent-fee counsel is far greater than on a firm that is paid on an ongoing basis. Plaintiffs' Counsel received no compensation during the course of the Action but incurred 2,542.7 hours of time for a total lodestar of $1,512,963.50 and incurred $59,615.60 in expenses in prosecuting the Action for the benefit of the Settlement Class.

68. Lead Counsel knows from experience that the commencement of a class action does not guarantee a settlement. To the contrary, it takes hard work and diligence by skilled counsel to develop the facts and theories that are needed to sustain a complaint or win at trial, or to convince sophisticated defendants to engage in serious settlement negotiations at meaningful levels. Lead Counsel is aware of many hard-fought lawsuits where, because of the discovery of facts unknown when the case was commenced, or changes in the law during the pendency of the case, or a decision of a judge or jury following a trial on the merits, excellent professional efforts of members of the plaintiffs' bar produced no fee for counsel.

69. Federal circuit court cases include numerous opinions affirming dismissals with prejudice in securities cases. The many appellate decisions affirming summary judgments dismissals show that even surviving a motion to dismiss is not a guarantee of recovery. *See, e.g.*, *McCabe v. Ernst & Young, LLP*,

494 F.3d 418 (3d Cir. 2007); *In re Oracle Corp. Sec. Litig.*, 627 F.3d 376 (9th Cir. 2010); *In re Silicon Graphics Sec. Litig.*, 183 F.3d 970 (9th Cir. 1999); *Phillips v. Scientific-Atlanta, Inc.*, 489 F. App'x. 339 (11th Cir. 2012); *In re Smith & Wesson Holding Corp. Sec. Litig*, 669 F.3d 68 (1st Cir. 2012); *In re Digi Int'l Inc. Sec. Litig*., 14 F. App'x. 714 (8th Cir. 2001); *Geffon v. Micrion Corp*., 249 F.3d 29 (1st Cir. 2001).

70. Successfully opposing a motion for summary judgment is also not a guarantee that plaintiffs will prevail at trial. While only a few securities class actions have been tried before a jury, several have been lost in their entirety, such as *In re JDS Uniphase Securities Litigation*, Case No. C-02-1486 CW (EDL), slip op. (N.D. Cal. Nov. 27, 2007) (tried by Labaton Sucharow), or substantially lost as to the main case, such as *In re Clarent Corp. Securities Litigation*, Case No. C-01-3361 CRB, slip op. (N.D. Cal. Feb. 16, 2005).

71. Even plaintiffs who succeed at trial may find their verdict overturned by a post trial motion for a directed verdict or on appeal. *See, e.g.*, *In re BankAtlantic Bancorp, Inc.,* No. 07-cv-61542 (S.D. Fla. 2010) (in case tried by Labaton Sucharow, after plaintiffs' jury verdict, court granted defendants' motion for judgment as a matter of law on loss causation grounds), *aff'd,* 688 F. 3d 713 (11th Cir. 2012) (trial court erred, but defendants entitled to judgment as matter of law on lack of loss causation); *Ward v. Succession of Freeman*, 854 F.2d 780 (5th Cir. 1998)

(reversing plaintiffs' jury verdict for securities fraud); *Anixter v. Home-Stake Prod. Co.*, 77 F.3d 1215 (10th Cir. 1996) (overturning plaintiffs' verdict obtained after two decades of litigation); *Glickenhaus & Co., et al. v. Household Int'l, Inc., et al*., 787 F.3d 408 (7th Cir. 2015) (reversing and remanding jury verdict of $2.46 billion after 13 years of litigation on loss causation grounds and error in jury instruction under *Janus Capital Grp., Inc. v. First Derivative Traders*, 131 S.Ct. 2296 (2011)); *Robbins v. Koger Props., Inc*., 116 F.3d 1441 (11th Cir. 1997) (reversing $81 million jury verdict and dismissing case with prejudice). And, the path to maintaining a favorable jury verdict can be arduous and time consuming. *See, e.g.*, *In re Apollo Grp., Inc. Sec. Litig.*, Case No. CV-04-2147-PHX-JAT, 2008 WL 3072731 (D. Ariz. Aug. 4, 2008), *rev'd*, No. 08-16971, 2010 WL 5927988 (9th Cir. June 23, 2010) (trial court rejecting unanimous verdict for plaintiffs, which was later reinstated by the Ninth Circuit Court of Appeals) and judgment re-entered (*id*.) after denial by the Supreme Court of the United States of defendants' Petition for Writ of Certiorari (*Apollo Grp. Inc. v. Police Annuity and Benefit Fund*, 562 U.S. 1270 (2011)).

72. As discussed in greater detail above, Lead Plaintiffs' success was by no means assured. Defendants would have continued to vigorously dispute whether Lead Plaintiffs could establish falsity, scienter, and loss causation. In addition, Defendants would no doubt have contended, if the case proceeded to summary judgment, that even if liability existed, the amount of damages was substantially

lower than Lead Plaintiffs alleged. If this Settlement was not achieved, Lead Plaintiffs and Plaintiffs' Counsel faced potentially years of costly and risky trial and appellate litigation against Defendants, with ultimate success far from certain and the significant prospect of no recovery.

B. Request for Litigation Expenses

73. Lead Counsel seeks payment from the Settlement Fund of Litigation Expenses reasonably and necessarily incurred in connection with commencing and prosecuting the claims against Defendants.

74. From the beginning of the case, Lead Counsel was aware that it might not recover any of its expenses, and, at the very least, would not recover anything until the Action was successfully resolved. Thus, Lead Counsel was motivated to take steps to manage expenses without jeopardizing the vigorous and efficient prosecution of the case.

75. As set forth in the Fee and Expense Schedules and the Summary Table of Lodestars and Expenses, Plaintiffs' Counsel's Litigation Expenses in connection with the prosecution of the Action total $59,615.60. *See* Exs. 6-B, 7-B, and 8 (Summary Table). As attested to, these expenses are reflected on the books and records maintained by each firm. These books and records are prepared from expense vouchers, check records, and other source materials and are an accurate record of counsel's expenses. Plaintiffs' Counsel's declarations identify the specific

categories of expense—*e.g.*, experts' fees, mediation fees, travel costs, online/computer research, and duplicating.

76. Of the total amount of expenses, $22,387.50 or approximately 38% was expended on experts and consultants in the fields of damages and loss causation. These experts were valuable for Lead Counsel's analysis and development of the claims, as well as mediation efforts and the Plan of Allocation.

77. Computerized research costs total $21,989.10, or approximately 37% of total expenses. These are the charges for computerized factual and legal research services, including PACER, Westlaw, Thomson Research, and LexisNexis. These services allowed counsel to perform media searches on the Company, obtain analyst reports and financial data for the Company, and conduct legal research.

78. Lead Counsel incurred $8,475.00, or approximately 14% of total expenses, in connection with mediation fees assessed by the Mediator in this matter.

79. Lead Counsel also retained counsel for confidential witnesses who provided information used in the Complaint ($1,309.00).

80. The other expenses for which Lead Counsel seeks payment are the types of expenses that are necessarily incurred in complex commercial litigation and routinely charged to clients billed by the hour. These expenses include, among others, late night transportation and working meals, duplicating costs, and court fees.

All of the Litigation Expenses, which total $59,615.60, were necessary to the successful prosecution and resolution of the claims against Defendants.

C. The Reaction of the Settlement Class to the Fee and Expense Application

81. As mentioned above, consistent with the Preliminary Approval Order, a total of 65,513 Notices have been mailed to potential Settlement Class Members advising them that Lead Counsel would seek an award of attorneys' fees not to exceed 30% of the Settlement Fund, and payment of Litigation Expenses in an amount not greater than $125,000. *See* Ex. 5-A ¶¶4, 34. Additionally, the Summary Notice was published in *The Wall Street Journal* and disseminated over *PR Newswire*. *Id*. ¶13. The Notice and relevant documents have also been available on the website maintained by the Claims Administrator, *id.* ¶15, and Lead Counsel's website.[7]

82. While the deadline set by the Court for Settlement Class Members to object to the requested fees and expenses has not yet passed, to date no objections have been received. Lead Counsel will respond to any objections received in their reply papers, which are due on November 30, 2022.

[7] Lead Plaintiffs' motion for approval of the Settlement and Lead Counsel's motion for an award of attorneys' fees and Litigation Expenses will also be posted on the websites.

VIII. MISCELLANEOUS EXHIBITS

83. Attached hereto as Exhibit 10 is a compendium of unreported cases, in alphabetical order, cited in the accompanying Fee Brief.

IX. CONCLUSION

84. In view of the favorable recovery for the Settlement Class and the substantial risks of this litigation, as described above and in the accompanying memorandum of law, Lead Plaintiffs and Lead Counsel respectfully submit that the Settlement should be approved as fair, reasonable, and adequate and that the proposed Plan of Allocation should likewise be approved as fair, reasonable, and adequate. In view of the recovery in the face of substantial risks, the quality of work performed, the contingent nature of the fee, and the standing and experience of Plaintiffs' Counsel, as described above and in the accompanying memorandum of law, Lead Counsel respectfully submit that a fee in the amount of 30% of the Settlement Fund be awarded and that Litigation Expenses in the amount of $59,615.60 be paid in full.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 2nd day of November, 2022.

/s/ Michael P. Canty
MICHAEL P. CANTY

Exhibit 1

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

PALM TRAN, INC. AMALGAMATED TRANSIT UNION LOCAL 1577 PENSION PLAN, Individually and On Behalf of All Others Similarly Situated, Plaintiff, v. CREDIT ACCEPTANCE CORPORATION, BRETT A. ROBERTS, and KENNETH S. BOOTH, Defendants.	Case No. 20-cv-12698 Honorable Linda V. Parker

DECLARATION OF TOM CARDINAL IN SUPPORT OF (I) LEAD PLAINTIFFS' MOTION FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT AND PLAN OF ALLOCATION AND (II) LEAD COUNSEL'S MOTION FOR AN AWARD OF ATTORNEYS' FEES AND PAYMENT OF LITIGATION EXPENSES

I, Thomas Cardinal, declare as follows, pursuant to 28 U.S.C. §1746:

1. I am the Chairman of the Board of Trustees of the Ontario Provincial Council of Carpenters' Pension Trust Fund ("Ontario Carpenters"), and I am authorized to submit this declaration on its behalf. Ontario Carpenters is a Court-appointed Lead Plaintiff in the above-captioned proposed securities class action (the "Action").[1]

2. I respectfully submit this declaration in support of final approval of the proposed settlement of the Action for $12 million, approval of the proposed Plan of Allocation for distributing the proceeds of the Settlement, and approval of Lead Counsel's request for attorneys' fees and expenses. I have personal knowledge of the statements herein and, if called as a witness, could competently testify about them.

3. On May 28, 2021, the Court appointed Ontario Carpenters as a Lead Plaintiff for the proposed class in the Action. Since that time, we, together with Manion Wilkins & Associates Ltd. ("Manion"), Ontario Carpenters' third party administrator, have monitored the progress of this litigation and have regularly conferred with counsel concerning its prosecution and developments. In that regard, we reviewed significant filings with the Court, communicated with counsel

[1] Unless otherwise indicated, capitalized terms have those meanings contained in the Stipulation and Agreement of Settlement, dated as of August 24, 2022.

regarding litigation developments, and discussed with counsel the potential for settlement and the terms of the proposed Settlement.

4. We believe that the Settlement represents a fair, reasonable, and adequate result for the Settlement Class. We have weighed the substantial benefits to the Settlement Class against the significant risks and uncertainties of continued litigation. After doing so, we believe that the Settlement represents a very favorable recovery, and believe that final approval of the Settlement is in the best interests of the Settlement Class.

5. We also believe that Lead Counsel's request for an award of attorneys' fees in the amount of 30% of the Settlement Fund is fair and reasonable under the circumstances of this case. We have evaluated Lead Counsel's request in light of the effort required by Lead Counsel to pursue the case to date, the risks and challenges in the litigation, as well as the recovery obtained for the Settlement Class. We understand that Lead Counsel will also devote additional time in the future to administering the Settlement. We further believe that the litigation expenses to be requested, of no more than $125,000, are reasonable and represent the costs and expenses that were necessary for the successful prosecution and resolution of this case. Based on the foregoing, we fully support Lead Counsel's motion for attorneys' fees and payment of litigation expenses.

6. In conclusion, we were closely involved throughout the prosecution and settlement of the claims in the Action and strongly endorse the Settlement as fair,

reasonable, and adequate, and believe it represents a very favorable recovery for the Settlement Class. We further support Lead Counsel's attorneys' fee and expense request, in light of the work performed, the recovery obtained for the Settlement Class, and the attendant litigation risks.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge. Executed this 31 day of OCTOBER, 2022.

Thomas Cardinal
on Behalf of the Board of Trustees of the Ontario Provincial Council of Carpenters' Pension Trust Fund

Exhibit 2

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

PALM TRAN, INC. AMALGAMATED TRANSIT UNION LOCAL 1577 PENSION PLAN, Individually and On Behalf of All Others Similarly Situated, Plaintiff, v. CREDIT ACCEPTANCE CORPORATION, BRETT A. ROBERTS, and KENNETH S. BOOTH, Defendants.	Case No. 20-cv-12698 Honorable Linda V. Parker

DECLARATION OF MARK BEARDSWORTH IN SUPPORT OF (I) LEAD PLAINTIFFS' MOTION FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT AND PLAN OF ALLOCATION AND (II) LEAD COUNSEL'S MOTION FOR AN AWARD OF ATTORNEYS' FEES AND PAYMENT OF LITIGATION EXPENSES

I, Mark Beardsworth, declare as follows, pursuant to 28 U.S.C. §1746:

1. I am the Executive Secretary Treasurer of the Millwright Regional Council of Ontario Pension Trust Fund ("MRCO"), and I am authorized to submit this declaration on its behalf. MRCO is a Court-appointed Lead Plaintiff in the above-captioned proposed securities class action (the "Action").[1]

2. I respectfully submit this declaration in support of final approval of the proposed settlement of the Action for $12 million, approval of the proposed Plan of Allocation for distributing the proceeds of the Settlement, and approval of Lead Counsel's request for attorneys' fees and expenses. I have personal knowledge of the statements herein and, if called as a witness, could competently testify about them.

3. On May 28, 2021, the Court appointed MRCO as a Lead Plaintiff for the proposed class in the Action. Since that time, we, together with Manion Wilkins & Associates Ltd. ("Manion"), MRCO's third party administrator, have monitored the progress of this litigation and have regularly conferred with counsel concerning its prosecution and developments. In that regard, we reviewed significant filings with the Court, communicated with counsel regarding litigation developments, and

[1] Unless otherwise indicated, capitalized terms have those meanings contained in the Stipulation and Agreement of Settlement, dated as of August 24, 2022.

discussed with counsel the potential for settlement and the terms of the proposed Settlement.

4. We believe that the Settlement represents a fair, reasonable, and adequate result for the Settlement Class. We have weighed the substantial benefits to the Settlement Class against the significant risks and uncertainties of continued litigation. After doing so, we believe that the Settlement represents a very favorable recovery, and believe that final approval of the Settlement is in the best interests of the Settlement Class.

5. We also believe that Lead Counsel's request for an award of attorneys' fees in the amount of 30% of the Settlement Fund is fair and reasonable under the circumstances of this case. We have evaluated Lead Counsel's request in light of the effort required by Lead Counsel to pursue the case to date, the risks and challenges in the litigation, as well as the recovery obtained for the Settlement Class. We understand that Lead Counsel will also devote additional time in the future to administering the Settlement. We further believe that the litigation expenses to be requested, of no more than $125,000, are reasonable and represent the costs and expenses that were necessary for the successful prosecution and resolution of this case. Based on the foregoing, we fully support Lead Counsel's motion for attorneys' fees and payment of litigation expenses.

6. In conclusion, we were closely involved throughout the prosecution and settlement of the claims in the Action and strongly endorse the Settlement as fair,

reasonable, and adequate, and believe it represents a very favorable recovery for the Settlement Class. We further support Lead Counsel's attorneys' fee and expense request, in light of the work performed, the recovery obtained for the Settlement Class, and the attendant litigation risks.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge. Executed this 2 day of NOVEMBER, 2022.

Mark Beardsworth
on Behalf of the Board of Trustees of the Millwright Regional Council of Ontario Pension Trust Fund

Exhibit 3

CORNERSTONE RESEARCH

Economic and Financial Consulting and Expert Testimony

Securities Class Action Settlements

2021 Review and Analysis

Table of Contents

Table of Figures and Appendices

Analyses in this report are based on 2,013 securities class actions filed after passage of the Private Securities Litigation Reform Act of 1995 (Reform Act) and settled from 1996 through year-end 2021. See page 16 for a detailed description of the research sample. For purposes of this report and related research, a settlement refers to a negotiated agreement between the parties to a securities class action that is publicly announced to potential class members by means of a settlement notice.

2021 Highlights

While the number of settlements increased in 2021 to a 10-year high, several key metrics declined below recent levels. The median total settlement amount decreased to $8.3 million. And, reversing a trend observed in recent years, median "simplified tiered damages" were 42% below the 2020 median value.

- There were 87 settlements, totaling $1.8 billion, in 2021. (page 3)
- The median settlement of $8.3 million fell 22% from 2020 (adjusted for inflation). (page 4)
- Almost 60% of cases (51) settled for less than $10 million, and of these, 14 cases settled for less than $2 million. (page 4)
- There were three mega settlements (equal to or greater than $100 million), ranging from $130 million to $187.5 million. (page 3)
- Median "simplified tiered damages" (among cases with Rule 10b-5 claims) was the lowest since 2017 and the second lowest in the last decade. (page 5)
- In 2021, the number of settlements in cases with only Section 11 and/or Section 12(a)(2) claims ('33 Act claims) was nearly double the annual average from 2017 to 2020. (page 7)
- The proportion of settled cases alleging Generally Accepted Accounting Principles (GAAP) violations in Rule 10b-5 cases was 32%, a record low among all post–Reform Act years. (page 9)
- The rate of settled cases involving a corresponding action by the U.S. Securities and Exchange Commission (SEC) was the lowest in the past decade. (page 11)
- The median time from filing to settlement hearing date was 2.6 years, compared to 3.0 years for 2012 to 2020. (page 13)

Figure 1: Settlement Statistics

(Dollars in millions)

	2016–2020	2019	2020	2021
Number of Settlements	395	75	77	87
Total Amount	$20,486.9	$2.227.5	$4,395.2	$1,787.7
Minimum	$0.3	$0.5	$0.3	$0.6
Median	$9.9	$11.7	$10.6	$8.3
Average	$51.9	$29.7	$57.1	$20.5
Maximum	$3,237.5	$413.0	$1,266.9	$187.5

Note: Settlement dollars are adjusted for inflation; 2021 dollar equivalent figures are presented.

Author Commentary

Findings

There was no slowdown in settlement activity in 2021, even with the backdrop of the COVID-19 pandemic, as the number of securities class action settlements increased to a 10-year high. Since the typical duration from case filing to settlement is approximately three years, the uptick in 2021 settlements is consistent with the unprecedented number of case filings in 2017–2019,[1] which is when the majority of these settled cases were filed.

The record number of cases settled in 2021, however, did not translate into higher total settlement dollars. Both total settlement dollars and median settlement amount declined to their lowest levels since 2017, reflecting an increase in the proportion of smaller settlements (i.e., less than $10 million) compared to prior years.

The decline in settlement sizes can largely be attributed to lower estimates of our proxy for economic losses borne by shareholders, or "simplified tiered damages." Moreover, median issuer defendant total assets were more than 45% smaller for cases settled in 2021 compared to those settled in 2020.

Weaker cases may have contributed to the reduced settlement values as well. For example, the proportion of settled cases alleging a GAAP violation or involving a related SEC action were at record-low levels. Both of these factors are typically associated with higher settlement amounts and are sometimes considered proxies for stronger cases.[2] In addition, the frequency of other factors that our research finds are associated with higher settlement amounts, such as the involvement of an institutional investor as lead plaintiff or the presence of a parallel derivative action, were among the lowest observed in the last decade.

The mix of cases that settled in 2021 had smaller estimates of potential shareholder losses and lacked many of the plus factors that often contribute to higher settlement outcomes.

Dr. Laarni T. Bulan
Principal, Cornerstone Research

Similarly, our research finds that the number of docket entries—a proxy for the time and effort expended by plaintiff counsel and/or case complexity—is positively associated with settlement amounts. The average number of docket entries for cases settled in 2021 was the lowest in the last five years.

Undeterred by the challenges of the pandemic, securities class action settlements occurred in larger numbers and were resolved more quickly than observed in prior years. The increase in the number of settlements also reflects the unusually high rate of case filings when many of these settled cases were first initiated.

Dr. Laura E. Simmons
Senior Advisor, Cornerstone Research

Looking Ahead

We expect heightened settlement activity to continue in upcoming years given the elevated number of case filings in 2018–2020 compared to earlier years,[3] assuming no increases in dismissal rates. The higher number of smaller settlements observed in 2021 could also continue due to the decline in the median disclosure dollar loss (another proxy for shareholder losses) among case filings during the same time frame (2018–2020).

Several recent trends in case allegations have been observed in case filings since 2017, such as allegations related to cybersecurity, cryptocurrency, cannabis, COVID-19, and special purpose acquisition companies (SPACs).[4] We continue to see a small number of these cases settling, but a large portion remains active. In addition, the spike in SPAC filings in 2021, as shown in Cornerstone Research's *Securities Class Action Filings—2021 Year in Review*, is likely to affect settlement trends in future years.

—Laarni T. Bulan and Laura E. Simmons

Total Settlement Dollars

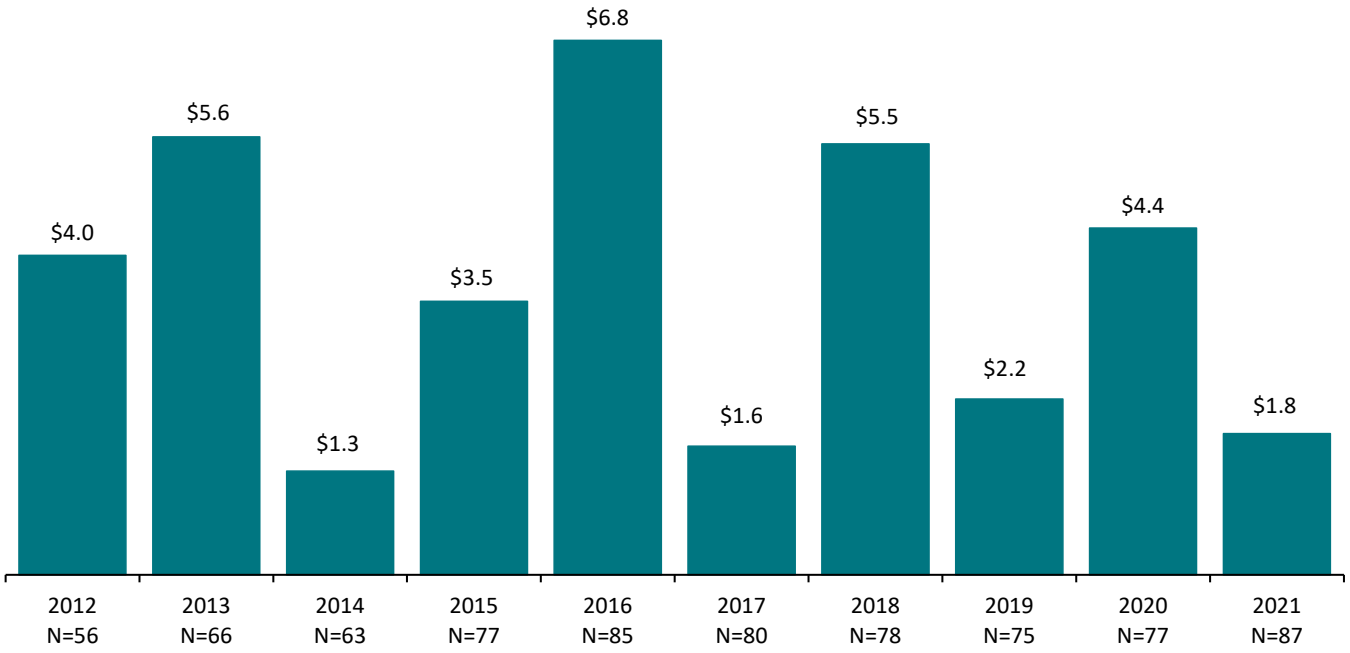
As has been observed in prior years, the presence or absence of just a few very large settlements can have an outsized effect on total reported settlement dollars.

- In 2021, the absence of these very large settlements contributed to a nearly 60% decline in total settlement dollars from the prior year (adjusted for inflation).
- There were three mega settlements (equal to or greater than $100 million) in 2021, ranging from $130 million to $187.5 million. The maximum settlement value of $187.5 million in 2021 is the lowest maximum value in the last decade.

The number of settlements in 2021 reached a 10-year high.

- Only 25% of total settlement dollars in 2021 came from mega settlements, the lowest percentage in the last decade. *(See Appendix 4 for additional information on mega settlements.)*
- The number of settlements in 2021 (87 cases) represented a 19% increase from the prior nine-year average (73 cases).

Figure 2: Total Settlement Dollars
2012–2021
(Dollars in billions)



Note: Settlement dollars are adjusted for inflation; 2021 dollar equivalent figures are presented. "N" refers to the number of cases.

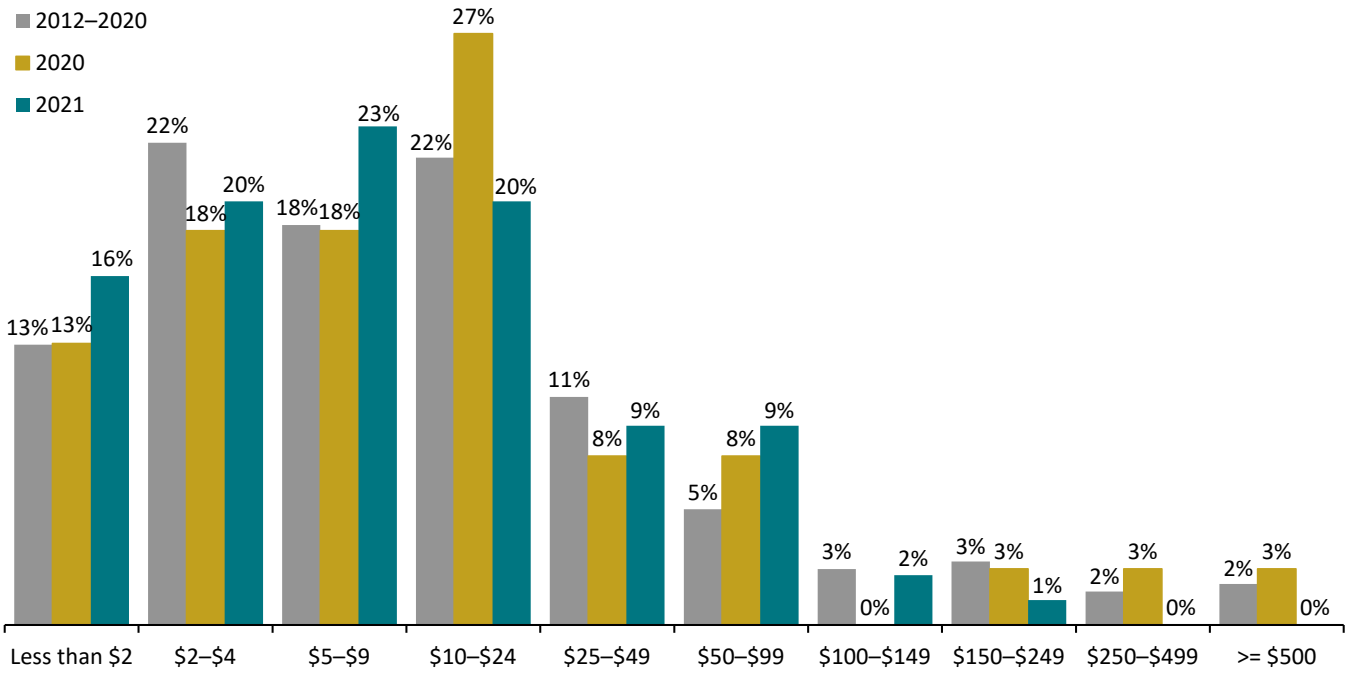
Settlement Size

- The median settlement amount in 2021 was $8.3 million, a 22% decline from 2020 (adjusted for inflation), and a 10% decline from the 2012–2020 median.
- There were 14 cases that settled for less than $2 million in 2021 (historically referred to by commentators as nuisance suits).[5] This compares to an annual average of 10 such settlements during the 2012–2020 period.
- Both the average settlement and median settlement amounts in 2021 were the lowest since 2017. *(See Appendix 1 for an analysis of settlements by percentiles.)*

Nearly 60% of settlements in 2021 were for less than $10 million.

- As noted in prior research, three law firms (The Rosen Law Firm, Pomerantz LLP, and Glancy Prongay & Murray LLP) have accounted for more than half of securities class action filings in recent years, and those filings have been dismissed at a higher rate overall than those with other lead plaintiff counsel.[6] For cases that progressed to a settlement in 2021 with one or more of these three firms acting as lead counsel, the median settlement amount was 76% lower than the median for cases involving other lead plaintiff counsel. These three firms were involved as lead counsel in 31 settled cases in 2021, compared to 19 in 2020.

Figure 3: Distribution of Settlements
2012–2021
(Dollars in millions)



Type of Claim

Rule 10b-5 Claims and "Simplified Tiered Damages"

"Simplified tiered damages" uses simplifying assumptions to estimate per-share damages and trading behavior for cases involving Rule 10b-5 claims. It provides a measure of potential shareholder losses that allows for consistency across a large volume of cases, thus enabling the identification and analysis of potential trends.[7]

Cornerstone Research's prediction model finds this measure to be the most important factor in predicting settlement amounts.[8] However, this measure is not intended to represent actual economic losses borne by shareholders. Determining any such losses for a given case requires more in-depth economic analysis.

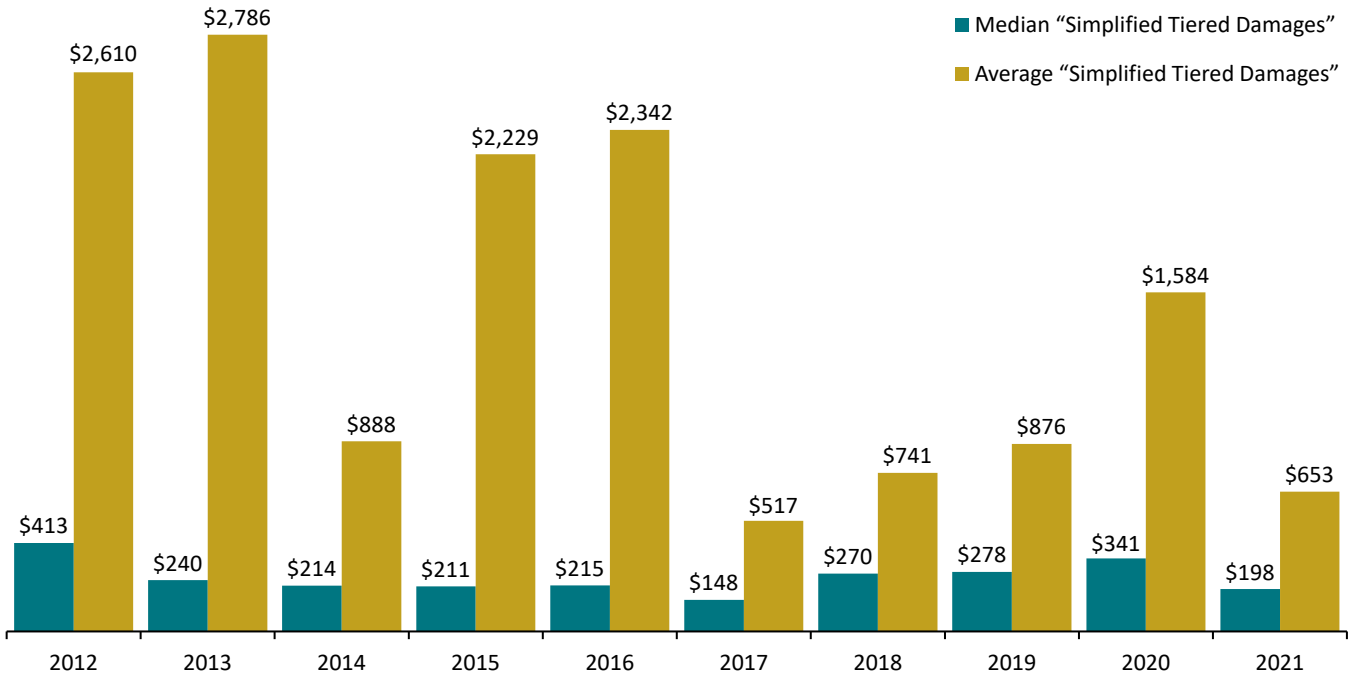
- Similar to settlement amounts, the average "simplified tiered damages" in 2021 declined to the lowest level since 2017. *(See Appendix 5 for additional information on median and average settlements as a percentage of "simplified tiered damages.")*

Median "simplified tiered damages" was the lowest since 2017 and the second lowest in the last decade.

- Median values provide the midpoint in a series of observations and are less affected than averages by outlier data. The decrease in median "simplified tiered damages" in 2021 indicates a decline in the number of larger cases relative to 2020 (e.g., cases with "simplified tiered damages" exceeding $250 million).
- Smaller "simplified tiered damages" are typically associated with smaller issuer defendants (measured by total assets or market capitalization of the issuer). However, the median market capitalization of issuer defendants[9] in settled cases increased 30% over 2020, in part reflecting the upward market trend through the end of 2021.

Figure 4: Median and Average "Simplified Tiered Damages" in Rule 10b-5 Cases
2012–2021

(Dollars in millions)

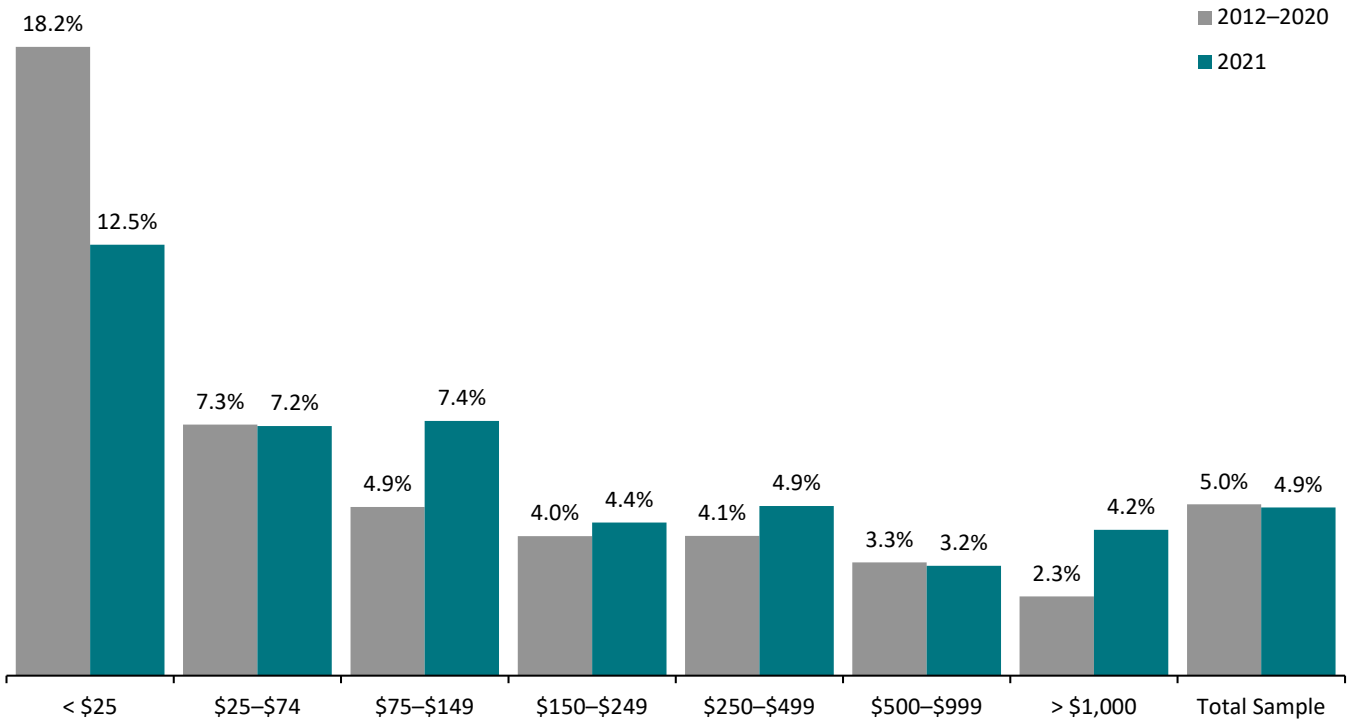


Note: "Simplified tiered damages" are adjusted for inflation based on class period end dates for common stock only; 2021 dollar equivalent figures are presented. Damages are estimated for cases alleging a claim under Rule 10b-5 (whether alone or in addition to other claims).

- Cases with larger "simplified tiered damages" are more likely to be associated with factors such as institutional lead plaintiffs, related SEC actions, or criminal charges. *(See Analysis of Settlement Characteristics on pages 9–12 for additional discussion of these factors.)*
- Among cases with Rule 10b-5 claims, the median class period length declined 20% in 2021 from the median class period length observed in 2020, explaining, in part, the relatively low median "simplified tiered damages."
- Fourteen settlements in 2021 had "simplified tiered damages" less than $25 million, the largest proportion of such cases in more than 15 years.
- Cases with less than $25 million in "simplified tiered damages" typically settle more quickly. In 2021, these cases settled within 2.5 years on average, compared to about four years for cases with "simplified tiered damages" greater than $500 million.
- Half of the cases settled in 2021 with "simplified tiered damages" of less than $25 million involved issuers that had been delisted from a major exchange and/or declared bankruptcy prior to settlement.
- Very large cases (more than $1 billion in "simplified tiered damages") typically settle for a smaller percentage of such damages. However, compared to cases with "simplified tiered damages" between $150 million and $1 billion, this pattern did not hold in 2021.

Figure 5: Median Settlements as a Percentage of "Simplified Tiered Damages" by Damages Ranges in Rule 10b-5 Cases 2012–2021

(Dollars in millions)



Note: Damages are estimated for cases alleging a claim under Rule 10b-5 (whether alone or in addition to other claims).

'33 Act Claims and "Simplified Statutory Damages"

For '33 Act claim cases—those involving only Section 11 and/or Section 12(a)(2) claims—shareholder losses are estimated using a model in which the statutory loss is the difference between the statutory purchase price and the statutory sales price, referred to here as "simplified statutory damages." Only the offered shares are assumed to be eligible for damages.[10]

"Simplified statutory damages" are typically smaller than "simplified tiered damages," in part reflecting differences in the methodologies used to estimate alleged damages per share, as well as differences in the shares eligible to be damaged. As such, settlements as a percentage of "simplified statutory damages" may be higher than the percentages observed among Rule 10b-5 settlements.

- However, for the first time since 2014, the median settlement as a percentage of "simplified statutory damages" was lower than the median settlement as a percentage of "simplified tiered damages." In 2021, the median settlement as a percentage of "simplified statutory damages" was 4.4%, 10% lower than the median "simplified tiered damages" of 4.9%. *(See Appendix 6 for additional information on median and average settlements as a percentage of "simplified statutory damages.")*

The median settlement value for '33 Act claim cases in 2021 was $8.4 million, largely unchanged from 2020 ($8.6 million).

- In 2021, the number of settlements in cases with only '33 Act claims was nearly double the annual average from 2017 to 2020.
- Cases involving '33 Act claims typically resolve more quickly than cases involving Rule 10b-5 (Exchange Act) claims. In 2021, however, the median interval from filing date to settlement hearing date for both case types narrowed to within 10%.

Figure 6: Settlements by Nature of Claims
2012–2021

(Dollars in millions)

	Number of Settlements	Median Settlement	Median "Simplified Statutory Damages"	Median Settlement as a Percentage of "Simplified Statutory Damages"
Section 11 and/or Section 12(a)(2) Only	77	$8.9	$142.2	7.6%

	Number of Settlements	Median Settlement	Median "Simplified Tiered Damages"	Median Settlement as a Percentage of "Simplified Tiered Damages"
Both Rule 10b-5 and Section 11 and/or Section 12(a)(2)	116	$16.0	$406.9	6.1%
Rule 10b-5 Only	543	$7.9	$215.2	4.8%

Note: Settlement dollars and damages are adjusted for inflation; 2021 dollar equivalent figures are presented.

Type of Claim (continued)

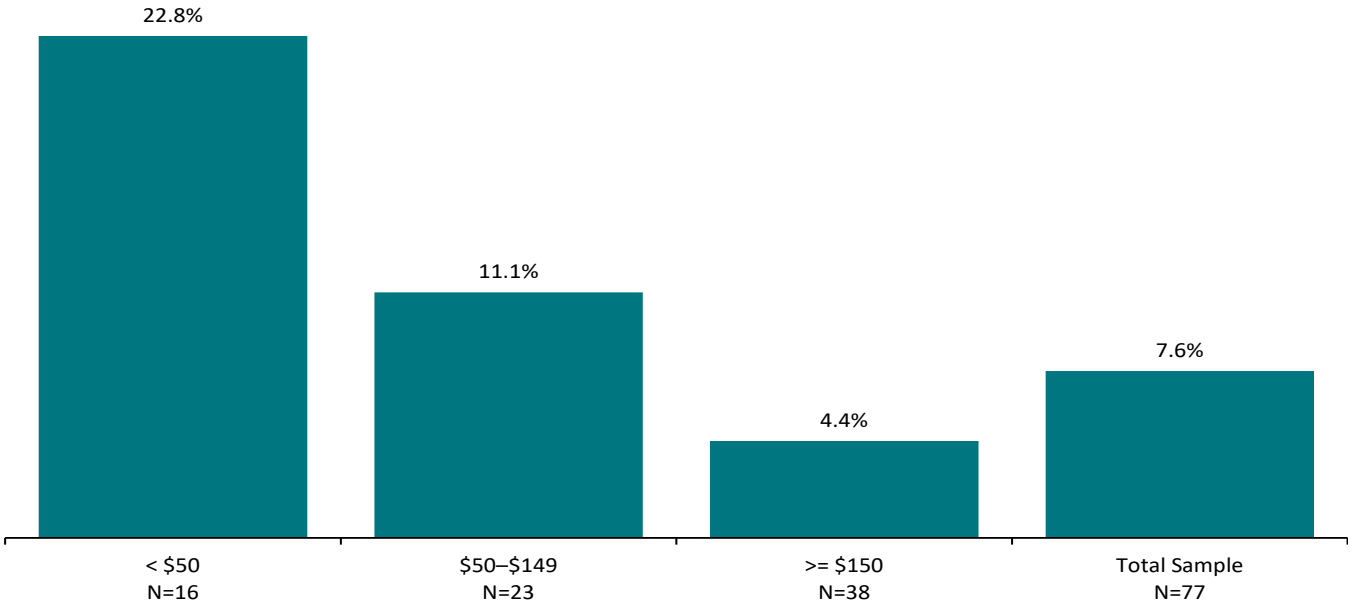
- More than 80% of cases with only '33 Act claims involved an initial public offering (IPO).
- In 2021, 88% of the settled '33 Act claim cases involved an underwriter (or underwriters) as a named codefendant.
- Among those cases with identifiable contributions, D&O liability insurance provided, on average, more than 90% of the total settlement fund for '33 Act claim cases from 2012 to 2021.[11]
- Median "simplified statutory damages" in 2021 was the highest since 2014, and double the median in 2020.

As noted in previous 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* upholding the validity of federal forum-selection provisions in corporate charters.[12]

- In 2021, among '33 Act claim only cases filed post-*Cyan* but prior to the *Sciabacucchi* ruling, 13 have settled, six of which were filed in state court.[13]
- In the years since the *Cyan* decision, an increase in the number of overlapping or parallel suits has been observed—for example, a '33 Act claim case filed in state court that is related to a Rule 10b-5 claim case filed in federal court.[14] The number of these overlapping suits that settled in 2021 was nearly triple the average from 2017 to 2020.

Figure 7: Median Settlements as a Percentage of "Simplified Statutory Damages" by Damages Ranges in '33 Act Claim Cases 2012–2021

(Dollars in millions)



Jurisdictions of Settlements of '33 Act Claim Cases

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
State Court	1	1	0	2	4	5	4	4	7	6
Federal Court	3	7	2	3	6	3	4	5	1	10

Note: "N" refers to the number of cases. Table does not include parallel suits.

Analysis of Settlement Characteristics

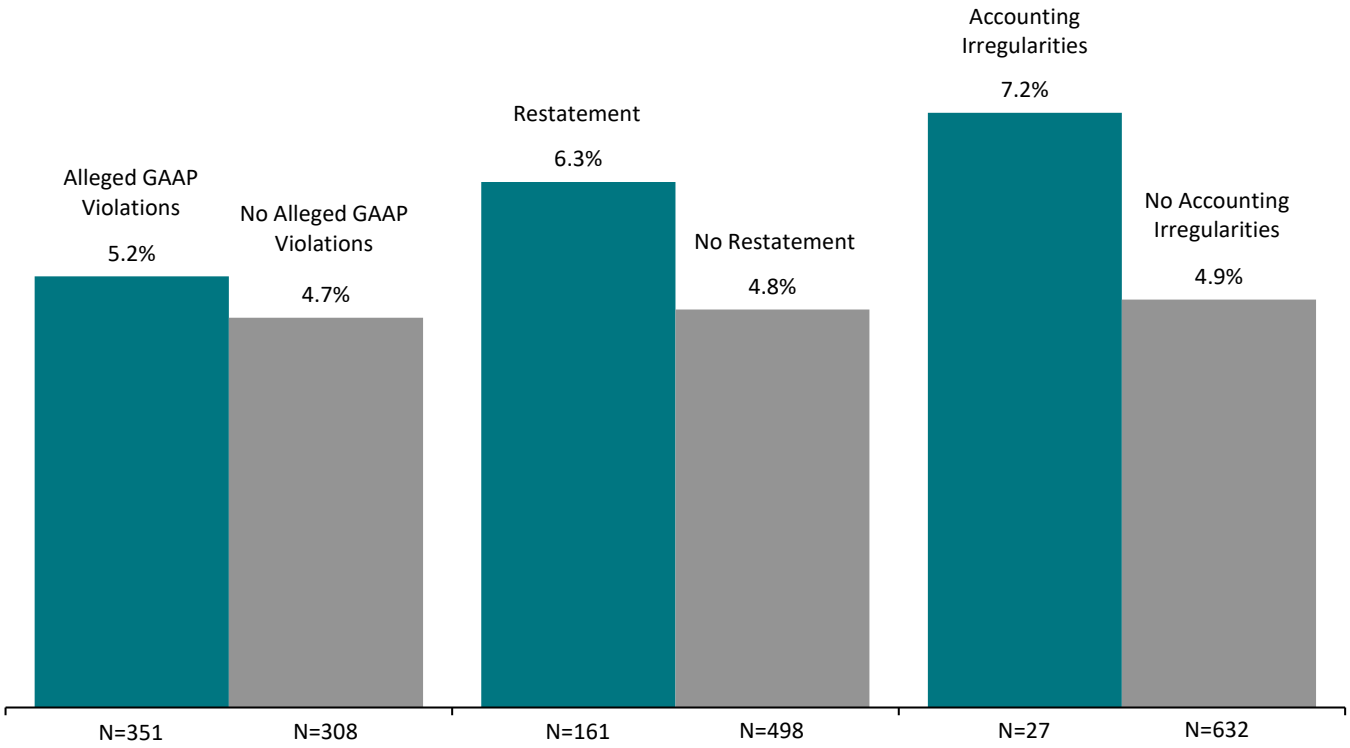
GAAP Violations

This analysis examines allegations of GAAP violations in settlements of securities class actions involving Rule 10b-5 claims, including two sub-categories of GAAP violations—financial statement restatements and accounting irregularities.[15] For further details regarding settlements of accounting cases, see Cornerstone Research's annual report on *Accounting Class Action Filings and Settlements*.[16]

- In 2021, median "simplified tiered damages" for cases involving GAAP allegations were 38% higher than the 2012–2020 median for such cases.
- As this research has observed, settlements as a percentage of "simplified tiered damages" for cases involving GAAP allegations are typically higher than for non-GAAP cases. This is true even as the rate of accounting allegations has declined in recent years. For example, only 14% of settlements in 2021 involved a restatement of financial statements.
- The frequency of an outside auditor codefendant has declined substantially in recent years. In 2021, an outside auditor was a codefendant in just 3% of settlements.
- The frequency of reported accounting irregularities among settlements from 2017 to 2021 was also low, at just 3.5% of cases. Of those cases, more than 50% also involved criminal charges/indictments related to the allegations in the class action.

The proportion of settled cases in 2021 with Rule 10b-5 claims alleging GAAP violations was 32%, an all-time low among all post–Reform Act years.

Figure 8: Median Settlements as a Percentage of "Simplified Tiered Damages" and Allegations of GAAP Violations 2012–2021



Note: "N" refers to the number of cases.

Derivative Actions

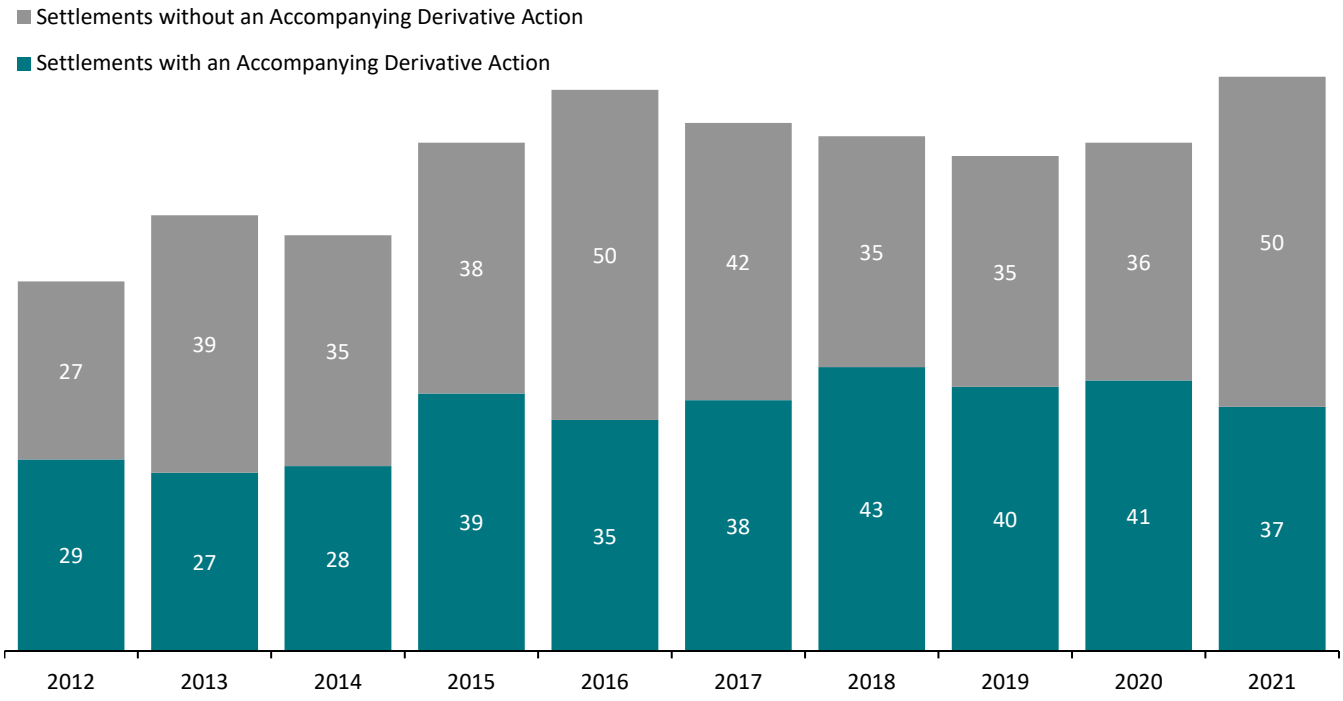
Historically, settled cases involving an accompanying derivative action have been associated with both larger cases (measured by "simplified tiered damages") and larger settlement amounts. For example, from 2012 to 2020, the median settlement for cases with an accompanying derivative action was nearly 45% higher than for cases without a derivative action.

- However, in 2021, the median settlement for cases with an accompanying derivative action was $8.5 million compared to $7.5 million for cases without a derivative action, a difference of 13%.
- In 2021, median "simplified tiered damages" for settled cases with an accompanying derivative action was more than double the median for cases without an accompanying derivative action.

In 2021, 43% of settled cases involved an accompanying derivative action, the lowest rate in the last five years.

- For cases settled during 2017–2021, nearly one-third of parallel derivative suits were filed in Delaware. California and New York were the next most common venues for such actions, representing 22% and 13% of such settlements, respectively.

Figure 9: Frequency of Derivative Actions
2012–2021



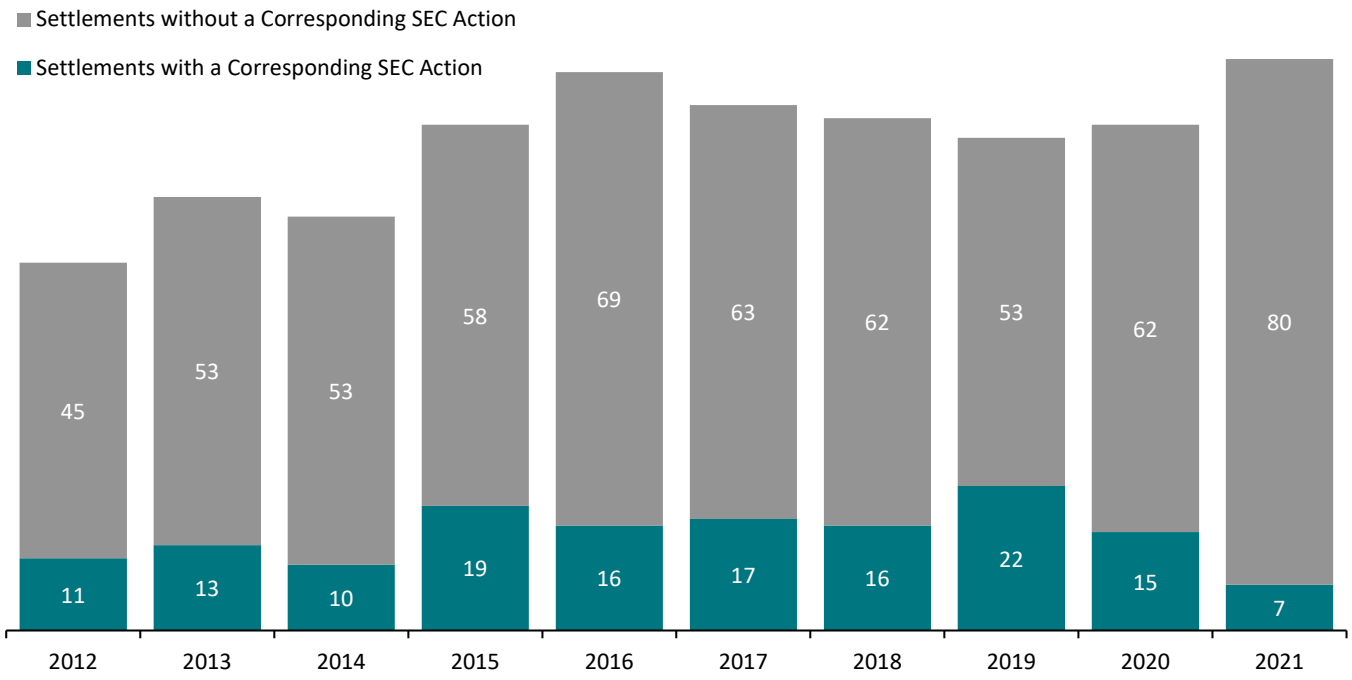
Corresponding SEC Actions

- Cases with an SEC action related to the allegations are typically associated with substantially higher settlement amounts.[17]
- In 2021, median settlement amounts for cases that involved a corresponding SEC action were double the median for cases without such an action.
- Settled cases in 2021 with a corresponding SEC action took more than 30% longer to reach settlement compared to cases without such an action. *(See page 13 for additional discussion.)*

In 2021, the number of settled cases involving a corresponding SEC action was the lowest in the past decade

- The dramatic decline in corresponding SEC actions (Figure 10) may reflect, in part, the decline in SEC enforcement activity during the filing date years associated with 2021 settlements. For additional details, see Cornerstone Research's *SEC Enforcement Activity: Public Company and Subsidiaries—FY 2021 Update*.
- Cases involving corresponding SEC actions may also include related criminal charges in connection with the allegations covered by the underlying class action. From 2017 to 2021, 40% of settled cases with an SEC action had related criminal charges.[18]

Figure 10: Frequency of SEC Actions
2012–2021



Institutional Investors

As is well known, increasing institutional participation in litigation as lead plaintiffs was a focus of the Reform Act.[19] Institutional investors are often involved in larger cases, that is, cases with higher "simplified tiered damages" and higher total assets.

- In 2021, for cases involving an institutional investor as lead plaintiff, median "simplified tiered damages" and median total assets were six times and 11 times higher, respectively, than the median values for cases without an institutional investor in a lead role.
- The involvement of an institutional investor as a lead plaintiff is correlated with specific law firms serving as lead plaintiff counsel. For example, over the last five years, an institutional investor served as lead plaintiff in 86% of the settled cases in which Robbins Geller Rudman & Dowd LLP and/or Bernstein Litowitz Berger & Grossman LLP served as lead plaintiff counsel. In comparison, an institutional investor served as lead plaintiff in only 15% of cases in which The Rosen Law Firm, Pomerantz, or Glancy served as lead counsel.

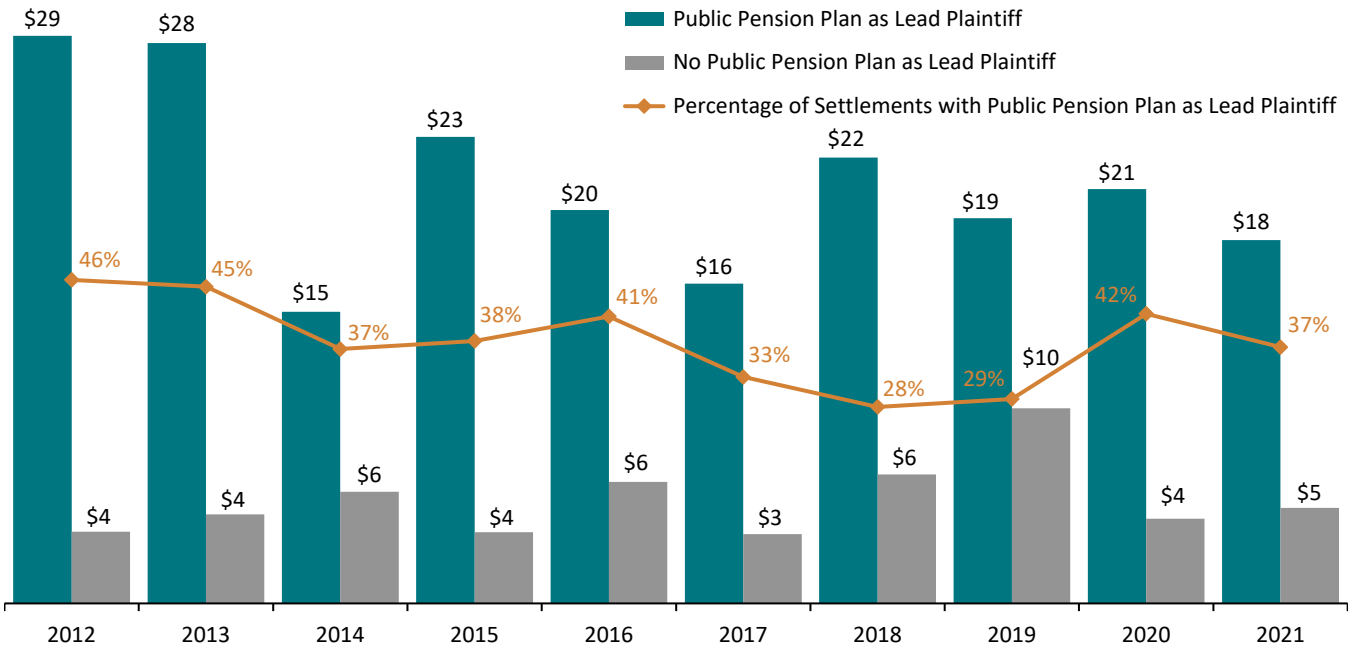
Since passage of the Reform Act, public pension plans have been the most frequent type of institutional lead plaintiff, and the presence of a public pension acting as a lead plaintiff is associated with higher settlement amounts. *(See page 15 for further discussion of factors that influence settlement outcomes.)*

- For example, for cases settled in 2021, public pension plans served as lead plaintiffs in almost 76% of cases involving institutions, while union funds appeared as lead plaintiffs in less than 10% of these cases.
- Public pensions are also more likely to be lead plaintiffs in cases involving more established publicly traded issuers. In 2021 settled cases, the median age from IPO to the filing date for cases with a public pension lead plaintiff was more than 8.5 years compared to a median of 4.3 years for cases without a public pension lead.

Among cases settled in 2021, institutional investor lead plaintiff appointments were among the lowest in more than 15 years.

Figure 11: Median Settlement Amounts and Public Pension Plans
2012–2021

(Dollars in millions)



Note: Settlement dollars are adjusted for inflation; 2021 dollar equivalent figures are presented.

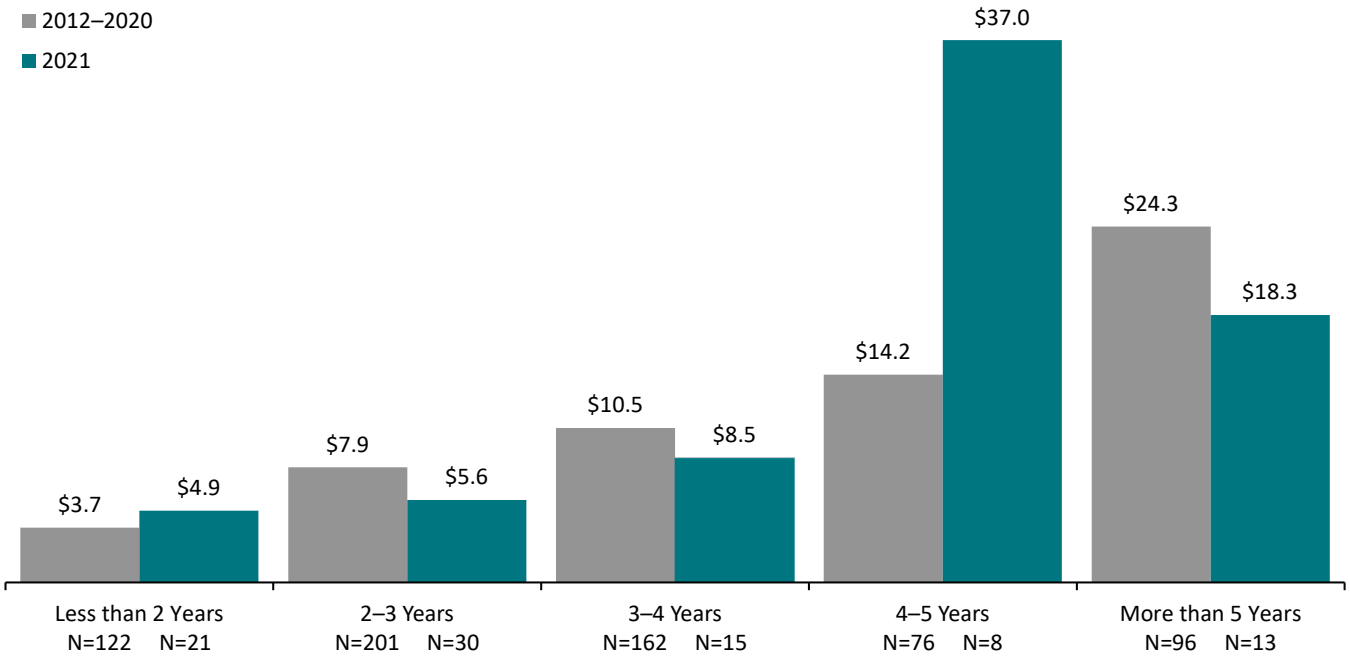
Time to Settlement and Case Complexity

- The median time from filing to settlement hearing date was 2.6 years for 2021 settlements, compared to 3.0 years for 2012–2020 settlements. This decline in the time to reach settlement was largely driven by the Ninth Circuit, where the median time to settlement declined by almost 40% in 2021.
- Larger cases (as measured by "simplified tiered damages") often take longer to resolve. Consistent with this, in 2021 all three mega settlements took at least three years to reach a settlement hearing date.
- In 2021, for cases that took at least three years to settle, median "simplified tiered damages" were more than five times higher for settlements with an institutional lead plaintiff than for those without an institutional lead plaintiff.
- Reflecting both the smaller dollar amounts and the shorter interval from filing date to settlement hearing date among 2021 settlements, the number of docket entries for these cases declined, on average, 26% from the prior year.[20]

Over 55% of cases in 2021 reached a settlement hearing date within three years of filing, compared to under 45% in 2020.

Figure 12: Median Settlement by Duration from Filing Date to Settlement Hearing Date
2012–2021

(Dollars in millions)



Note: Settlement dollars are adjusted for inflation; 2021 dollar equivalent figures are presented. "N" refers to the number of cases.

Case Stage at the Time of Settlement

In collaboration with Stanford Securities Litigation Analytics (SSLA),[21] this report analyzes settlements in relation to the stage in the litigation process at the time of settlement.

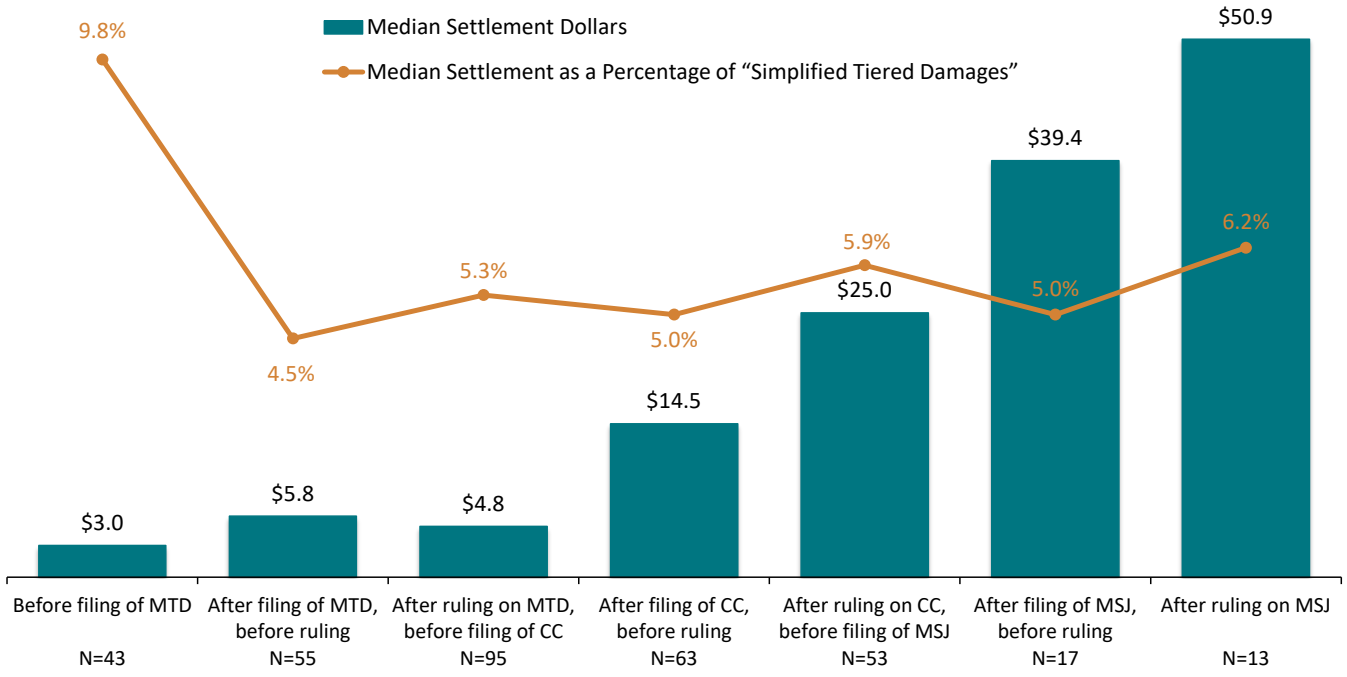
- Despite the overall smaller size of cases settled in 2021 and the shorter time to reach settlement, the stage at which cases settled remained largely unchanged. For example, in 2021, more than 60% of cases were resolved before a motion for class certification was filed, compared to 57% for 2017–2020 settlements.
- Similarly, approximately 20% of settlements in 2021 reached settlement sometime after a ruling on a motion for class certification, compared to 24% for 2017–2020 settlements.

Once a motion for class certification was filed, the median interval to the settlement hearing date for 2021 settlements was around 1.5 years.

- In 2021, cases that settled after a motion for class certification was filed were substantially larger than cases that settled at earlier stages. In particular, median "simplified tiered damages" for cases settling after a motion for class certification had been filed was more than eight times the median for cases that resolved prior to such a motion.
- Cases settling at later stages in 2021 were also larger in terms of issuer size. Specifically, the median issuer-reported total assets for 2021 cases that settled after the filing of a motion for summary judgment was more than five times the median for cases that settled prior to such a motion being filed.

Figure 13: Median Settlement Dollars and Resolution Stage at Time of Settlement
2017–2021

(Dollars in millions)



Note: Settlement dollars are adjusted for inflation; 2021 dollar equivalent figures are presented. "N" refers to the number of cases. MTD refers to "motion to dismiss," CC refers to "class certification," and MSJ refers to "motion for summary judgment." This analysis is limited to cases alleging Rule 10b-5 claims.

Cornerstone Research's Settlement Prediction Analysis

This research applies regression analysis to examine the relationships between settlement outcomes and certain securities case characteristics. Regression analysis is employed to better understand and predict the total settlement amount, given the characteristics of a particular securities case. Regression analysis can also be applied to estimate the probabilities associated with reaching alternative settlement levels. It can also be helpful in exploring hypothetical scenarios, including how the presence or absence of particular factors affects predicted settlement amounts.

Determinants of Settlement Outcomes

Based on the research sample of cases that settled from January 2006 through December 2021, the factors that were important determinants of settlement amounts included the following:

- "Simplified tiered damages"
- Maximum Dollar Loss (MDL)—market capitalization change from its class period peak to post-disclosure value
- Most recently reported total assets of the issuer defendant firm
- Number of entries on the lead case docket
- Whether there were accounting allegations
- Whether there was a corresponding SEC action against the issuer, other defendants, or related parties
- Whether there were criminal charges against the issuer, other defendants, or related parties with similar allegations to those included in the underlying class action complaint
- Whether there was an accompanying derivative action
- Whether an outside auditor was named as a codefendant
- Whether Section 11 and/or Section 12(a) claims were alleged in addition to Rule 10b-5 claims
- Whether the issuer defendant was distressed
- Whether a public pension was a lead plaintiff
- Whether securities, in addition to common stock, were included in the alleged class

Regression analyses show that settlements were higher when "simplified tiered damages," MDL, issuer defendant asset size, or the number of docket entries was larger, or when Section 11 and/or Section 12(a) claims were alleged in addition to Rule 10b-5 claims.

Settlements were also higher in cases involving accounting allegations, a corresponding SEC action, criminal charges, an accompanying derivative action, a public pension involved as lead plaintiff, an outside auditor named as a codefendant, or securities in addition to common stock included in the alleged class.

Settlements were lower if the issuer was distressed.

More than 74% of the variation in settlement amounts can be explained by the factors discussed above.

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 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 provide a relatively homogeneous set of cases in terms of the nature of the allegations.
- The current sample includes 2,013 securities class actions filed after passage of the Reform Act (1995) and settled from 1996 through 2021. These settlements are identified based on a review of case activity collected by Securities Class Action Services LLC (SCAS).[22]
- The designated settlement year, for purposes of this report, corresponds to the year in which the hearing to approve the settlement was held.[23] Cases involving multiple settlements are reflected in the year of the most recent partial settlement, provided certain conditions are met.[24]

Data Sources

In addition to SCAS, data sources include Dow Jones Factiva, Bloomberg, the Center for Research in Security Prices (CRSP) at University of Chicago Booth School of Business, Standard & Poor's Compustat, Refinitiv Eikon, 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

1 *Securities Class Action Filings—2021 Year in Review*, Cornerstone Research (2022).

2 See, for example, Stephen J. Choi, "Do the Merits Matter Less after the Private Securities Litigation Reform Act?," *Journal of Law, Economics, and Organization* 23, no. 3 (2007).

3 *Securities Class Action Filings—2021 Year in Review*, Cornerstone Research (2022).

4 *Securities Class Action Filings—2021 Year in Review*, Cornerstone Research (2022).

5 See, for example, Stephen J. Choi, Karen K. Nelson, and Adam C. Pritchard, "The Screening Effect of the Private Securities Litigation Reform Act," Law & Economics Working Paper, University of Michigan Law School (2007).

6 *Securities Class Action Filings—2021 Year in Review*, Cornerstone Research (2022).

7 The "simplified tiered damages" approach used for purposes of this settlement research does not examine the mix of information associated with the specific dates listed in the plan of allocation, but simply applies the stock price movements on those dates to an estimate of the "true value" of the stock during the alleged class period (or "value line"). This proxy for damages utilizes an estimate of the number of shares damaged based on reported trading volume and the number of shares outstanding. Specifically, reported trading volume is adjusted using volume reduction assumptions based on the exchange on which the issuer defendant's common stock is listed. No adjustments are made to the underlying float for institutional holdings, insider trades, or short-selling activity during the alleged class period. Because of these and other simplifying assumptions, the damages measures used in settlement outcome modeling may be overstated relative to damages estimates developed in conjunction with case-specific economic analysis.

8 Laarni T. Bulan, Ellen M. Ryan, and Laura E. Simmons, *Estimating Damages in Settlement Outcome Modeling*, Cornerstone Research (2017).

9 Median market capitalization as of the most recent quarter-end prior to the settlement hearing date.

10 The statutory purchase price is the lesser of the security offering price or the security purchase price. Prior to the first complaint filing date, the statutory sales price is the price at which the security was sold. After the first complaint filing date, the statutory sales price is the greater of the security sales price or the security price on the first complaint filing date. Similar to "simplified tiered damages," the estimation of "simplified statutory damages" makes no adjustments to the underlying float for institutional holdings, insider trades, or short-selling activity.

11 Based on data for cases where the amount contributed by the D&O liability insurer was verified in settlement materials and/or the issuer defendant's SEC filings—approximately 83% of all '33 Act claims cases. Data are supplemented with additional observations from the SSLA.

12 *Securities Class Action Filings—2021 Year in Review*, Cornerstone Research (2022).

13 This calculation excludes settlements with both '33 Act claims filed in state court and Rule 10b-5 claims filed in federal court.

14 In some instances, the federal action also includes '33 Act claims.

15 The three categories of accounting issues analyzed in Figure 8 of this report are (1) GAAP violations; (2) restatements—cases involving a restatement (or announcement of a restatement) of financial statements; and (3) accounting irregularities—cases in which the defendant has reported the occurrence of accounting irregularities (intentional misstatements or omissions) in its financial statements.

16 *Accounting Class Action Filings and Settlements—2021 Review and Analysis*, Cornerstone Research (2022), forthcoming in spring 2022.

17 As noted previously, it could be that the merits in such cases are stronger, or simply that the presence of a corresponding SEC action provides plaintiffs with increased leverage when negotiating a settlement. For purposes of this research, an SEC action is evidenced by the presence of a litigation release or an administrative proceeding posted on www.sec.gov involving the issuer defendant or other named defendants with allegations similar to those in the underlying class action complaint.

18 Identification of a criminal charge and/or criminal indictment based on review of SEC filings and public press. For purposes of this research, criminal charges and/or indictments are collectively referred to as "criminal charges."

19 See, for example, 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 (2012).

20 Docket entries reflect the number of entries on the court docket for events in the litigation and have been used in prior research as a proxy for the amount of plaintiff attorney effort involved in resolving securities cases. See Laura Simmons, "The Importance of Merit-Based Factors in the Resolution of 10b-5 Litigation," University of North Carolina at Chapel Hill Doctoral Dissertation (1996); Michael A. Perino, "Institutional Activism through Litigation: An Empirical Analysis of Public Pension Fund Participation in Securities Class Actions," St. John's Legal Studies Research Paper No. 06-0055 (2006).

21 Stanford Securities Litigation Analytics (SSLA) tracks and collects data on private shareholder securities litigation and public enforcements brought by the SEC and the U.S. Department of Justice. 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/.

22 Available on a subscription basis. For further details see https://www.issgovernance.com/securities-class-action-services/.

23 Movements of partial settlements between years can cause differences in amounts reported for prior years from those presented in earlier reports.

24 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 re-categorized 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)

	Average	10th	25th	Median	75th	90th
2012	$72.3	$1.4	$3.2	$11.1	$41.9	$135.7
2013	$84.1	$2.2	$3.5	$7.6	$25.8	$96.0
2014	$20.9	$1.9	$3.3	$6.9	$15.1	$57.2
2015	$45.0	$1.5	$2.5	$7.4	$18.6	$107.5
2016	$79.7	$2.1	$4.7	$9.7	$37.3	$164.8
2017	$20.4	$1.7	$2.9	$5.8	$16.9	$39.2
2018	$70.0	$1.6	$3.9	$12.1	$26.7	$53.0
2019	$29.7	$1.6	$6.0	$11.7	$21.2	$53.0
2020	$57.1	$1.5	$3.5	$10.6	$20.9	$55.7
2021	$20.5	$1.7	$3.1	$8.3	$17.9	$58.6

Note: Settlement dollars are adjusted for inflation; 2021 dollar equivalent figures are presented.

Appendix 2: Settlements by Select Industry Sectors 2012–2021

(Dollars in millions)

Industry	Number of Settlements	Median Settlement	Median "Simplified Tiered Damages"	Median Settlement as a Percentage of "Simplified Tiered Damages"
Financial	99	$16.2	$409.5	5.1%
Technology	101	$8.6	$228.9	4.7%
Pharmaceuticals	107	$7.0	$215.2	4.7%
Retail	37	$10.5	$254.7	4.3%
Telecommunications	23	$9.3	$278.8	5.4%
Healthcare	19	$12.3	$152.8	6.7%

Note: Settlement dollars and "simplified tiered damages" are adjusted for inflation; 2021 dollar equivalent figures are presented. "Simplified tiered damages" are calculated only for cases involving Rule 10b-5 claims.

Appendices (continued)

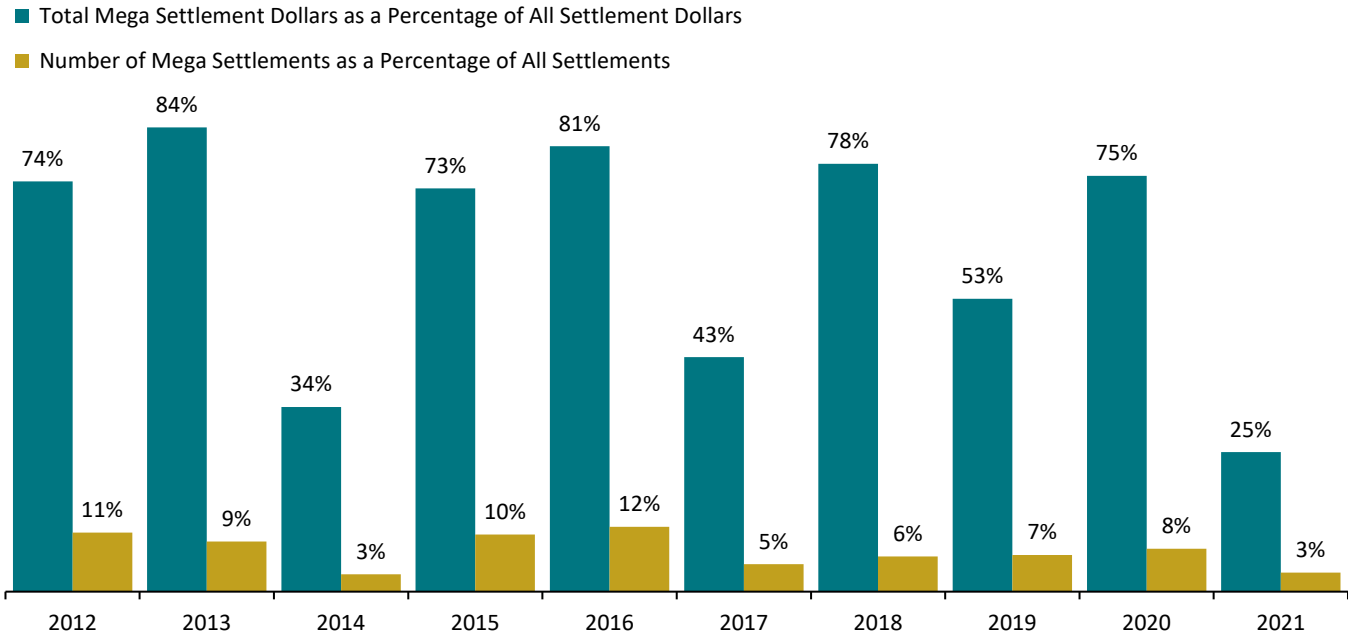
Appendix 3: Settlements by Federal Circuit Court
2012–2021

(Dollars in millions)

Circuit	Number of Settlements	Median Settlement	Median Settlement as a Percentage of "Simplified Tiered Damages"
First	20	$10.8	3.2%
Second	192	$9.3	5.1%
Third	65	$7.0	5.6%
Fourth	24	$20.1	4.1%
Fifth	36	$9.9	5.0%
Sixth	30	$13.3	7.4%
Seventh	35	$14.2	3.9%
Eighth	13	$14.7	6.8%
Ninth	183	$6.9	4.9%
Tenth	17	$8.5	5.3%
Eleventh	38	$11.0	4.9%
DC	4	$24.8	2.2%

Note: Settlement dollars are adjusted for inflation; 2021 dollar equivalent figures are presented. Settlements as a percentage of "simplified tiered damages" are calculated only for cases alleging Rule 10b-5 claims.

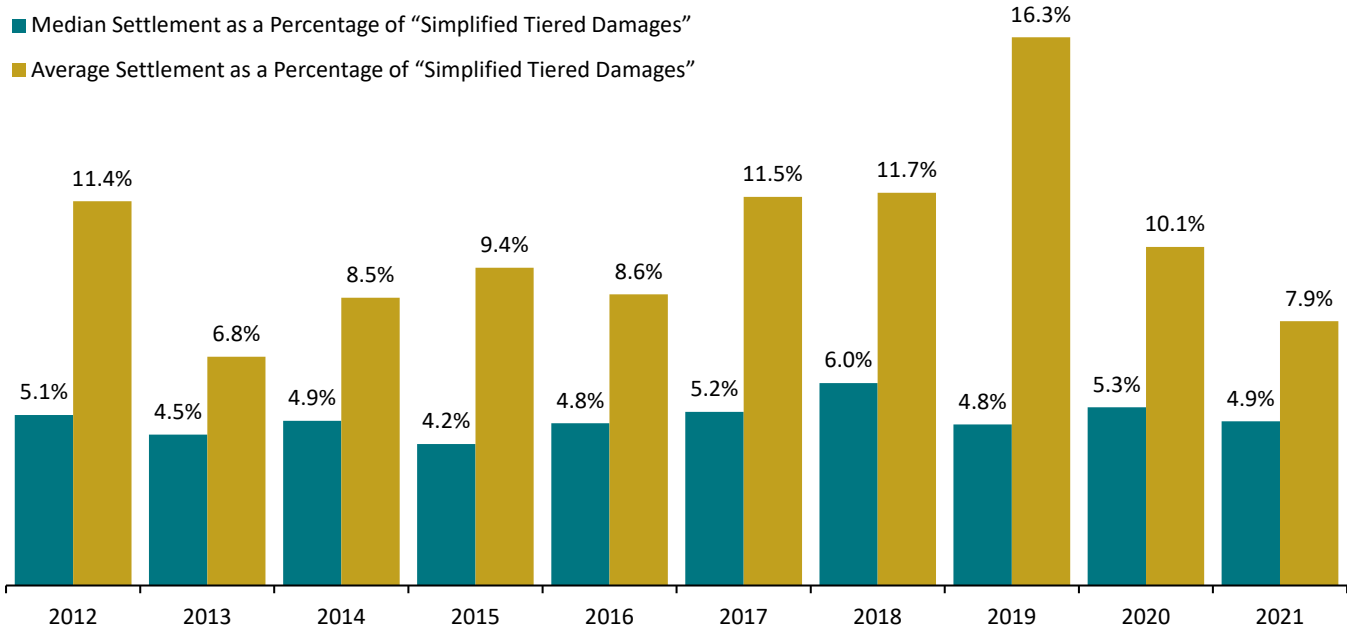
Appendix 4: Mega Settlements
2012–2021



Note: Mega settlements are defined as total settlement funds equal to or greater than $100 million. Settlement dollars are adjusted for inflation; 2021 dollar equivalent figures are presented.

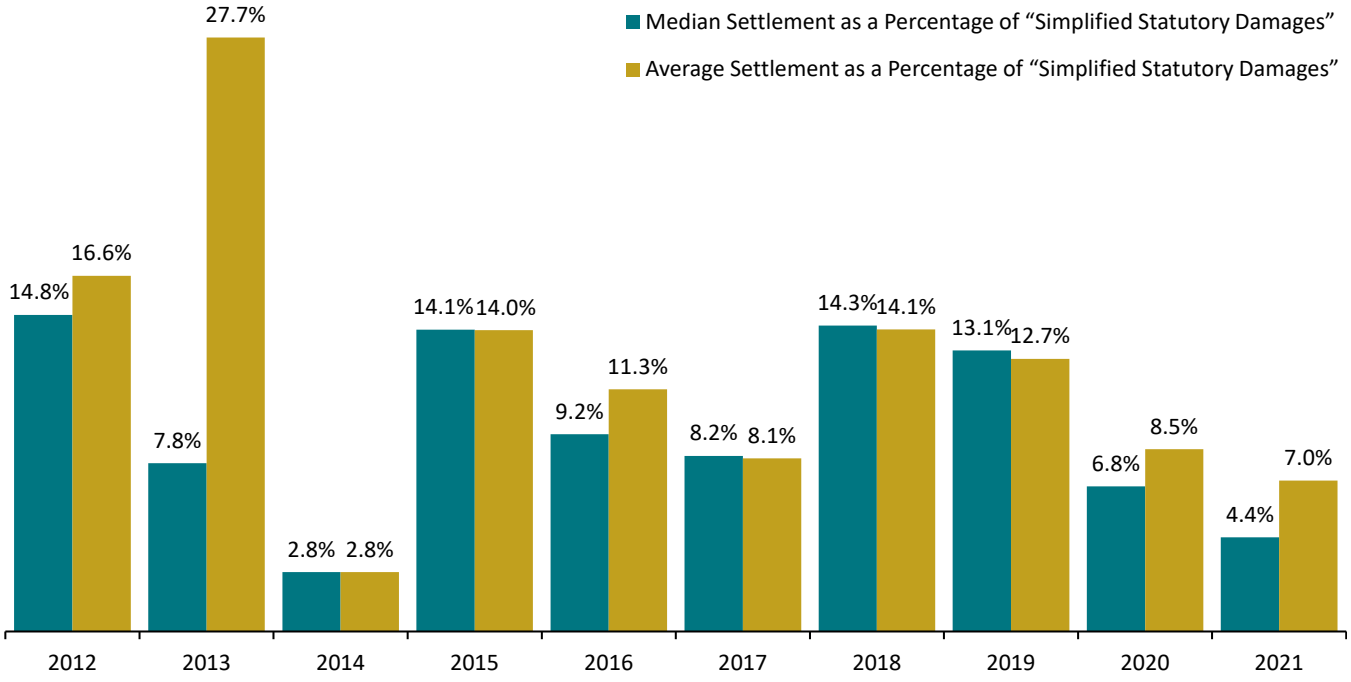
Appendices (continued)

Appendix 5: Median and Average Settlements as a Percentage of "Simplified Tiered Damages"
2012–2021



Note: "Simplified tiered damages" are calculated only for cases alleging Rule 10b-5 claims.

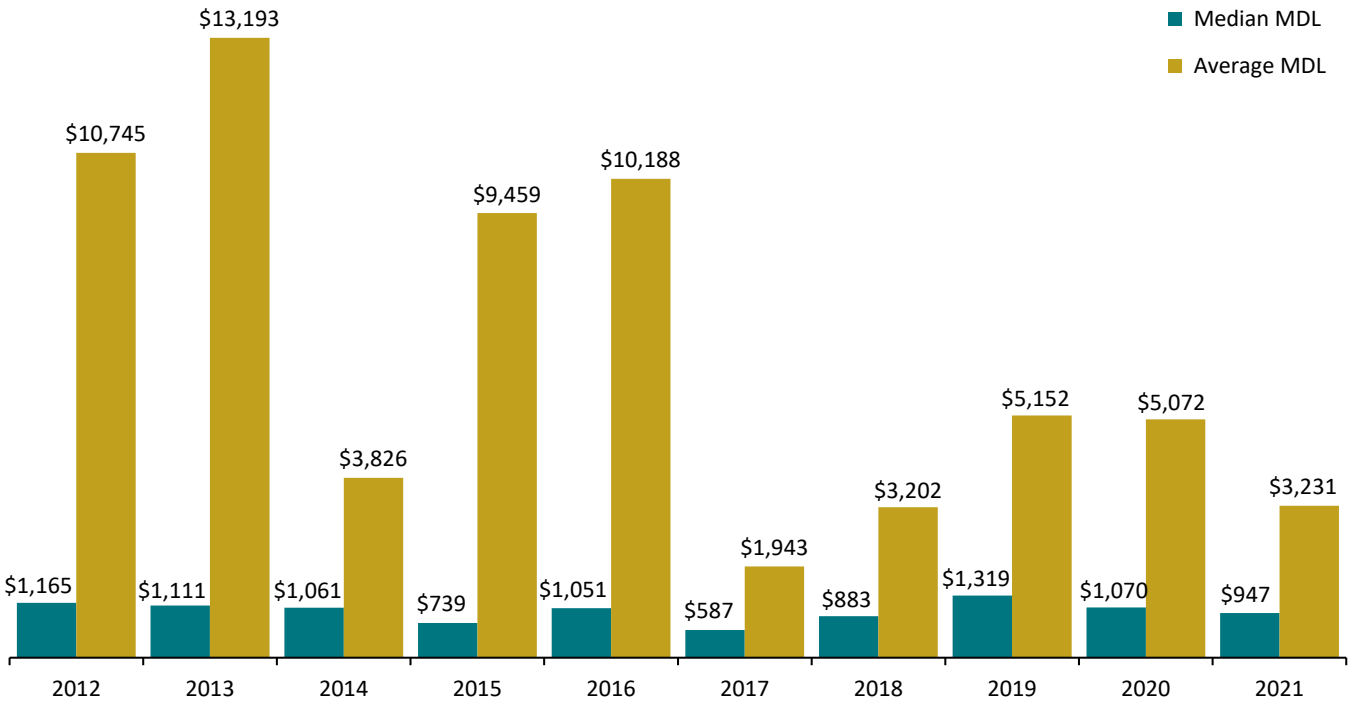
Appendix 6: Median and Average Settlements as a Percentage of "Simplified Statutory Damages"
2012–2021



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

Appendix 7: Median and Average Maximum Dollar Loss (MDL)
2012–2021

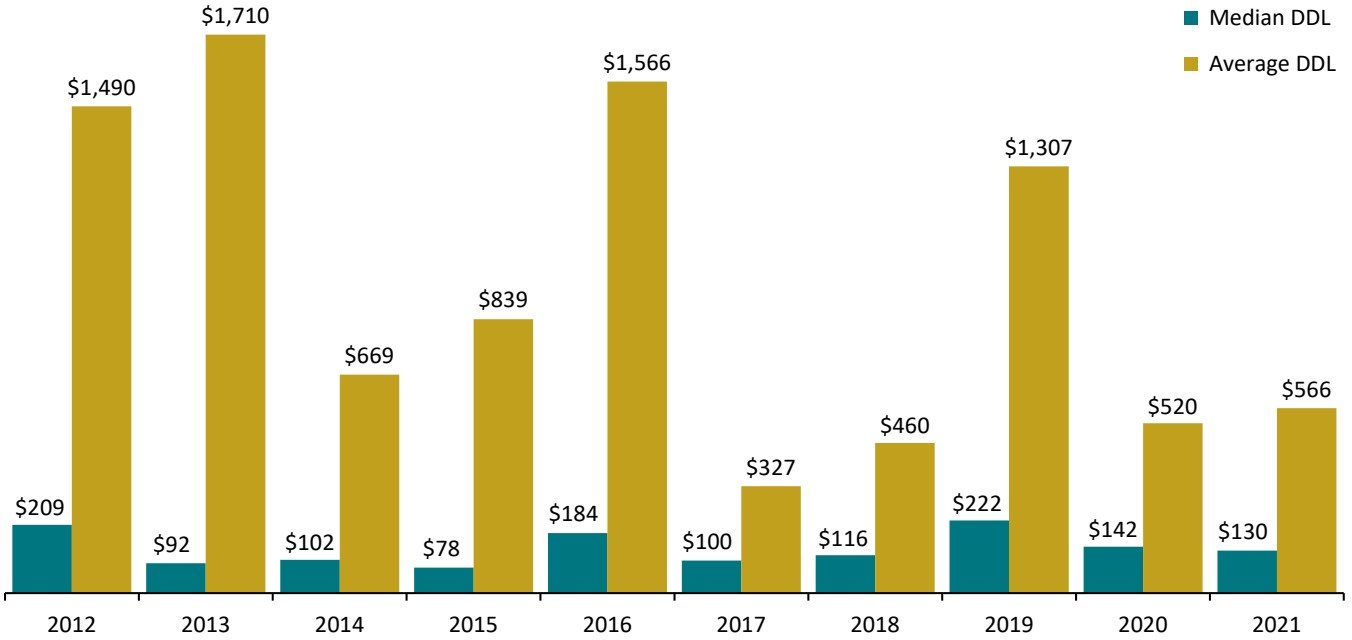
(Dollars in millions)



Note: MDL is adjusted for inflation based on class period end dates; 2021 dollar equivalents are presented. MDL is the dollar value change in the defendant firm's market capitalization from the trading day with the highest market capitalization during the class period to the trading day immediately following the end of the class period.

Appendix 8: Median and Average Disclosure Dollar Loss (DDL)
2012–2021

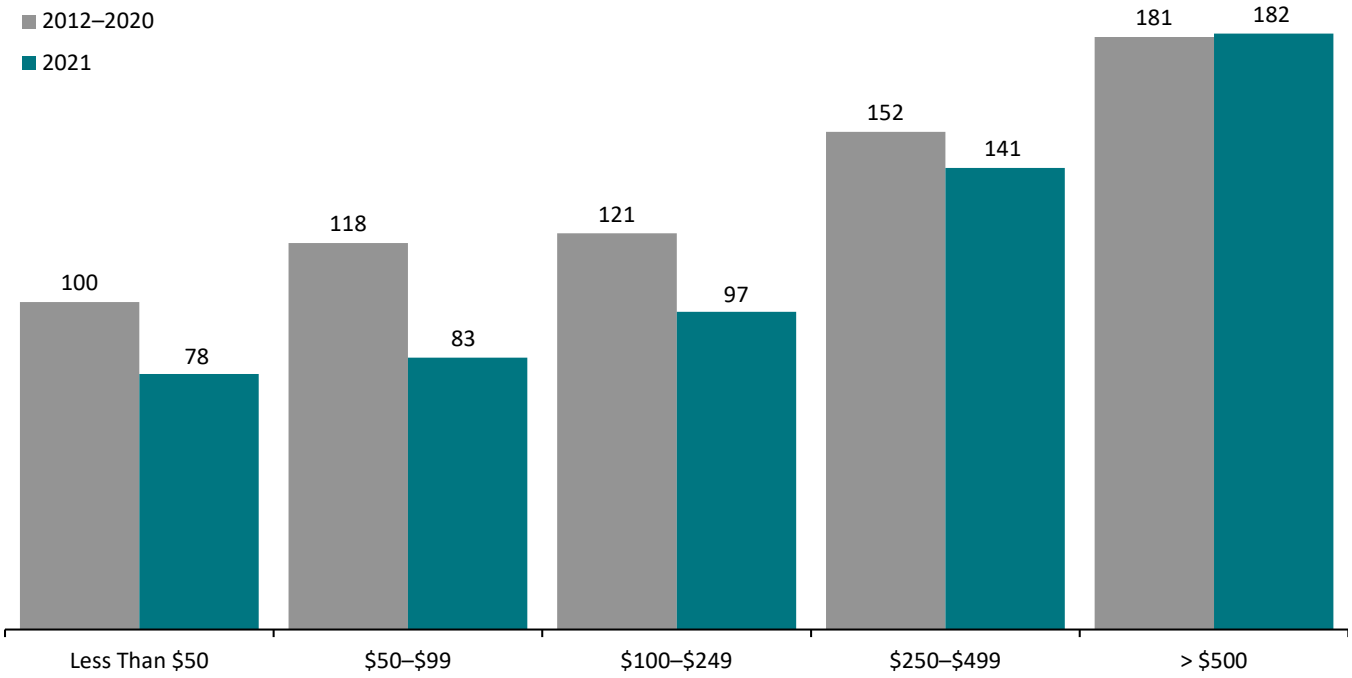
(Dollars in millions)



Note: DDL is adjusted for inflation based on class period end dates; 2021 dollar equivalents are presented. DDL is the dollar value change in the defendant firm's market capitalization between the trading day immediately preceding the end of the class period and the trading day immediately following the end of the class period. This analysis excludes cases alleging '33 Act claims only.

Appendix 9: Median Docket Entries by "Simplified Tiered Damages" Range
2012–2021

(Dollars in millions)



Note: "Simplified tiered damages" are calculated only for cases alleging Rule 10b-5 claims.

About the Authors

Laarni T. Bulan
Ph.D., Columbia University; M.Phil., Columbia University; B.S., University of the Philippines

Laarni Bulan is a principal in Cornerstone Research's Boston office, where she specializes in finance. Her work has focused on securities and other complex litigation addressing class certification, damages, and loss causation issues, firm valuation, and corporate governance, executive compensation, and risk management issues. She has also consulted on cases related to insider trading, market manipulation and trading behavior, financial institutions and the credit crisis, derivatives, foreign exchange, and securities clearing and settlement.

Dr. Bulan has published several academic articles in peer-reviewed journals. Her research covers topics in dividend policy, capital structure, executive compensation, corporate governance, and real options. Prior to joining Cornerstone Research, Dr. Bulan had a joint appointment at Brandeis University as an assistant professor of finance in its International Business School and in the economics department.

Laura E. Simmons
Ph.D., University of North Carolina at Chapel Hill; M.B.A., University of Houston; B.B.A., University of Texas at Austin

Laura Simmons is a senior advisor with Cornerstone Research. She has more than 25 years of experience in economic and financial consulting. Dr. Simmons has focused on damage and liability issues in securities and ERISA litigation, as well as on accounting issues arising in a variety of complex commercial litigation matters. She has served as a testifying expert in litigation involving accounting analyses, securities case damages, ERISA matters, and research on securities lawsuits.

Dr. Simmons's research on pre– and post–Reform Act securities litigation settlements has been published in a number of reports and is frequently cited in the public press and legal journals. She has spoken at various conferences and appeared as a guest on CNBC addressing the topic of securities case settlements. She has also published in academic journals, including research focusing on the intersection of accounting and litigation. Dr. Simmons was previously an accounting faculty member at the Mason School of Business at the College of William & Mary. From 1986 to 1991, she was an accountant with Price Waterhouse.

The authors gratefully acknowledge the research efforts and significant contributions of their colleagues at Cornerstone Research in the writing and preparation of this annual update.

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Exhibit 4

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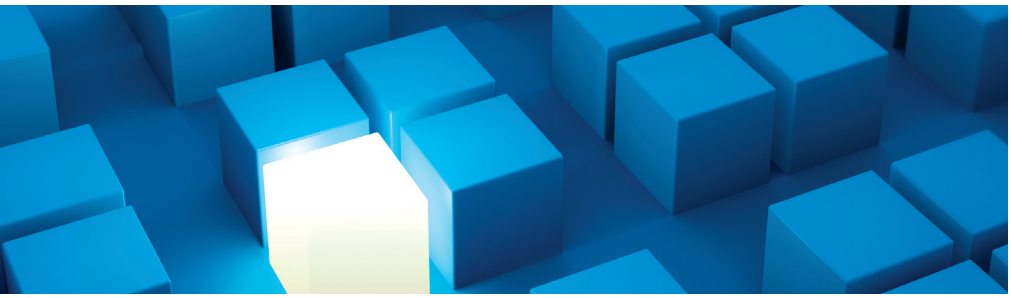


Recent Trends in Securities Class Action Litigation: 2021 Full-Year Review

Over 10% of New Federal Filings Were Related to Special Purpose Acquisition Companies
Substantially Fewer Merger Objections Filed, Leading to a Decline in Aggregate New Filings
Total Resolutions, Average and Median Settlement Values Declined

By Janeen McIntosh and Svetlana Starykh

Insight in Economics™

Foreword

I am excited to share NERA's Recent Trends in Securities Class Action Litigation: 2021 Full-Year Review with you. This year's edition builds on work carried out over three decades by many members of NERA's Securities and Finance Practice. This year's report continues our analyses of trends in filings and settlements and presents new analyses related to current topics such as special purpose acquisition companies. Although space does not permit us to present all the analyses the authors have undertaken while working on this year's edition or to provide details on the statistical analysis of settlement amounts, we hope you will contact us if you want to learn more about our research or our work related to securities litigations. On behalf of NERA's Securities and Finance Practice, I thank you for taking the time to review our work and hope you find it informative.

Dr. David Tabak
Managing Director

Recent Trends in Securities Class Action Litigation: 2021 Full-Year Review

Over 10% of New Federal Filings Were Related to Special Purpose Acquisition Companies
Substantially Fewer Merger Objections Filed, Leading to a Decline in Aggregate New Filings
Total Resolutions, Average and Median Settlement Values Declined

By Janeen McIntosh and Svetlana Starykh[1]

25 January 2022

Introduction

For the first time since 2016, fewer than 300 new federal securities class action suits were filed.[2] There were 205 cases filed in 2021, a decline from the 321 suits filed in 2020. Although substantially lower than the number of cases filed annually between 2017 and 2019, the 2021 level is well within the pre-2017 historical range. The decline in the aggregate number of new cases filed was driven by the notable decrease in the number of merger-objection suits in 2021. More specifically, new merger-objection filings declined by more than 85% between 2020 and 2021. Of the new cases filed in 2021, over 30% were filed against defendants in the electronic technology and services sector and 40% were filed in the Second Circuit. The most common allegation included in the complaints was misled future performance while the proportion of cases with an allegation related to merger-integration issues doubled, driven primarily by the numerous filings related to special purpose acquisition companies. In 2021, there were 20 securities class action cases filed with a COVID-19-related claim alleged in the complaint, a decrease from the 33 suits filed in 2020.

Of the 239 cases resolved in 2021, 153 were dismissed and 86 resolved through a settlement. This is a decline in total dismissed cases and total resolutions relative to 2020. Compared to 2020, there was an increase in both dismissed and settled non-merger-objection cases. There was a substantial decrease in merger-objection cases dismissed and one more such suit settled than in 2020. This decline in the number of dismissed merger-objection cases not only offset the increase in standard case resolutions, but also led to a lower aggregate number of cases resolved in 2021.

An evaluation of securities class action suits filed and resolved between 1 January 2000 and 31 December 2021 reveals the vast majority had a motion to dismiss filed. Of the 96% of cases with a motion to dismiss filed, a decision was reached in 73% of the cases prior to resolution of the case. Of the cases with a decision on a motion to dismiss, approximately 56% were granted. Among the same group of cases, a motion for class certification was filed in only 16% of the securities class actions. Of that 16%, a decision was reached in 56% of the cases prior to the case resolution, with the motion for class certification granted in 83% of the cases with a decision.

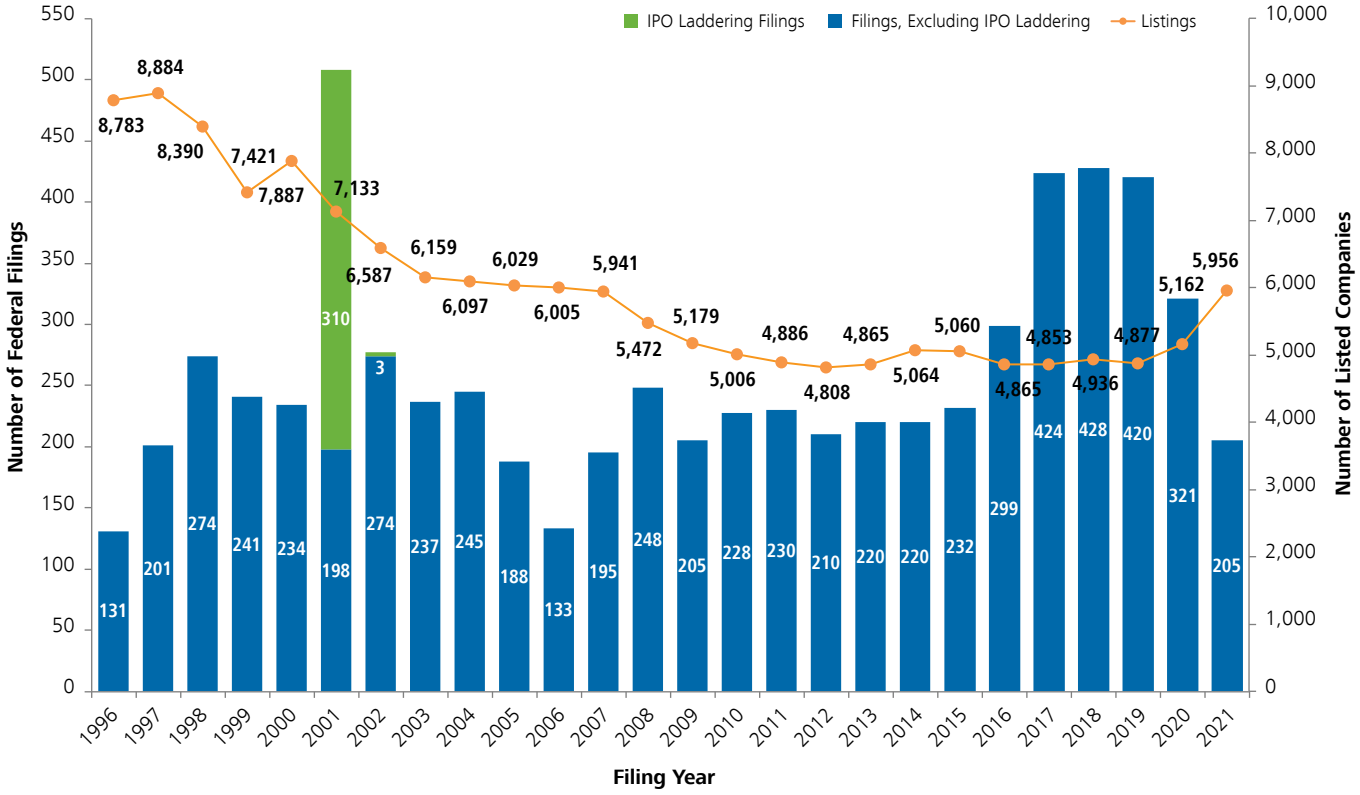
In 2021, aggregate settlements amounted to $1.8 billion, with more than 50% of this amount associated with the top 10 highest settlements for the year. The average settlement value decreased by over 50% in 2021 to $21 million, the lowest recorded average in the last 10 years. Given that there were no "mega" settlements (settlements of $1 billion or greater) in 2021, the average settlement value after excluding "mega" settlements remains unchanged at $21 million. For 2021, the median settlement value was $8 million, the lowest recorded median value since 2017. The median annual settlement value for 2021 is approximately 40% lower than the inflation-adjusted median value observed in the prior three years.

Trends in Filings

Following the passage of PSLRA in 1996, there have been over 100 federal securities class action (SCA) suits filed each year. With the exception of 2001, when numerous IPO laddering cases were filed, there were fewer than 300 new cases filed annually between 1996 and 2016. In 2017, there were substantially more new suits filed, with more than 415 annual cases recorded—a trend that continued through 2019. This uptick in filings was mostly due to the considerable increase in merger-objection cases. However, in both 2020 and 2021, this higher annual level of new cases filed did not persist.[3]

For the second consecutive year, new securities class action filings declined, falling to the lowest level since 2009. In 2021, there were 205 new cases filed, which is more than 50% lower than the annual levels of filings recorded each year between 2017 and 2019. See Figure 1.

Figure 1. **Federal Filings and Number of Companies Listed in the United States**
January 1996–December 2021

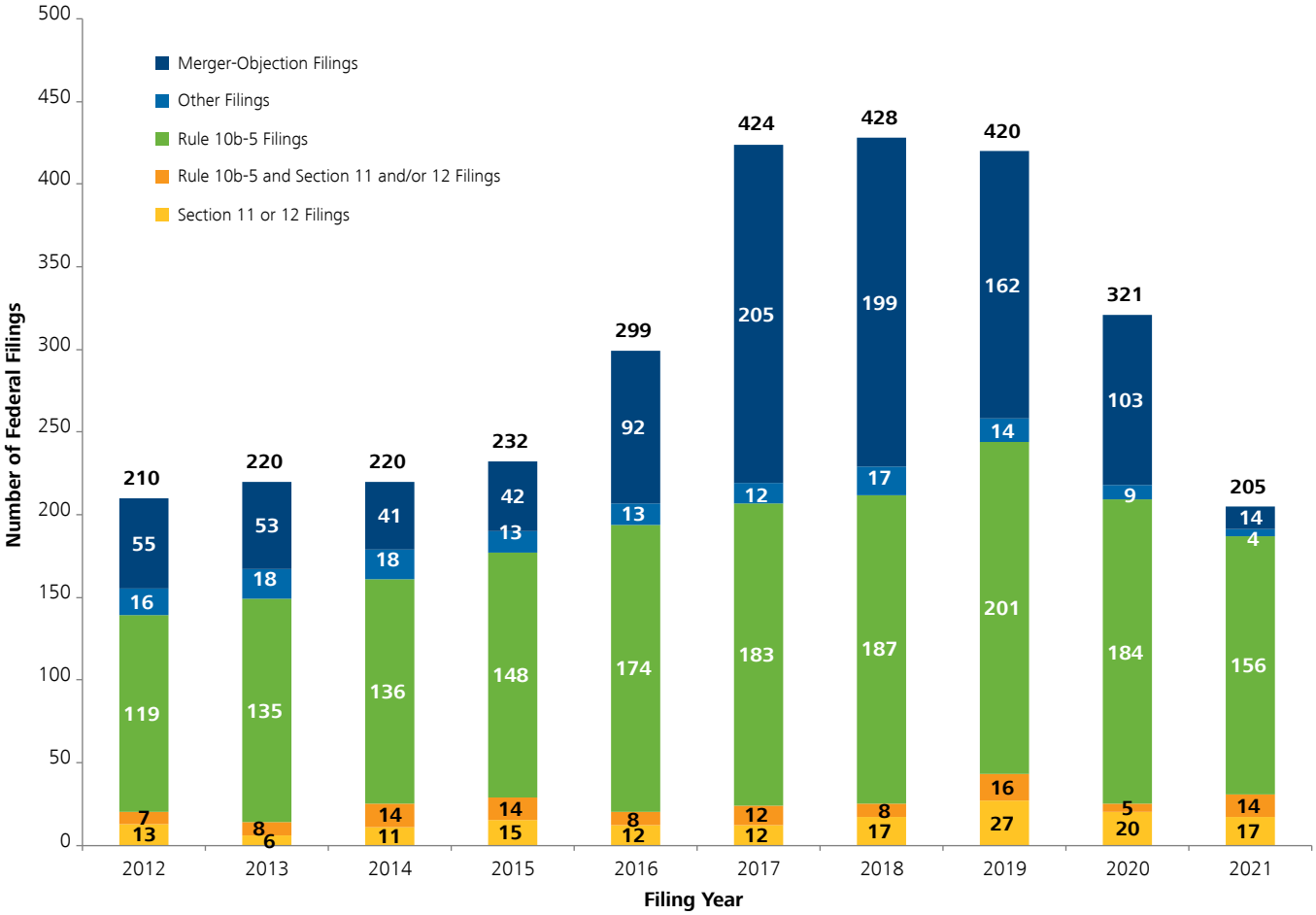


Note: Listed companies include those listed on the NYSE and Nasdaq. Listings data obtained from World Federation of Exchanges (WFE). The 2021 listings data is as of September 2021.

In addition to analyzing trends in aggregate filings, we also evaluated the number of filings relative to the number of companies listed on the NYSE and Nasdaq exchanges. There were 5,956 listed companies as of September 2021, which represents a 15% increase over the 2020 level and a noteworthy change from the minor year-to-year fluctuations observed between 2016 and 2019.

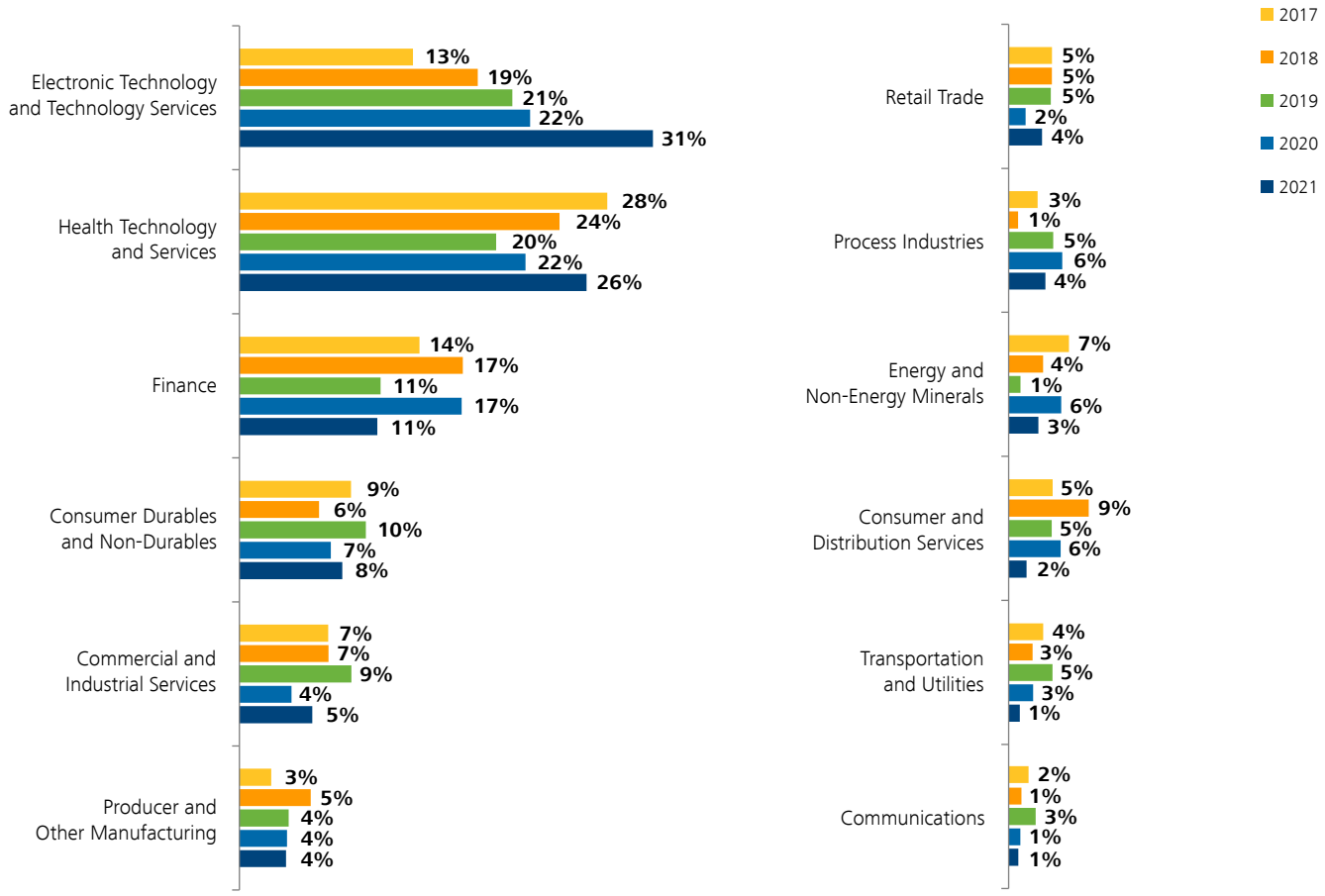
Even though there was a significant decrease in new federal SCA filings in 2021, the decline was not consistent across all case types. While new filings of Rule 10b-5, Section 11, and/or Section 12 cases (standard cases) increased, new filings of merger objections, Rule 10b-5 only, Section 11 and/or 12 only, and other SCA cases declined. The most notable was the decline in merger-objection filings, which decreased by more than 85% from 103 new filings in 2020 to only 14 new filings in 2021. See Figure 2.

Figure 2. **Federal Filings by Type**
January 2012–December 2021



Since 2018, the percentage of securities class action suits filed against defendants in the electronic technology and services sector has shown steady growth. Of the new cases filed in 2017, less than 15% were filed against defendants in the electronic technology and services sector compared to over 30% against defendants in the same sector in 2021. Between 2019 and 2021, the percentage of securities class action suits filed against defendants in the health technology and services sector also increased from 20% to 26%. See Figure 3.

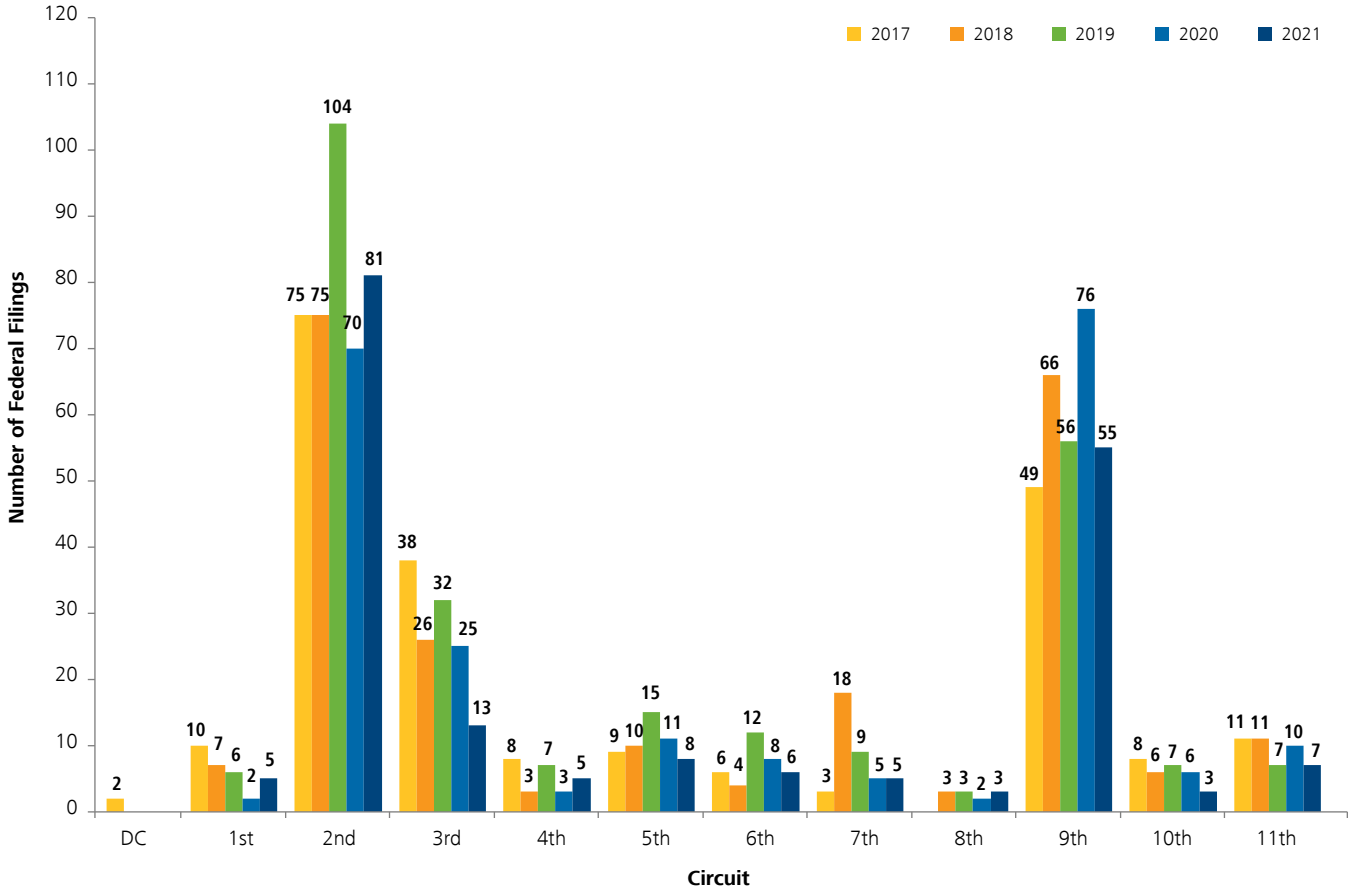
Figure 3. **Percentage of Federal Filings by Sector and Year**
Excludes Merger Objections
January 2017–December 2021



Note: This analysis is based on the FactSet Research Systems, Inc. economic sector classification. Some of the FactSet economic sectors are combined for presentation.

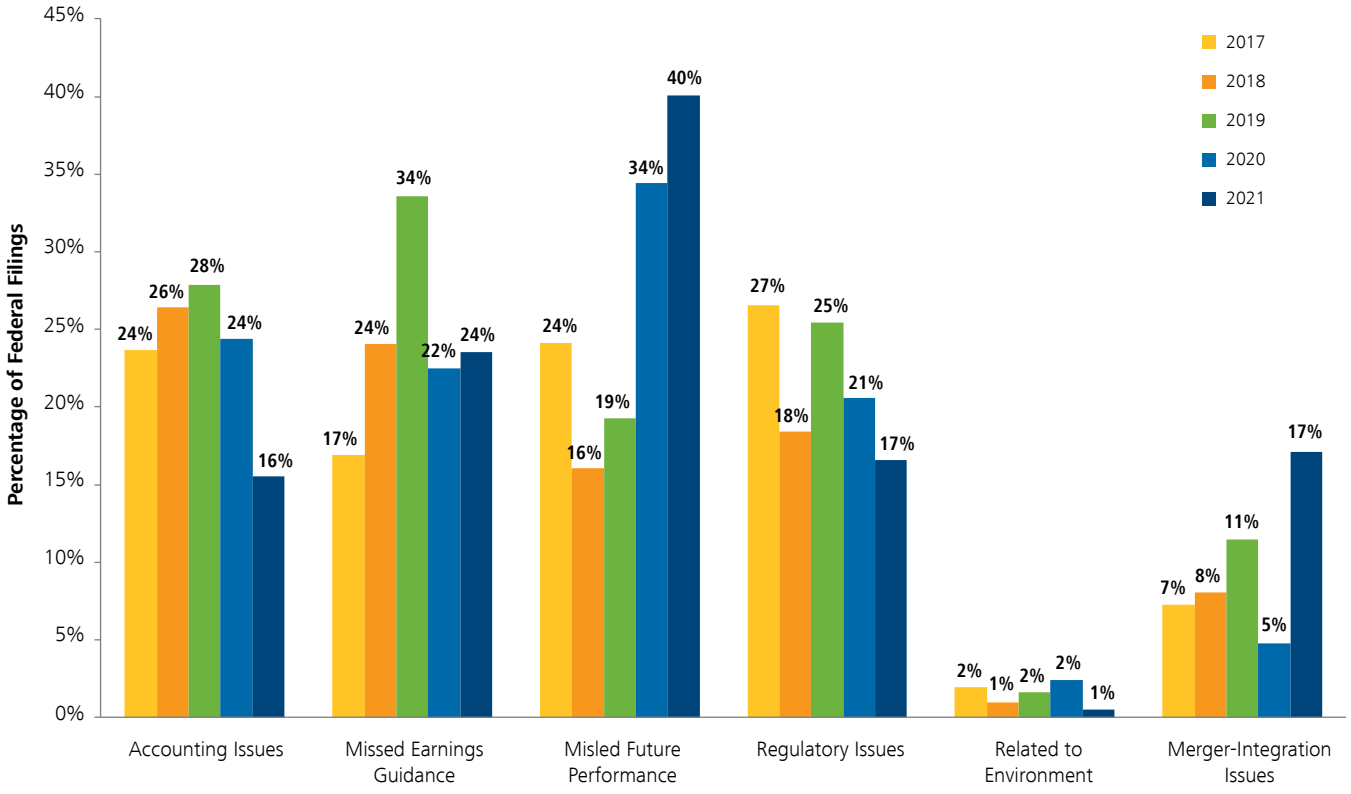
In 2020, we observed a spike in new federal securities class action filings in the Ninth Circuit. This pattern did not persist in 2021. In 2021, the Second Circuit received the highest number of new SCA cases filed while the number of filings in the Ninth Circuit returned to pre-2020 levels. However, the number of new filings in the Third Circuit declined to a five-year low with fewer than 15 cases filed in this circuit in 2021. See Figure 4.

Figure 4. **Federal Filings by Circuit and Year**
Excludes Merger Objections
January 2017–December 2021



Of the new federal securities class action cases filed in 2021, 40% alleged violations related to misleading future performance, the most common alleged violation for the year.[4] Allegations of violations related to missed earnings guidance continue to be a common allegation, with 24% of cases involving this claim. The percentage of cases alleging violations of accounting issues and regulatory issues declined in 2021, each occurring in less than 20% of new cases filed. In 2021, there was an uptick in the number of SCA filings with an allegation related to merger-integration issues included in the complaint. This increase was driven by the substantial number of cases involving special purpose acquisition companies (SPAC) filed in 2021. Excluding these SPAC cases, only 5% of cases included an allegation related to merger-integration issues. See Figure 5.

Figure 5. **Allegations**
Shareholder Class Actions with Alleged Violations of Rule 10b-5, Section 11, and/or Section 12
January 2017–December 2021



Event-Driven and Special Cases

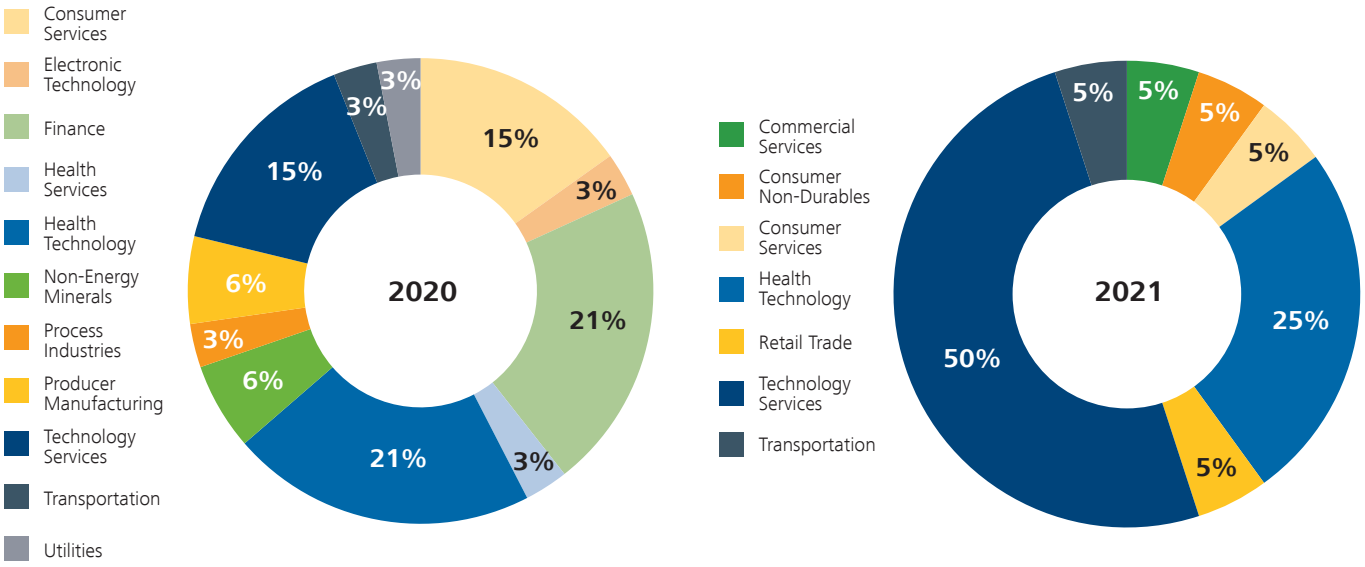
As part of our annual review process, we identify potential development areas for securities class action filings and review any new trends on previously identified areas.[5] Below, we summarize some of these areas for the last three years.

COVID-19

The first federal securities class action suit with claims related to COVID-19 included in the complaint was filed in March 2020. Since then, there have been a total of 52 additional suits. In 2021, there were 20 securities class action cases filed with a COVID-19-related claim, a decrease from the 33 suits filed in 2020. While the Ninth Circuit was the jurisdiction with the highest percentage of COVID-19-related filings in 2020, the Second Circuit was the most common venue in 2021.

Of the 2021 cases filed with a COVID-19-related claim in the complaint, 50% were against defendants in the technology services economic sector. Among the 2020 cases filed with a COVID-19 claim, only 15% were against defendants within this sector. See Figure 6.

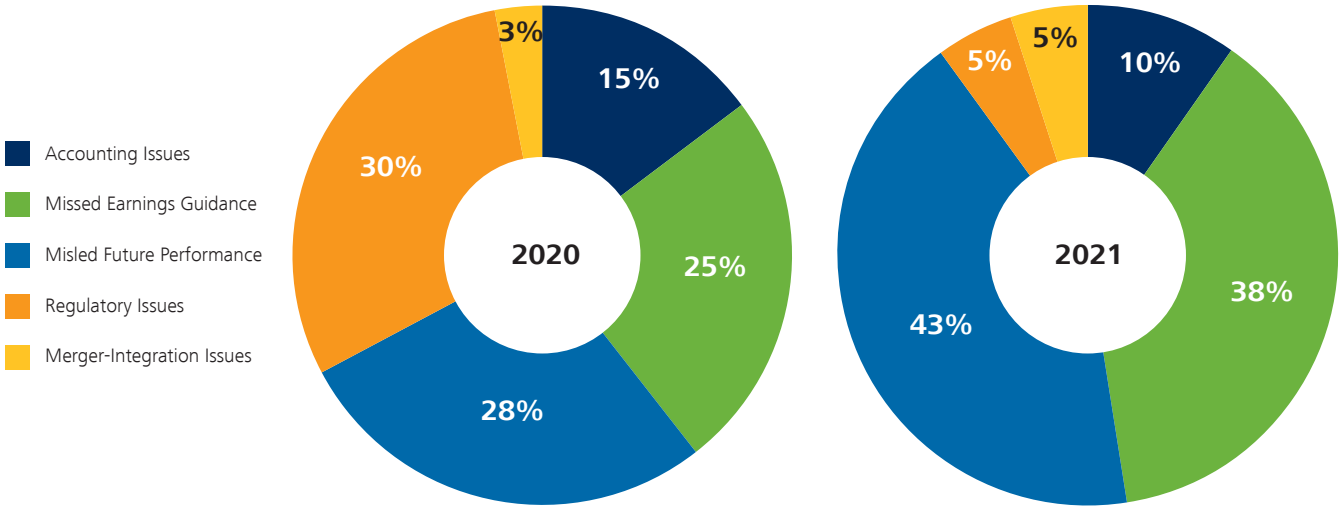
Figure 6. **Percentage of COVID-19-Related Federal Filings by Sector and Year**
March 2020–December 2021



Note: Due to rounding, percentages may not add to 100%.

In 2020, a violation related to regulatory issues was the most common allegation among the COVID-19-related cases. However, in 2021, only one case with a COVID-19 claim included an allegation of regulatory issues. In contrast, the most common allegation included in the COVID-19-related suits filed in 2021 related to future performance. See Figure 7.

Figure 7. **Percentage of COVID-19-Related Federal Filings by Allegation and Year**
March 2020–December 2021



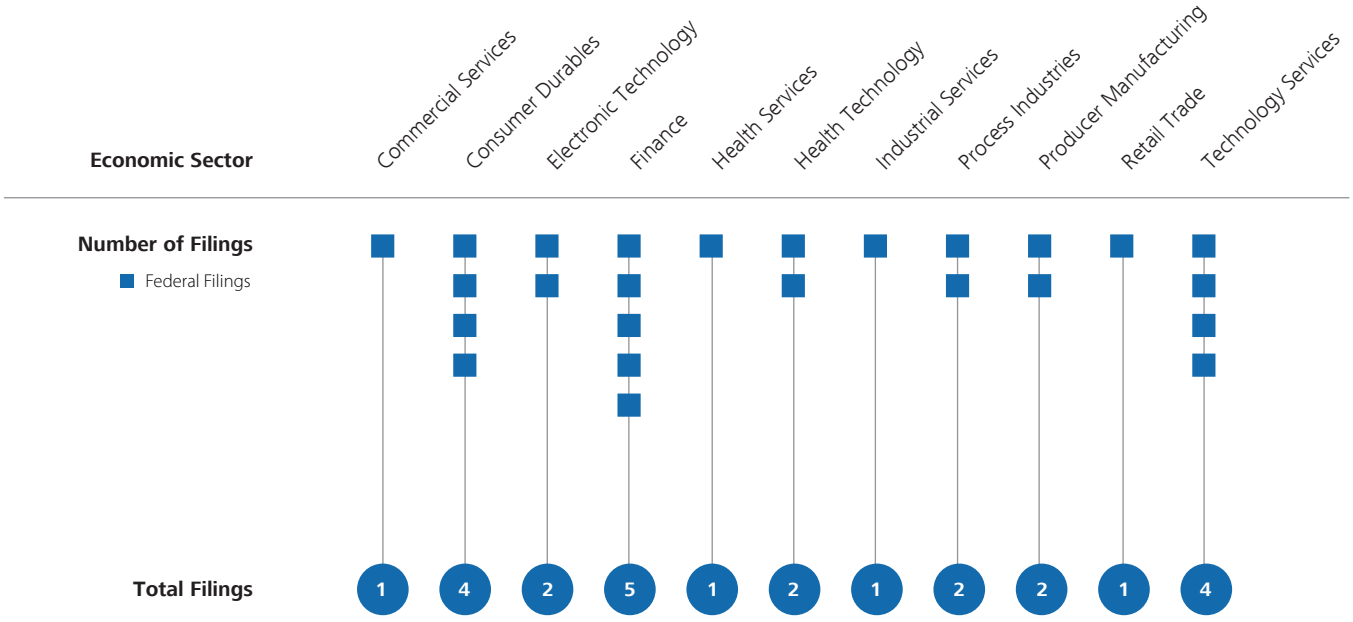
Note: Due to rounding, percentages may not add to 100%.

SPAC

In 2021, numerous federal cases were filed related to special purpose acquisition companies (SPACs). Between January 2021 and December 2021, a total of 24 cases related to SPACs were filed, a substantial increase from the one case filed in 2020.

These suits were filed against defendants in a number of sectors, with defendants in the consumer durables, technology services, and finance sectors being the most frequently targeted in 2020–2021. See Figure 8.

Figure 8. **Number of SPAC-Related Federal Filings by Sector**
December 2020–December 2021



Of the 25 SPAC cases filed in 2020 and 2021, all but one included an allegation related to merger-integration issues. Claims related to misleading earnings guidance were found in 11 of the 25 SPAC cases. In total, these suits included 49 allegations, or an average of approximately two allegations per suit. See Figure 9.

Figure 9. **Number of SPAC-Related Federal Filings by Allegation**
December 2020–December 2021

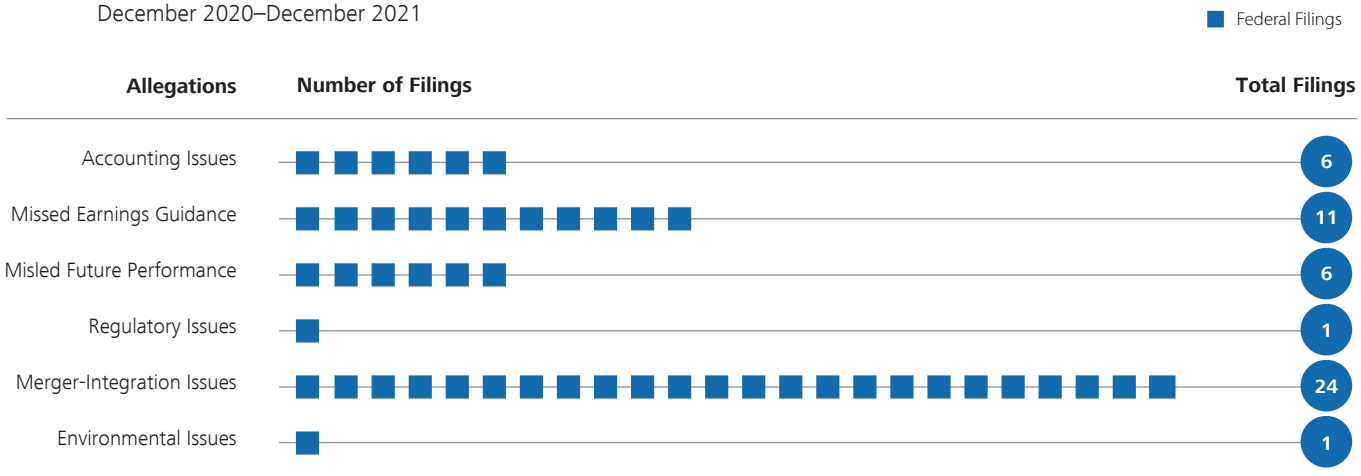
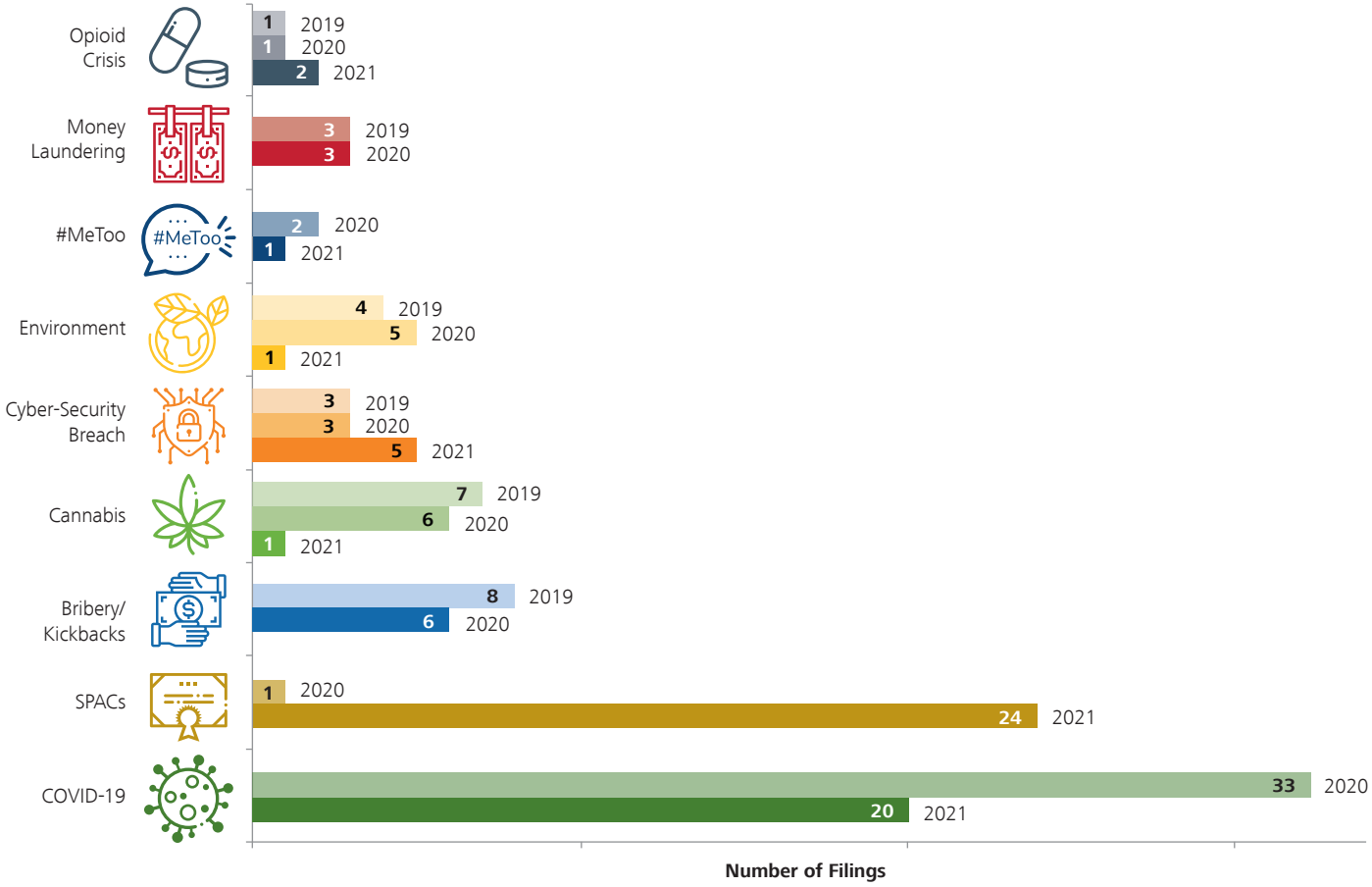


Figure 10. **Event-Driven and Other Special Cases by Filing Year**
January 2019–December 2021



Bribery/Kickbacks

In 2019 and 2020, there were eight and six bribery/kickback-related securities class action cases filed, respectively. However, in 2021, there were no such cases filed. See Figure 10.

Cannabis

Over the 2019–2020 period, 13 cases were filed against defendants in the cannabis industry. In 2021, only one such securities class action case was filed. See Figure 10.

Cybersecurity Breach

Unlike some other development or special interest areas, securities class action filings related to a cybersecurity breach continued to be filed in 2021. In both 2019 and 2020 individually, three cases were filed related to a cybersecurity breach. While still only a handful of cases, there was an increase in 2021 with five such cases filed. See Figure 10.

Environment

In 2021, there was one environment-related case filed. This is a decrease from the five cases filed in 2020 and the four cases filed in 2019. See Figure 10.

Money Laundering

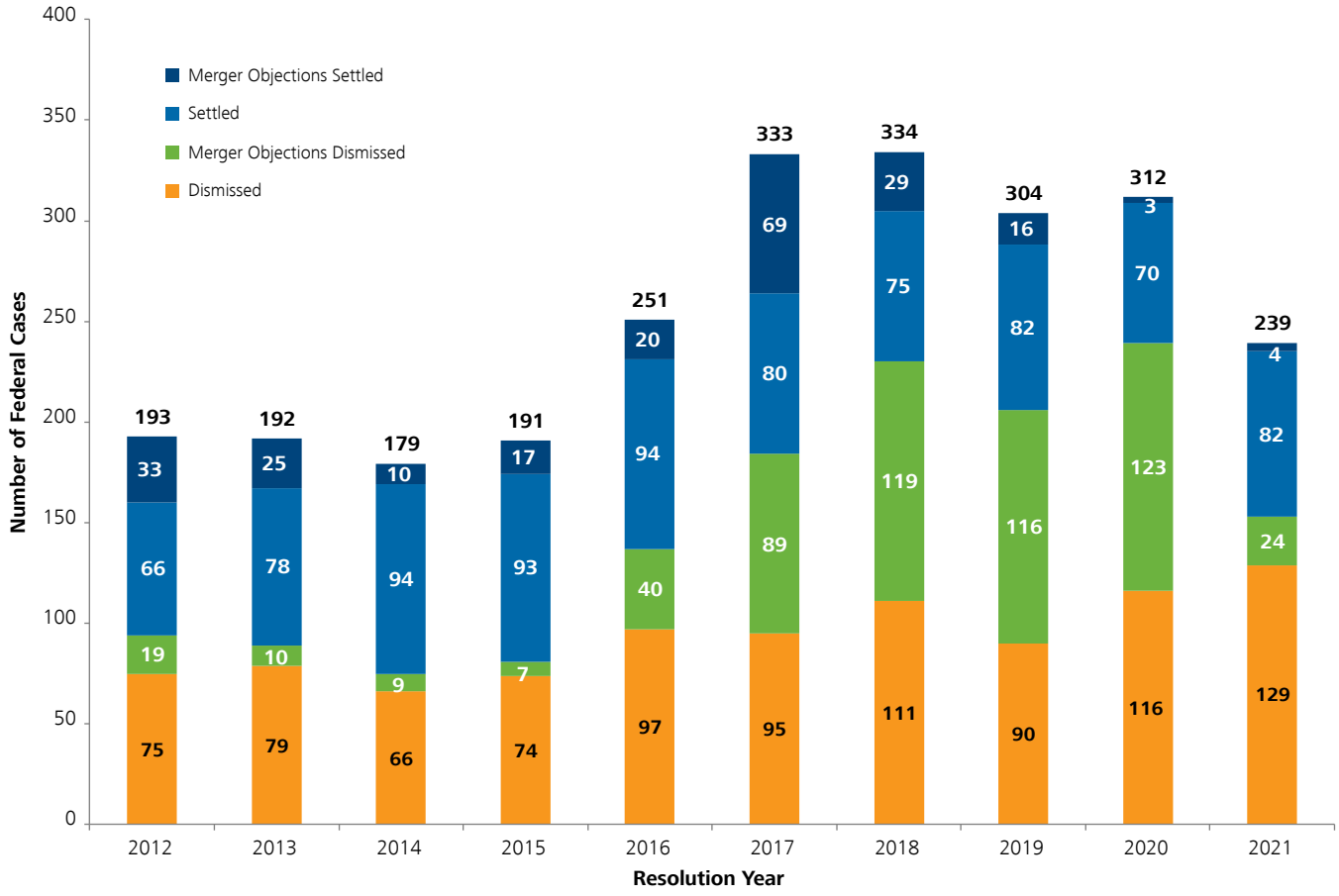
In total, six cases with claims of money laundering were filed in the 2019–2020 period, with three cases filed each year. No cases with money laundering claims were filed in 2021. See Figure 10.

Trends in Resolutions

Resolutions consist of both dismissed and settled cases.[6] In any one year, the aggregate number of resolutions may be affected by changes in either or both categories. For our analysis, we review changes within these categories as well as the trends for merger objections and non-merger-objection cases separately. In addition, we review the current status of securities class action suits filed in the last 10 years.

In 2021, 239 cases were resolved, the lowest recorded level of resolutions since 2015. Of those, 153 were dismissed and 86 resolved through a settlement. This is a decrease in both aggregate resolutions and dismissals compared to 2020. However, compared to the pre-2017 resolutions, the 239 cases resolved is well within the historical range of annual resolutions. See Figure 11.

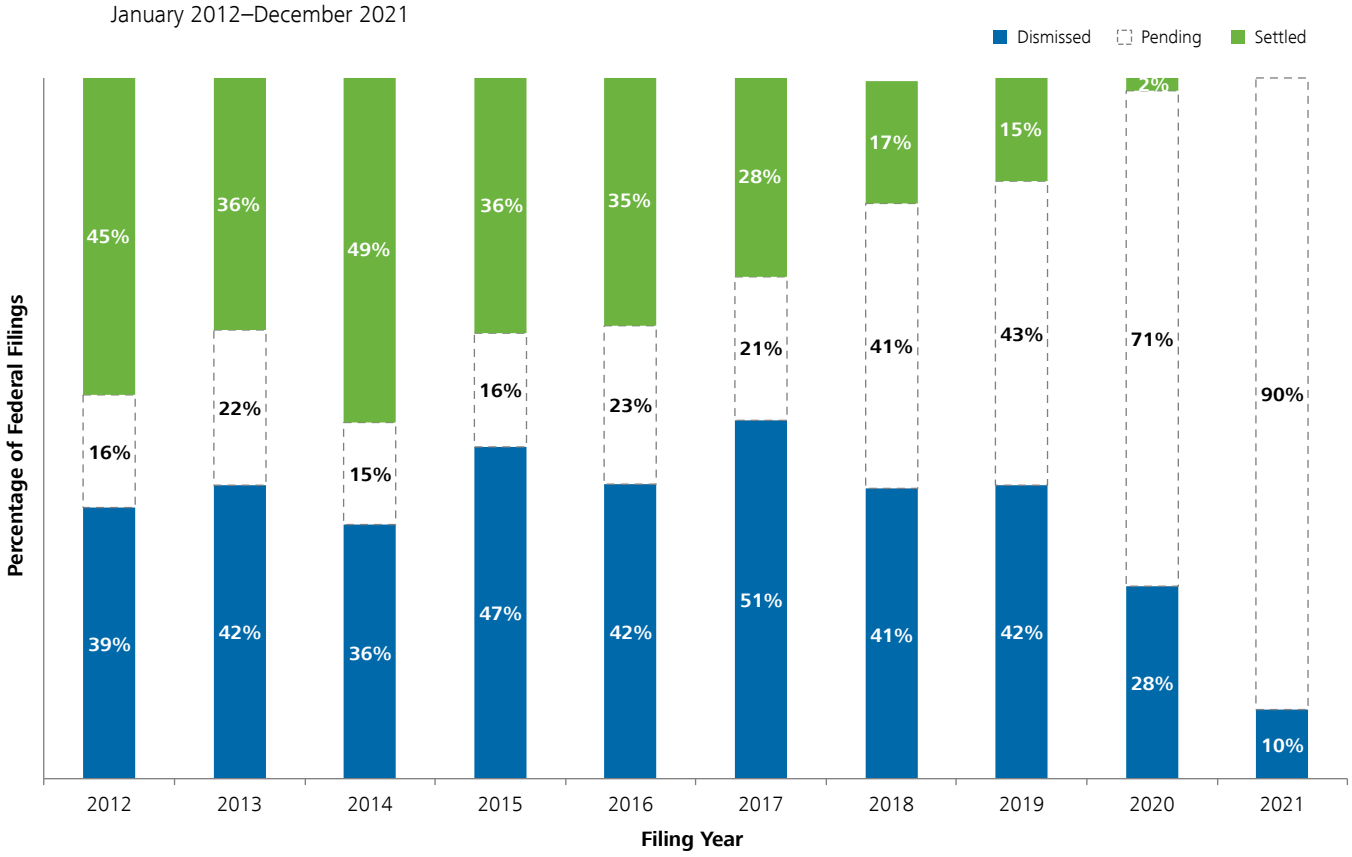
Figure 11. **Number of Resolved Cases: Dismissed or Settled**
January 2012–December 2021



A review of the resolution pattern by type of case reveals differing trends. Although not a substantial increase, the number of non-merger-objection resolutions in 2021 was the highest recorded in the last 10 years. While there was a modest increase in both the number of non-merger-objection suits dismissed and settled relative to 2020, there was a decrease in dismissed merger-objection cases. In fact, the number of merger-objection suits dismissed in 2021 was more than 80% fewer than the number of similar suits dismissed in 2020. This decline in the number of dismissed merger-objection suits was more than sufficient to offset the increase in standard case resolutions, resulting in a lower aggregate number of cases resolved in 2021.

For each filing year since 2015, more cases have been resolved in favor of the defendant than have been settled. This is consistent with historical trends, which have indicated that settlements typically occur later in the litigation process. Reviewing cases filed in 2020, as of December 2020, 6% were dismissed and 94% remained pending.[7] For the same group of cases, as of December 2021, 28% were dismissed and only 2% were settled. Of the cases filed in 2021, a higher proportion of cases were dismissed in the year of filing than the cases filed in 2020, with 10% dismissed as of year-end 2021. See Figure 12.

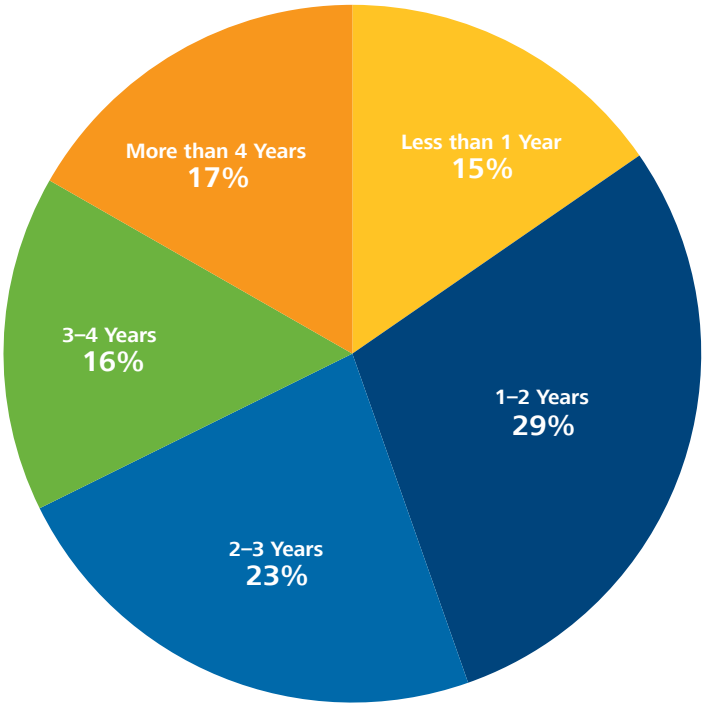
Figure 12. **Status of Cases as Percentage of Federal Filings by Filing Year**
Excludes Merger Objections and Verdicts
January 2012–December 2021



Note: Dismissals may include dismissals without prejudice and dismissals under appeal.

While 83% of cases resolve in four years or less, over half of cases are resolved between one and three years after filing.[8] See Figure 13.

Figure 13. **Time from First Complaint Filing to Resolution**
Excludes Merger Objections and Laddering Cases
Cases Filed January 2003–December 2017 and Resolved January 2003–December 2021



"The number of merger-objection suits dismissed in 2021 was more than 80% fewer than the number of similar suits dismissed in 2020. This decline in the number of dismissed merger-objection suits was more than sufficient to offset the increase in standard case resolutions, resulting in a lower aggregate number of cases resolved in 2021."

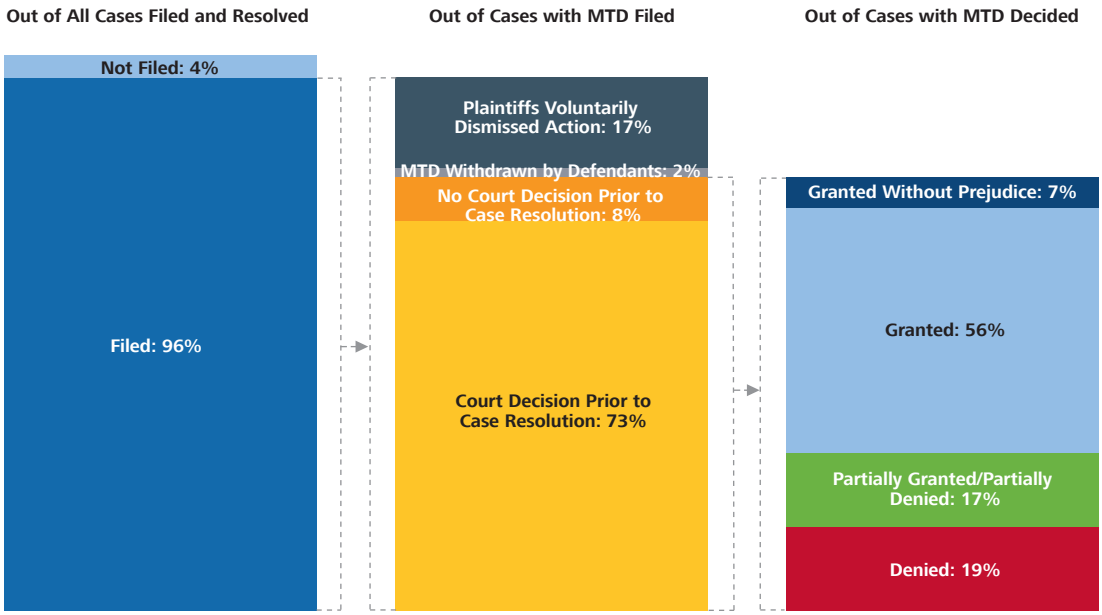
Analysis of Motions

In addition to tracking filing and resolution information for federal securities class actions, NERA also tracks decisions on motions to dismiss and motions for class certification, and the status of any motion as of the resolution of each case.[9]

Motion to Dismiss

Of the securities class action cases filed and resolved between 1 January 2012 and 31 December 2021, a motion to dismiss was filed in 96%. Among those, a decision was reached in 73% of cases. Of the cases with a decision on a motion to dismiss, approximately 56% were granted while only 19% were denied. Lastly, of the 96% of cases with a motion to dismiss filed, plaintiffs voluntarily dismissed the action in 17%, while the motion to dismiss was withdrawn by defendants only in an additional 2%. See Figure 14.

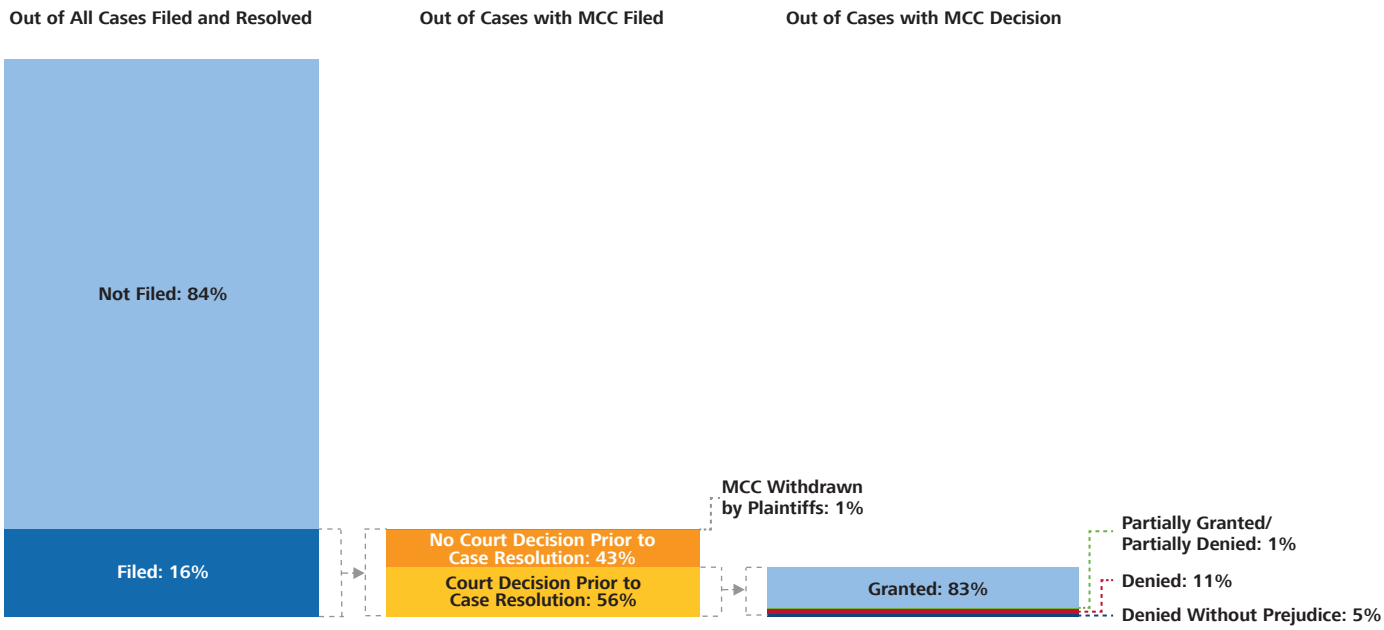
Figure 14. **Filing and Resolutions of Motions to Dismiss**
Cases Filed and Resolved January 2012–December 2021



Motion for Class Certification

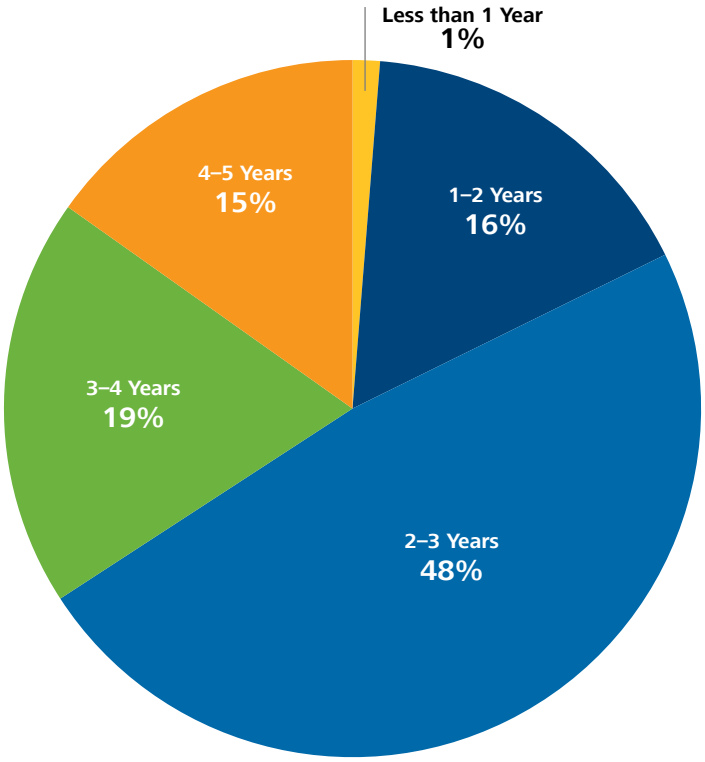
A motion for class certification was filed in less than 20% of the securities class action suits filed and resolved between 1 January 2012 and 31 December 2021. This is partly due to the fact that a substantial number of cases are either dismissed or settled before the class-certification stage of the case is reached. A decision was reached in 56% of the cases where a motion for class certification was filed, with the motion being withdrawn by plaintiffs in an additional 1% of the cases. Among the cases with a decision, the motion for class certification was granted in 83% and partially granted and partially denied in an additional 1% of cases. See Figure 15.

Figure 15. **Filing and Resolutions of Motions for Class Certification**
Cases Filed and Resolved January 2012–December 2021



Approximately half of decisions on motions for class certification occur between two and three years after the filing of the first complaint. See Figure 16.

Figure 16. **Time from First Complaint Filing to Class Certification Decision**
Cases Filed and Resolved January 2012–December 2021

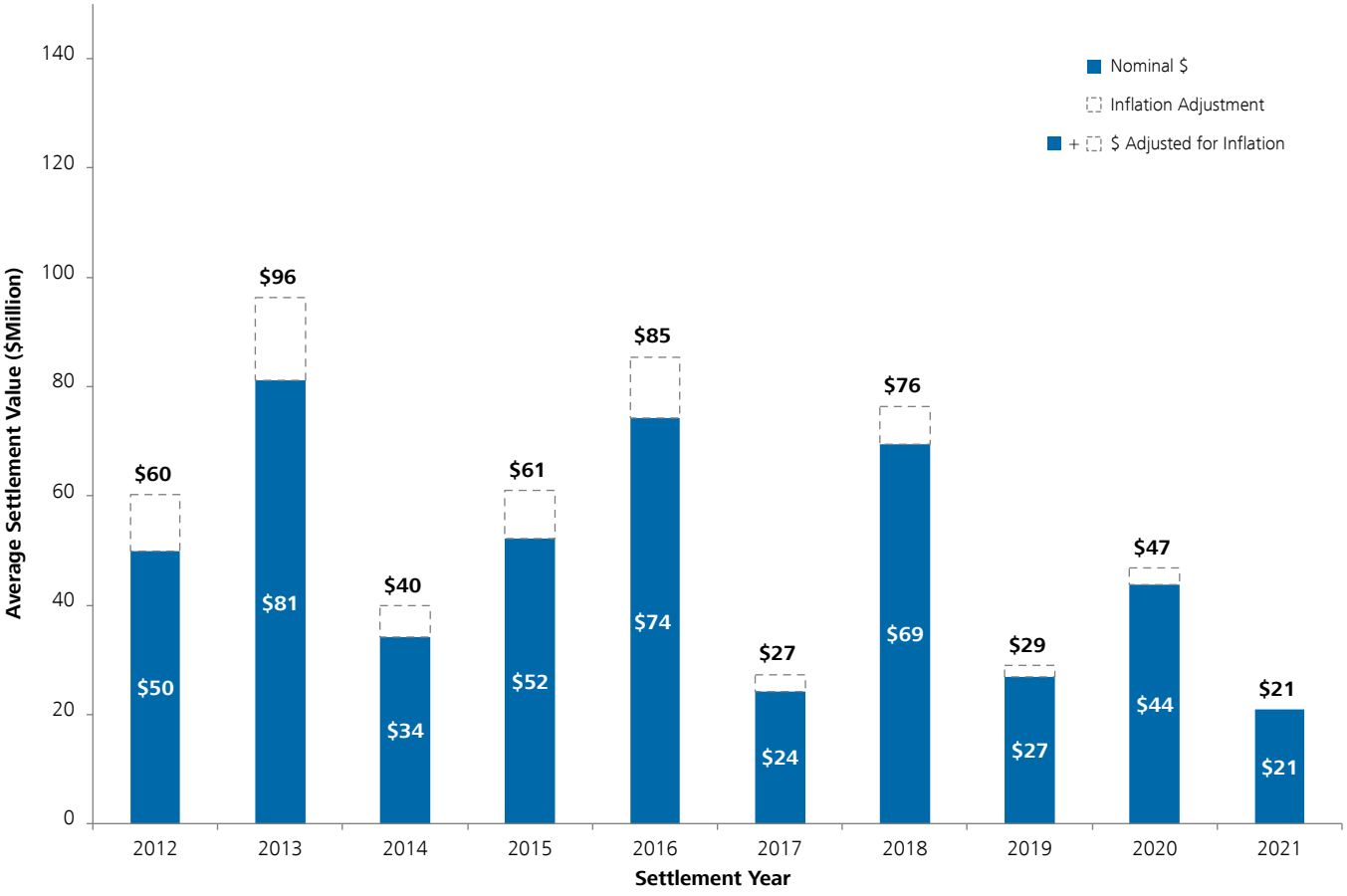


"A motion for class certification was filed in less than 20% of the securities class action suits filed and resolved between 1 January 2012 and 31 December 2021."

Trends in Settlement Values

In 2021, aggregate settlements amounted to $1.8 billion. This amount is $400 million lower than the inflation-adjusted $2.2 billion aggregate settlement amount in 2019, and considerably lower than the inflation-adjusted amounts of $3.1 billion and $5.2 billion in 2020 and 2018, respectively. Trends in settlement values can be evaluated using a variety of metrics, including distributions of settlement values, average settlement values, and median settlement values. While annual average settlement values can be a helpful statistic, these values may be impacted by one or, in some cases, a few very high settlement amounts. Unlike averages, the median settlement value is unaffected by these very high "outlier" settlement amounts and gives insight into the most frequent settlement amounts. To understand what more "typical" cases look like, we also analyze the average and median settlement values for cases with a settlement amount under $1 billion, thus excluding these "outlier" settlement amounts. For the analysis of settlement values, our data is limited to non-merger-objection cases with positive settlement values.[10]

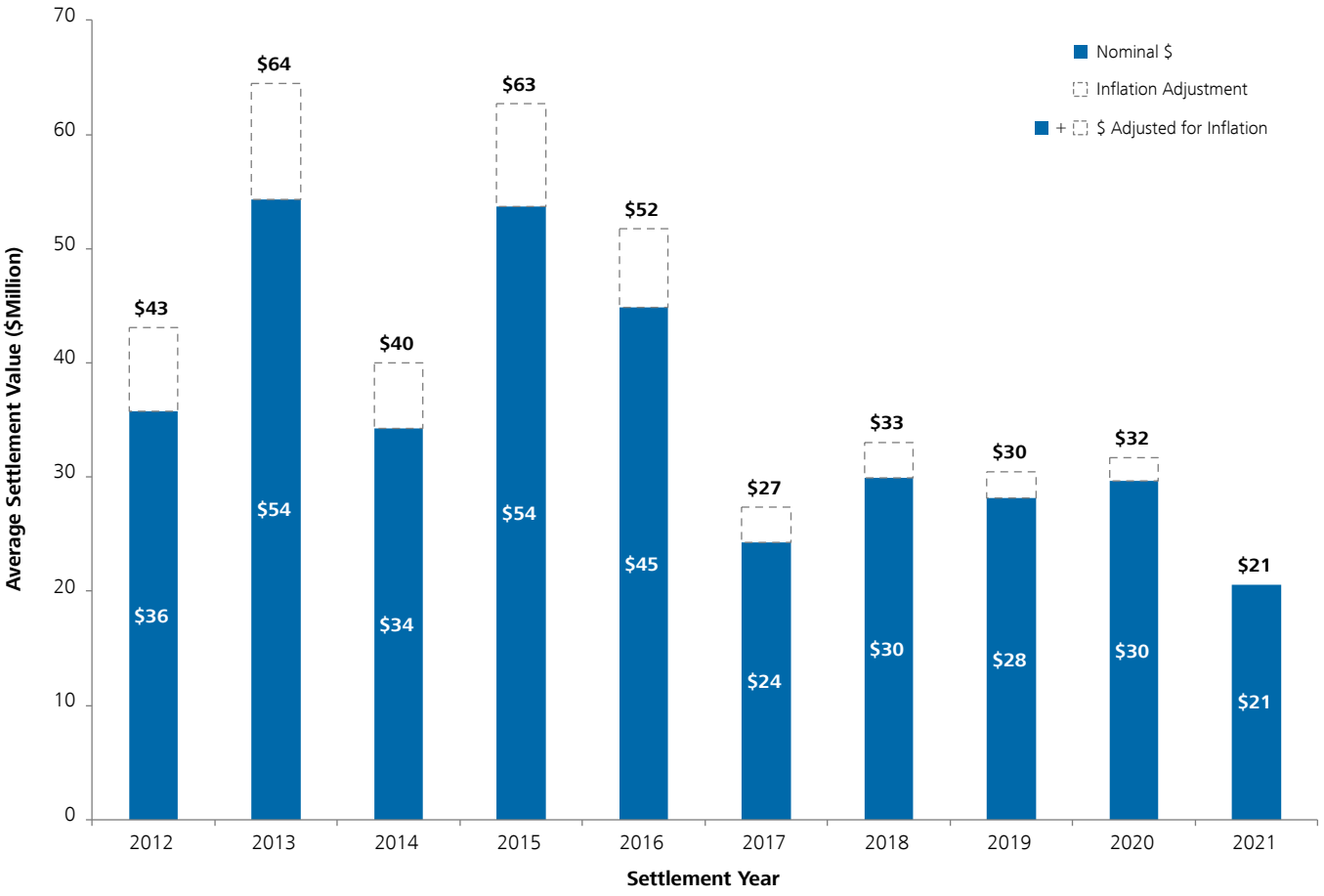
Figure 17. **Average Settlement Value**
Excludes Merger Objections and Settlements for $0 to the Class
January 2012–December 2021



The average settlement value in 2021 was $21 million, which is more than 50% lower than the 2020 inflation-adjusted average of $47 million and marks the lowest recorded average in the last 10 years. The inflation-adjusted average settlement value has ranged from a low of $21 million in 2021 to a high of inflation-adjusted $96 million in 2013, partly due to the presence or absence of one or two "outlier" or "mega" settlements, which for this purpose are single case settlements of $1 billion or higher. See Figure 17. Unlike in 2020 when there was one "mega" settlement, there were no cases resolved with a settlement amount above $1 billion in 2021. In fact, the highest recorded settlement amount is 2021 was $155 million.

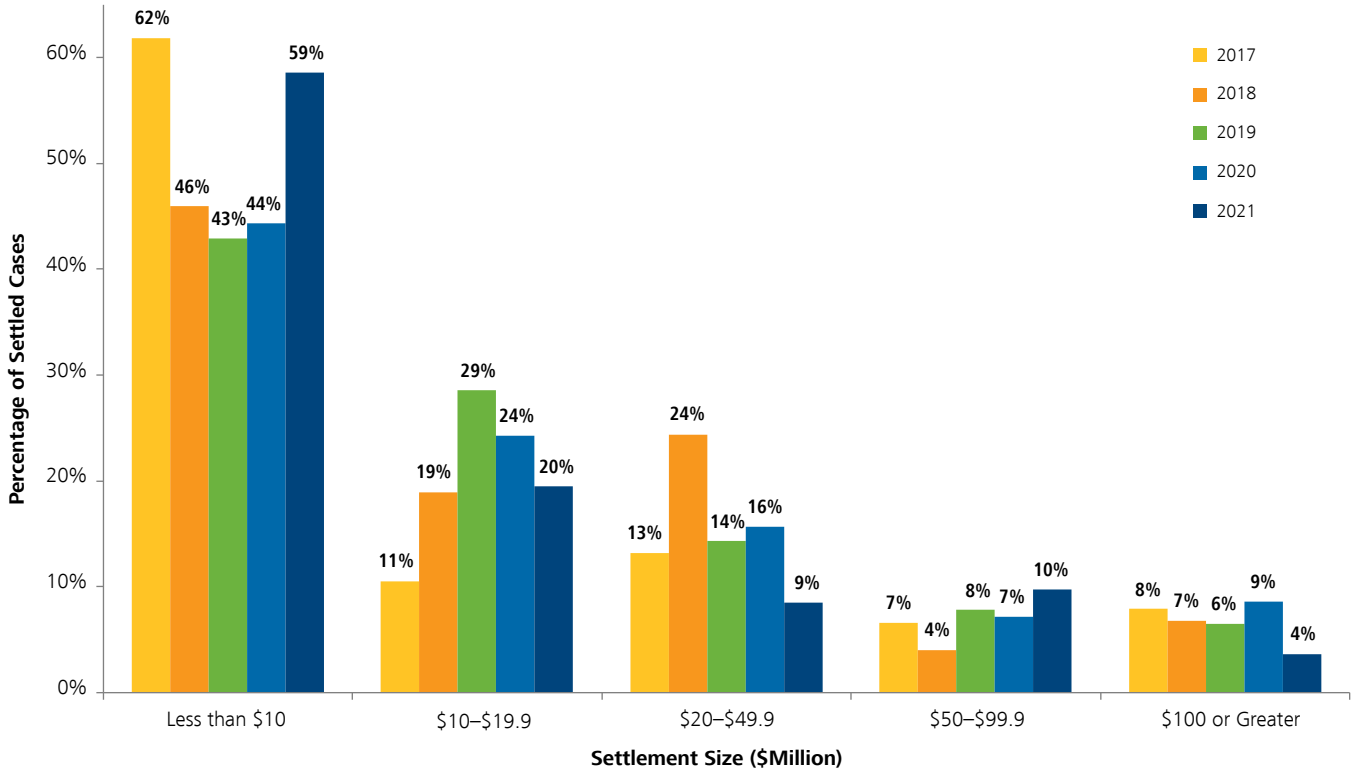
Once settlements greater than $1 billion are excluded, the inflation-adjusted annual average settlement values trend is more stable, ranging from $21 million to $33 million in the last five years. In this group of settlements, the average settlement value for 2021 was $21 million, still the lowest annual average within the most recent 10 years. See Figure 18.

Figure 18. **Average Settlement Value**
Excludes Settlements over $1 Billion, Merger Objections, and Settlements for $0 to the Class
January 2012–December 2021



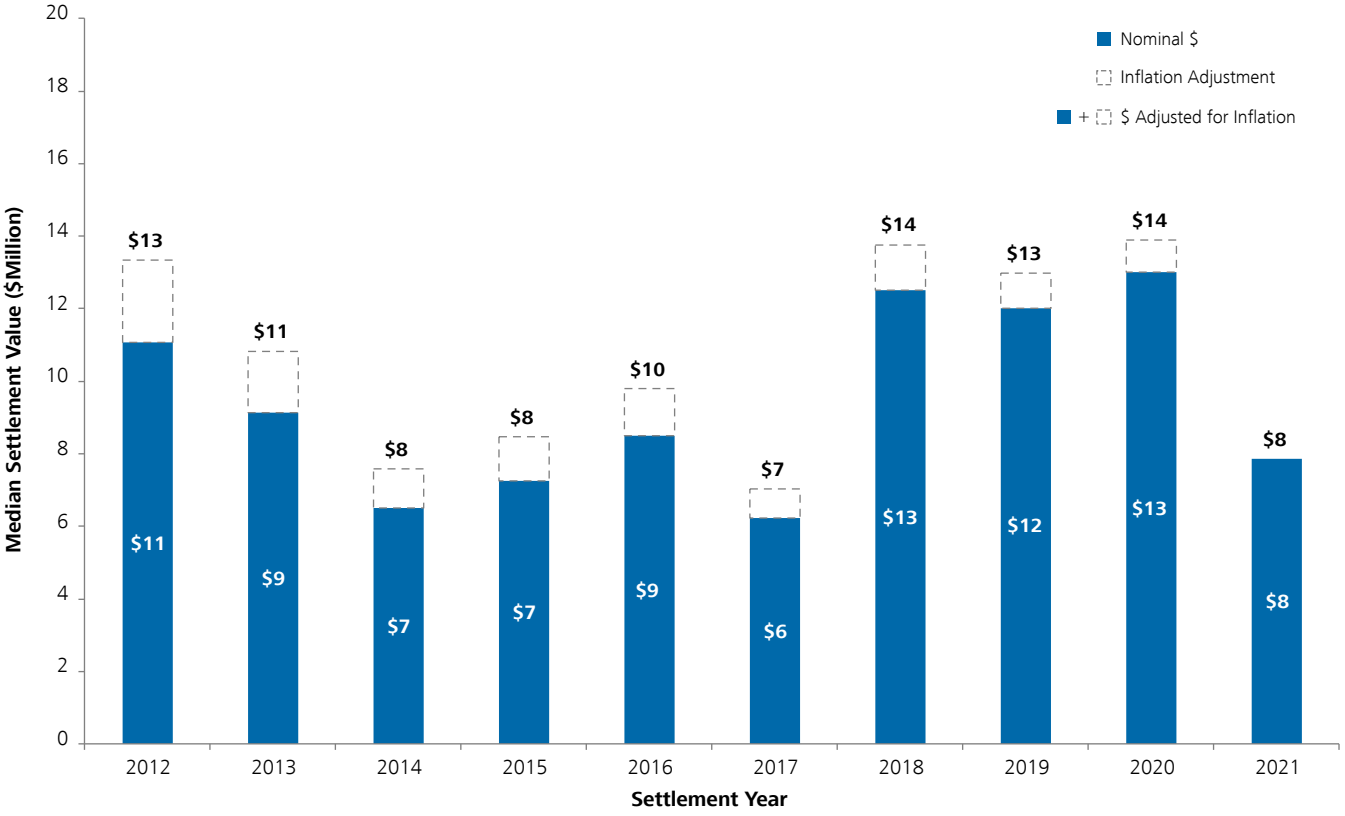
While there was a shift upward in the annual distribution of nominal settlement values between 2017 and 2020, this trend did not persist in 2021. Instead, in 2021, nearly 60% of cases resolved for settlement amounts less than $10 million. This increase in the proportion of cases settling for lower values in 2021 was accompanied by a decrease in the proportion of cases resolving for $100 million or greater, with fewer than 5% of settlements falling in this range. See Figure 19.

Figure 19. **Distribution of Settlement Values**
Excludes Merger Objections and Settlements for $0 to the Class
January 2017–December 2021



The median annual settlement value for 2021 is approximately 40% lower than the inflation-adjusted median value observed in 2018, 2019, and 2020. For 2021, the median settlement value was $8 million, the lowest recorded median value since 2017. See Figure 20.

Figure 20. **Median Settlement Value**
Excludes Settlements over $1 Billion, Merger Objections, and Settlements for $0 to the Class
January 2012–December 2021



Top Settlements in 2021

Table 1 summarizes the 10 largest settlements reached in securities class action suits between 1 January 2021 and 31 December 2021. In total, the 10 largest settlements accounted for more than 50% of the aggregate settlement amount reached in 2021. Six of the top 10 settlements were reached with defendants in the health technology and services or technology services economic sectors. The Second Circuit was the most common circuit for these cases, accounting for four of the top 10 settlements.

Table 1. **Top 10 2021 Securities Class Action Settlements**

Ranking	Defendant	Filing Date	Settlement Date	Total Settlement Value ($Million)	Plaintiffs' Attorneys' Fees and Expenses Value ($Million)	Circuit	Economic Sector
1	Snap, Inc.	16 May 17	09 Mar 21	$154.7	$41.0	9th	Technology Services
2	DaVita Inc.	1 Feb 17	30 Mar 21	$135.0	$41.0	10th	Health Services
3	Allergan plc (f/k/a Actavis plc)	22 Dec 16	17 Nov 21	$130.0	$35.2	3rd	Health Technology
4	Tableau Software, Inc.	28 Jul 17	14 Sep 21	$95.0	$27.7	2nd	Technology Services
5	Cognizant Technology Solutions Corp.	5 Oct 16	20 Dec 21	$95.0	$19.5	3rd	Technology Services
6	The Southern Company	20 Jan 17	05 Feb 21	$87.5	$24.9	11th	Utilities
7	MetLife, Inc.	12 Jan 12	14 Apr 21	$84.0	$23.5	2nd	Finance
8	Towers Watson & Co.	21 Nov 17	21 May 21	$75.0	$13.7	4th	Commercial Services
9	CannTrust Holdings Inc.	10 Jul 19	02 Dec 21	$66.4	$0	2nd	Health Technology
10	Chemical and Mining Company of Chile Inc.	19 Mar 15	26 Apr 21	$62.5	$12.1	2nd	Process Industries
	Total			**$985.1**	**$238.5**		

Note: Fees only, expenses are not available yet.

Table 2 summarizes the 10 largest federal securities class action settlements since the passage of PSLRA. Since the Petrobras settlement in 2018, the settlements in this list have all been above $1 billion, ranging from $1.1 billion to $7.2 billion.

Table 2. **Top 10 Federal Securities Class Action Settlements** (As of 31 December 2021)

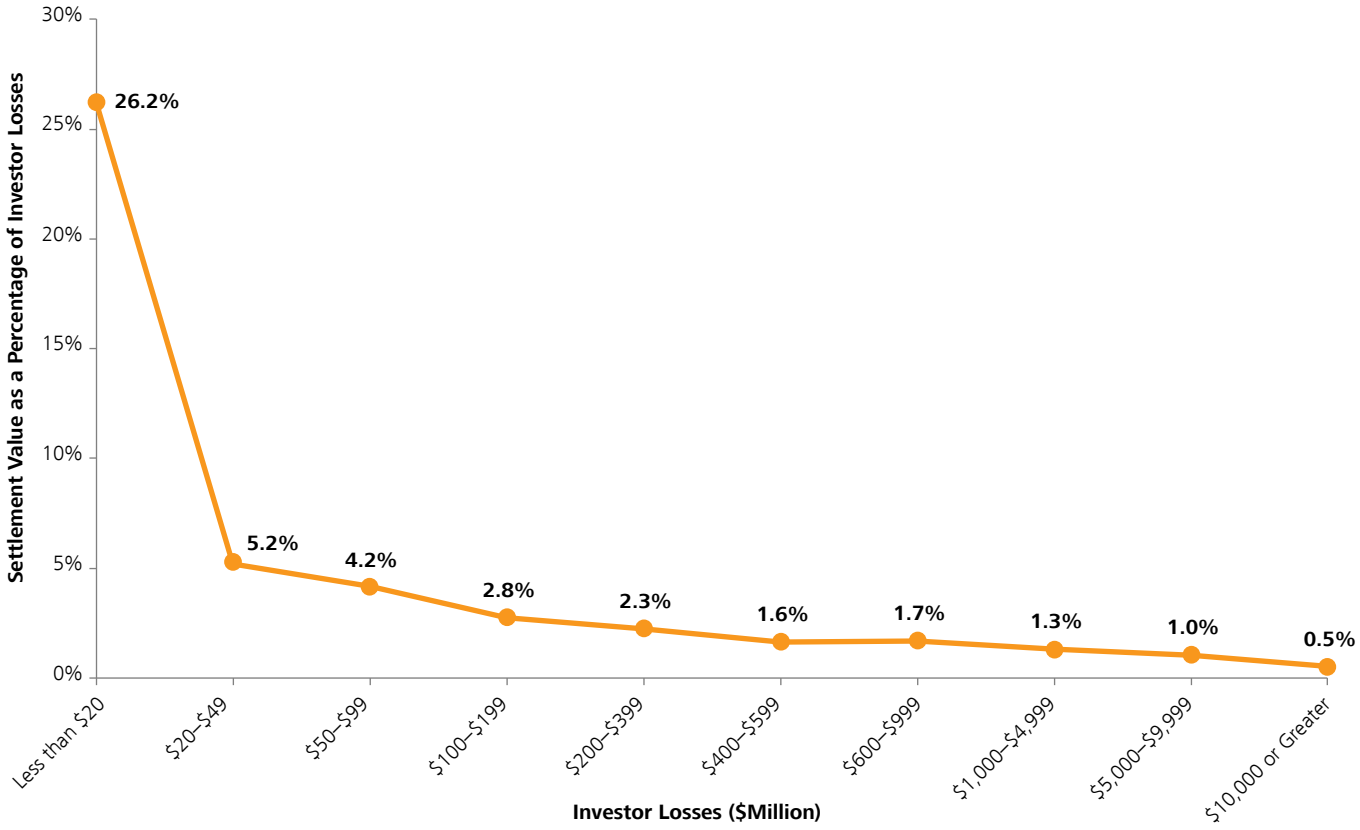
Ranking	Defendant	Filing Date	Settlement Year(s)	Total Settlement Value ($Million)	Codefendent Settlements		Plaintiffs' Attorneys' Fees and Expenses Value ($Million)	Circuit	Economic Sector
					Financial Institutions Value ($Million)	Accounting Firms Value ($Million)			
1	ENRON Corp.	22 Oct 01	2003–2010	$7,242	$6,903	$73	$798	5th	Industrial Services
2	WorldCom, Inc.	30 Apr 02	2004–2005	$6,196	$6,004	$103	$530	2nd	Communications
3	Cendant Corp.	16 Apr 98	2000	$3,692	$342	$467	$324	3rd	Finance
4	Tyco International, Ltd.	23 Aug 02	2007	$3,200	No codefendant	$225	$493	1st	Producer Manufacturing
5	Petroleo Brasileiro S.A.- Petrobras	8 Dec 14	2018	$3,000	$0	$50	$205	2nd	Energy Minerals
6	AOL Time Warner Inc.	18 Jul 02	2006	$2,650	No codefendant	$100	$151	2nd	Consumer Services
7	Bank of America Corp.	21 Jan 09	2013	$2,425	No codefendant	No codefendant	$177	2nd	Finance
8	Household International, Inc.	19 Aug 02	2006–2016	$1,577	Dismissed	Dismissed	$427	7th	Finance
9	Nortel Networks	2 Mar 01	2006	$1,143	No codefendant	$0	$94	2nd	Electronic Technology
10	Royal Ahold, NV	25 Feb 03	2006	$1,100	$0	$0	$170	2nd	Retail trade
	Total			**$32,224**	**$13,249**	**$1,017**	**$3,368**		

NERA-Defined Investor Losses

To estimate the potential aggregate loss to investors as a result of purchasing the defendant's stock during the alleged class period, NERA has developed its own proprietary variable, NERA-Defined Investor Losses, using publicly available data. The NERA-Defined Investor Losses measure is constructed assuming investors had invested in stocks during the class period whose performance was comparable to that of the S&P 500 Index. Over the years, NERA has reviewed and examined more than 2,000 settlements and found, of the variables analyzed, this proprietary variable is the most powerful predictor of settlement amount.[11]

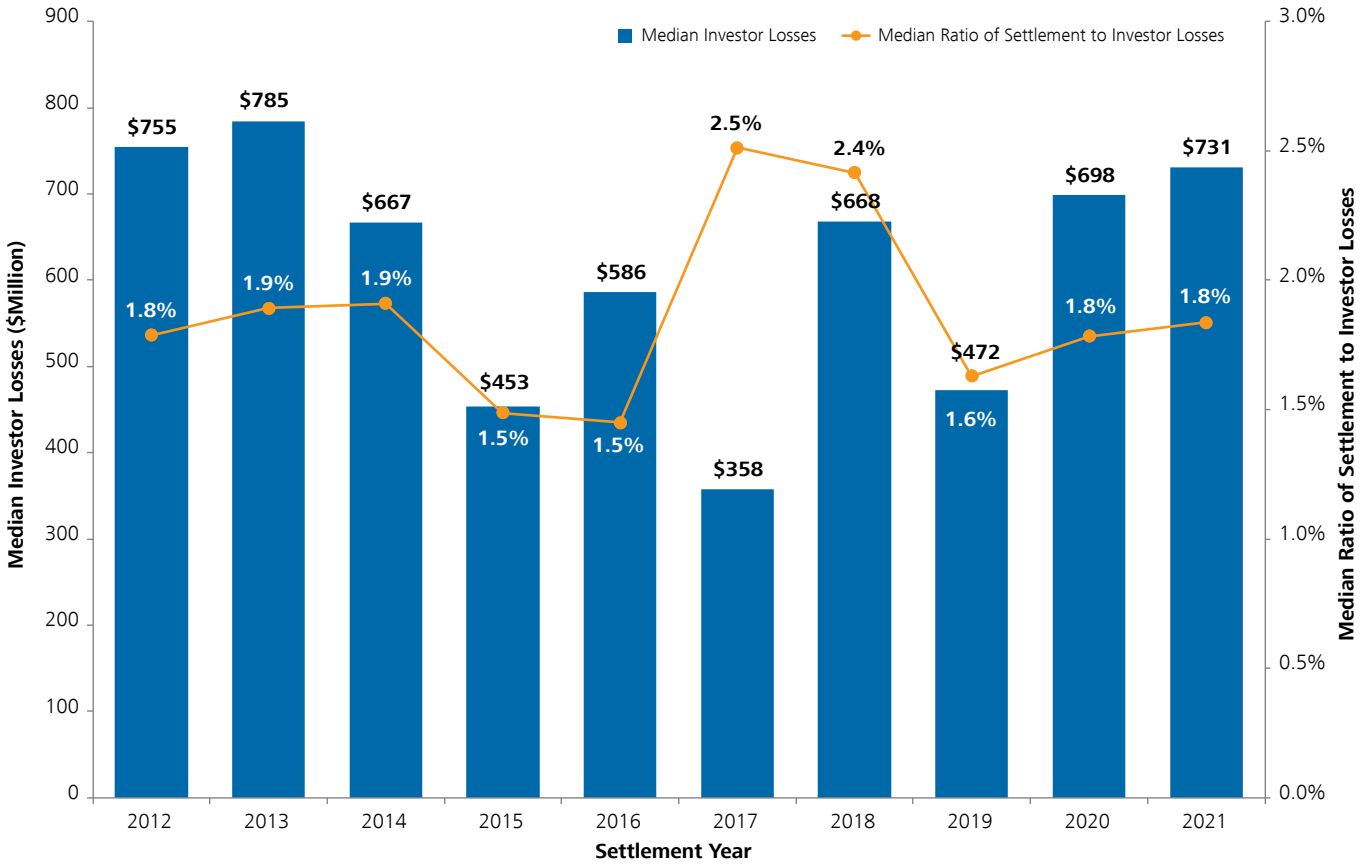
While settlement values are highly correlated with Investor Losses, the relationship between settlement amount and Investor Losses is not linear. More specifically, the ratio is higher for smaller cases than for cases with larger NERA-Defined Investor Losses. See Figure 21.

Figure 21. **Median Settlement Value as a Percentage of NERA-Defined Investor Losses**
By Investor Losses
Cases Filed and Setted December 2012–December 2021



The median Investor Losses for cases settled in 2021 was $731 million, the highest recorded value since 2013, but less than 5% higher than the 2020 value. Over the last 10 years, the annual median Investor Losses have ranged from a high of $785 million to a low of $358 million. Following an uptick in the median ratio of settlement amount to Investor Losses in 2017 to 2.5%, the ratio declined through 2019, with only modest increases in both 2020 and 2021. See Figure 22.

Figure 22. **Median NERA-Defined Investor Losses and Median Ratio of Settlement to Investor Losses by Settlement Year**
January 2012–December 2021

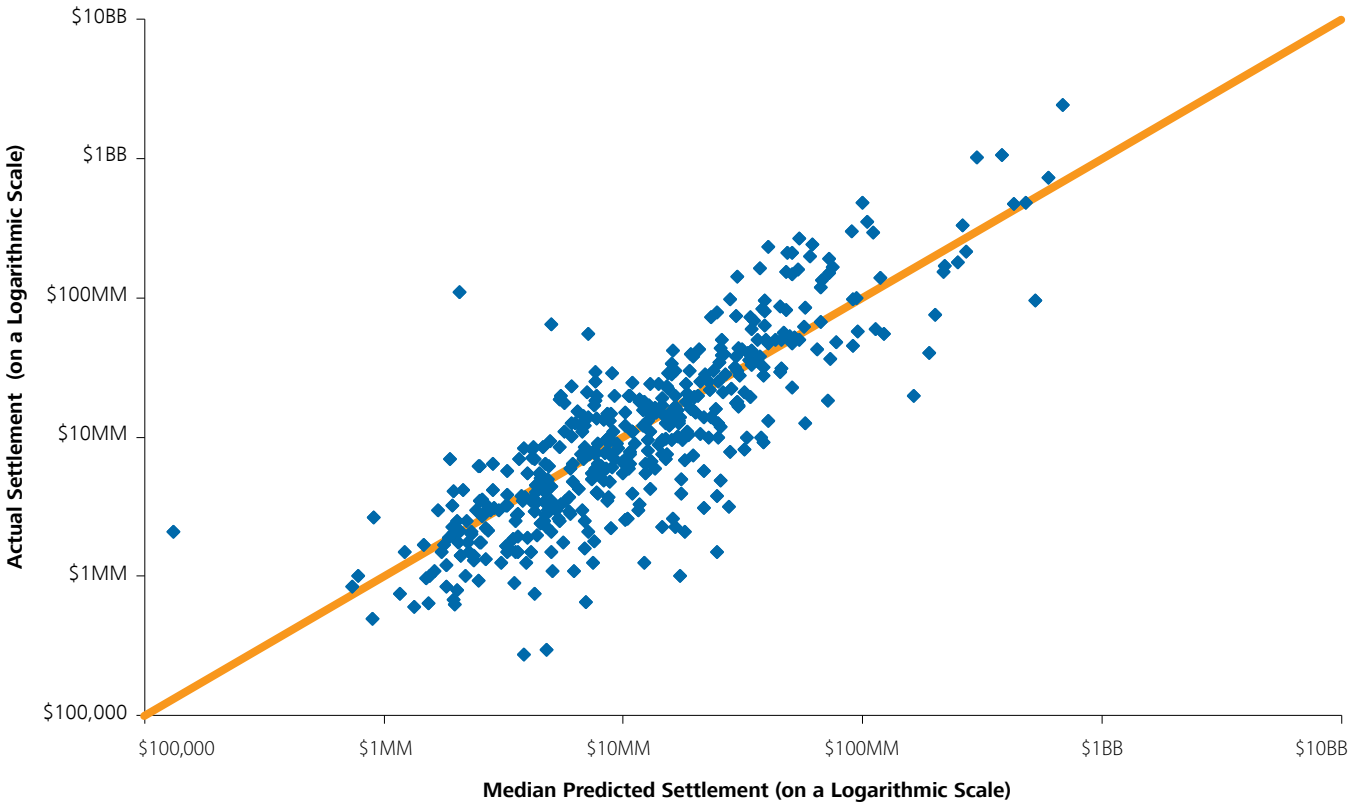


In analyzing drivers of settlement amounts, NERA has identified the following key factors:

- NERA-Defined Investor Losses, as defined above;
- The market capitalization of the issuer immediately after the end of the class period;
- The types of securities, in addition to common stock, alleged to have been affected by the fraud;
- Variables that serve as a proxy for the merit of plaintiffs' allegations (such as whether the company has already been sanctioned by a governmental or regulatory agency or paid a fine in connection with the allegations);
- The stage of litigation at the time of settlement; and
- Whether an institution or public pension fund is lead or named plaintiff.

Among cases settled between December 2012 and September 2021, these factors account for a substantial fraction of the variation observed in actual settlements. See Figure 23.

Figure 23. **Predicted vs. Actual Settlements**
Investor Losses Using S&P 500 Index
Cases Settled December 2012–September 2021

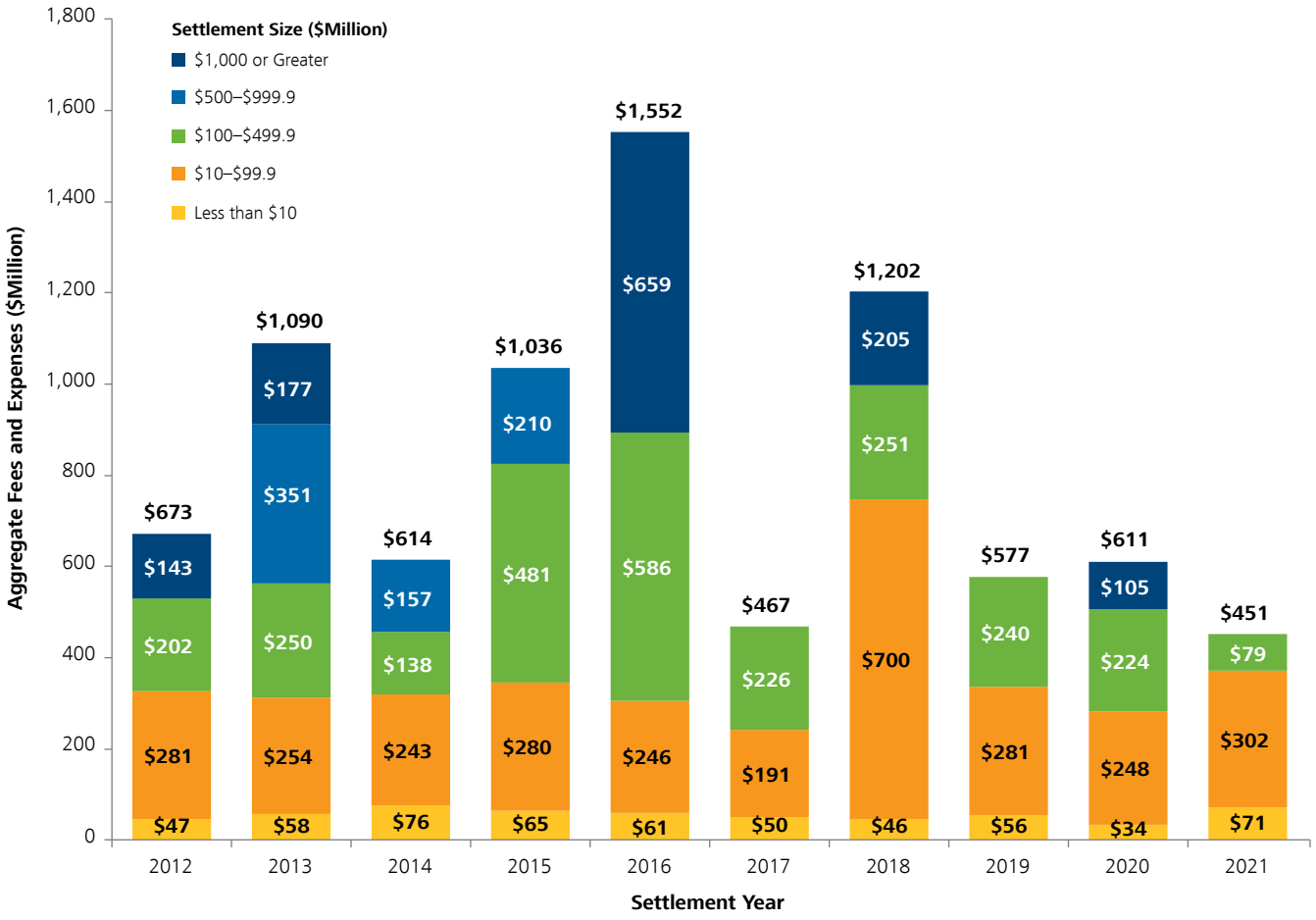


Trends in Plaintiffs' Attorneys' Fees and Expenses

Plaintiffs' attorneys' fees and expenses related to work on securities class action suits have varied substantially over time by settlement size. However, the median of plaintiffs' attorneys' fees and expenses as a percentage of settlement amount has been fairly consistent since 1996.

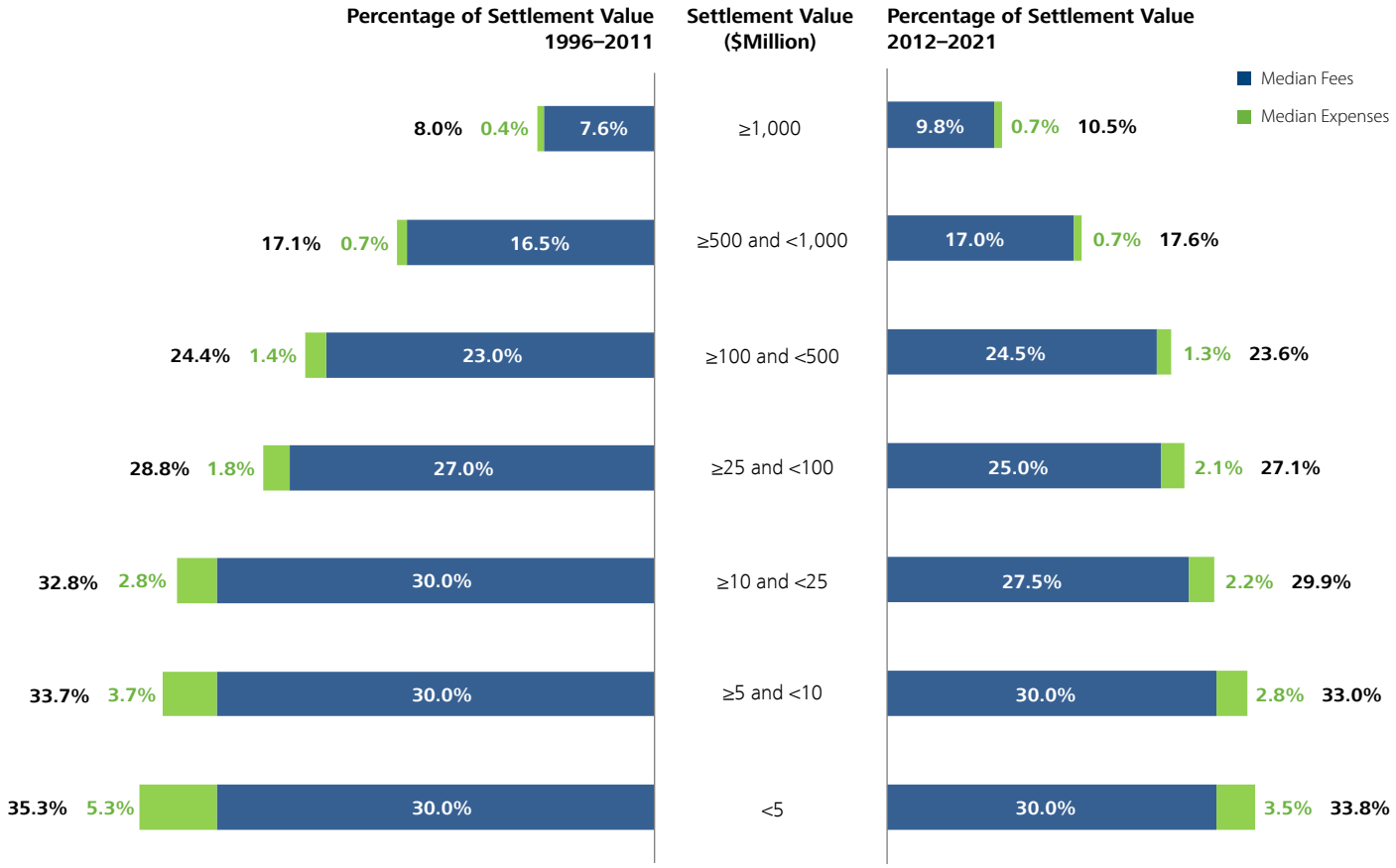
Between 2012 and 2020, the annual aggregate plaintiffs' attorneys' fees and expenses ranged from a low of $467 million in 2017 to a high of $1.6 billion in 2016. For 2021, the aggregate plaintiffs' attorneys' fees and expenses associated with settled cases was $451 million. Given the absence of any settlements above $500 million in 2021, similar to 2019, there were no plaintiffs' attorneys' fees and expenses associated with settlements of $500 million or higher. And while there was an increase in the aggregate fees and expenses for settlements under $100 million, there was an offsetting decrease in the aggregate fees and expenses for settlements between $100 million and $500 million. See Figure 24.

Figure 24. **Aggregate Plaintiffs' Attorneys' Fees and Expenses by Settlement Size**
January 2012–December 2021



As settlement size increases, fees and expenses represent a declining percentage of settlement value. More specifically, while the percentage is only 10.5% for cases that settled for over $1 billion in the last 10 years, for cases with settlement amounts under $5 million, fees and expenses represent 34% of the settlement. See Figure 25.

Figure 25. **Median of Plaintiffs' Attorneys' Fees and Expenses by Size of Settlement**
Excludes Merger Objections and Settlements for $0 to the Class



Conclusion

New securities class action cases filed declined to 205 in 2021, the lowest number of annual filings in the last 10 years but well within the historical range. This decline in total filings was driven primarily by the 85% decrease in merger-objection cases between 2020 and 2021. Due to the numerous filings related to SPACs, the percentage of cases alleging a violation related to merger integration issues increased to 17% while violations related to misled future performance, the most common allegation, were included in 40% of the 2021 suits filed. In 2021, there was a decline in total resolutions, resulting from a notable decrease in the number of merger-objection cases dismissed.

Of the 96% of cases with a motion to dismiss filed, a decision was reached in 73% of the cases prior to resolution of the case, with the motion to dismiss granted in approximately 56% of these cases. Among cases with a motion for class certification filed, a decision was reached in 56% prior to the case resolution, with the motion for class certification granted in 83% of the cases with a decision.

Aggregate settlements in 2021 amounted to $1.8 billion, the lowest total in the 2018–2021 period. No cases resolved with a settlement amount of $1 billion or higher in the last year. The average settlement value for all non-merger-objection cases with positive settlement values, and cases of less than $1 billion, decreased in 2021 to $21 million. The median settlement value showed a similar trend, declining by approximately 40% to $8 million.

Notes

1 This edition of NERA's report on "Recent Trends in Securities Class Action Litigation" expands on previous work by our colleagues Lucy P. Allen, Dr. Vinita Juneja, Dr. Denise Neumann Martin, Dr. Jordan Milev, Robert Patton, Dr. Stephanie Plancich, and others. The authors thank Dr. David Tabak and Benjamin Seggerson for helpful comments on this edition. We thank researchers in NERA's Securities and Finance Practice for their valuable assistance. These individuals receive credit for improving this report; any errors and omissions are those of the authors. NERA's proprietary securities class action database and all analyses reflected in this report are limited to federal case filings and resolutions.

2 Data for this report were collected from multiple sources, including Institutional Shareholder Services, complaints, case dockets, Dow Jones Factiva, Bloomberg Finance, FactSet Research Systems, Nasdaq, Intercontinental Exchange, US Securities and Exchange Commission (SEC) filings, and public press reports.

3 NERA tracks class actions involving securities that have been filed in federal courts. Most of these cases allege violations of federal securities laws; others allege violations of common law, including breach of fiduciary duty, as with some merger-objection cases; still others are filed in federal court under foreign or state law. If multiple actions are filed against the same defendant, are related to the same allegations, and are in the same circuit, we treat them as a single filing. However, the first two actions filed in different circuits are treated as separate filings. If cases filed in different circuits are consolidated, we revise our count to reflect the consolidation. Therefore, case counts for a particular year may change over time. Different assumptions for consolidating filings would probably lead to counts that are directionally similar but may, in certain circumstances, lead observers to draw a different conclusion about short-term trends in filings.

4 Most securities class action complaints include multiple allegations. For this analysis, all allegations from the complaint are included and, as such, the total number of allegations exceeds the total number of filings.

5 It is important to note that, due to the small number of cases in some of these categories, the findings summarized here may be driven by one or two cases.

6 Here the word "dismissed" is used as shorthand for all cases resolved without settlement; it includes cases in which a motion to dismiss was granted (and not appealed or appealed unsuccessfully), voluntary dismissals, cases terminated by a successful motion for summary judgment, or an unsuccessful motion for class certification.

7 See Janeen McIntosh and Svetlana Starykh, "Recent Trends in Securities Class Action Litigation: 2020 Full-Year Review," NERA Economic Consulting, p. 13, Figure 11, available at https://www.nera.com/publications/archive/2021/recent-trends-in-securities-class-action-litigation--2020-full-y.html.

8 Analyses in this section exclude IPO laddering cases and merger-objection cases.

9 NERA's analysis of motions only includes securities class action suits involving common stock, with or without other securities, and an allegation of Rule 10b-5 violation alone or accompanied by Section 11, and/or Section 12 violation.

10 For our analysis, NERA includes settlements that have had the first hearing of approval of case settlement by the court. This means we do not include partial settlements or tentative settlements that have been announced by plaintiffs and/or defendants. When evaluating trends in average and median settlement values, we limit our data to non-merger-objection cases with settlements of more than $0 to the class.

11 NERA-Defined Investor Losses is only calculable for cases involving allegations of damages to common stock over a defined class period. As a result, we have not calculated this metric for cases such as merger objections.

About NERA

NERA Economic Consulting (**www.nera.com**) is a global firm of experts dedicated to applying economic, finance, and quantitative principles to complex business and legal challenges. For more than six decades, we have been creating strategies, studies, reports, expert testimony, and policy recommendations for government authorities and the world's leading law firms and corporations. We bring academic rigor, objectivity, and real-world industry experience to issues arising from competition, regulation, public policy, strategy, finance, and litigation.

NERA's clients value our ability to apply and communicate state-of-the-art approaches clearly and convincingly, our commitment to deliver unbiased findings, and our reputation for quality and independence. Our clients rely on the integrity and skills of our unparalleled team of economists and other experts backed by the resources and reliability of one of the world's largest economic consultancies. Continuing our legacy as the first international economic consultancy, NERA serves clients from major cities across North America, Europe, and Asia Pacific.

Contacts

For further information, please contact:

Janeen McIntosh
Senior Consultant
New York City: +1 212 345 1375
janeen.mcintosh@nera.com

Svetlana Starykh
Senior Consultant
White Plains, NY: +1 914 448 4123
svetlana.starykh@nera.com

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Exhibit 5

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

PALM TRAN, INC. AMALGAMATED TRANSIT UNION LOCAL 1577 PENSION PLAN, Individually and On Behalf of All Others Similarly Situated, **Plaintiff,** **v.** **CREDIT ACCEPTANCE CORPORATION, BRETT A. ROBERTS, and KENNETH S. BOOTH,** **Defendants.**	**Case No.: 2:20-cv-12698LVP-EAS**

DECLARATION OF LUIGGY SEGURA REGARDING (A) MAILING OF THE NOTICE PACKET; (B) PUBLICATION OF THE SUMMARY NOTICE; AND (C) REPORT ON REQUESTS FOR EXCLUSION TO DATE

I, Luiggy Segura, declare as follows:

1. I am the Vice President of Securities Class Actions at JND Legal Administration ("JND"). Pursuant to paragraph 8 of the Court's September 19, 2022 Order Granting Motion for Preliminary Approval of Class Action Settlement (ECF No. 42) and Certifying Settlement Class (the "Preliminary Approval Order"), JND was appointed to act

as the Claims Administrator in connection with the above-captioned Action.[1] I submit this Declaration in order to provide the Court and the Parties with information regarding the mailing of the Notice of Pendency and Proposed Settlement of Class Action and Motion for Attorneys' Fees and Expenses (the "Notice"), the Proof of Claim and Release Form (the "Claim Form" and collectively with the Notice the "Notice Packet"); the publication of the Summary Notice of Pendency and Proposed Settlement of Class Action and Motion for Attorneys' Fees and Expenses ("Summary Notice"); as well as other status updates regarding the settlement-administration process, including a report on exclusions received to date.

2. I am over 21 years of age and am not a party to the Action. I am very familiar with all of JND's work on this administration. The following statements are based on my personal knowledge and information provided to me by other experienced JND employees. If called as a witness, I could and would testify competently thereto.

DISSEMINATION OF THE NOTICE PACKET

3. Pursuant to the Preliminary Approval Order, JND was responsible for disseminating the Notice Packet to potential members of the Settlement Class. A copy of the Notice Packet is attached hereto as Exhibit A.

[1] All capitalized terms unless defined herein are defined in the Stipulation and Agreement of Settlement ("Stipulation"), dated August 24, 2022, and the Preliminary Approval Order, dated September 19, 2022.

4. On September 23, 2022, JND received two files from Lead Counsel, forwarded from counsel for the Defendants, containing transfer agent records for Credit Acceptance, which identified shareholders of Credit Acceptance common stock during the Class Period (*i.e.*, the period of May 4, 2018 through August 28, 2020, inclusive). JND extracted mailing records from the files received and, after clean-up and de-duplication, there remained a total of 342 unique names and addresses (the "Class List"). Prior to mailing the Notice Packet to the Class List, JND verified the mailing records through the National Change of Address ("NCOA") database to ensure the most current address was being used.

5. JND also researched filings with the U.S. Securities and Exchange Commission ("SEC") on Forms 13-F to identify additional institutions or entities that may have purchased Credit Acceptance publicly traded common stock during the Class Period. As a result of these efforts, an additional 527 address records were added to the Class List.

6. On October 3, 2022, JND caused the Notice Packet to be mailed via First-Class mail, postage prepaid, to the 869 names and addresses contained on the Class List.

7. As in most securities class actions, a large majority of potential Settlement Class Members are beneficial purchasers whose securities are held in "street name," *i.e.*, the securities are purchased by brokerage firms, banks, institutions, or other third-party nominees in the name of the nominee, on behalf of the beneficial purchasers. JND maintains a proprietary database with the names and addresses of the most common banks and

brokerage firms, nominees and known third party filers ("Broker Database"). At the time of the initial mailing, the Broker Database contained 4,078 mailing addresses. On October 3, 2022, JND caused the Notice Packet to be mailed via First-Class mail, postage prepaid, to the 4,078 mailing records contained in the Broker Database.

8. In total, 4,947 Notice Packets were mailed via First-Class mail to potential Settlement Class Members and nominees in connection with the above-described initial mailing process (the "Initial Mailing").

9. JND also provided a copy of the Notice Packet to the Depository Trust Company ("DTC") for posting on its Legal Notice System ("LENS"). The LENS may be accessed by any broker or other nominee that is a participant in DTC's security system. The Notice was posted on DTC's LENS on September 30, 2022.

10. The Notice directed all those who purchased or otherwise acquired shares of Credit Acceptance publicly traded common stock during the period from May 4, 2018 through August 28, 2020, inclusive for the benefit of individuals or entities other than themselves to either; (a) within ten (10) calendar days of receipt of the Notice, provide a list of the names and addresses of all such beneficial owners to the Claims Administrator; or (b) within ten (10) calendar days of receipt of the Notice, request from the Claims Administrator sufficient copies of the Notice Packet to forward to all such beneficial owners and within ten (10) calendar days of receipt of those Notice Packets, forward them to all such beneficial owners.

11. Since the Initial Mailing, JND has received an additional 27,197 unique names and addresses of potential Settlement Class Members from individuals, entities or nominees requesting that the Notice Packet be mailed to such persons or entities. JND has also received requests from nominees for 33,369 Notice Packets, in bulk, for forwarding directly by the nominees to their customers. All requests have been, and will continue to be, complied with and addressed in a timely manner.

12. As a result of the efforts described above, as of October 31, 2022, an aggregate of 65,513 Notice Packets have been disseminated to potential Settlement Class Members and nominees.

PUBLICATION OF THE SUMMARY NOTICE

13. Pursuant to Paragraph 11 of the Preliminary Approval Order, the Summary Notice was to be published in *The Wall Street Journal* and be transmitted over *PR Newswire* within fourteen (14) days of the Notice Date. Accordingly, JND caused the Summary Notice (a) to be published in *The Wall Street Journal* on October 17, 2022 and (b) to be transmitted over *PRNewswire* on October 17, 2022. Attached hereto as Exhibit B are confirmations of *The Wall Street Journal* and *PRNewswire* publications.

ESTABLISHMENT OF CALL CENTER

14. Beginning on or about September 30, 2022, JND established and continues to maintain a toll-free telephone number, 877-654-1993, for Settlement Class Members to call and obtain information about the Settlement and/or request a Notice Packet. As of October

31, 2022, JND received a total of 39 calls to the telephone hotline. JND has promptly responded to each telephone inquiry and will continue to address potential Settlement Class Members' inquiries.

ESTABLISMENT OF THE SETTLEMENT WEBSITE

15. To further assist potential Settlement Class Members, JND, in coordination with Lead Counsel, designed, implemented and currently maintains a website dedicated to the Settlement, www.CreditAcceptanceSecuritiesSettlement.com (the "Settlement Website"). The Settlement Website became operational on or about September 30, 2022, and is accessible 24 hours a day, 7 days a week. Among other things, the Settlement Website includes general information regarding the litigation and advises potential Settlement Class Members of the exclusion, objection and claims filling deadlines. Visitors to the Settlement Website can download copies of the Notice and Claim Form and relevant Court documents. JND will continue operating, maintaining and, as appropriate, updating the Settlement Website. As of October 31, 2022, the Settlement Website has received 754 visitors.

REPORT ON EXCLUSION REQUESTS RECEIVED TO DATE

16. The Notice informed potential Settlement Class Members that requests for exclusion from the Settlement Class are to be mailed to Credit Acceptance Securities Litigation, c/o JND Legal Administration, P.O. Box 91300, Seattle, WA 98111, such that they are received no later than November 16, 2022. The Notice also set forth the

information that must be included in each request for exclusion. JND monitors all mail delivered to the P.O. Box for the Settlement. As of October 31, 2022, JND has not received any requests for exclusion.

17. JND will submit a supplemental declaration after the November 16, 2022 exclusion deadline addressing any requests for exclusion received.

CLAIM FILING STATUS

18. The Notice informed Settlement Class Members that in order to qualify for a payment from the Net Settlement Fund, a Claim Form must be submitted by December 2, 2022. JND is currently processing Claim Forms received and will provide information regarding the claims submitted in our supplemental declaration, which will be filed with the Court on or before November 30, 2022.

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

Executed on November 2, 2022 at New Hyde Park New York.

Luiggy Segura

EXHIBIT A

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

PALM TRAN, INC. AMALGAMATED TRANSIT UNION LOCAL 1577 PENSION PLAN, Individually and On Behalf of All Others Similarly Situated, Plaintiff, v. CREDIT ACCEPTANCE CORPORATION, BRETT A. ROBERTS, and ENNETH S. BOOTH, Defendants.	Case No. 20-cv-12698 Honorable Linda V. Parker

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

If you purchased or otherwise acquired the publicly traded common stock of Credit Acceptance Corporation during the period from May 4, 2018 through August 28, 2020, inclusive (the "Class Period") and were damaged thereby, you may be entitled to a payment from a class action settlement.

A Federal Court authorized this Notice. This is not a solicitation from a lawyer.

This Notice describes important rights you may have and what steps you must take if you wish to participate in the Settlement of this securities class action, wish to object, or wish to be excluded from the Settlement Class.[1]

If approved by the Court, the proposed Settlement will create a 12 million cash fund, plus earned interest, if any, for the benefit of Settlement Class Members after the deduction of Court-approved fees, expenses, and Taxes. This is an average recovery of approximately 1.95 per allegedly damaged share before deductions for awarded attorneys' fees and litigation expenses, and 1.34 per allegedly damaged share after deductions for awarded attorneys' fees and Litigation Expenses, as discussed more below.

The Settlement resolves claims by Court-appointed Lead Plaintiffs Ontario Provincial Council of Carpenters' Pension Trust Fund and Millwright Regional Council of Ontario Pension Trust Fund ("Lead Plaintiffs") that have been asserted on behalf of the Settlement Class (defined below) against Defendants Credit Acceptance Corporation ("Credit Acceptance" or the "Company"), Brett A. Roberts and enneth S. Booth (collectively, the "Individual Defendants" and, with Credit Acceptance, "Defendants" and, together with Lead Plaintiffs, the

[1] The terms of the Settlement are in the Stipulation and Agreement of Settlement, dated as of August 24, 2022 (the "Stipulation"), which can be viewed at www.CreditAcceptanceSecuritiesSettlement.com. All capitalized terms not defined in this Notice have the same meanings as in the Stipulation.

"Parties"). It avoids the costs and risks of continuing the litigation; pays money to eligible investors; and releases the Released Defendant Parties (defined below) from liability.

If you are a Settlement Class Mem er, your le al ri hts ill e affected y this Settlement hether you act or do not act.

Please read this Notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
SUBMIT A CLAIM FORM ON OR BEFORE DECEMBER 2, 2022	The only way to get a payment. *See* uestion 8 for details.
EXCLUDE YOURSELF FROM THE SETTLEMENT CLASS ON OR BEFORE NOVEMBER 16, 2022	Get no payment. This is the only option that, assuming your claim is timely brought, might allow you to ever bring or be part of any other lawsuit against Defendants and/or the other Released Defendant Parties concerning the Released Claims. *See* uestion 10 for details.
OB ECT ON OR BEFORE NOVEMBER 16, 2022	Write to the Court about why you do not like the Settlement, the Plan of Allocation for distributing the proceeds of the Settlement, and/or Lead Counsel's Fee and Expense Application. If you object, you will still be in the Settlement Class. *See* uestion 14 for details.
PARTICIPATE IN A HEARING ON DECEMBER 7, 2022 AND FILE A NOTICE OF INTENTION TO APPEAR BY NOVEMBER 16, 2022	Ask to speak to the Court at the Settlement Hearing about the Settlement. *See* uestion 18 for details.
DO NOTHING	Get no payment. Give up rights. Still be bound by the terms of the Settlement.

These rights and options **and the deadlines to e ercise them** are explained below.

The Court in charge of this case still has to decide whether to approve the proposed Settlement. Payments will be made to Settlement Class Members who timely submit valid Claim Forms, if the Court approves the Settlement and after any appeals are resolved.

PSLRA SUMMARY OF THE NOTICE

Statement of the Settlement Class s Recovery

1. Lead Plaintiffs have entered into the proposed Settlement with Defendants which, if approved by the Court, will resolve the Action in its entirety. Subject to Court approval, Lead Plaintiffs, on behalf of the Settlement Class, have agreed to settle the Action in exchange for a payment of 12,000,000 in cash (the "Settlement Amount"), which will be deposited into an interest-bearing Escrow Account (the "Settlement Fund"). Based on Lead Plaintiffs' damages expert's estimate of the number of shares of Credit Acceptance publicly traded common stock eligible to participate in the Settlement, and assuming that all investors eligible to participate in the Settlement do so, it is estimated that the average recovery, before deduction of any Court-approved fees and expenses, such as attorneys' fees, Litigation Expenses, awards to Lead Plaintiffs pursuant to the Private Securities Litigation Reform Act of 1995 ("PSLRA"), Taxes, and Notice and Administration Expenses, would be approximately 1.95 per allegedly damaged share.[2] If the Court approves Lead Counsel's Fee and Expense Application (discussed below), the average recovery would be approximately 1.34 per allegedly damaged share. **These avera e recovery amounts are only estimates and Settlement Class Mem ers may recover more or less than these estimates.** A Settlement Class Member's actual recovery will depend on, for example: (i) the number of claims submitted; (ii) the amount of the Net Settlement Fund; (iii) when and how many shares of Credit Acceptance publicly traded common stock the Settlement Class Member purchased during the Class Period; and (iv) whether and when the Settlement Class Member sold Credit Acceptance publicly traded common stock. *See* the Plan of Allocation beginning on page 14 for information on the calculation of your Recognized Claim.

Statement of Potential Outcome of Case if the Action Continued to Be Liti ated

2. The Parties disagree about both liability and damages and do not agree about the amount of damages that would be recoverable if Lead Plaintiffs were to prevail on each claim. The issues that the Parties disagree about include, for example: (i) whether Defendants made any statements or omitted any facts that were materially false or misleading, or otherwise actionable under the federal securities laws; (ii) whether any such statements or omissions were made with the requisite level of intent or recklessness; (iii) the amounts by which the price of Credit Acceptance publicly traded common stock was allegedly artificially inflated, if at all, during the Class Period; and (iv) the extent to which factors unrelated to the alleged statements or omissions, such as general market, economic, and industry conditions, influenced the trading prices of Credit Acceptance publicly traded common stock during the Class Period.

3. Defendants have denied and continue to deny any and all allegations of wrongdoing or fault asserted in the Action, deny that they have committed any act or omission giving rise to any liability or violation of law, and deny that Lead Plaintiffs and the Settlement Class have suffered any loss attributable to Defendants' actions or omissions.

[2] An allegedly damaged share might have been traded, and potentially damaged, more than once during the Class Period, and the average recovery indicated above represents the estimated average recovery for each share that allegedly incurred damages.

Statement of Attorneys Fees and E enses Sou ht

4. Lead Counsel will apply to the Court, on behalf of all Plaintiffs' Counsel, for an award of attorneys' fees from the Settlement Fund in an amount not to exceed 30 of the Settlement Fund, *i.e.,* 3,600,000.00, plus accrued interest at the same rate earned by the Settlement Fund, if any.[3] Lead Counsel will also apply for payment of Litigation Expenses incurred in prosecuting the Action in an amount not to exceed 125,000, plus accrued interest at the same rate earned by the Settlement Fund, which may include an application pursuant to the PSLRA for the reasonable costs and expenses (including lost wages) of Lead Plaintiffs directly related to their representation of the Settlement Class. If the Court approves Lead Counsel's Fee and Expense Application in full, the average amount of fees and expenses is estimated to be approximately 0.61 per allegedly damaged share of Credit Acceptance publicly traded common stock. A copy of the Fee and Expense Application will be posted on www.CreditAcceptanceSecuritiesSettlement.com after it has been filed with the Court.

Reasons for the Settlement

5. For Lead Plaintiffs, the principal reason for the Settlement is the guaranteed cash benefit to the Settlement Class. This benefit must be compared to the uncertainty of being able to prove the allegations in the Amended Class Action Complaint for Violations of the Federal Securities Laws (the "Complaint"); the risk that the Court may grant the motion to dismiss filed by Defendants; the uncertainty of a greater recovery after a trial and appeals; and the difficulties and delays inherent in such litigation.

6. For Defendants, who deny all allegations of wrongdoing or liability whatsoever and deny that Settlement Class Members were damaged, the principal reasons for entering into the Settlement are to end the burden, expense, uncertainty, and risk of further litigation.

Identification of Re resentatives

7. Lead Plaintiffs and the Settlement Class are represented by Lead Counsel: Michael P. Canty, Esq., Labaton Sucharow LLP, 140 Broadway, New York, NY 10005, (888) 219-6877, settlementquestions labaton.com.

8. Further information regarding the Action, the Settlement, and this Notice may be obtained by contacting the Claims Administrator: info CreditAcceptanceSecuritiesSettlement.com, (877) 654-1993, www.CreditAcceptanceSecuritiesSettlement.com.

Please Do Not Call the Court ith Questions A out the Settlement.

BASIC INFORMATION

1. Why did I et this Notice

9. The Court authorized that this Notice be sent to you because you or someone in your family may have purchased or otherwise acquired Credit Acceptance publicly traded common stock during the period from May 4, 2018 through August 28, 2020, inclusive (the "Class Period"). **Recei t of this Notice does not mean that you are a Mem er of the Settlement Class or that you ill e entitled to receive a ayment. The Parties do not have access to your individual**

[3] Plaintiffs' Counsel are Labaton Sucharow LLP, Clark Hill PLC, and Himelfarb Proszanski.

investment information. If you ish to e eli i le for a ayment, you are re uired to su mit the Claim Form that is ein distri uted ith this Notice. *See* Question 8 elo .

10. The Court directed that this Notice be sent to Settlement Class Members because they have a right to know about the proposed Settlement of this class action lawsuit, and about all of their options, before the Court decides whether to approve the Settlement.

11. The Court in charge of the Action is the United States District Court for the Eastern District of Michigan, and the case is captioned *Palm Tran, Inc. Amalgamated Transit Union Local 1577 Pension Plan v. Credit Acceptance Corporation,* No. 2:20-cv-12698-LVP-EAS. The Action is assigned to the Honorable Linda V. Parker, United States District Judge.

2. Ho do I no if I am art of the Settlement Class

12. By the Preliminary Approval Order, the Court preliminarily certified the Action as a class action on behalf of the Settlement Class. Everyone who fits the following description is a Settlement Class Member and subject to the Settlement unless they are an excluded person (*see* uestion 3 below) or take steps to exclude themselves from the Settlement Class (*see* uestion 10 below):

All ersons and entities ho or hich urchased or other ise ac uired the u licly traded common stoc of Credit Acce tance durin the eriod from May , 2018 throu h Au ust 28, 2020, inclusive, and ho ere dama ed there y.

13. If one of your mutual funds purchased Credit Acceptance publicly traded common stock during the Class Period, that does not make you a Settlement Class Member, although your mutual fund may be. You are a Settlement Class Member only if you individually purchased Credit Acceptance publicly traded common stock during the Class Period. Check your investment records or contact your broker to see if you have any eligible purchases. The Parties do not independently have access to your trading information.

. Are there e ce tions to ein included

14. Yes. There are some individuals and entities who are excluded from the Settlement Class by definition. Excluded from the Settlement Class are: (i) Defendants; (ii) members of the Immediate Family of each of the Individual Defendants; (iii) any person who was an employee, officer or director of Credit Acceptance during the Class Period; (iv) any firm, trust, corporation, or other entity in which any Defendant has a controlling interest; (v) any subsidiary or affiliate of Credit Acceptance; and (vi) the legal representatives, heirs, successors-in-interest, or assigns of any such excluded person or entity, in their respective capacity as such. Also excluded from the Settlement Class are any persons or entities who or which exclude themselves by submitting a timely and valid request for exclusion in accordance with the procedures described in uestion 10 below.

. Why is this a class action

15. In a class action, one or more persons or entities (in this case, Lead Plaintiffs), sue on behalf of people and entities who have similar claims. Together, these people and entities are a "class," and each is a "class member." A class action allows one court to resolve, in a single case, many similar claims that, if brought separately by individual people, might be too small

economically to litigate. 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. In this Action, the Court has appointed Ontario Provincial Council of Carpenters' Pension Trust Fund and Millwright Regional Council of Ontario Pension Trust Fund to serve as Lead Plaintiffs and Labaton Sucharow LLP to serve as Lead Counsel.

5. What is this case a out and hat has ha ened so far

16. On October 2, 2020, a securities class action complaint was filed in this Court by Palm Tran, Inc. Amalgamated Transit Union Local 1577 Pension Plan on behalf of investors in Credit Acceptance common stock, styled *Palm Tran, Inc. Amalgamated Transit Union Loc. 1577 Pension Plan v. Credit Acceptance Corp.*, No. 20-CV-12698 (E.D. Mich.) (the "Action"). The complaint asserted claims: (i) against all Defendants for violations of Section 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") and Rule 10b-5 promulgated thereunder; and (ii) against all Individual Defendants for violations of Section 20(a) of the Exchange Act.

17. On December 1, 2020, Ontario Provincial Council of Carpenters' Pension Trust Fund and Millwright Regional Council of Ontario Pension Trust Fund filed a Motion for Appointment as Lead Plaintiff and Approval of Selection of Lead Counsel. On May 28, 2021, the Court issued an Opinion and Order (i) appointing Ontario Provincial Council of Carpenters' Pension Trust Fund and Millwright Regional Council of Ontario Pension Trust Fund as Lead Plaintiffs; and (ii) appointing Labaton Sucharow as Lead Counsel and Clark Hill as Liaison Counsel.

18. Lead Plaintiffs maintain that, through Lead Counsel, they continued their investigation into the claims alleged in the initial complaint, for the purpose of drafting a comprehensive consolidated complaint and otherwise. This process included, among other things, a comprehensive review of: (i) the Company's filings with the U.S. Securities and Exchange Commission ("SEC"); (ii) press releases and other publications disseminated by the Company; (iii) shareholder communications, conference calls and postings on Credit Acceptance's website concerning the Company's public statements; (iv) research reports issued by financial analysts concerning the Company; (v) an enforcement action filed against the Company by the Massachusetts Attorney General; (vi) public records produced by the SEC and the Massachusetts Attorney General's Office; (vii) documents produced in response to public record requests; (viii) other publicly available information concerning Defendants; and (ix) the applicable law governing the claims and potential defenses. Additionally, as part of its investigation, Lead Counsel maintains that it contacted 143 former Credit Acceptance employees who potentially had knowledge of the alleged events, and conducted interviews with 31 of them. Lead Counsel also maintains that it consulted with an expert on valuation and damages and loss causation issues.

19. On July 22, 2021, Lead Plaintiffs filed an Amended Class Action Complaint for Violations of the Federal Securities Laws (the Complaint), which is the operative complaint in this Action. The Complaint alleges violations of Sections 10(b) and 20(a) of the Securities Exchange Act, 15 U.S.C. 78j(b) and 78t(a), and Rule 10b-5 promulgated thereunder by the SEC.

20. In January 2022, Lead Plaintiffs and Defendants engaged Robert A. Meyer, a well-respected and highly experienced mediator, to assist them in exploring a potential negotiated resolution of the Action. On April 1, 2022, Lead Plaintiffs and Defendants met with Mr. Meyer in an attempt to reach a settlement. The mediation involved an extended effort to settle the claims and was preceded by the exchange of mediation submissions and other information. Lead

Plaintiffs and Defendants reached an agreement in principle to settle the claims against the Defendants on June 14, 2022, subject to the negotiation of the terms of a Stipulation and Agreement of Settlement and approval by the Court.

21. The Stipulation (together with the exhibits thereto) reflects the final and binding agreement between the Parties.

6. What are the reasons for the Settlement

22. The Court did not finally decide in favor of Lead Plaintiffs or Defendants. Instead, both sides agreed to a settlement. Lead Plaintiffs and Lead Counsel believe that the claims asserted in the Action have merit. They recognize, however, the expense and length of continued proceedings needed to pursue the claims through trial and appeals, as well as the difficulties in establishing liability. Assuming the claims proceeded to trial, the Parties would present factual and expert testimony on each of the disputed issues, and there is risk that the Court or jury would resolve these issues unfavorably against Lead Plaintiffs and the Settlement Class. In light of the Settlement and the guaranteed cash recovery to the Settlement Class, Lead Plaintiffs and Lead Counsel believe that the proposed Settlement is fair, reasonable, and adequate, and in the best interests of the Settlement Class.

23. Throughout the litigation, Defendants have denied and continue to deny any and all wrongdoing whatsoever, including each and every one of the claims alleged by Lead Plaintiffs in the Action, all claims in the Complaint, and any allegation that they have committed any act or omission giving rise to any liability or violation of law. Defendants deny the allegations that they made any material misstatements or omissions; that any Member of the Settlement Class has suffered damages; that the prices of Credit Acceptance publicly traded common stock were artificially inflated by reason of the alleged misrepresentations, omissions, or otherwise; or that Members of the Settlement Class were harmed by the conduct alleged. Nonetheless, Defendants have agreed to the Settlement to eliminate the burden and expense of continued litigation, and the Settlement may not be construed as an admission of any wrongdoing by Defendants in this or any other action or proceeding.

THE SETTLEMENT BENEFITS

7. What does the Settlement rovide

24. In exchange for the Settlement and the release of the Released Claims against the Released Defendant Parties (*see* uestion 9 below), Defendants have agreed to cause a 12 million cash payment to be made, which, along with any interest earned, 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"), to Settlement Class Members who submit valid and timely Claim Forms and are found to be eligible to receive a distribution from the Net Settlement Fund.

8. Ho can I receive a ayment

25. To qualify for a payment from the Net Settlement Fund, you must submit a timely and valid Claim Form. A Claim Form is included with this Notice. You may also obtain one from the website dedicated to the Settlement: www.CreditAcceptanceSecuritiesSettlement.com, or submit

a claim online at www.CreditAcceptanceSecuritiesSettlement.com. You can also request that a Claim Form be mailed to you by calling the Claims Administrator toll-free at (877) 654-1993.

26. Please read the instructions contained in the Claim Form carefully, fill out the Claim Form, include all the documents the form requests, sign it, and mail or submit it to the Claims Administrator so that it is **ostmar ed or received no later than Decem er 2, 2022.**

9. What am I ivin u to receive a ayment and y stayin in the Settlement Class

27. If you are a Settlement Class Member and do not timely and validly exclude yourself from the Settlement Class, you will remain in the Settlement Class and that means that, upon the "Effective Date" of the Settlement, you and the other "Releasing Plaintiff Parties" will release all "Released Claims" against the "Released Defendant Parties." All of the Court's orders in the Action, whether favorable or unfavorable, will apply to you and legally bind you.

(a) **Released Claims** means, to the fullest extent that the law permits their release, any and all claims, rights, liabilities, suits, actions, appeals, debts, obligations, demands, damages (including, without limitation, compensatory, punitive, exemplary, rescissory, direct, consequential, or special damages, and restitution and disgorgement), losses, penalties, costs, expenses, injunctive relief, attorneys' fees, expert or consulting fees, prejudgment interest, indemnities, judgments and causes of action of any nature whatsoever, whether known or Unknown (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, local, common, statutory, administrative, or foreign law, including federal securities laws and any state disclosure laws, any other law, rule, ordinance, administrative provision or regulation, whether individual, direct, class, representative, legal, equitable, or any other type or in any other capacity, that: (a) were set forth, alleged or referred to in the Action; or (b) could have been asserted in the Action or in any forum, domestic or foreign, by Lead Plaintiffs or any other Settlement Class Member arising out of, based upon, or relating in any way to both (i) the purchase, acquisition, sale, or disposition of Credit Acceptance publicly traded common stock during the Class Period and (ii) any of the allegations, acts, transactions, facts, events, matters, occurrences, statements, representations, or omissions involved, set forth, alleged or referred to in the Action. For the avoidance of doubt, Released Claims do not include: (i) claims to enforce the Settlement; (ii) claims or rights to a recovery from any governmental investigation or proceeding, if any, in any criminal or civil action against any of the Released Defendant Parties; or (iii) the claims of any Person who timely and validly requests exclusion from the Settlement Class.

(b) **Released Defendant Parties** means Defendants and each of their respective former, present or future parents, subsidiaries, divisions, controlling persons, associates, related entities and affiliates and each and all of their respective present and former employees, members, partners, principals, officers, directors, controlling shareholders, agents, attorneys, advisors (including financial or investment advisors), accountants, auditors, consultants, underwriters, investment bankers, commercial bankers, general or limited partners or partnerships, limited liability companies, members, joint ventures and insurers and reinsurers of each of them, in their capacities as such; and the predecessors, successors, assigns, estates, Immediate Family, heirs, executors, trusts, trustees, administrators, agents, legal representatives, and assignees of each of them, in their capacities as such.

(c) "**Un no n Claims**" means any and all Released Claims that the Releasing Plaintiff Parties 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 at the time of the release of the Released Plaintiff Parties, which if known by him, her, or it might have affected his, her, or its decision(s) with respect to the Settlement, including the decision to object to the terms of the Settlement or to exclude himself, herself, or itself from the Settlement Class. With respect to any and all Released Claims and Released Defendants' Claims, the Parties stipulate and agree that, upon the Effective Date, Lead Plaintiffs and Defendants shall expressly, and each Releasing Plaintiff Party shall be deemed to have, and by operation of the Judgment or Alternative Judgment shall have 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, which is similar, comparable, or equivalent to Cal. Civ. Code 1542, which provides:

> **A eneral release does not e tend to claims that the creditor or releasin arty does not no or sus ect to e ist in his or her favor at the time of e ecutin the release and that, if no n y him or her, ould have materially affected his or her settlement ith the de tor or released arty.**

The Releasing Plaintiff Parties or Defendants may hereafter discover facts, legal theories, or authorities in addition to or different from those which any of them now knows, suspects, or believes to be true with respect to the Action, the Released Claims, or the Released Defendants' Claims, but the Lead Plaintiffs and Defendants shall expressly, fully, finally, and forever settle and release, and each Releasing Plaintiff Party shall be deemed to have fully, finally, and forever settled and released, and upon the Effective Date and by operation of the Judgment or Alternative Judgment shall have settled and released, fully, finally, and forever, any and all Released Claims and Released Defendants' Claims as applicable, without regard to the subsequent discovery or existence of such different or additional facts, legal theories, or authorities. Lead Plaintiffs and Defendants acknowledge, and all Releasing Plaintiff Parties by operation of law shall be deemed to have acknowledged, that the inclusion of "Unknown Claims" in the definition of Released Claims and Released Defendants' Claims was separately bargained for and was a material element of the Settlement.

28. The "Effective Date" will occur when an Order entered by the Court approving the Settlement becomes Final and is not subject to appeal. Upon the "Effective Date," the Released Defendant Parties will also provide a release of any claims against the Released Plaintiff Parties arising out of or related to the institution, prosecution, or settlement of the claims in the Action.

EXCLUDING YOURSELF FROM THE SETTLEMENT CLASS

29. If you want to keep any right you may have to sue or continue to sue Defendants and the other Released Defendant Parties on your own concerning the Released Claims, then you must take steps to remove yourself from the Settlement Class. This is called excluding yourself or "opting out." **Please note:** If you decide to exclude yourself from the Settlement Class, there is a risk that any lawsuit you may file may be dismissed, including because the suit is not filed within the applicable time periods required for filing suit. Defendants have the option to terminate the Settlement if a certain amount of Settlement Class Members request exclusion.

10. Ho do I e clude myself from the Settlement Class

30. To exclude yourself from the Settlement Class, you must mail a signed letter stating that you request to be "excluded from the Settlement Class in *Palm Tran, Inc. Amalgamated Transit Union Local 1577 Pension Plan v. Credit Acceptance Corporation,* No. 2:20-cv-12698-LVP-EAS (E.D. Mich.)." You cannot exclude yourself by telephone or e-mail. Each request for exclusion must also: (i) state the name, address, and telephone number of the person or entity requesting exclusion; (ii) state the number of shares of Credit Acceptance publicly traded common stock the person or entity purchased, acquired, and sold during the Class Period, as well as the dates and prices of each such purchase, acquisition, and sale; and (iii) be signed by the Person requesting exclusion or an authorized representative. A request for exclusion must be mailed so that it is **received no later than Novem er 16, 2022** at:

Credit Acceptance Securities Litigation
c/o JND Legal Administration
P.O. Box 91300
Seattle, WA 98111

This information is needed to determine whether you are a member of the Settlement Class. Your exclusion request must comply with these requirements in order to be valid.

31. If you ask to be excluded, do not submit a Claim Form because you cannot receive any payment from the Net Settlement Fund. Also, you cannot object to the Settlement because you will not be a Settlement Class Member and the Settlement will not affect you. If you submit a valid exclusion request, you will not be legally bound by anything that happens in the Action, and you may be able to sue (or continue to sue) Defendants and the other Released Defendant Parties in the future.

11. If I do not e clude myself, can I sue Defendants and the other Released Defendant Parties for the same reasons later

32. No. Unless you properly exclude yourself, you will give up any rights to sue Defendants and the other Released Defendant Parties for any and all Released Claims. If you have a pending lawsuit against any of the Released Defendant Parties, **s ea to your la yer in that case immediately**. You must exclude yourself from this Class to continue your own lawsuit, assuming that lawsuit was timely brought. Remember, the exclusion deadline is **Novem er 16, 2022.**

THE LAWYERS REPRESENTING YOU

12. Do I have a la yer in this case

33. Labaton Sucharow LLP is Lead Counsel in the Action and represents all Settlement Class Members. You will not be separately charged for the work of Lead Counsel and the other Plaintiffs' Counsel. The Court will determine the amount of attorneys' fees and Litigation 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.

1 . Ho ill the la yers e aid

34. Lead Counsel, together with other Plaintiffs' Counsel, has been prosecuting the Action on a contingent basis and has not been paid for any of their work. Lead Counsel will apply to the Court, on behalf of itself and the other Plaintiffs' Counsel firms, for an award of attorneys' fees of no more than 30 of the Settlement Fund, which will include any accrued interest. Lead Counsel has agreed to share the awarded attorneys' fees with Plaintiffs' Counsel. Payment to the other Plaintiffs' Counsel firms will in no way increase the fees that are deducted from the Settlement Fund. Lead Counsel will also seek payment of Litigation Expenses incurred by Plaintiffs' Counsel in the prosecution and settlement of the Action of no more than 125,000, plus accrued interest, if any, which may include an application in accordance with the PSLRA for the reasonable costs and expenses (including lost wages) of Lead Plaintiffs directly related to their representation of the Settlement Class. As explained above, any attorneys' fees and expenses awarded by the Court will be paid from the Settlement Fund. Settlement Class Members are not personally liable for any such fees or expenses.

OB ECTING TO THE SETTLEMENT, THE PLAN OF ALLOCATION, OR THE FEE AND EXPENSE APPLICATION

1 . Ho do I tell the Court that I do not li e somethin a out the ro osed Settlement

35. If you are a Settlement Class Member, you can object to the Settlement or any of its terms, the proposed Plan of Allocation of the Net Settlement Fund, and/or Lead Counsel's Fee and Expense Application. You may write to the Court about why you think the Court should not approve any or all of the Settlement terms or related relief. If you would like the Court to consider your views, you must file a proper objection within the deadline, and according to the following procedures.

36. To object, you must send a signed letter stating that you object to the proposed Settlement, the Plan of Allocation, and/or the Fee and Expense Application in "*Palm Tran, Inc. Amalgamated Transit Union Local 1577 Pension Plan v. Credit Acceptance Corporation,* No. 2:20-cv-12698-LVP-EAS (E.D. Mich.)." The objection must also: (i) state the name, address, telephone number, and e-mail address of the objector and must be signed by the objector; (ii) contain a statement of the Settlement Class Member's objection or objections and the specific reasons for the objection, including whether it applies only to the objector, to a specific subset of the Settlement Class, or to the entire Settlement Class, and any legal and evidentiary support (including witnesses) the Settlement Class Member wishes to bring to the Court's attention; and (iii) include documents sufficient to show the objector's membership in the Settlement Class, including the number of shares of Credit Acceptance publicly traded common stock purchased, acquired, and sold during the Class Period, as well as the dates and prices of each such purchase, acquisition, and sale. Unless otherwise ordered by the Court, any Settlement Class Member who does not object in the manner described in this Notice will be deemed to have waived any objection and will be foreclosed from making any objection to the proposed Settlement, the Plan of Allocation, and/or Lead Counsel's Fee and Expense Application. Your objection must be filed with the Court **no later than Novem er 16, 2022 and** be mailed or delivered to the following counsel so that it is **received no later than Novem er 16, 2022.**

Court	Lead Counsel	Defendants Counsel Re resentative
Cler of the Court United States District Court Eastern District of Michigan Theodore Levin U.S. Courthouse 231 W. Lafayette Blvd. Room 599 Detroit, MI 48226	**La aton Sucharo LLP** Michael P. Canty, Esq. 140 Broadway New York, NY 10005	**S adden, Ar s, Slate Mea her Flom LLP** Robert A. Fumerton, Esq. Patrick G. Rideout, Esq. One Manhattan West New York, NY 10001

37. You do not need to attend the Settlement Hearing to have your written objection considered by the Court. However, any Settlement Class Member who has complied with the procedures described in this uestion 14 and below in uestion 18 may appear at the Settlement Hearing and be heard, to the extent allowed by the Court. An objector may appear themselves or arrange, at his, her, or its own expense, for a lawyer to represent him, her, or it at the Settlement Hearing. Instructions for participating in the remote Settlement Hearing will be posted at www.CreditAcceptanceSecuritiesSettlement.com and www.labaton.com.

15. What is the difference et een o ection and see in e clusion

38. Objecting is telling the Court that you do not like something about the proposed Settlement, Plan of Allocation, or Lead Counsel's Fee and Expense Application. You can still recover money from the Settlement. You can object *only* if you stay in the Settlement Class. Excluding yourself is telling the Court that you do not want to be part of the Settlement Class. If you exclude yourself from the Settlement Class, you have no basis to object because the Settlement and the Action no longer affect you.

THE SETTLEMENT HEARING

16. When and here ill the Court decide hether to a rove the Settlement

39. The Court will hold the Settlement Hearing on **Decem er 7, 2022 at 1:00 .m.**, remotely via oom video conference from the Courtroom 206 of the United States District Court for the Eastern District of Michigan, Theodore Levin U.S. Courthouse, 231 W. Lafayette Blvd., Detroit, MI, 48226. Instructions to join the video conference will be posted on www.CreditAcceptanceSecuritiesSettlement.com and www.labaton.com.

40. At this hearing, the Honorable Linda V. Parker will consider whether: (i) the Settlement is fair, reasonable, adequate, and should be approved; (ii) the Plan of Allocation is fair and reasonable, and should be approved; and (iii) the application of Lead Counsel for an award of attorneys' fees and payment of Litigation Expenses is reasonable and should be approved. The Court will take into consideration any written objections filed in accordance with the instructions in uestion 14 above. We do not know how long it will take the Court to make these decisions.

41. The Court may change the date and time of the Settlement Hearing without another individual notice being sent to Settlement Class Members. If you want to attend the hearing, you should check with Lead Counsel beforehand to be sure that the date and/or time and procedures

for participating have not changed, or periodically check the Settlement website at www.CreditAcceptanceSecuritiesSettlement.com to see if the Settlement Hearing stays as scheduled or is changed.

17. Do I have to come to the Settlement Hearin

42. No. Lead 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 uestion 18 below **no later than Novem er 16, 2022**.

18. May I s ea at the Settlement Hearin

43. You may ask the Court for permission to speak at the Settlement Hearing. To do so, you must, **no later than Novem er 16, 2022,** submit a statement that you, or your attorney, intend to appear in "*Palm Tran, Inc. Amalgamated Transit Union Local 1577 Pension Plan v. Credit Acceptance Corporation,* No. 2:20-cv-12698-LVP-EAS (E.D. Mich.)." If you intend to present evidence at the Settlement Hearing, you must also include in your objection (prepared and submitted according to the answer to uestion 14 above) the identities of any witnesses you may wish to call to testify and any exhibits you intend to introduce into evidence at the Settlement Hearing. You may not speak at the Settlement Hearing if you exclude yourself from the Settlement Class or if you have not provided written notice of your intention to speak at the Settlement Hearing in accordance with the procedures described in this uestion 18 and uestion 14 above.

IF YOU DO NOTHING

19. What ha ens if I do nothin at all

44. If you do nothing and you are a member of the Settlement Class, you will receive no money from this Settlement and you will 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 Claims. To share in the Net Settlement Fund, you must submit a Claim Form (*see* uestion 8 above). To start, continue, or be a part of any other lawsuit against Defendants and the other Released Defendant Parties concerning the Released Claims, you must exclude yourself from the Settlement Class (*see* uestion 10 above).

GETTING MORE INFORMATION

20. Are there more details a out the Settlement

45. This Notice summarizes the proposed Settlement. More details are contained in the Stipulation. You may review the Stipulation filed with the Court or other documents in the case during business hours at the office of the Clerk of the Court, United States District Court for the Eastern District of Michigan, Theodore Levin U.S. Courthouse, 231 W. Lafayette Blvd., Room 599, Detroit, MI 48226. (Please check the Court's website, www.mied.uscourts.gov, for information about Court closures before visiting.) Subscribers to PACER, a fee-based service, can

also view the papers filed publicly in the Action through the Court's on-line Case Management/Electronic Case Files System at https://www.pacer.gov.

46. You can also get a copy of the Stipulation, and other documents related to the Settlement, as well as additional information about the Settlement by visiting the website dedicated to the Settlement, www.CreditAcceptanceSecuritesSettlement.com. You may also call the Claims Administrator toll free at (877) 654-1993 or write to the Claims Administrator at Credit Acceptance Securities Litigation, c/o JND Legal Administration, P.O. Box 91300, Seattle, WA 98111.

Please do not call the Court ith uestions a out the Settlement.

PLAN OF ALLOCATION OF THE NET SETTLEMENT FUND

21. Ho ill my claim e calculated

47. The Plan of Allocation set forth below is the plan for calculating claims and distributing the proceeds of the Settlement that is being proposed by Lead Plaintiffs and Lead Counsel to the Court for approval. The Court may approve this Plan of Allocation or modify it without additional notice to the Settlement Class. Any order modifying the Plan of Allocation will be posted on the Settlement website at: www.CreditAcceptanceSecuritiesSettlement.com.

48. As noted above, the Settlement Amount and the interest it earns is the "Settlement Fund." The Settlement Fund, after 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." The Net Settlement Fund will be distributed to members of the Settlement Class who timely submit valid Claim Forms that show a "Recognized Claim" according to the Court-approved Plan of Allocation. Settlement Class Members who do not timely submit valid Claim Forms will not share in the Net Settlement Fund but will still be bound by the Settlement.

49. The objective of this Plan of Allocation is to distribute the Net Settlement Fund among those Settlement Class Members who allegedly suffered economic losses as a result of the alleged wrongdoing. To design this plan, Lead Counsel conferred with Lead Plaintiffs' damages expert. This plan is intended to be generally consistent with an assessment of, among other things, the damages that Lead Plaintiffs and Lead Counsel believe were recoverable in the Action. The Plan of Allocation, however, is not a formal damages analysis and the calculations made pursuant to the plan are not intended to be estimates of, nor indicative of, the amounts that Settlement Class Members might have been able to recover after a trial. The calculations pursuant to the Plan of Allocation are also not estimates of the amounts that will be paid to Authorized Claimants. An individual Settlement Class Member's recovery will depend on, for example: (i) the total number and value of claims submitted; (ii) when the Claimant purchased Credit Acceptance publicly traded common stock; and (iii) whether and when the Claimant sold his, her, or its shares of Credit Acceptance publicly traded common stock. 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. The Claims Administrator will determine each Authorized Claimant's *pro rata* share of the Net Settlement Fund based upon each Authorized Claimant's "Recognized Claim."

50. For losses to be compensable damages under the federal securities laws, the disclosure of the allegedly misrepresented information must be the cause of the decline in the price

of the securities at issue. Lead Plaintiffs allege that Defendants issued false statements and omitted material facts during the Class Period, which allegedly artificially inflated the price of Credit Acceptance publicly traded common stock. Defendants deny the allegations and the assertion that any damages were suffered by any members of the Settlement Class as a result of their conduct.

51. In this Action, Lead Plaintiffs allege that corrective information allegedly impacting the price of Credit Acceptance common stock (which is referred to as a "corrective disclosure") was released to the market on January 30, 2020 and August 31, 2020, and allegedly impacted the price of Credit Acceptance common stock on January 31, 2020 and August 31, 2020 in a statistically significant manner by removing the alleged artificial inflation from the share price on those days. Accordingly, in order to have a compensable loss in this Settlement, shares of Credit Acceptance common stock must have been purchased or otherwise acquired during the Class Period and held through at least one of the alleged corrective disclosure dates listed above.

CALCULATION OF RECOGNI ED LOSS AMOUNTS

52. Based on the formulas stated below, a "Recognized Loss Amount" will be calculated for each purchase/acquisition of Credit Acceptance publicly traded common stock during the Class Period that is listed on the Claim Form and for which adequate documentation is provided. If a Recognized Loss Amount calculates to a negative number or zero under the formulas below, that Recognized Loss Amount will be zero. The sum of a Claimant's Recognized Loss Amounts will be the Claimant's "Recognized Claim."

53. For purposes of determining whether a Claimant has a "Recognized Claim," if a Claimant has more than one purchase/acquisition or sale of Credit Acceptance publicly traded common stock during the Class Period, all purchases/acquisitions and sales will be matched on a "First In First Out" (FIFO) basis. Class Period sales will be matched first against any holdings at the beginning of the Class Period and then against purchases/acquisitions in chronological order, beginning with the earliest purchase/acquisition made during the Class Period.

54. For each share of Credit Acceptance common stock purchased or otherwise acquired during the Class Period and sold before the close of trading on November 27, 2020, an "Out of Pocket Loss" will be calculated. Out of Pocket Loss is defined as the purchase price (excluding all fees, taxes, and commissions) minus the sale price (excluding all fees, taxes, and commissions). To the extent that the calculation of the Out of Pocket Loss results in a negative number, that number shall be set to zero.

55. **For each share of Credit Acce tance common stoc urchased or ac uired from May , 2018 throu h and includin anuary 0, 2020, and**:

A. Sold before January 31, 2020, the Recognized Loss Amount for each such share shall be zero.

B. Sold from January 31, 2020 through August 28, 2020, the Recognized Loss Amount for each such share shall be ***the lesser of***:

1. 28.65; or
2. the Out of Pocket Loss.

C. Sold after the close of trading on August 28, 2020 and before the close of trading on November 27, 2020, the Recognized Loss Amount for each such share shall be ***the least of***:

1. 91.40; or
2. the actual purchase/acquisition price of each such share *minus* the average closing price from August 31, 2020, up to the date of sale as set forth in **Ta le 1** below; or
3. the Out of Pocket Loss.

D. Held as of the close of trading on November 27, 2020, the Recognized Loss Amount for each such share shall be ***the lesser of*****:**

1. 91.40; or
2. the actual purchase/acquisition price of each such share *minus* 329.22.[4]

56. **For each share of Credit Acce tance common stoc urchased or ac uired from anuary 1, 2020 throu h and includin Au ust 28, 2020, and**:

A. Sold before August 31, 2020, the Recognized Loss Amount for each such share shall be zero.

B. Sold from August 31, 2020 through the close of trading on November 27, 2020, the Recognized Loss Amount for each such share shall be ***the least of***:

1. 62.75; or
2. the actual purchase/acquisition price of each such share *minus* the average closing price from August 31, 2020 up to the date of sale as set forth in **Ta le 1** below; or
3. the Out of Pocket Loss.

C. Held as of the close of trading on November 27, 2020, the Recognized Loss Amount for each such share shall be ***the lesser of*****:**

1. 62.75; or
2. the actual purchase/acquisition price of each such share *minus* 329.22.[5]

ADDITIONAL PROVISIONS OF THE PLAN OF ALLOCATION

57. 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

[4] Pursuant to Section 21D(e)(1) of the Exchange Act, "in any private action arising under this title in which the plaintiff seeks to establish damages by reference to the market price of a security, the award of damages to the plaintiff shall not exceed the difference between the purchase or sale price paid or received, as appropriate, by the plaintiff for the subject security and the mean trading price of that security during the 90-day period beginning on the date on which the information correcting the misstatement or omission that is the basis for the action is disseminated to the market." Consistent with the requirements of the Exchange Act, Recognized Loss Amounts are reduced to an appropriate extent by taking into account the closing prices of Credit Acceptance common stock during the "90-day look-back period," August 31, 2020 through November 27, 2020. The mean (average) closing price for Credit Acceptance common stock during this 90-day look-back period was 329.22.

[5] As explained in footnote 4 above, pursuant to the Exchange Act, Recognized Loss Amounts are reduced to an appropriate extent by taking into account the closing prices of Credit Acceptance common stock during the 90-day look-back period, August 31, 2020 through November 27, 2020. The mean (average) closing price for Credit Acceptance common stock during this 90-day look-back period was 329.22.

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.

58. If the Net Settlement Fund exceeds the sum 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.

59. 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.

60. Purchases and sales of Credit Acceptance publicly traded common stock will be deemed to have occurred on the "contract" or "trade" date as opposed to the "settlement" or "payment" date. The receipt or grant of shares of Credit Acceptance publicly traded common stock by gift, inheritance, or operation of law during the Class Period will not be deemed an eligible purchase or sale of Credit Acceptance publicly traded common stock for the calculation of a Claimant's Recognized Claim, nor will the receipt or grant be deemed an assignment of any claim relating to the purchase of Credit Acceptance common stock unless (i) the donor or decedent purchased or otherwise acquired the shares during the Class 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 those shares; and (iii) it is specifically so provided in the instrument of gift or assignment.

61. 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" is zero that is not covered by a purchase or acquisition is also zero.

62. In the event that a Claimant has an opening short position in Credit Acceptance common stock at the start of the Class Period, the earliest Class Period purchases or acquisitions shall be matched against such opening short position in accordance with the FIFO matching described above and any portion of such purchases or acquisition that covers such short sales will not be entitled to recovery. In the event that a Claimant newly establishes a short position during the Class Period, the earliest subsequent Class Period purchase or acquisition shall be matched against such short position on a FIFO basis and will not be entitled to a recovery.

63. Credit Acceptance common stock is the only security eligible for recovery under the Plan of Allocation. With respect to Credit Acceptance common stock purchased or sold through the exercise of an option, the purchase/sale date of the Credit Acceptance common stock is the exercise date of the option and the purchase/sale price is the exercise price of the option.

64. If there is any balance remaining in the Net Settlement Fund (whether by reason of tax refunds, uncashed checks or otherwise) after a reasonable amount of time from the date of initial distribution of the Net Settlement Fund, and after payment of outstanding Notice and Administration Expenses, Taxes, attorneys' fees and expenses, and any awards to Lead Plaintiffs, the Claims Administrator shall, if feasible, reallocate (which reallocation may occur on multiple occasions) such balance among Authorized Claimants who have cashed their checks in an equitable and economic fashion until it is no longer economically feasible to do so. Thereafter,

any *de minimis* balance that still remains in the Net Settlement Fund after re-distribution(s) and after payment of outstanding Notice and Administration Expenses, Taxes, and attorneys' fees and expenses and any awards to Lead Plaintiffs, shall be donated to Consumer Federation of America, or such other secular, non-profit approved by the Court.

65. Payment pursuant to the Plan of Allocation or such other plan of allocation as may be approved by the Court will be conclusive against all claimants. No person will have any claim against Lead Plaintiffs, Plaintiffs' Counsel, Lead Plaintiffs' damages expert, the Claims Administrator, or other agent designated by Lead 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. Lead Plaintiffs, Defendants, Defendants' Counsel, and all other Released Parties will 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 Form 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.

66. Each Claimant is deemed to have submitted to the jurisdiction of the United States District Court for the Eastern District of Michigan with respect to his, her, or its claim.

SPECIAL NOTICE TO SECURITIES BROKERS AND NOMINEES

67. If you purchased or otherwise acquired Credit Acceptance publicly traded common stock during the Class Period for the beneficial interest of a person or entity other than yourself, the Court has directed that **WITHIN TEN (10) CALENDAR DAYS OF YOUR RECEIPT OF THIS NOTICE**, **YOU MUST EITHER**: (a) provide a list of the names and addresses of all such beneficial owners to the Claims Administrator and the Claims Administrator is ordered to send the Notice and Claim Form promptly to such identified beneficial owners; or (b) request additional copies of this Notice and the Claim Form from the Claims Administrator, which will be provided to you free of charge, and **WITHIN TEN (10) CALENDAR DAYS** of receipt, mail the Notice and Claim Form directly to all the beneficial owners of those shares. If you choose to follow procedure (b), the Court has also directed that, upon making that mailing, **YOU MUST SEND A STATEMENT** to the Claims Administrator confirming that the mailing was made as directed and keep a record of the names and mailing addresses used. Nominees shall also provide email addresses for all such beneficial owners to the Claims Administrator, to the extent they are available. You are entitled to reimbursement from the Settlement Fund of your reasonable expenses actually incurred in connection with the foregoing, including reimbursement of postage expense and the cost of ascertaining the names and addresses of beneficial owners. Those expenses will be paid upon request and submission of appropriate supporting documentation and timely compliance with the above directives. All communications concerning the foregoing should be addressed to the Claims Administrator:

Credit Acceptance Securities Litigation
c/o JND Legal Administration
P.O. Box 91300
Seattle, WA 98111

Dated: October 3, 2022

BY ORDER OF THE UNITED STATES DISTRICT COURT EASTERN DISTRICT OF MICHIGAN

TABLE 1

Credit Acce tance Common Stoc Closin Price and Avera e Closin Price Au ust 1, 2020 Novem er 27, 2020

Date	Closin Price	Avera e Closin Price Bet een Au ust 1, 2020 and Date Sho n	Date	Closin Price	Avera e Closin Price Bet een Au ust 1, 2020 and Date Sho n
8/31/2020	386.80	386.80	10/15/2020	343.63	342.28
9/1/2020	374.07	380.44	10/16/2020	333.62	342.02
9/2/2020	385.70	382.19	10/19/2020	333.00	341.76
9/3/2020	373.95	380.13	10/20/2020	340.03	341.72
9/4/2020	375.55	379.21	10/21/2020	337.97	341.61
9/8/2020	362.37	376.41	10/22/2020	336.15	341.47
9/9/2020	361.14	374.23	10/23/2020	339.64	341.42
9/10/2020	343.70	370.41	10/26/2020	334.54	341.25
9/11/2020	337.85	366.79	10/27/2020	324.58	340.84
9/14/2020	343.56	364.47	10/28/2020	313.36	340.19
9/15/2020	336.60	361.94	10/29/2020	318.82	339.69
9/16/2020	339.53	360.07	10/30/2020	298.12	338.75
9/17/2020	329.68	357.73	11/2/2020	303.13	337.96
9/18/2020	319.64	355.01	11/3/2020	301.70	337.17
9/21/2020	308.95	351.94	11/4/2020	305.57	336.50
9/22/2020	306.43	349.10	11/5/2020	311.11	335.97
9/23/2020	297.31	346.05	11/6/2020	312.36	335.49
9/24/2020	297.84	343.37	11/9/2020	317.10	335.12
9/25/2020	303.29	341.26	11/10/2020	315.66	334.74
9/28/2020	321.00	340.25	11/11/2020	314.91	334.36
9/29/2020	333.00	339.90	11/12/2020	304.56	333.79
9/30/2020	338.64	339.85	11/13/2020	313.28	333.41
10/1/2020	347.13	340.16	11/16/2020	315.76	333.09
10/2/2020	353.93	340.74	11/17/2020	314.18	332.75
10/5/2020	350.00	341.11	11/18/2020	311.62	332.38
10/6/2020	334.91	340.87	11/19/2020	307.60	331.96
10/7/2020	342.85	340.94	11/20/2020	293.31	331.30
10/8/2020	356.44	341.50	11/23/2020	288.29	330.58
10/9/2020	353.82	341.92	11/24/2020	307.71	330.21
10/12/2020	345.59	342.04	11/25/2020	298.34	329.70
10/13/2020	343.48	342.09	11/27/2020	299.55	329.22
10/14/2020	346.72	342.23			

PROOF OF CLAIM AND RELEASE FORM

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

Credit Acceptance Securities Litigation
c/o JND Legal Administration
P.O. Box 91300
Seattle, WA 98111
Toll-Free Number: 877-654-1993
Email: info@CreditAcceptanceSecuritiesSettlement.com
Website: www.CreditAcceptanceSecuritiesSettlement.com

CONTENTS

I. GENERAL INSTRUCTIONS

1. To recover as a member of the Settlement Class based on your claims in the class action entitled *Palm Tran, Inc. Amalgamated Transit Union Local 1577 Pension Plan v. Credit Acceptance Corporation,* No. 2:20-cv-12698-LVP-EAS (E.D. Mich.) (the "Action"), you must complete and, on page 6 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. Submission of this Claim Form, however, does not assure that you will share in the proceeds of the Settlement of the Action.

2. **THIS CLAIM FORM MUST BE SUBMITTED ONLINE AT WWW.CREDITACCEPTANCESECURITIESSETTLEMENT.COM NO LATER THAN DECEMBER 2, 2022 OR, IF MAILED, BE POSTMARKED NO LATER THAN DECEMBER 2, 2022, ADDRESSED AS FOLLOWS:**

Credit Acceptance Securities Litigation
c/o JND Legal Administration
P.O. Box 91300
Seattle, WA 98111

3. If you are a member of the Settlement Class and you do not timely request exclusion in response to the Notice dated October 3, 2022, you are bound by and subject to the terms of any judgment 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 shares of the publicly traded common stock of Credit Acceptance Corporation ("Credit Acceptance" or the "Company") during the period from May 4, 2018 through August 28, 2020, inclusive (the "Class Period") and held the stock in your name, you are the beneficial owner as well as the record owner. If, however, you purchased Credit Acceptance publicly traded common stock during the Class Period 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 Credit Acceptance 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 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 Credit Acceptance Publicly Traded Common Stock" to supply all required details of your transaction(s) in Credit Acceptance publicly traded common stock. 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.

8. On the schedule(s), provide all of the requested information with respect to your holdings, purchases, and sales of Credit Acceptance publicly traded common stock, whether the transactions resulted in a profit or a loss. 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 of Credit Acceptance publicly traded common stock. The date of a "short sale" is deemed to be the date of sale.

10. Copies of broker confirmations or other documentation of your 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 CREDIT ACCEPTANCE PUBLICLY TRADED COMMON STOCK.**

11. **NOTICE REGARDING ELECTRONIC FILES**: Certain Claimants with large numbers of transactions may request to, or may be asked to, submit information regarding their transactions in electronic files. (This is different than the online claim portal on the Settlement 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 (877) 654-1993 to obtain the required file layout. No electronic files will be considered to have been properly submitted unless the Claims Administrator issues to the claimant a written acknowledgment via email of receipt and acceptance of electronically submitted data with Claim numbers. **Do not assume that your file has been received or processed until you receive this email. If you do not receive such an email within 10 days of your submission, you should contact the electronic filing department at CACSecurities@JNDLA.COM to inquire about your file and confirm it was received and is acceptable.**

PART I – CLAIMANT IDENTIFICATION

The Claims Administrator will use this information for all communications regarding this Claim Form. If this information changes, you MUST notify the Claims Administrator in writing at the address above. Complete names of all persons and entities must be provided.

Beneficial Owner's First Name | MI | Beneficial Owner's Last Name

Co-Beneficial Owner's First Name (if applicable) | MI | Co-Beneficial Owner's Last Name (if applicable)

Entity Name (if claimant is not an individual)

Representative or Custodian Name (if different from Beneficial Owner(s) listed above)

Address1 (street name and number)

Address2 (apartment, unit, or box number)

City | State | ZIP/Postal Code

Foreign Country (only if not USA) | Foreign County (only if not USA)

Social Security Number (last four digits only) | Taxpayer Identification Number (last four digits only)

Telephone Number (home) | Telephone Number (work)

Email Address

Account Number (if filing for multiple accounts, file a separate Claim Form for each account)

Claimant Account Type (check appropriate box):

Individual (includes joint owner accounts) | Pension Plan | Trust | Corporation

Estate | IRA/401K | Other (please specify): _____

PART II – SCHEDULE OF TRANSACTIONS IN CREDIT ACCEPTANCE PUBLICLY TRADED COMMON STOCK

1. **BEGINNING HOLDINGS:** State the total number of shares of Credit Acceptance common stock held at the close of trading on May 3, 2018. If none, write "0" or "Zero." (Must submit documentation.)

2. **PURCHASES DURING CLASS PERIOD:** Separately list each and every purchase/acquisition of Credit Acceptance common stock from May 4, 2018 through and including August 28, 2020. (Must submit documentation.)

Date of Purchase (List Chronologically) (MM/DD/YY)	Number of Shares Purchased	Purchase Price Per Share	Total Purchase Price (excluding taxes, commissions, and fees)
/ /		$	$
/ /		$	$
/ /		$	$
/ /		$	$

3. **PURCHASES DURING 90-DAY LOOKBACK PERIOD:** State the total number of shares of Credit Acceptance common stock purchased/acquired from August 31, 2020 through and including November 27, 2020.[1] (Must submit documentation.)

4. **SALES DURING THE CLASS PERIOD AND DURING THE 90-DAY LOOKBACK PERIOD:** Separately list each and every sale of Credit Acceptance common stock from May 4, 2018 through and including the close of trading on November 27, 2020. (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)
/ /		$	$
/ /		$	$
/ /		$	$
/ /		$	$

5. **ENDING HOLDINGS:** State the total number of shares of Credit Acceptance common stock held as of the close of trading on November 27, 2020. 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**

[1] Information requested in this Claim Form with respect to your purchases/acquisitions on August 31, 2020 through and including the close of trading on November 27, 2020, is needed only in order for the Claims Administrator to confirm that you have reported all relevant transactions. Purchases/acquisitions during this period, however, are not eligible for a recovery because they are outside the Class Period and will not be used for purposes of calculating your Recognized Claim pursuant to the Plan of Allocation.

IV. SUBMISSION TO JURISDICTION OF 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 accompanying Notice. I (We) also submit to the jurisdiction of the United States District Court for the Eastern District of Michigan (the "Court") with respect to my (our) claim as a Settlement Class Member(s) and for purposes of enforcing the releases set forth herein. I (We) further acknowledge that I (we) will be bound by and subject to the terms of any judgment entered in connection with the Settlement 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 publicly traded Credit Acceptance common stock, if required to do so. I (We) have not submitted any other claim covering the same transactions in publicly traded Credit Acceptance common stock during the Class Period 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 Settlement Class Member as defined in the Notice, that I am (we are) not excluded from the Settlement Class, that I am (we are) not one of the "Released Defendant Parties" as defined in the accompanying Notice.

14. As a Settlement Class Member, 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 Claims as to each and all of the Released Defendant Parties (as these terms are defined in the accompanying 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 of my (our) purchases/acquisitions and sales of publicly traded Credit Acceptance common stock that occurred during the time periods requested 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 _____, 2022

_____ _____
Signature of Claimant | Type or print name of Claimant

_____ _____
Signature of Joint Claimant, if any | Type or print name of Joint Claimant, if any

_____ _____
Signature of person signing on behalf of Claimant | Type or print name of person signing on behalf of Claimant

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

REMINDER CHECKLIST

1. Please 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 877-654-1993.

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 B

Labaton Sucharow LLP Announces a Notice of Pendency and Proposed Settlement of Class Action in Palm Tran, Inc. Amalgamated Transit Union Local 1577 Pension Plan v. Credit Acceptance Corporation

NEWS PROVIDED BY
JND Legal Administration →
Oct 17, 2022, 09:17 ET

UNITED STATES DISTRICT COURT

EASTERN DISTRICT OF MICHIGAN

SOUTHERN DIVISION

PALM TRAN, INC. AMALGAMATED TRANSIT UNION LOCAL 1577 PENSION PLAN, Individually and On Behalf of All Others Similarly Situated, Plaintiff, v. CREDIT ACCEPTANCE CORPORATION, BRETT A. ROBERTS, and KENNETH S. BOOTH, Defendants.	Case No. 20-cv-12698 Honorable Linda V. Parker

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

SEATTLE, Oct. 17, 2022 /PRNewswire/ -- To: All persons and entities that purchased or otherwise acquired the publicly traded common stock of Credit Acceptance Corporation during the period from May 4, 2018 through August 28, 2020, inclusive, and were damaged thereby (the "Settlement Class").

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 Eastern District of Michigan, that Lead Plaintiffs Ontario Provincial Council of Carpenters' Pension Trust Fund and Millwright Regional Council of Ontario Pension Trust Fund ("Lead Plaintiffs"), on behalf of themselves and all members of the Settlement Class, and Defendants Credit Acceptance Corporation ("Credit Acceptance"), Brett A. Roberts and Kenneth S. Booth (collectively, the "Individual Defendants" and, with Credit Acceptance, "Defendants" and, together with Lead Plaintiffs, the "Parties") have reached a proposed settlement of the claims in the above-captioned class action (the "Action") and related claims in the amount of $12,000,000 (the "Settlement").

A hearing will be held before the Honorable Linda V. Parker on December 7, 2022, at 1:00 p.m. via Zoom video conference from Courtroom 206 of the United States District Court for the Eastern District of Michigan, Theodore Levin U.S. Courthouse, 231 W. Lafayette Blvd., Detroit, MI, 48226 (the "Settlement Hearing") to determine whether the Court should: (i) approve the proposed Settlement as fair, reasonable, and adequate; (ii) dismiss the Action with prejudice as provided in the Stipulation and Agreement of Settlement, dated August 24, 2022; (iii) approve the proposed Plan of Allocation for distribution of the proceeds of the Settlement (the "Net Settlement Fund") to Settlement Class Members; and (iv) approve Lead Counsel's Fee and Expense Application. 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. Instructions to join the video conference will be posted on the Settlement website and Lead Counsel's website.

IF YOU ARE A MEMBER OF THE SETTLEMENT CLASS, YOUR RIGHTS WILL BE AFFECTED BY THE PROPOSED SETTLEMENT AND YOU MAY BE ENTITLED TO A MONETARY PAYMENT. If you have not yet received a full Notice and Claim Form, you may obtain copies of these documents by visiting the website for the Settlement, www.CreditAcceptanceSecuritiesSettlement.com, or by contacting the Claims Administrator at:

Credit Acceptance Securities Litigation
c/o JND Legal Administration
P.O. Box 91300
Seattle, WA 98111
www.CreditAcceptanceSecuritiesSettlement.com
(877) 654-1993

Inquiries, other than requests for information about the status of a claim, may also be made to Lead Counsel:

LABATON SUCHAROW LLP
Michael P. Canty, Esq.
140 Broadway
New York, NY 10005
settlementquestions@labaton.com
(888) 219-6877

If you are a Settlement 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 December 2, 2022.*** If you are a Settlement 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 or orders entered by the Court, whether favorable or unfavorable.

If you are a Settlement Class Member and wish to exclude yourself from the Settlement Class, you must submit a written request for exclusion in accordance with the instructions set forth in the Notice so that it is ***received no later than November 16, 2022.*** If you properly exclude yourself from the Settlement Class, you will not be bound by any judgments or orders entered by the Court, whether favorable or unfavorable, and you will not be eligible to share in the distribution of the Net Settlement Fund.

Any objections to the proposed Settlement, Lead Counsel's Fee and Expense Application, and/or the proposed Plan of Allocation must be filed with the Court, either by mail or in person, and be mailed to counsel for the Parties in accordance with the instructions in the Notice, such that they are ***received no later than November 16, 2022***.

For any questions, visit www.CreditAcceptanceSecuritiesSettlement.com or call toll-free at (877) 654-1993.

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

SOURCE JND Legal Administration

Junk-Rated Firms Fine-Tune Their Timing

High-yield companies with financing needs wait to know just when to tap investors

By Nina Trentmann

CNX Resources Corp. was initially planning to raise funds in the bond market in January, but the natural-gas firm decided to wait until its earnings were out at the end of the month—only to find that Russia's invasion of Ukraine in late February effectively closed the market for speculative-rated companies.

The Canonsburg, Pa., company, which is rated below investment grade, waited until August, and then until September before it pulled the trigger, raising $500 million at 7.375% that will come due in 2031. CNX is using the proceeds to pay back $350 million in 2027 bonds that carry a slightly lower coupon of 7.25%. "We timed it just about as well as it could be timed," said Alan Shepard, the company's chief financial officer.

"We're constantly looking at refinancing to keep our maturities out as far as possible because the high-yield market is so fickle," he added. "It can close down for long periods of time, so if you're not careful, you get caught out."

Executives at junk-rated companies are facing sharply higher financing costs as the Federal Reserve continues to raise rates, leading some to look for alternatives, while others like Mr. Shepard swallow the increase in price in return for later due dates. While there is limited pressure overall as many businesses refinanced in 2020 and 2021 when funding was cheaper and investor appetite stronger, high-yield companies with immediate financing needs have to find the right time to tap investors, corporate bankers say.

"This is a market of windows and our advice for clients is to be ready to access those windows when they present themselves," said Alexandra Barth, co-head of the leveraged capital-markets business at Deutsche Bank AG. "Even if the market is choppy, there are options."

Those opportunities are crucial for finance chiefs as there is about $11 billion in high-yield bonds coming due through the end of the year, followed by roughly $62 billion in 2023 and $107 billion in 2024, according to Deutsche Bank. Adding loans and revolving-credit facilities, speculative companies have maturities of around $1.47 trillion through 2027, ratings firm Moody's Investors Service said last week.

Companies with urgent cash demands have options, including renegotiating with lenders or searching for investors in the private credit market, which grew sharply in recent years. Companies can do follow-on or at the market offerings to sell equity to the secondary market, said Anna Pinedo, co-leader of the capital markets practice at Mayer Brown LLP, a law firm.

And the high-yield bond market isn't closed, it just become more expensive, bankers said. Companies raised $15.7 billion in speculative bonds in the third quarter, compared with $85.7 billion during the prior-year period, according to Refinitiv, a data provider. Average coupon rates for such deals climbed to 7.63% in the third quarter, up from 5.13% a year earlier, Refinitiv said.

The average yield on leveraged loans rose to 9.42% in the third quarter, when companies borrowed $125 billion, compared with a year ago when lower-rated businesses took out $296.8 billion in leveraged loans, with yields averaging 4.57%, Refinitiv said.

In addition to CNX, speculative-grade rated businesses including auto maker **Ford Motor** Co. and cruise operator **Royal Caribbean Cruises** Ltd. secured new funding in recent weeks, according to Refinitiv. Dearborn, Mich.-based Ford borrowed $600 million from investors for 6.5% that will mature in 2062, and agreed to a $1.75 billion green bond, which has a coupon rate of 6.1% and matures in 2032. The company declined to comment.

Royal Caribbean, based in Miami, recently raised $2 billion in funds to redeem debt that would have come due in 2023, agreeing to pay investors between 8.25% and 9.25% for notes that will mature in 2029. "We have access to capital," Naftali Holtz, the company's CFO, said last month.

But financing options have tightened and the worsening economic outlook could hurt consumer-facing companies in particular, with a chunk of recent downgrades falling into that category, according to S&P Global Ratings.

"For a generation, we had a decline in interest rates and a decline in borrowing costs. That has led to higher and higher debt loads and lower credit ratings," said Gregg Lemos-Stein, chief analytical officer for corporate ratings at S&P.

Low rates in recent years brought with them weak covenant requirements, meaning some borrowers didn't have to take out hedges to protect their exposure to floating rates, for example, the Secured Overnight Financing Rate. That can spell trouble down the road as both the London interbank offered rate and term SOFR traded higher in recent months and exceeded 3.4% for one-month tenors on Oct. 14, according to Refinitiv.

Still, default rates remain low and bankers and lawyers don't see widespread distress. During the first three quarters of the year, 279 U.S. companies filed for bankruptcy protection, fewer than in prior-year periods going back to at least 2010, according to S&P Global Market Intelligence, an arm of the ratings firm.

Latam Airlines Group SA on Oct. 11 said it secured financing to exit bankruptcy. The largest airline in Latin America said its debt following the restructuring will stand at around $2.2 billion, roughly 35% less than what it carries now. Interests on its new debt, however, are at 13.375%, much higher than the ones on its existing debt ranging from 3.6% to 7%, according to the company's filings. Latam also had to sell the notes at a discount to make them more attractive to investors.

Movie-theater chain **AMC Entertainment Holdings** Inc. on Friday said its subsidiary Odeon Finco PLC priced a $400 million bond. The bond carries a 12.75% coupon and was issued at a discount of 92 cents on the dollar for an all-in yield of roughly 15%, a hedge fund analyst said.

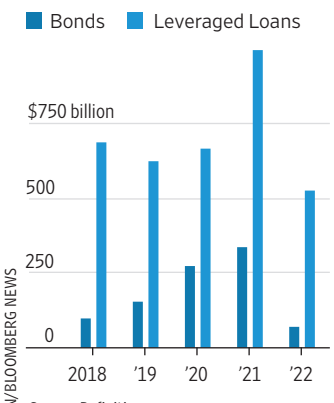
Bankers said they have received few calls from triple C-rated companies in recent months looking for maturity extensions. "It could happen in three to six months, but it is still early days and most companies accessed the market during the past couple of years when the backdrop was firm," Deutsche Bank's Ms. Barth said.

There could be some pickup in fundraising activity toward the end of the year, as companies want to avoid going-concern warnings in their annual financial statements, which can call into question their ability to stay afloat for another 12 months. "There could be a window for opportunistic issuers between now and then," a banker said.

JUSTIN MERRIMAN/BLOOMBERG NEWS

A CNX Resources drill rig. The natural-gas firm waited months to raise funds in the bond market.

Bond and leveraged loan sales by high-yield companies through Oct. 14 of each year



Source: Refinitiv

SPAC Sponsors Win Out

Continued from page B1

raise the rest from stock investors, according to the researchers.

When the SPAC sponsor completes a merger, the sponsor gets a bonus typically equivalent to 20% of the value of the SPAC. Many investors and academics have criticized this bonus—known as a promote—as overly generous given that it can lead sponsors to profit even if the SPAC's investors are down over 90% in many cases. Regulators from the Securities and Exchange Commission called SPAC sponsor compensation costly and drafted rules to make it more transparent to investors.

Backers of the promote structure say it allows sponsors to be compensated to take the risk to launch a SPAC, given that sponsors get little if they don't complete a merger. The rate, they say, is set by the market, and it has fallen some as competition has grown.

The promote "is fully and fairly disclosed and has been for decades," directors of the SPAC Association trade group wrote in a comment to the SEC in June. "If investors want to support a sponsor and pay them 50%, it's their right."

Precise sponsor returns can be difficult to track. Sponsors usually only report individual sales if they serve on merged companies' boards or hold large stakes. Hedge-fund managers that run SPACs also report quarterly holdings.

For sponsors that sold shares of companies that rose in value, gains were particularly lucrative. **Apollo Global Management** Inc. put $14 million from an Apollo-run fund into a company that merged with the electric-vehicle company Fisker Inc. in 2020. Apollo sold at least $64 million of shares in the first quarter of 2021, and disposed of its remaining 12.9 million shares some time in the second quarter of 2021, records show. Based on Fisker's lowest share price in the second quarter, Apollo would have garnered about $140 million from those sales.

The profits came as Fisker's share more than doubled to above $20 soon after the merger. Fisker's share price has since fallen to less than $7 from its $10 initial merger price. Had Apollo held its shares, it would be sitting on a gain of more than $70 million.

Cantor Fitzgerald's arrangement with AEye and other SPACs was more complex than that of the typical sponsor. Cantor, which has an investment-banking arm, served as the underwriter of the initial IPO of the SPAC, generating about $4 million in fees, securities filings show. Then, when the SPAC merged with AEye, it received $25 million more in fees for marketing, merger advisory and acting as the placement agent for a slug of additional investment in the deal, securities filings show. It disposed of one million shares in the first two quarters of 2022. If it had sold at the lowest share price during those quarters, it would have brought in $2.3 million. Cantor held $6.5 million in AEye stock as of June 30.

THE TICKER | MARKET EVENTS COMING THIS WEEK

Monday

Empire Manufacturing
Sept., previous -1.5
Oct., expected -5.0

Earnings expected
Estimate/Year Ago
Bank of America **0.78**/0.85
Bank of New York Mellon **1.10/1.04**
Charles Schwab **1.05**/0.84
Equity LifeStyle Properties **0.37**/0.38

Tuesday

Capacity utilization
Aug., previous 80.0%
Sept., expected 80.0%

Industrial production
Aug., previous down 0.2%
Sept., expected up 0.1%

Earnings expected
Estimate/Year Ago
Goldman Sachs **7.75**/14.93
Intuitive Surgical **1.12**/1.19
Johnson & Johnson **2.48**/2.60
Lockheed Martin **6.66**/2.21
Netflix **2.14**/3.19
Truist Financial **1.19**/1.20

Wednesday

Building Permits
Aug., previous 1.517 mil.
Sept., expected 1.540 mil.

EIA status report
Previous change in stocks in millions of barrels
Crude-oil stocks up 9.9
Gasoline stocks up 2.0
Distillates down 4.9

SUN YILEI/REUTERS

Tesla is expected to report per-share earnings of $1.01 on Wednesday.

Housing Starts
Aug., previous 1.575 mil.
Sept., expected 1.480 mil.

Mort. bankers indexes
Purch., previous down 2.0%
Refinan., prev. down 2.0%

Earnings expected
Estimate/Year Ago
Abbott Laboratories **0.95**/1.40
Elevance Health **7.15**/6.79
IBM **1.79**/2.41
Procter & Gamble **1.55**/1.61
Prologis **1.29**/0.97
Tesla **1.01**/0.62

Thursday

EIA report: natural-gas
Previous change in stocks in billions of cubic feet
up 125

Existing home sales
Aug., previous 4.80 mil.
Sept., expected 4.70 mil.

Initial jobless claims
Previous 228,000
Expected 235,000

Leading indicators
Aug., previous down 0.3%
Sept., expected down 0.3%

Philadelphia Fed survey
Sept., previous -9.9
Oct., expected -5.8

Earnings expected
Estimate/Year Ago
AT&T **0.61**/0.66
Blackstone **0.98**/1.28
Danaher **2.26**/2.39
Marsh & McLennan **1.15**/1.08
Philip Morris Int'l **1.35**/1.58
Union Pacific **3.07**/2.57

Friday

Earnings expected
Estimate/Year Ago
American Express **2.40**/2.27
HCA Healthcare **3.88**/4.57
Huntington Bancshares **0.38**/0.22
Regions Financial **0.59**/0.66
Schlumberger **0.55**/0.36
Verizon Communications **1.29**/1.41

✲ FactSet Estimates earnings-per-share estimates don't include extraordinary items (Losses in parentheses) ◆ Adjusted for stock split
Note: Forecasts are from Dow Jones weekly survey of economists

Exhibit 6

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

PALM TRAN, INC. AMALGAMATED TRANSIT UNION LOCAL 1577 PENSION PLAN, Individually and On Behalf of All Others Similarly Situated, Plaintiff, v. CREDIT ACCEPTANCE CORPORATION, BRETT A. ROBERTS, and KENNETH S. BOOTH, Defendants.	Case No. 20-cv-12698 Honorable Linda V. Parker

DECLARATION OF MICHAEL P. CANTY ON BEHALF OF LABATON SUCHAROW LLP IN SUPPORT OF APPLICATION FOR AN AWARD OF ATTORNEYS' FEES AND LITIGATION EXPENSES

I, MICHAEL P. CANTY, declare as follows, pursuant to 28 U.S.C. §1746:

1. I am a partner in the law firm of Labaton Sucharow LLP, Court-appointed lead counsel ("Labaton Sucharow" or "Lead Counsel") in the above-entitled action (the "Action"). I am submitting this declaration in support of my firm's application for an award of attorneys' fees and expenses in connection with services rendered in the Action from inception through October 21, 2022 (the "Time Period").

2. My firm, which served as Lead Counsel in the Action, oversaw and was involved in all aspects of the litigation, which is described in my accompanying Declaration of Michael P. Canty in Support of (I) Lead Plaintiffs' Motion for Final Approval of Class Action Settlement and Plan of Allocation and (II) Lead Counsel's Motion for an Award of Attorneys' Fees and Payment of Litigation Expenses, filed herewith.

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

4. The schedule attached hereto as Exhibit A is a summary indicating the amount of time spent by attorneys and professional support staff members of my firm who were involved in the prosecution of the Action, and the lodestar calculation based on my firm's current hourly rates. For personnel who are no longer employed by my

firm, the lodestar calculation is based upon the rates for such personnel in his or her final year of employment by my firm. The schedule was prepared from daily time records regularly prepared and maintained by my firm, which are available at the request of the Court. Time expended in preparing this application for fees and payment of expenses has not been included in this request.

5. The total number of reported hours spent on this Action by my firm during the Time Period is 2,497.9. The total lodestar amount for reported attorney/professional staff time based on the firm's current rates is $1,493,783.50.

6. The hourly rates for the attorneys and professional support staff of my firm included in Exhibit A are my firm's usual and customary hourly rates, which have been approved by courts in other contingent securities class action litigations. My firm's lodestar figures are based upon the firm's hourly rates, which do not include charges for expense items. Expense items are recorded separately and are not duplicated in my firm's hourly rates.

7. As detailed in Exhibit B, my firm has incurred a total of $59,608.60 in unreimbursed expenses in connection with the prosecution of the Action. The expenses are reflected on the books and records of my firm. These books and records are prepared from expense vouchers, check records, and other source materials and are an accurate record of the expenses incurred.

8. The following is additional information regarding certain of these expenses:

(a) Court, Witness & Service Fees: $1,535.00. These expenses have been paid to courts in connection with attorney admissions and court filings.

(b) Work-Related Transportation, Hotels & Meals: $899.65. In connection with the prosecution of this case, the firm has paid for work-related transportation and meals primarily related to working afterhours.

(c) Experts & Professional Fees: $23,696.50.

(i) Damages: $22,387.50. These are the fees of consulting experts in the fields of damages and loss causation. These experts were valuable for Lead Counsel's analysis and development of the claims, as well as mediation efforts and developing the Plan of Allocation for the proceeds of the Settlement.

(ii) Counsel for Confidential Witnesses: $1,309.00. These are the fees of counsel for some of the confidential witnesses in the case.

(d) Mediation: $8,475.00. These are the fees of JAMS, Inc. in connection with the services of mediator Robert Meyer.

(e) Online Legal & Factual Research: $21,989.10. These expenses relate to the usage of electronic databases, such as PACER, Westlaw, LexisNexis Risk Solutions, LexisNexis, and The Capitol Forum (which was used to obtain information about ongoing investigations relating to the Company). These databases were used to obtain access to financial data, factual information, and legal research.

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

I declare under penalty of perjury that the foregoing is true and correct. Executed this 2nd day of November, 2022.

MICHAEL P. CANTY

Exhibit A

Credit Acceptance Corporation Securities Litigation

EXHIBIT A

LODESTAR REPORT

FIRM: Labaton Sucharow LLP
REPORTING PERIOD: Inception Through October 21, 2022

PROFESSIONAL	STATUS	CURRENT RATE	HOURS	LODESTAR
Keller, C.	(P)	$1,300	40.0	$52,000.00
Gardner, J.	(P)	$1,250	15.9	$19,875.00
Zeiss, N.	(P)	$1,050	53.5	$56,175.00
Belfi, E.	(P)	$1,050	8.9	$9,345.00
Canty, M.	(P)	$1,000	134.2	$134,200.00
Hoffman, H.	(P)	$975	196.5	$191,587.50
McConville, F.	(P)	$875	2.5	$2,187.50
Christie, J.	(P)	$625	9.6	$6,000.00
Rosenberg, E.	(OC)	$850	131.2	$111,520.00
Schervish II, W.	(OC)	$625	13.4	$8,375.00
Coquin, A.	(A)	$575	489.9	$281,692.50
Salamon, L.	(A)	$500	5.0	$2,500.00
McEachern, J.	(A)	$475	10.4	$4,940.00
Stiene, C.	(A)	$450	595.6	$268,020.00
Cooper, M.	(A)	$450	51.2	$23,040.00
Greenbaum, A.	(I)	$575	97.3	$55,947.50
Clark, J.	(I)	$450	231.5	$104,175.00
Frenkel, G.	(I)	$425	151.3	$64,302.50
Rutherford, C.	(I)	$400	4.1	$1,640.00
Donlon, N.	(PL)	$390	5.4	$2,106.00
Malonzo, F.	(PL)	$380	43.5	$16,530.00
Chan-Lee, E.	(PL)	$375	144.4	$54,150.00
Boria, C.	(PL)	$375	34.5	$12,937.50
Pina, E.	(PL)	$375	28.1	$10,537.50
TOTALS			**2,497.9**	**$1,493,783.50**

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

Exhibit B

Credit Acceptance Corporation Securities Litigation

EXHIBIT B

EXPENSE REPORT

FIRM: Labaton Sucharow LLP
REPORTING PERIOD: Inception Through October 21, 2022

CATEGORY		TOTAL AMOUNT
Duplicating		$2,138.47
Postage / Overnight Delivery Services		$772.68
Court Transcripts		$102.20
Court / Witness / Service Fees		$1,535.00
Online Legal & Factual Research		$21,989.10
Experts & Professional Fees		$23,696.50
Counsel for Confidential Witness	$1,309.00	
Damages and Loss Causation	$22,387.50	
Mediation Services		$8,475.00
Work-Related Transportation / Meals / Lodging		$899.65
TOTAL		**$59,608.60**

Exhibit C

Labaton Sucharow

Labaton Sucharow Credentials

2022

Labaton Sucharow

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Labaton Sucharow

ABOUT THE FIRM

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

Founded in 1963, Labaton Sucharow LLP has earned a reputation as one of the leading plaintiffs' firms in the United States. For more than half a century, Labaton 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 250 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 $2.5 trillion. We are equipped to deliver results due to our robust infrastructure of more than 70 full-time attorneys, a dynamic professional staff, and innovative technological resources. Labaton 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.

WITH OFFICES IN NEW YORK, DELAWARE, AND WASHINGTON, D.C., LABATON SUCHAROW IS ON THE GROUND IN KEY JURISDICTIONS FOR PROTECTING INVESTORS

Labaton Sucharow

SECURITIES LITIGATION: As a leader in the securities litigation field, the Firm is a trusted advisor to more than 250 institutional investors with collective assets under management in excess of $2.5 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 $18 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 one of the largest derivative settlements ever achieved in the Court of Chancery, a $153.75 million settlement on behalf of shareholders in *In re Freeport-McMoRan Copper & Gold Inc. Derivative Litigation.*

CONSUMER, CYBERSECURITY, AND DATA PRIVACY PRACTICE: Labaton 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, Cybersecurity, and Data Privacy Practice 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).

WHISTLEBLOWER LITIGATION: Our Whistleblower Representation Practice leverages the Firm's securities litigation expertise to protect and advocate for individuals who report violations of the federal securities laws.

"Labaton 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

Labaton Sucharow

SECURITIES CLASS ACTION LITIGATION

Labaton Sucharow is a leader in securities litigation and a trusted advisor to more than 250 institutional investors. Since the passage of the Private Securities Litigation Reform Act of 1995 (PSLRA), the Firm has recovered more than $18 billion in the aggregate for injured investors through securities class actions prosecuted throughout the United States and against numerous public corporations and other corporate wrongdoers.

These notable recoveries would not be possible without our exhaustive case evaluation process. The Firm has developed a proprietary system for portfolio monitoring and reporting on domestic and international securities litigation, and currently provides these services to more than 250 institutional investors, which manage collective assets of more than $2.5 trillion. The Firm's in-house investigators also gather crucial details to support our cases, whereas other firms rely on outside vendors or fail to conduct any confidential investigation at all.

As a result of our thorough case evaluation process, our securities litigators can 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. Over the past decade, we have successfully prosecuted headline-making class actions against AIG, Bear Stearns, Massey Energy, Schering-Plough, Fannie Mae, Amgen, Facebook, and SCANA, among others.

NOTABLE SUCCESSES

Labaton 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, No. 04-cv- 8141 (S.D.N.Y.)

In one of the most complex and challenging securities cases in history, Labaton 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), $97.5 million settlement with AIG's auditors, $115 million settlement with former AIG officers and related defendants, and an additional $72 million settlement with General Reinsurance Corporation, which was approved by the Second Circuit on September 11, 2013.

In re Countrywide Financial Corp. Securities Litigation, No. 07-cv-05295 (C.D. Cal.)

Labaton Sucharow, as lead counsel for the New York State Common Retirement Fund and the five New York City public pension funds, sued one of the nation's largest issuers of mortgage loans for credit risk misrepresentations. The Firm's focused investigation and discovery efforts uncovered incriminating evidence that led to a $624 million settlement for investors. On February 25, 2011,

the court granted final approval to the settlement, which is one of the top 20 securities class action settlements in the history of the PSLRA.

In re HealthSouth Corp. Securities Litigation, No. 03-cv-01500 (N.D. Ala.)

Labaton 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. Recovering $671 million for the class, the settlement 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. On June 12, 2009, the court also granted final approval to a $109 million settlement with defendant Ernst & Young LLP. In addition, on July 26, 2010, the court granted final approval to a $117 million partial 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, No. 08-cv-00397 (D. N.J.)

As co-lead counsel, Labaton Sucharow obtained a $473 million settlement on behalf of co-lead plaintiff Massachusetts Pension Reserves Investment Management Board. After five years of litigation, and three weeks before trial, the settlement was approved on October 1, 2013. 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, No. H-99-2183 (S.D. Tex.)

In 2002, the court approved an extraordinary settlement that provided for the recovery of $457 million in cash, plus an array of far-reaching corporate governance measures. Labaton Sucharow represented lead plaintiff Connecticut Retirement Plans and Trust Funds. At that time, this settlement 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. Judge Harmon noted, among other things, that Labaton Sucharow "obtained an outstanding result by virtue of the quality of the work and vigorous representation of the class."

In re General Motors Corp. Securities Litigation, No. 06-cv-1749 (E.D. Mich.)

As co-lead counsel in a case against automotive giant General Motors (GM) and its auditor Deloitte & Touche LLP (Deloitte), Labaton Sucharow obtained a settlement of $303 million—one of the largest settlements ever secured in the early stages of a securities fraud case. 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. The final settlement, approved on July 21, 2008, consisted of a cash payment of $277 million by GM and $26 million in cash from Deloitte.

Wyatt v. El Paso Corp., No. H-02-2717 (S.D. Tex.)

Labaton 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. On March 6, 2007, the court approved the settlement and also 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, No. 08-cv-2793 (S.D.N.Y.)

Labaton Sucharow served as co-lead counsel, representing 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 & Touche LLP, 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 has been called a "tutorial" for plaintiffs and defendants alike in this fast- evolving area. After surviving motions to dismiss, on November 9, 2012, 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, No. 10-CV-00689 (S.D. W.Va.)

As co-lead counsel representing the Commonwealth of Massachusetts Pension Reserves Investment Trust, Labaton Sucharow achieved a $265 million all-cash settlement in a case arising from one of the most notorious mining disasters in US history. On June 4, 2014, 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. Judge Irene C. Berger noted, "Class counsel has done an expert job of representing all of the class members to reach an excellent resolution and maximize recovery for the class."

Eastwood Enterprises, LLC v. Farha (WellCare Securities Litigation), No. 07-cv-1940 (M.D. Fla.)

On behalf of the New Mexico State Investment Council and the Public Employees Retirement Association of New Mexico, Labaton Sucharow served as co-lead counsel and negotiated a $200 million settlement 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 on May 4, 2011, 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, No. 17-cv-2616 (D.S.C.)

Labaton Sucharow served as co-lead counsel in this matter against a regulated electric and natural gas public utility, representing the class and co-lead plaintiff West Virginia Investment Management

Board. The action alleges 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 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 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 late 2019, we secured a $192.5 million recovery for investors—the largest securities fraud settlement in the history of the District of South Carolina.

In re Bristol-Myers Squibb Securities Litigation, No. 00-cv-1990 (D.N.J.)

Labaton 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 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, No. 08-cv-7831 (S.D.N.Y.)

As co-lead counsel representing co-lead plaintiff Boston Retirement System, Labaton Sucharow secured a $170 million settlement on March 3, 2015, with Fannie Mae. 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 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, No. 06-cv-05036 (C.D. Cal.)

Labaton 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 August 2010, the court granted final approval of a $160.5 million settlement with Broadcom and two individual defendants to resolve this matter. It is 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 October 2012, the court approved a $13 million settlement with Ernst & Young.

In re Satyam Computer Services Ltd. Securities Litigation, No. 09-md-2027 (S.D.N.Y.)

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, the Firm 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. On September 13, 2011, the court granted final approval to a settlement with Satyam of $125 million and a settlement with the company's auditor, PricewaterhouseCoopers, in the amount of $25.5 million. Judge Barbara S. Jones commended lead counsel during the final approval hearing, noting the "quality of representation[,] which I found to be very high."

In re Mercury Interactive Corp. Securities Litigation, No. 05-cv-3395 (N.D. Cal.)

Labaton Sucharow served as co-lead counsel on behalf of co-lead plaintiff Steamship Trade Association/International Longshoremen's Association Pension Fund, which 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. On September 25, 2008, the court granted final approval of the $117.5 million settlement.

In Re: CannTrust Holdings Inc. Securities Litigation, No. 1:19-cv-06396-JPO (S.D.N.Y.)

As U.S. lead counsel, Labaton Sucharow represents 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. Class actions against the company where commenced in both the U.S. and Canada. The U.S. class action asserts 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. The parties reached a landmark settlement totaling CA$129.5 million to resolve claims in both countries. The U.S. settlement was approved on December 2, 2021.

In re Oppenheimer Champion Fund Securities Fraud Class Actions, No. 09- cv-525 (D. Colo.) and *In re Core Bond Fund,* No. 09-cv-1186 (D. Colo.)

Labaton 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 lawsuits alleged that the investment policies followed by the funds resulted in investor losses when the funds suffered drops in net asset value although they were presented as safe and conservative investments to consumers. In May 2011, 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*.

In re Computer Sciences Corporation Securities Litigation, No. 11-cv-610 (E.D. Va.)

As lead counsel representing Ontario Teachers' Pension Plan Board, Labaton 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 the state of 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. Judge T.S. Ellis III stated, "I have no doubt—that the work product I saw was always of the highest quality for both sides."

In re Nielsen Holdings PLC Securities Litigation, No. 18-7143 (S.D.N.Y.)

As lead counsel representing Public Employees' Retirement System of Mississippi, Labaton Sucharow achieved a $73 million settlement (pending court approval) 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 (GDPR). On January 4, 2021, the Firm overcame defendants' motion to dismiss, and the case advanced into discovery. We mediated and ultimately reached an agreement to settle the matter for $73 million in February 2022. The settlement was preliminarily approved by the court on April 4, 2022.

In re Resideo Technologies Inc. Securities Litigation, No. 19-cv-2863 (D. Minn.)

The Firm serves as co-lead counsel representing 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. On March 30, 2021, the Firm overcame defendants' motion to dismiss in its entirety, and discovery in the action commenced promptly. Discussion of resolving the claims began in January 2021, resulting in an agreement in principle to settle the action for $55 million July 2021. The $55 million settlement was granted final approval on March 24, 2022.

Public Employees' Retirement System of Mississippi v. Endo Int'l plc, et al., No. 2017-02081-MJ (Pa. Ct. of C.P. Montgomery Cty.)

Labaton Sucharow served as lead counsel in a securities class action against Endo Pharmaceuticals. The case settled for $50 million, the largest class settlement obtained in any court pursuant to the Securities Act of 1933 in connection with a secondary public offering. 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. The court approved the settlement on December 5, 2019.

In re JELD-WEN Holding, Inc. Securities Litigation, No. 3:20-cv-00112-JAG (E.D. Va.)

Representing Public Employees' Retirement System of Mississippi, Labaton Sucharow is court-appointed co-lead counsel in a securities class action lawsuit against JELD-WEN Holding, Inc. and certain of its executives 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. The parties reached an agreement to settle the action for $40 million in April 2021. The court granted final approval of the settlement on November 22, 2021.

City of Warren Police and Fire Retirement System v. World Wrestling Entertainment, Inc. et al., No. 20-cv-02031 (S.D.N.Y.)

Labaton Sucharow served as court-appointed lead counsel in a securities class action against World Wrestling Entertainment, Inc. (WWE). The Firm represented Firefighters Pension System of the City of Kansas City Missouri Trust in the action alleging 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 (MENA) from February 7, 2019, through February 5, 2020. 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. The parties reached an agreement to settle the action for in November 2020, and on June 30, 2021, the court granted final approval of the $39 million settlement.

Pension Trust Fund for Operating Engineers v. DeVry Education Group, Inc., No. 16-cv-05198 (N.D. Ill.)

In a case that underscores the skill of our in-house investigative team, Labaton 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 Sucharow filed a third amended complaint on January 29, 2018, which included additional allegations based on internal documents obtained from government entities through the Freedom of Information Act 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."

Vancouver Alumni Asset Holdings Inc. v. Daimler A.G., et al., No. 16-cv-2942 (C.D. Cal)

Serving as lead counsel on behalf of Public School Retirement System of Kansas City, Missouri, Labaton Sucharow secured a $19 million settlement in a class action against automaker Daimler AG. The action arose out of Daimler's 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 *Daimler* litigation team was able to overcome both challenges, and on May 31, 2017, the court granted in part and denied in part Defendants' motions and allowed the case to proceed to discovery. The court then stayed the action after the U.S. Department of Justice intervened. The *Daimler* litigation team worked with the DOJ and defendants to partially lift the stay in order to allow lead plaintiffs to seek limited discovery. Thereafter, in December 2019, the parties agreed to settle the action for $19 million.

Avila v. LifeLock, Inc., No. 15-cv-1398 (D. Ariz.)

As co-lead counsel representing Oklahoma Police Pension and Retirement System and Oklahoma Firefighters Pension and Retirement System, the Firm secured a $20 million settlement 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, in reality the timeliness of such alerts to customers did not resemble a near real-time basis. The LifeLock litigation team played a critical role in securing the $20 million settlement. After being dismissed by the District Court twice, the LifeLock team 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. On July 22, 2020, the court issued an order granting final approval of the settlement.

In re Prothena Corporation PLC Securities Litigation, No. 18-cv-6425 (S.D.N.Y)

Labaton 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. On August 26, 2019, the parties executed a Stipulation and Agreement of Settlement for $15.75 million. Final Judgment was entered on December 4, 2019.

In re Acuity Brands, Inc. Securities Litigation, No. 18-cv-02140 (N.D. Ga.)

Labaton Sucharow serves 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 alleges 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 in August 2019 and granted class certification in August 2020, 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 $15.75 million settlement-in-principle in October 2021. In light of the settlement-in-principle, the Eleventh Circuit stayed the appeal and removed the case from the docket. The court preliminarily approved the settlement on December 23, 2021.

LEAD COUNSEL APPOINTMENTS IN ONGOING LITIGATION

Labaton Sucharow's institutional investor clients are regularly chosen by federal judges to serve as lead plaintiffs in prominent securities litigations brought under the PSLRA. Dozens of public pension funds and union funds have selected Labaton Sucharow to represent them in federal securities class actions and advise them as securities litigation/investigation counsel.

In re PG&E Corporation Securities Litigation, No. 18-cv-03509 (N.D. Cal.)

Labaton Sucharow represents the Public Employees Retirement Association of New Mexico in a securities class action lawsuit against PG&E related to wildfires that devastated Northern California in 2017.

Murphy v. Precision Castparts Corp., No. 16-cv-00521 (D. Or.)

Labaton Sucharow represents Oklahoma Firefighters Pension and Retirement System in a securities class action against Precision Castparts Corp., an aviation parts manufacturing conglomerate that produces complex metal parts primarily marketed to industrial and aerospace customers.

In re Goldman Sachs Group, Inc. Securities Litigation, No. 10-cv-03461 (S.D.N.Y.)

Labaton Sucharow represents Arkansas Teacher Retirement System in a high-profile litigation based on the scandals involving Goldman Sachs' sales of the Abacus CDO.

Meitav Dash Provident Funds and Pension Ltd., et al. v. Spirit AeroSystems Holdings, Inc. et al., No. 20-cv-00054 (N.D. Okla.)

Labaton Sucharow represents Meitav Dash Provident Funds and Pension Ltd. in a securities class action against Spirit AeroSystems Holdings alleging misrepresentation of production rates and the effectiveness of its internal controls over financial reporting relating to production of Boeing planes.

Boston Retirement System v. Uber Technologies, Inc., et al., No. 19-cv-6361-RS (N.D. Cal.)

Labaton Sucharow serves as lead counsel in a securities class action against Uber Technologies, Inc., arising in connection with the company's more than $8 billion IPO. The action alleges that Uber's IPO registration statement and prospectus made material misstatements and omissions in violation of Sections 11, 12(a)(2), and 15 of the Securities Act of 1933.

Oklahoma Firefighters Pension and Retirement System v. Peabody Energy Corporation et al., No. 20-cv-8024 (S.D.N.Y.)

Labaton Sucharow represents Oklahoma Firefighters Pension and Retirement System in a securities class action against Peabody Energy Corp arising from inadequate safety practices at the company's north Australian mine.

Hill v. Silver Lake Group, L.L.C. (Intelsat S.A.), No. 20-CV-2341 (N.D. Cal.)

The court appointed Labaton Sucharow as lead counsel in the *Intelsat* securities litigation, noting that the Firm "has strong experience prosecuting securities class actions and has served as lead counsel in many high-profile securities actions.

In re Allstate Corporation Securities Litigation, No. 16-cv-10510 (N.D. Ill.)

Labaton Sucharow serves 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, the company's CEO Thomas J. Wilson, and its former President of Allstate Protection Lines Matthew E. Winter.

Labaton Sucharow

AWARDS AND ACCOLADES

CONSISTENTLY RANKED AS A LEADING FIRM:

The National Law Journal "2022 Elite Trial Lawyers" recognized Labaton Sucharow as the 2022 Securities Law Firm of the Year and 2022 Shareholder Rights Litigation Firm of the Year. The Firm was also recognized as a finalist for 2022 Class Action Litigation Firm of the Year. Over the last three years, Labaton Sucharow has received five Elite Trial Lawyers Law Firm of the Year recognitions, including Class Action, Securities, Shareholder Rights Litigation, and Immigration.

Benchmark Litigation recognized Labaton Sucharow both nationally and regionally, in New York and Delaware, in its 2023 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 Firms" in the nation.

Labaton Sucharow is recognized by *Chambers USA 2022* among the leading plaintiffs' firms in the nation, receiving a total of three practice group rankings and eight partners ranked or recognized. *Chambers* notes that the Firm is "top flight all-round," a "very high-quality practice," with "good, sensible lawyers." Labaton Sucharow was also recognized as a finalist for Chambers' D&I Awards: North America 2022 in the category of Outstanding Firm.

Labaton Sucharow has been recognized as one of the Nation's Best Plaintiffs' Firms by *The Legal 500*. In 2022, the Firm earned a Tier 1 ranking in Securities Litigation and was also ranked for its excellence in M&A Litigation. 8 Labaton Sucharow attorneys were ranked or recommended in the guide noting the Firm's "very deep bench of strong litigators."

Lawdragon recognized 16 Labaton Sucharow attorneys among the 500 Leading Plaintiff Financial Lawyers in the country in their 2022 guide. The guide recognizes attorneys that are "the best in the nation – many would say the world – at representing plaintiffs." *Lawdragon* also included one of our Partners in their Hall of Fame.

Labaton Sucharow was named a 2021 Securities Group of the Year by *Law360*. The award recognizes the attorneys behind significant litigation wins and major deals that resonated throughout the legal industry.

Labaton Sucharow was named Diverse Women Lawyers – North America Firm of the Year by *Euromoney's* 2022 Women in Business Law Americas Awards. The Firm was also named a finalist in the Women in Business Law, Career Development, Gender Diversity, and United States – North East categories. *Euromoney's* WIBL Awards recognizes firms advancing diversity in the profession.

Labaton Sucharow

PRO BONO AND COMMUNITY INVOLVEMENT

It is not enough to achieve the highest accolades from the bench and bar, and demand the very best of our people. At Labaton Sucharow, we believe that community service is a crucial aspect of practicing law and that pursuing justice is at the heart of our commitment to our profession and the community at large. As a result, we shine in pro bono legal representation and as public and community volunteers.

Our Firm has devoted significant resources to pro bono legal work and public and community service. In fact, our Pro Bono practice is recognized by *The National Law Journal* as winner of the "Law Firm of the Year" in Immigration for 2019 and 2020. We support and encourage individual attorneys to volunteer and take on leadership positions in charitable organizations, which have resulted in such honors as the Alliance for Justice's "Champion of Justice" award, a tenant advocacy organization's "Volunteer and Leadership Award," and board participation for the Ovarian Cancer Research Fund.

Our continued support of charitable and nonprofit organizations, such as the Legal Aid Society, City Bar Justice Center, Public Justice Foundation, Change for Kids, Sidney Hillman Foundation, and various food banks and other organizations, embodies our longstanding commitment to fairness, equality, and opportunity for everyone in our community, which is manifest in the many programs in which we participate.

Immigration Justice Campaign

Our attorneys have scored numerous victories on behalf of asylum seekers around the world, particularly from Cuba and Uganda, as well as in reuniting children separated at the border. Our Firm also helped by providing housing, clothing, and financial assistance to those who literally came to the U.S. with only the clothes on their back.

Advocacy for the Mentally Ill

Our attorneys have provided pro bono representation to mentally ill tenants facing eviction and worked with a tenants' advocacy organization defending the rights of city residents.

Federal Pro Se Legal Assistance Project

We represented pro se litigants who could not afford legal counsel through an Eastern District of New York clinic. We assisted those pursuing claims for racial and religious discrimination, helped navigate complex procedural issues involving allegations of a defamatory accusation made to undermine our client's disability benefits, and assisted a small business owner allegedly sued for unpaid wages by a stranger.

New York City Bar Association Thurgood Marshall Scholar

We are involved in the Thurgood Marshall Summer Law Internship Program, which places diverse New York City public high school students with legal employers for the summer. This program runs

annually, from April through August, and is part of the City Bar's continuing efforts to enhance the diversity of the legal profession.

Diversity Fellowship Program

We provide a fellowship as a key component of the Firm's objective to recruit, retain, and advance diverse law students. Positions are offered to exceptional law students who can contribute to the diversity of our organization and the broader legal community.

Brooklyn Law School Securities Arbitration Clinic

Our Firm partnered with Brooklyn Law School to establish a securities arbitration clinic. The program, which ran for five years, assisted defrauded individual investors who could not otherwise afford to pay for legal counsel and provided students with real-world experience in securities arbitration and litigation.

Change for Kids

We support Change for Kids (CFK) as a strategic partner of P.S. 182 in East Harlem. One school at a time, CFK rallies communities to provide a broad range of essential educational opportunities at under-resourced public elementary schools, as well as enables students to discover their unique strengths and develop the requisite confidence to achieve.

Lawyers' Committee for Civil Rights Under Law

We are long-time supporters of the Lawyers' Committee for Civil Rights Under Law, a nonpartisan, nonprofit organization formed in 1963 at the request of President John F. Kennedy. The Lawyers' Committee involves the private bar in providing legal services to address racial discrimination. We have been involved at the federal level on U.S. Supreme Court nominee analyses and national voters' rights initiatives. Edward Labaton is a member of the Board of Directors.

Sidney Hillman Foundation

Our Firm supports the Sidney Hillman Foundation. Created in honor of the first president of the Amalgamated Clothing Workers of America, Sidney Hillman, the foundation supports investigative and progressive journalism by awarding monthly and yearly prizes.

Labaton Sucharow

COMMITMENT TO DIVERSITY, EQUITY, AND INCLUSION

Labaton Sucharow DEI DIVERSITY EQUITY & INCLUSION

"Now, more than ever, it is important to focus on our diverse talent and create opportunities for young lawyers to become our future leaders. We are proud that our DEI Committee provides a place for our diverse lawyers to expand their networks and spheres of influence, develop their skills, and find the sponsorship and mentorship necessary to rise and realize their full potential." – *Carol C. Villegas, Partner*

Over half a century, Labaton Sucharow has earned global recognition for its success in securing historic recoveries and reforms for investors and consumers. We strive to attain the same level of achievement in promoting fairness and equality within our practice and throughout the legal profession and believe this can be realized by building and maintaining a team of professionals with a broad range of backgrounds, orientations, and interests.

As a national law firm serving a global clientele, diversity is vital to reaching the right result and provides us with distinct points of view from which to address each client's most pressing needs and complex legal challenges. Problem solving is at the core of what we do...and equity and inclusion serve as a catalyst for understanding and leveraging the myriad strengths of our diverse workforce.

Research demonstrates that diversity in background, gender, and ethnicity leads to smarter and more informed decision-making, as well as positive social impact that addresses the imbalance in business today—leading to generations of greater returns for all. We remain committed to developing initiatives that focus on tangible diversity, equity, and inclusion goals involving recruiting, professional development, retention, and advancement of diverse and minority candidates, while also raising awareness and supporting real change inside and outside our Firm.

In recognition of our efforts, we have been named Diverse Women Lawyers – North America Firm of the Year by *Euromoney* and have been consistently shortlisted for their Women in Business Law Awards, including in the Gender Diversity Initiative, Women in Business Law, United States – North East, Career Development, and Talent Management categories. In addition, the Firm is the recipient of *The National Law Journal* "Elite Trial Lawyers" inaugural Diversity Initiative Award and has been selected as a finalist for *Chambers & Partners'* Diversity and Inclusion Awards in the Outstanding Firm and Inclusive Firm of the Year categories. Our Firm understands the importance of extending leadership positions to diverse lawyers and is committed to investing time and resources to develop the next generation of leaders and counselors. We actively recruit, mentor, and promote to partnership minority and female lawyers.

WOMEN IN BUSINESS LAW AWARDS 2022 AMERICAS

Chambers Shortlisted D&I North America 2022

Chambers Diversity & Inclusion

THE NATIONAL LAW JOURNAL ELITE TRIAL LAWYERS

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WOMEN'S INITIATIVE

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Women's Networking and Mentoring Initiative

Labaton Sucharow is the first securities litigation firm with a dedicated program to foster growth, leadership, and advancement of female attorneys. Established more than a decade ago, our Women's Initiative has hosted seminars, workshops, and networking events that encourage the advancement of female lawyers and staff, and bolster their participation as industry collaborators and celebrated thought innovators. We engage important women who inspire us by sharing their experience, wisdom, and lessons learned. We offer workshops on subject matter that ranges from professional development, negotiation, and public speaking, to business development and gender inequality in the law today.

Institutional Investing in Women and Minority-Led Investment Firms

Our Women's Initiative hosts an annual event on institutional investing in women and minority-led investment firms that was shortlisted for a *Chambers & Partners'* Diversity & Inclusion award. By bringing pension funds, diverse managers, hedge funds, investment consultants, and legal counsel together and elevating the voices of diverse women, we address the importance and advancement of diversity investing. Our 2018 inaugural event was shortlisted among *Euromoney's* Best Gender Diversity Initiative.

MINORITY SCHOLARSHIP AND INTERNSHIP

To take an active stance in introducing minority students to our practice and the legal profession, we established the Labaton Sucharow Minority Scholarship and Internship years ago. Annually, we present a grant and Summer Associate position to a first-year minority student from a metropolitan New York law school who has demonstrated academic excellence, community commitment, and unwavering personal integrity. Several past recipients are now full-time attorneys at the Firm. We also offer two annual summer internships to Hunter College students.

WHAT THE BENCH SAYS ABOUT US

The Honorable Judge Lewis Liman of the Southern District of New York, upon appointing Labaton Sucharow as co-lead counsel, noted the following:

"Historically, there has been a dearth of diversity within the legal profession. Although progress has been made…still just one tenth of lawyers are people of color and just over a third are women. A firm's commitment to diversity…demonstrate[s] that it shares with the courts a commitment to the values of equal justice under law…[and] is one that is able to attract, train, and retain lawyers with the most latent talent and commitment regardless of race, ethnicity, gender, or sexual orientation."

Labaton Sucharow

PROFESSIONAL PROFILES

Labaton Sucharow

Christopher J. Keller Chairman

140 Broadway
New York, NY 10005
212.907.0853
ckeller@labaton.com

Christopher J. Keller is Chairman of Labaton Sucharow LLP and head of the Firm's Executive Committee. He is based in the Firm's New York office. Chris focuses on complex securities litigation cases and works with institutional investor clients, including some of the world's largest public and private pension funds with tens of billions of dollars under management.

Chris's distinction in the plaintiffs' bar has earned him recognition from *Lawdragon* as an "Elite Lawyer in the Legal Profession," one of the "500 Leading Lawyers in America," and one of the country's top "Plaintiff Financial Lawyers." *Chambers & Partners USA* has recognized him as a "Noted Practitioner," and he has received recommendations from *The Legal 500* for excellence in the field of securities litigation.

Described by *The Legal 500* as a "sharp and tenacious advocate" who "has his pulse on the trends," Chris has been instrumental in the Firm's appointments as lead counsel in some of the largest securities matters arising out of the financial crisis, such as actions against Countrywide ($624 million settlement), Bear Stearns ($275 million settlement with Bear Stearns Companies and $19.9 million settlement with Deloitte & Touche LLP, Bear Stearns' outside auditor), and Goldman Sachs.

Chris has been integral in the prosecution of traditional fraud cases such as *In re Schering-Plough Corporation/ENHANCE Securities Litigation*; *In re Massey Energy Co. Securities Litigation*, where the Firm obtained a $265 million all-cash settlement with Alpha Natural Resources, Massey's parent company; as well as *In re Satyam Computer Services, Ltd. Securities Litigation*, where the Firm obtained a settlement of more than $150 million. Chris was also a principal litigator on the trial team of *In re Real Estate Associates Limited Partnership Litigation*. The six-week jury trial resulted in a $185 million plaintiffs' verdict, one of the largest jury verdicts since the passage of the Private Securities Litigation Reform Act.

In addition to his active caseload, Chris holds a variety of leadership positions within the Firm, including serving on the Firm's Executive Committee. In response to the evolving needs of clients, Chris also established, and currently leads, the Case Development Group, which is composed of attorneys, in-house investigators, financial analysts, and forensic accountants. The group is responsible for evaluating clients' financial losses and analyzing their potential legal claims both in and outside of the U.S. and tracking trends that are of potential concern to investors.

Educating institutional investors is a significant element of Chris's advocacy efforts for shareholder rights. He is regularly called upon for presentations on developing trends in the law and new case theories at annual meetings and seminars for institutional investors.

Chris is a member of several professional groups, including the New York State Bar Association and the New York County Lawyers' Association. He is a prior member of the Board of Directors of the City Bar Fund, the nonprofit 501(c)(3) arm of the New York City Bar Association aimed at engaging and supporting the legal profession in advancing social justice.

Chris earned his Juris Doctor from St. John's University School of Law. He received his bachelor's degree from Adelphi University.

Labaton Sucharow

Eric J. Belfi Partner

140 Broadway
New York, NY 10005
212.907.0878
ebelfi@labaton.com

Eric J. Belfi is a Partner in the New York office of Labaton Sucharow LLP and a member of the Firm's Executive Committee. An accomplished litigator with a broad range of experience in commercial matters, Eric represents many of the world's leading pension funds and other institutional investors. Eric actively focuses on domestic and international securities and shareholder litigation, as well as direct actions on behalf of governmental entities. As an integral member of the Firm's Case Development Group, Eric has brought numerous high-profile domestic securities cases that resulted from the credit crisis, including the prosecution against Goldman Sachs. Along with his domestic securities litigation practice, Eric leads the Firm's Non-U.S. Securities Litigation Practice, which is dedicated exclusively to analyzing potential claims in non-U.S. jurisdictions and advising on the risks and benefits of litigation in those forums. Overseeing the Financial Products and Services Litigation Practice, Eric focuses on bringing individual actions against malfeasant investment bankers, including cases against custodial banks that allegedly committed deceptive practices relating to certain foreign currency transactions. Additionally, Eric leads the Firm's ESG Taskforce, which provides clients with tailored advice regarding corporate responsibility and environmental, social, and governmental risks and opportunities.

Eric is recognized by *Chambers & Partners USA* and *Lawdragon* has recognized him as one of the country's "500 Leading Plaintiff Financial Lawyers" as the result of their research into top verdicts and settlements, and input from "lawyers nationwide about whom they admire and would hire to seek justice for a claim that strikes a loved one."

In his work with the Case Development Group, Eric was actively involved in securing a combined settlement of $18.4 million in *In re Colonial BancGroup, Inc. Securities Litigation*, regarding material misstatements and omissions in SEC filings by Colonial BancGroup and certain underwriters. Eric's experience includes noteworthy M&A and derivative cases such as *In re Medco Health Solutions Inc. Shareholders Litigation* in which he was integrally involved in the negotiation of the settlement that included a significant reduction in the termination fee.

Under Eric's direction, the Firm's Non-U.S. Securities Litigation Practice—one of the first of its kind—also serves as liaison counsel to institutional investors in such cases, where appropriate. Eric represents nearly 30 institutional investors in over a dozen non-U.S. cases against companies including SNC-Lavalin Group Inc. in Canada, Vivendi Universal, S.A. in France, OZ Minerals Ltd. in Australia, Lloyds Banking Group in the U.K., and Olympus Corporation in Japan. Eric's international experience also includes securing settlements on behalf of non-U.S. clients including the U.K.-based Mineworkers' Pension Scheme in *In re Satyam Computer Securities Services Ltd. Securities Litigation*, an action related to one of the largest securities frauds in India, which resulted in $150.5 million in collective settlements. While representing two of

Europe's leading pension funds, Deka Investment GmbH and Deka International S.A., Luxembourg, in *In re General Motors Corp. Securities Litigation*, Eric was integral in securing a $303 million settlement in relation to multiple accounting manipulations and overstatements by General Motors.

As head of the Financial Products and Services Litigation Practice, Eric represented the Commonwealth of Virginia in its False Claims Act case against Bank of New York Mellon, Inc, among other matters.

Prior to joining Labaton Sucharow, Eric served as an Assistant Attorney General for the State of New York and as an Assistant District Attorney for the County of Westchester. As a prosecutor, Eric investigated and prosecuted white-collar criminal cases, including many securities law violations. He presented hundreds of cases to the grand jury and obtained numerous felony convictions after jury trials.

Eric is a member of the National Association of Public Pension Attorneys (NAPPA) Securities Litigation Working Group and the Cold Spring Harbor Laboratory Corporate Advisory Board. He has spoken publicly on the topics of shareholder litigation and U.S.-style class actions in European countries and has also discussed socially responsible investments for public pension funds.

Eric earned his Juris Doctor from St. John’s University School of Law and received his bachelor’s degree from Georgetown University.

Labaton Sucharow

Michael P. Canty Partner

140 Broadway
New York, NY 10005
212.907.0863
mcanty@labaton.com

Michael P. Canty is a Partner in the New York office of Labaton Sucharow LLP, where he serves on the Firm's Executive Committee and as its General Counsel. In addition, he leads one of the Firm's Securities Litigation Teams and serves as head of the Firm's Consumer Cybersecurity and Data Privacy Group. Mr. Canty's practice focuses on complex fraud cases on behalf of institutional investors and consumers.

Recommended by *The Legal 500* and *Benchmark Litigation* as an accomplished litigator, Michael has more than a decade of trial experience in matters relating to national security, white collar crime, and cybercrime. Michael has been recognized as a Plaintiffs' 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 also recognized Michael as one of the "500 Leading Plaintiff Financial Lawyers in America," as the result of their research into the country's top verdicts and settlements, and one of the country's "Leading Plaintiff Consumer Lawyers."

Michael has successfully prosecuted a number of high-profile securities matters involving technology companies. Most notably, Michael is part of the litigation team that recently 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 consumers' biometric privacy rights under Illinois' Biometric Information Privacy Act (BIPA). Michael has also led cases against AMD, a multi-national semiconductor company, and Ubiquiti Networks, Inc., a global software company. In both cases, Michael played a pivotal role in securing favorable settlements for investors.

Prior to joining Labaton 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.

Michael also has extensive experience investigating and prosecuting cases involving the distribution of prescription opioids. In January 2012, Michael was assigned to the U.S. Attorney's Office Prescription Drug Initiative to mount a comprehensive response to what the Centers for Disease Control and Prevention (CDC) has called an epidemic increase in the abuse of so-called opioid analgesics. As a member of the initiative, in *United States v. Conway* and *United States v. Deslouche*, Michael successfully prosecuted medical professionals who were illegally prescribing opioids. In *United States v. Moss et al*., he was responsible for dismantling one of the largest oxycodone rings operating in the New York metropolitan area at the time. In addition to prosecuting these cases, Michael spoke regularly to the community on the dangers of opioid abuse as part of the Office's community outreach.

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.

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.

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.

Labaton Sucharow

James T. Christie Partner

140 Broadway
New York, NY 10005
212.907.0781
jchristie@labaton.com

James Christie is a Partner in the New York office of Labaton 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 Alexion Pharmaceuticals, GoGo, 2U, Precision Castparts, Flex, CannTrust Holdings, iQIYI, and Weatherford International. James also serves as Assistant General Counsel of the Firm.

James has been recognized as a "Rising Star of the Plaintiffs Bar" by *The National Law Journal* Elite Trial Lawyers and *Benchmark Litigation* named him to their “40 & Under List.”

James was an integral part of the Firm team that helped recover $192.5 million for investors in a settlement for *In re SCANA Corporation Securities Litigation*. James also assisted in recovering $20 million on behalf of investors in a securities class action against 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*. He was also part of the team that represented the lead plaintiff, the Public Employees’ Retirement System of Mississippi, in *Public Employees’ Retirement System of Mississippi v. Sprouts Farmers Market Inc.*, which resulted in a $9.5 million settlement against Sprouts Farmers Market and several of its senior officers and directors.

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 a member of the American Bar Association and the Federal Bar Council.

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.

Labaton Sucharow

Thomas A. Dubbs Partner

140 Broadway
New York, NY 10005
212.907.0871
tdubbs@labaton.com

Thomas A. Dubbs is a Partner in the New York office of Labaton Sucharow LLP. Tom focuses on the representation of institutional investors in domestic and multinational securities cases. Tom serves or 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, Goldman Sachs, 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 10 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 one of the country's "500 Leading Plaintiff Financial Lawyers" and named him to their Hall of Fame. Tom has also received a rating of AV Preeminent from the publishers of the Martindale-Hubbell directory. In addition, *The Legal 500* has inducted Tom into its Hall of Fame—an honor presented to only 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 several 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 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 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.

Labaton Sucharow

Alfred L. Fatale III Partner

140 Broadway
New York, NY 10005
212.907.0884
afatale@labaton.com

Alfred L. Fatale III is a Partner in the New York office of Labaton Sucharow LLP and currently leads a team of attorneys focused on litigating securities claims arising from initial public offerings, secondary offerings, and stock-for-stock mergers.

Alfred's success in moving the needle in the legal industry has earned him recognition from Chambers & Partners USA, the National Law Journal as a “Plaintiffs’ Lawyer Trailblazer,” and The American Lawyer as a “Northeast Trailblazer.” Lawdragon has recognized him as one of the country’s “500 Leading Plaintiff Financial Lawyers” and Benchmark Litigation also named him to their “40 & Under List.”

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 against several companies in state courts following the U.S. Supreme Court’s decision in Cyan, Inc. v. Beaver County Employees Retirement Fund.

Alfred is also overseeing the firm’s efforts in litigating several cases in federal courts. This includes a securities class action against Uber Technologies Inc. arising from the company’s $8 billion IPO.

Since joining the Firm in 2016, Alfred has lead the investigation and prosecution of several successful cases, including In re ADT Inc. Securities Litigation, resulting in a $30 million recovery; In re CPI Card Group Inc. Securities Litigation, resulting in a $11 million recovery; In re BrightView Holdings, Inc. Securities Litigation, resulting in a $11.5 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 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.

Labaton Sucharow

Christine M. Fox Partner

140 Broadway
New York, NY 10005
212.907.0784
cfox@labaton.com

Christine M. Fox is a Partner in the New York office of Labaton Sucharow LLP. With more than 20 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 DEI Committee.

Christine is recognized by *Lawdragon* as one of the "500 Leading Plaintiff Financial Lawyers in America."

Christine is actively involved in litigating matters against FirstCash Holdings, Hain Celestial, Oak Street Health, Peabody Energy, Super Micro Computer, and Uniti Group. 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); CVS Caremark, the nation's largest pharmacy retail chain ($48 million recovery); Nu Skin Enterprises, a multilevel marketing company ($47 million recovery); and 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 the Firm's pro bono immigration program and reunited a father and child separated at the border. She is currently working on their asylum application.

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.

Labaton Sucharow

Jonathan Gardner Partner

140 Broadway
New York, NY 10005
212.907.0839
jgardner@labaton.com

Jonathan Gardner is a Partner in the New York office of Labaton Sucharow LLP and serves as Head of Litigation for the Firm. With more than 30 years of experience, Jonathan oversees all of the Firm's litigation matters, including prosecuting complex securities fraud cases on behalf of institutional investors.

A Benchmark Litigation "Star" acknowledged by his peers as "engaged and strategic," Jonathan has also been named an MVP by Law360 for securing hard-earned successes in high-stakes litigation and complex global matters. He is ranked by Chambers & Partners USA describing him as "an outstanding lawyer who knows how to get results" and recommended by The Legal 500, whose sources remarked on Jonathan's ability to "understand the unique nature of complex securities litigation and strive for practical yet results-driven outcomes" and his "considerable expertise and litigation skill and practical experience that helps achieve terrific results for clients." Jonathan is also recognized by Lawdragon as one of the "500 Leading Lawyers in America" and one of the country's top "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 led the Firm's team in the investigation and prosecution of In re Barrick Gold Securities Litigation, which resulted in a $140 million recovery. He has also served as the lead attorney in several cases resulting in significant 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); In re Aeropostale Inc. Securities Litigation ($15 million recovery); In re Lender Processing Services Inc. ($13.1 million recovery); and In re K-12, Inc. Securities Litigation ($6.75 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 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 the 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.

Labaton Sucharow

Thomas G. Hoffman, Jr. Partner

140 Broadway
New York, NY 10005
212.907.0744
thoffman@labaton.com

Thomas G. Hoffman, Jr. is a partner in the New York office of Labaton Sucharow LLP. Thomas focuses on representing institutional investors in complex securities actions. He is currently prosecuting cases against BP and Allstate.

Thomas was instrumental in securing a $1 billion recovery in the eight-year litigation against AIG and related defendants. He also was a key member of the Labaton Sucharow team that recovered $170 million for investors in *In re 2008 Fannie Mae Securities Litigation*.

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.

Labaton Sucharow

James W. Johnson Partner

140 Broadway
New York, NY 10005
212.907.0859
jjohnson@labaton.com

James W. Johnson is a Partner in the New York office of Labaton Sucharow LLP. Jim focuses on litigating complex securities fraud cases. In addition to his active caseload, Jim holds a variety of leadership positions within the Firm, including serving on the Firm's Executive Committee. He also serves as the Executive Partner overseeing firm-wide issues.

Jim is "well respected in the field," earning him recognition from *Chambers & Partners USA*, *The Legal 500*, *Benchmark Litigation,* and *Lawdragon*, who named him as one of the "500 Leading Lawyers in America" and one of the country's top "Plaintiff Financial Lawyers." He has also received a rating of AV Preeminent from the publishers of the *Martindale-Hubbell* directory.

In representing investors who have been victimized by securities fraud and breaches of fiduciary responsibility, Jim's advocacy has resulted in record recoveries for wronged investors. Currently, he is prosecuting the high-profile case against financial industry leader Goldman Sachs—*In re Goldman Sachs Group, Inc. Securities Litigation*.

A recognized leader in his field, Jim has successfully litigated a number of complex securities and RICO class actions. These include *In re HealthSouth Corp. Securities Litigation* ($671 million settlement); *Eastwood Enterprises LLC v. Farha et al. (WellCare Securities Litigation)* ($200 million settlement); *In re Amgen Inc. Securities Litigation* ($95 million settlement); *In re Vesta Insurance Group, Inc. Securities Litigation* ($79 million settlement); and *In re SCANA Securities Litigation* ($192.5 million settlement). Other notably successes include *In re National Health Laboratories, Inc. Securities Litigation*, which resulted in a recovery of $80 million in the federal action and a related state court derivative action, and *In re Bristol Myers Squibb Co. Securities Litigation*, in which the court approved a $185 million settlement including significant corporate governance reforms and recognized plaintiff's counsel as "extremely skilled and efficient."

Jim also represented lead plaintiffs in *In re Bear Stearns Companies, Inc. Securities Litigation*, securing a $275 million settlement with Bear Stearns Companies, plus a $19.9 million settlement with Deloitte & Touche LLP, Bear Stearns' outside auditor. In *County of Suffolk v. Long Island Lighting Co.*, Jim represented the plaintiff in a RICO class action, securing a jury verdict after a two-month trial that resulted in a $400 million settlement. The Second Circuit quoted the trial judge, the Honorable Jack B. Weinstein, as stating, "Counsel [has] done a superb job [and] tried this case as well as I have ever seen any case tried." On behalf of the Chugach Native Americans, he also assisted in prosecuting environmental damage claims resulting from the Exxon Valdez oil spill.

Jim is a Member of the American Bar Association and the Association of the Bar of the City of New York, where he served on the Federal Courts Committee. He is also a Fellow in the Litigation Council of America and a Member of the Advisory Board of the Institute for Law and Economic Policy.

Jim earned his Juris Doctor from New York University School of Law and his bachelor's degree from Fairfield University.

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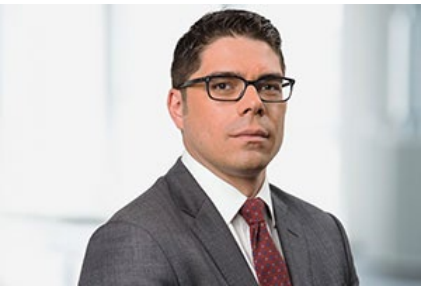

Francis P. McConville Partner

140 Broadway
New York, NY 10005
212.907.0650
fmcconville@labaton.com

Francis P. McConville is a Partner in the New York office of Labaton Sucharow LLP. Francis focuses on prosecuting complex securities fraud cases on behalf of institutional investor clients. As a lead member of the Firm's Case Development Group, he focuses on the identification, investigation, and development of potential actions to recover investment losses resulting from violations of the federal securities laws and various actions 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. *Lawdragon* has recognized him as one of the country's "500 Leading Plaintiff Financial Lawyers" and *Benchmark Litigation* also named him to their "40 & Under List."

Francis has played a key role in filing several matters on behalf of the Firm, including *In re PG&E Corporation Securities Litigation*; *In re SCANA Securities Litigation* ($192.5 million settlement); *Steamfitters Local 449 Pension Plan v. Skechers U.S.A., Inc.*; and *In re Nielsen Holdings PLC Securities Litigation*.

Prior to joining Labaton 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 court 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 currently serves 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.

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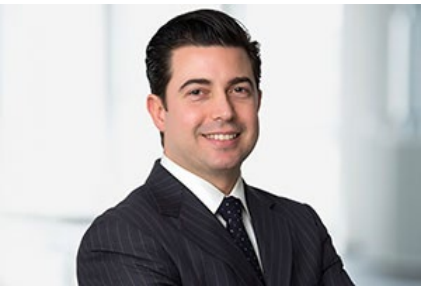

Domenico Minerva Partner

140 Broadway
New York, NY 10005
212.907.0887
dminerva@labaton.com

Domenico "Nico" Minerva is a Partner in the New York office of Labaton Sucharow LLP. A former financial advisor, his work focuses on securities, antitrust, and consumer class actions and shareholder derivative litigation, representing Taft-Hartley and public pension funds across the country. 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 2 ranking in Antitrust Civil Litigation and Class Actions from *Legal 500*. *Lawdragon* has recognized Nico as one of the country's "500 Leading Plaintiff Financial Lawyers."

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 has also done substantial work in antitrust class actions. These include pay-for-delay or "product hopping" cases in which pharmaceutical companies allegedly obstructed generic competitors in order to preserve monopoly profits on patented drugs, such as *Mylan Pharmaceuticals Inc. v. Warner Chilcott Public Limited Co.*, *In re Lidoderm Antitrust Litigation*, *In re Solodyn (MinocyclineHydrochloride) Antitrust Litigation*, *In re Niaspan Antitrust Litigation*, *In re Aggrenox Antitrust Litigation*, and *Sergeants Benevolent Association Health & Welfare Fund et al. v. Actavis PLC et al.* In the anticompetitive matter *The Infirmary LLC vs. National Football League Inc et al.*, Nico played an instrumental part in challenging an exclusivity agreement between the NFL and DirectTV over the service's "NFL Sunday Ticket" package. He also litigated on behalf of indirect purchasers in a case alleging that growers conspired to control and suppress the nation's potato supply, *In re Fresh and Process Potatoes Antitrust Litigation*.

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.

An accomplished speaker, Nico has given numerous presentations to investors on topics related to corporate fraud, wrongdoing, and waste. He is also an active member of the National Association of Public Pension Plan Attorneys.

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.

Labaton Sucharow

Mark D. Richardson Partner

222 Delaware Ave, Suite 1510
Wilmington, DE 19801
302.573.6939
mrichardson@labaton.com

Mark D. Richardson is a Partner in the Delaware office of Labaton Sucharow LLP. Mark focuses on representing shareholders in corporate governance and transactional matters, including class action and derivative litigation. He also co-leads the Firm's ESG Taskforce, which provides clients with tailored advice regarding corporate responsibility and environmental, social, and governmental risks and opportunities.

Mark is recommended by *The Legal 500* for the excellence of 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 "500 Leading Plaintiff Financial Lawyers" and *Benchmark Litigation* also named him to their "40 & Under List."

Mark is actively prosecuting, among other matters, *In re Dell Technologies Inc. Class V Stockholders Litigation; In re Coty Inc. Stockholder Litigation; In re Columbia Pipeline Group, Inc. Merger Litigation;* and *In re Straight Path Communications Inc. Consol. Stockholder Litigation*. Mark has served as lead or co-lead counsel in prominent cases against Amtrust Financial Services ($40 million settlement), AGNC ($35.5 million settlement), Stamps.com ($30 million settlement), Homefed ($15 million settlement with Court approval pending), and CytoDyn (rescission of over $50 million in director and officer stock awards).

Prior to joining Labaton 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 Award*s Distinguished Legal Writing Award for his article published in the *New York Law Journal*, "Options When a Competitor Raids the Company." 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.

Labaton Sucharow

Michael H. Rogers Partner

140 Broadway
New York, NY 10005
212.907.0814
mrogers@labaton.com

Michael H. Rogers is a Partner in the New York office of Labaton Sucharow LLP. An experienced litigator, Mike focuses on prosecuting complex securities fraud cases on behalf of institutional investors.

He is actively involved in prosecuting *In re Goldman Sachs, Inc. Securities Litigation*; *Murphy v. Precision Castparts Corp.*; *In re Acuity Brands, Inc. Securities Litigation*; *In re CannTrust, Inc. Securities Litigation*; and *In re Jen-Weld Holding, Inc. Securities Litigation*.

Mike has been a member of the lead counsel teams in many successful class actions, including those against Countrywide Financial Corp. ($624 million settlement), HealthSouth Corp. ($671 million settlement), State Street ($300 million settlement), SCANA Corp ($192.5 million settlement), Mercury Interactive Corp. ($117.5 million settlement), Computer Sciences Corp. ($97.5 million settlement), and Virtus Investment Partners ($20 million settlement).

Prior to joining Labaton 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 earned his bachelor's degree, *magna cum laude*, from Columbia University.

Mike is proficient in Spanish.

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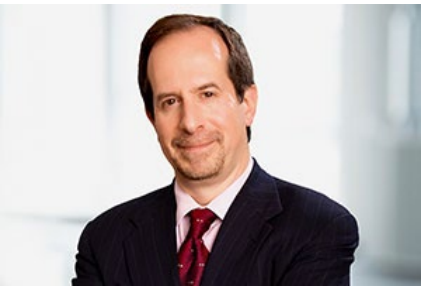

Ira A. Schochet Partner

140 Broadway
New York, NY 10005
212.907.0864
ischochet@labaton.com

Ira A. Schochet is a Partner in the New York office of Labaton Sucharow LLP. A seasoned litigator with three decades of experience, Ira focuses on class actions involving securities fraud. Ira has played a lead role in securing multimillion dollar recoveries in high-profile cases such as those against Countrywide Financial Corporation ($624 million), Weatherford International Ltd ($120 million), Massey Energy Company ($265 million), Caterpillar Inc. ($23 million), Autoliv Inc. ($22.5 million), and Fifth Street Financial Corp. ($14 million).

A highly regarded industry veteran, Ira has been recommended in securities litigation by *The Legal 500*, named a "Leading Plaintiff Financial Lawyer" by *Lawdragon* and been awarded an AV Preeminent rating, the highest distinction, from Martindale-Hubbell.

Ira is a longtime leader in the securities class action bar and represented one of the first institutional investors acting as a lead plaintiff in a post-Private Securities Litigation Reform Act case and ultimately obtained one of the first rulings interpreting the statute's intent provision in a manner favorable to investors in *STI Classic Funds, et al. v. Bollinger Industries, Inc.* His efforts are regularly recognized by the courts, including in *Kamarasy v. Coopers & Lybrand*, where the court remarked on "the superior quality of the representation provided to the class." In approving the settlement he achieved in *In re InterMune Securities Litigation*, the court complimented Ira's ability to secure a significant recovery for the class in a very efficient manner, shielding the class from prolonged litigation and substantial risk.

Ira has also played a key role in groundbreaking cases in the field of merger and derivative litigation. In *In re Freeport-McMoRan Copper & Gold Inc. Derivative Litigation*, he achieved the second largest derivative settlement in the Delaware Court of Chancery history, a $153.75 million settlement with an unprecedented provision of direct payments to stockholders by means of a special dividend. In another first-of-its-kind case, Ira was featured in *The AmLaw Litigation Daily* as Litigator of the Week for his work in *In re El Paso Corporation Shareholder Litigation*. The action alleged breach of fiduciary duties in connection with a merger transaction, including specific reference to wrongdoing by a conflicted financial advisory consultant, and resulted in a $110 million recovery for a class of shareholders and a waiver by the consultant of its fee.

From 2009-2011, Ira served as President of the National Association of Shareholder and Consumer Attorneys (NASCAT), a membership organization of approximately 100 law firms that practice class action and complex civil litigation. During this time, he represented the plaintiffs' securities bar in meetings with members of Congress, the Administration, and the SEC.

From 1996 through 2012, Ira served as Chairman of the Class Action Committee of the Commercial and Federal Litigation Section of the New York State Bar Association. During his tenure, he served

on the Executive Committee of the Section and authored important papers on issues relating to class action procedure including revisions proposed by both houses of Congress and the Advisory Committee on Civil Procedure of the United States Judicial Conference. Examples include "Proposed Changes in Federal Class Action Procedure," "Opting Out on Opting In," and "The Interstate Class Action Jurisdiction Act of 1999." Ira has also lectured extensively on securities litigation at seminars throughout the country.

Ira earned his Juris Doctor from Duke University School of Law and his bachelor's degree, *summa cum laude*, from the State University of New York at Binghamton.

Labaton Sucharow

David J. Schwartz Partner

140 Broadway
New York, NY 10005
212.907.0870
dschwartz@labaton.com

David J. Schwartz is a Partner in the New York office of Labaton Sucharow LLP, focusing on event-driven and special situation litigation using legal strategies to enhance clients' investment returns.

David has been named a "Future Star" by *Benchmark Litigation* and was also selected, three years in a row, to their "40 & Under Hot List," which recognized him as one of the nation's most accomplished attorneys. *Lawdragon* has recognized him as one of the country's "500 Leading Plaintiff Financial Lawyers" and he has also been featured in *Lawdragon's* Lawyer Limelight series.

Over the last several years, David has helped secure leadership roles on behalf of his clients in some of the largest pending securities class action and SPAC litigations, including cases against Lordstown, Nikola, Alta Mesa, Paypal, and others.

David's extensive experience includes prosecuting, as well as defending against, securities and corporate governance actions for an array of domestic and international clients, including retail investors, hedge funds, merger arbitrageurs, pension funds, mutual funds, and asset management companies. He has played a pivotal role in some of the largest securities class action cases in recent years—including a milestone CA$129.5 million settlement in *In re CannTrust, Inc. Securities Litigation* and a $55 million settlement in *In re Resideo Securities Litigation* (one of the three largest in the Eighth Circuit). David has also done substantial work in mergers and acquisitions appraisal litigation and direct action/opt-out litigation.

Among other cases, David is currently prosecuting *In re Silver Lake Group, L.L.C. Securities Litigation*; *In re Mindbody, Inc. Securities Litigation*; and several international appraisal actions.

David earned his Juris Doctor from Fordham University School of Law, where he served on the *Urban Law Journal*. He received his bachelor's degree in economics, graduating with honors, from The University of Chicago.

Labaton Sucharow

Irina Vasilchenko Partner

140 Broadway
New York, NY 10005
212.907.0849
ivasilchenko@labaton.com

Irina Vasilchenko is a Partner in the New York office of Labaton 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 also has been recognized as a "Future Star" by *Benchmark Litigation* and a "Rising Star" by *Law360*, one of only six securities attorneys in its 2020 list. Additionally, *Lawdragon* has named her one of the "500 Leading Plaintiff Financial Lawyers in America."

Currently, Irina is involved in prosecuting the high-profile case against financial industry leader Goldman Sachs, *In re Goldman Sachs Group, Inc. Securities Litigation*, arising from its Abacus and other subprime mortgage-backed CDOs during the Financial Crisis, including defending against an appeal of the class certification order to the U.S. Supreme Court and to the Second Circuit. She is also actively prosecuting *In re Acuity Brands, Inc. Securities Litigation*; *Meitav Dash Provident Funds and Pension Ltd. v. Spirit AeroSystems Holdings, Inc.*; and *Perrelouis v. Gogo Inc*.

Recently, Irina 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 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); and *In re Extreme Networks, Inc. Securities Litigation* ($7 million settlement).

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 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.

Labaton Sucharow

Carol C. Villegas Partner

140 Broadway
New York, NY 10005
212.907.0824
cvillegas@labaton.com

Carol C. Villegas is a Partner in the New York office of Labaton 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 litigation teams, she is actively overseeing litigation against AT&T, Nielsen Holdings, Mindbody, Danske Bank, Peabody Energy, Flo Health, Amazon, and Hain. In addition to her litigation responsibilities, Carol holds a variety of leadership positions within the Firm, including serving on the Firm's Executive Committee, as Chair of the Firm's Women's Networking and Mentoring Initiative, and as the Chief of Compliance. She also leads the Firm's ESG Taskforce, which provides clients with tailored advice regarding corporate responsibility and environmental, social, and corporate governance risks and opportunities.

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 from Chambers & Partners USA, The National Law Journal as a Plaintiffs' Trailblazer, and the New York Law Journal as a Top Woman in Law and a New York Trailblazer. The National Law Journal "Elite Trial Lawyers" has repeatedly recognized Carol's 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. She has also been recognized as a Future Star by Benchmark Litigation and a Next Generation Partner by The Legal 500, where clients praised her for helping them "better understand the process and how to value a case." Lawdragon has named her one of the 500 Leading Lawyers in America, one of the country's top Plaintiff Financial Lawyers, and Leading Plaintiff Consumer Lawyers and Crain's New York Business selected Carol to its list of Notable Women in Law. Euromoney's Women in Business Law Awards has also shortlisted Carol as Securities Litigator of the Year and Chambers and Partners named Carol a finalist for Diversity & Inclusion: Outstanding Contribution. She has also been named a Distinguished Leader honoree by the New York Law Journal.

Carol has played a pivotal role in securing favorable settlements for investors, including 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; Prothena, a biopharmaceutical company; and World Wrestling Entertainment, a media and entertainment 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 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. She is also a member of the National Association of Public Pension Attorneys, the National Association of Women Lawyers, and the Hispanic National Bar Association. In addition, Carol previously served on Law360's Securities Editorial Board.

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.

Labaton Sucharow

Ned Weinberger Partner

222 Delaware Ave, Suite 1510
Wilmington, DE 19801
302.573.6938
nweinberger@labaton.com

Ned Weinberger is a Partner in the Delaware office of Labaton Sucharow LLP and is Chair of the Firm's Corporate Governance and Shareholder Rights Litigation Practice. An experienced advocate of shareholder rights, Ned focuses on representing investors in corporate governance and transactional matters, including class action and derivative litigation.

Highly regarded in his practice, Ned has been recognized by *Chambers & Partners USA* in the Delaware Court of Chancery noting he is "a very good case strategist and strong oral advocate" and was named "Up and Coming" for three consecutive years—the by-product of his impressive range of practice areas. After being named a "Future Star" earlier 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." *The National Law Journal* has also named Ned a "Plaintiffs' Trailblazer." *Lawdragon* has also recognized him as one of the country's "500 Leading Plaintiff Financial Lawyers."

Ned is actively prosecuting, among other matters, *In re Straight Path Communications Inc. Consolidated Stockholder Litigation*, which alleges breaches of fiduciary duty by the controlling stockholder of Straight Path Communications, Howard Jonas, in connection with the company's sale to Verizon Communications Inc. He recently led a class and derivative action on behalf of stockholders of Providence Service Corporation—*Haverhill Retirement System v. Kerley*—that challenged an acquisition financing arrangement involving Providence's board chairman and his hedge fund. The case settled for $10 million.

Ned was part of a team that achieved a $12 million recovery on behalf of stockholders of ArthroCare Corporation in a case alleging breaches of fiduciary duty by the ArthroCare board of directors and other defendants in connection with Smith & Nephew, Inc.'s acquisition of ArthroCare. Other recent successes on behalf of stockholders include *In re Vaalco Energy Inc. Consolidated Stockholder Litigation*, which resulted in the invalidation of charter and bylaw provisions that interfered with stockholders' fundamental right to remove directors without cause.

Prior to joining Labaton Sucharow, Ned was a Litigation Associate at Grant & Eisenhofer P.A., where he gained substantial experience in all aspects of investor protection, including representing shareholders in matters relating to securities fraud, mergers and acquisitions, and alternative entities. Representative of Ned's experience in the Delaware Court of Chancery is *In re Barnes & Noble Stockholders Derivative Litigation*, in which Ned assisted in obtaining approximately $29 million in settlements on behalf of Barnes & Noble investors. Ned was also part of the litigation team in *In re Clear Channel Outdoor Holdings, Inc. Shareholder Litigation*, the settlement of which

provided numerous benefits for Clear Channel Outdoor Holdings and its shareholders, including, among other things, a $200 million cash dividend to the company's shareholders.

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 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.

Labaton Sucharow

Mark S. Willis Partner

1050 Connecticut Ave., NW, Suite 500
Washington, DC 20036
571.332.2189
mwillis@labaton.com

Mark S. Willis is a Partner in the D.C. office of Labaton Sucharow LLP. With more than three decades of experience, Mark's 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 represents clients in U.S. litigation and maintains a significant practice advising clients on the pursuit of securities-related claims abroad.

Mark is recommended by *The Legal 500* for excellence in securities litigation and has been named one of *Lawdragon's* "500 Leading Plaintiff Financial Lawyer in America." Under his leadership, the Firm has been awarded *Law360* Practice Group of the Year Awards for Class Actions and Securities.

Mark represents institutions from the United Kingdom, Spain, the Netherlands, Denmark, Germany, Belgium, Canada, Japan, and the United States in a novel lawsuit in Texas against BP plc to salvage claims that were dismissed from the U.S. class action because the claimants' BP shares were purchased abroad (thus running afoul of the Supreme Court's *Morrison* rule that precludes a U.S. legal remedy for such shares). These previously dismissed claims have now been sustained and are being pursued under English law in a Texas federal court.

Mark also represents the Utah Retirement Systems in a shareholder action against the DeVry Education Group, and he represented the Arkansas Public Employees Retirement System in a shareholder action against The Bancorp (which settled for $17.5 million), and Caisse de dépôt et placement du Québec, one of Canada's largest institutional investors, in a U.S. shareholder class action against Liquidity Services (which settled for $17 million).

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. This trans-Atlantic result saw part of the $145 million recovery approved by a federal court in New York, and the rest by the Amsterdam Court of Appeal. The Dutch portion was resolved using the Netherlands then newly enacted Act on Collective Settlement of Mass Claims. In doing so, the Dutch Court issued a landmark decision that substantially broadened its jurisdictional reach, extending jurisdiction for the first time to a scenario in which the claims were not brought under Dutch law, the alleged wrongdoing took place outside the Netherlands, and none of the potentially liable parties were domiciled in the Netherlands.

In the corporate governance arena, Mark has represented both U.S. and overseas investors. In a shareholder derivative action against Abbott Laboratories' directors, he charged the defendants with mismanagement and fiduciary breaches for causing or allowing the company to engage in a 10-year off-label marketing scheme, which had resulted in a $1.6 billion payment pursuant to a Justice

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Department investigation—at the time the second largest in history for a pharmaceutical company. In the derivative 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, as well as the restructuring of a board committee and enhancing the role of the Lead Director. 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 who, as part of the settlement, agreed to endorse their future adherence to key corporate governance principles designed to advance investor protection and to minimize the likelihood of future deceptive transactions. Securing governance reforms from a defendant that was not an issuer was a first at that time in a shareholder fraud class action.

Mark has also represented clients in opt-out actions. In one, brought on behalf of the Utah Retirement Systems, Mark negotiated a settlement that was nearly four times more than what its client would have received had it participated in the class action.

On non-U.S. actions Mark has advised clients, and represented their interests as liaison counsel, in more than 30 cases against companies such as Volkswagen, Olympus, the Royal Bank of Scotland, the Lloyds Banking Group, and Petrobras, and in jurisdictions ranging from the UK to Japan to Australia to Brazil to Germany.

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 earned his Juris Doctor from the Pepperdine University School of Law and his master's degree from Georgetown University Law Center.

Labaton Sucharow

Nicole M. Zeiss Partner

140 Broadway
New York, NY 10005
212.907.0867
nzeiss@labaton.com

Nicole M. Zeiss is a Partner in the New York office of Labaton Sucharow. A litigator with two decades of 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 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 have been damaged by fraud in the telecommunications, hedge fund, and banking industries. Over the past decade, Nicole has been actively involved in finalizing the Firm's securities class action settlements, including in cases against Massey Energy Company ($265 million), SCANA ($192.5 million), Fannie Mae ($170 million), and Schering-Plough ($473 million), among many others.

Prior to joining Labaton 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.

Labaton Sucharow

Jake Bissell-Linsk Of Counsel

140 Broadway
New York, NY 10005
212.907.0731
jbissell-linsk@labaton.com

Jake Bissell-Linsk is Of Counsel in the New York office of Labaton Sucharow LLP. Jake focuses his practice on securities fraud class actions.

Jake has litigated federal securities cases in jurisdictions across the country at both the District Court and Appellate Court level. He is currently litigating cases against Lucid Motors and Lordstown Motors involving de-SPAC mergers in the automotive industry; against Intelsat alleging insiders sold $246 million in stock shortly after learning the FTC would reject a bet-the-company deal; against AT&T, citing 58 former AT&T employees, regarding misleading reports of the success of its video streaming service DirecTV Now; and against Cronos alleging it improperly booked revenue from round-trip transactions for cannabis processing.

In addition to these varied securities fraud cases, Jake has litigated a number of cases involving take-private mergers, including several cases involving Chinese-based and Cayman-incorporated firms that were delisted from U.S. exchanges.

Jake has played a pivotal role in securing favorable settlements for investors in a variety of securities class actions, including recent cases against Nielsen ($73 million settlement), in a suit that involved allegations of inflated goodwill and the effect of the EU's GDPR on the company, and Mindbody ($9.75 million settlement), in a suit alleging false guidance and inadequate disclosures prior to a private equity buyout.

Jake's pro bono experience includes assisting 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.

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.

Labaton Sucharow

Mark Bogen Of Counsel

140 Broadway
New York, NY 10005
702.210.7545
mbogen@labaton.com

Mark Bogen is Of Counsel in the New York office of Labaton 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, antitrust, 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 recently 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.

Labaton Sucharow

Garrett J. Bradley Of Counsel

140 Broadway
New York, NY 10005
617.413.4892
gbradley@labaton.com

Garrett J. Bradley is Of Counsel to Labaton Sucharow LLP. Garrett has decades of experience helping institutional investors, public pension funds, and individual investors recover losses attributable to corporate fraud. A former state prosecutor, Garrett has been involved in hundreds of securities fraud class action lawsuits that have, in aggregate, recouped hundreds of millions of dollars for investors. Garrett's past and present clients include some of the country's largest public pension funds and institutional investors.

Garrett has been consistently named a "Super Lawyer" in securities litigation by Super Lawyers, a Thomson Reuters publication, and was previously named a "Rising Star." He was selected as one of "New England's 2020 Top Rated Lawyers" by ALM Media and Martindale-Hubbell. The American Trial Lawyers Association has named him one of the "Top 100 Trial Lawyers in Massachusetts." The Massachusetts Academy of Trial Attorneys gave him their "Legislator of the Year Award," and the Massachusetts Bar Association named him "Legislator of the Year."

Prior to joining the firm, Garrett worked as an Assistant District Attorney in the Plymouth County District Attorney's office. He also served in the Massachusetts House of Representatives, representing the Third Plymouth District, for sixteen years.

Garrett is a Fellow of the Litigation Counsel of America, an invitation-only society of trial lawyers comprised of less than 1/2 of 1% of American lawyers. He is also a member of the Public Justice Foundation and the Million Dollar Advocates Forum.

Garrett earned his Juris Doctor from Boston College Law School and his Bachelor of Arts from Boston College.

Labaton Sucharow

Guillaume Buell Of Counsel

140 Broadway
New York, NY 10005
212-907-0873
gbuell@labaton.com

Guillaume Buell is Of Counsel to Labaton Sucharow LLP. His practice focuses on representing investors and consumers in securities and consumer lawsuits pending in state and federal courts across the country. Guillaume's clients include a diverse array of institutional investors and high net worth individual investors in both the United States and throughout the world.

During his lengthy career, Guillaume has 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), the Canadian Pension & Benefits Institute, the Michigan Association of Public Employee Retirement Systems, the National Association of Shareholder and Consumer Attorneys, and the Georgia Association of Public Pension Trustees. Guillaume also serves as a member of the NAPPA's Fiduciary & Governance Committee and Securities Litigation Committee.

Guillaume received his Juris Doctor from Boston College Law School and 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 best oralists recognition. 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. He is an Eagle Scout and is actively involved in his hometown's local civic organizations.

Labaton Sucharow

Hui Chang Of Counsel

140 Broadway
New York, NY 10005
212.907.0648
hchang@labaton.com

Hui Chang is Of Counsel in the New York office of Labaton 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 Development 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 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 Sec. Litigation* ($3 billion recovery).

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.

Hui is fluent in Portuguese and proficient in Taiwanese.

Labaton Sucharow

Derick I. Cividini Of Counsel

140 Broadway
New York, NY 10005
212.907.0706
dcividini@labaton.com

Derick I. Cividini is Of Counsel in the New York office of Labaton 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 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 and received his bachelor's degree in Finance from Boston College.

Labaton Sucharow

Jeffrey A. Dubbin Of Counsel

140 Broadway
New York, NY 10005
212.907.0700
jdubbin@labaton.com

Jeffrey A. Dubbin is Of Counsel in the New York office of Labaton Sucharow LLP. Jeff focuses on representing institutional investors in complex securities fraud cases. He also advises public and private pension funds and asset managers on disclosure, regulatory, and litigation matters.

Jeff is currently prosecuting In re Goldman Sachs Group, Inc. Securities Litigation; City of Providence, Rhode Island v. BATS Global Markets, Inc. et al (the "High Frequency Trading" securities litigation); In re The Allstate Corporation Securities Litigation; and In re PG&E Corporation Securities Litigation. He was a key member of the litigation team that recovered $95 million for investors in In re Amgen Inc. Securities Litigation.

Jeff joined Labaton Sucharow following clerkships with the Honorable Marilyn L. Huff and the Honorable Larry Alan Burns in the U.S. District Court for the Southern District of California. Prior to that, he worked as legal counsel for the investment management firm Matrix Capital Management.

Jeff received his Juris Doctor from the University of Pennsylvania Law School and his bachelor's degree, magna cum laude, from Harvard University. As a member of Penn Law's Supreme Court Clinic, Jeff drafted portions of successful merits briefs to the U.S. Supreme Court.

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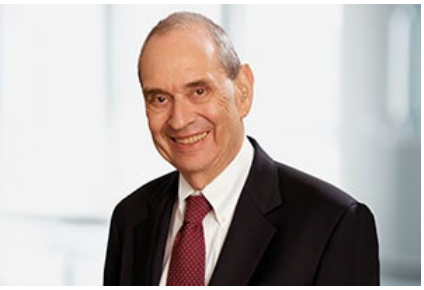


Joseph H. Einstein Of Counsel

140 Broadway
New York, NY 10005
212.907.0843
jeinstein@labaton.com

Joseph H. Einstein is Of Counsel in the New York office of Labaton Sucharow LLP. A seasoned litigator, Joe represents clients in complex corporate disputes, employment matters, and general commercial litigation. He has litigated major cases in state and federal courts and has argued many appeals, including appearing before the U.S. Supreme Court.

Joe has an AV Preeminent rating, the highest distinction, from the publishers of the Martindale-Hubbell directory.

His experience encompasses extensive work in the computer software field including licensing and consulting agreements. Joe also counsels and advises business entities in a broad variety of transactions.

Joe serves as a Mediator for the U.S. District Court for the Southern District of New York. He has served as a Commercial Arbitrator for the American Arbitration Association and currently is a FINRA Arbitrator and Mediator. Joe is a former member of the New York State Bar Association Committee on Civil Practice Law and Rules, and the Council on Judicial Administration of the Association of the Bar of the City of New York. He also is a former member of the Arbitration Committee of the Association of the Bar of the City of New York.

Joe received his Bachelor of Laws and Master of Laws from New York University School of Law. During his time at NYU, Joe was a Pomeroy and Hirschman Foundation Scholar and served as an Associate Editor of the *New York University Law Review*.

Labaton Sucharow

Derrick Farrell Of Counsel

222 Delaware Ave, Suite 1510
Wilmington, DE 19801
302.573.2530
dfarrell@labaton.com

Derrick Farrell is Of Counsel in the Delaware office of Labaton Sucharow LLP. He focuses his practice on representing shareholders in appraisal, class, and derivative actions.

Derrick has substantial trial experience as both a petitioner and a respondent on a number of high-profile matters, including *In re Appraisal of Ancestry.com, Inc.*; *IQ Holdings, Inc. v. Am. Commercial Lines Inc.*; and *In re Cogent, Inc. Shareholder Litigation*. He has also argued before the Delaware Supreme Court on multiple occasions.

Prior to joining Labaton Sucharow, Derrick practiced with Latham & Watkins LLP, where he gained substantial insight into the inner workings of corporate boards and the role of investment bankers in a sale process. Derrick started his career as a Clerk for the Honorable Donald F. Parsons, Jr., Vice Chancellor, Court of Chancery of the State of Delaware.

He has guest lectured at Harvard University and co-authored numerous articles for publications including the *Harvard Law School Forum on Corporate Governance and Financial Regulation* and *PLI*.

Derrick received his Juris Doctor, *cum laude*, from the Georgetown University Law Center. At Georgetown, he served as an advocate and coach to the Barrister's Council (Moot Court Team) and was Magister of Phi Delta Phi. He received his Bachelor of Science in Biomedical Science from Texas A&M University.

Labaton Sucharow

Lara Goldstone Of Counsel

140 Broadway
New York, NY 10005
212.907.0742
lgoldstone@labaton.com

Lara Goldstone is Of Counsel in the New York office of Labaton 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, antitrust, 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, non-U.S. actions and antitrust class actions including pay-for-delay or "product hopping" cases in which pharmaceutical companies allegedly obstructed generic competitors in order to preserve monopoly profits on patented drugs, such as *In re Generic Pharmaceuticals Pricing Antitrust Litigation*.

Before joining Labaton 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.

She is a member of the Firm's Women's Initiative.

Lara earned her Juris Doctor from the University of Denver Sturm College of Law, where she was a judge of the Providence Foundation of Law & Leadership Mock Trial and a competitor of the Daniel S. Hoffman Trial Advocacy Competition. She received her bachelor's degree from George Washington University, where she was a recipient of a Presidential Scholarship for academic excellence.

Labaton Sucharow

David J. MacIsaac Of Counsel

140 Broadway
New York, NY 10005
212.907.0866
dmacisaac@labaton.com

David J. MacIsaac is Of Counsel in the New York office of Labaton Sucharow LLP. David represents shareholders in securities litigation and corporate governance matters.

David has successfully prosecuted cases against Versum Materials, Inc.; Stamps.com Inc.; and Expedia Group, Inc.

Prior to joining Labaton Sucharow, David was an Associate at Bernstein Litowitz Berger & Grossmann, where he focused on analyzing new matters and litigating governance cases, with a focus on breaches of fiduciary duty and transactional litigation. He was also previously an Associate at Kirkland & Ellis, where he worked on a variety of general commercial litigation matters.

David earned his Juris Doctor, *cum laude*, from Georgetown University where he was a member of *The Georgetown Journal of Law and Modern Critical Race Perspective*. He received his bachelor's degree in European History and Government from Franklin and Marshall College.

Labaton Sucharow

James McGovern Of Counsel

140 Broadway
New York, NY 10005
202.772.1881
jmcgovern@labaton.com

James McGovern is Of Counsel in the New York office of Labaton Sucharow LLP. He 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 and public pension funds and other institutional investors in domestic securities actions. James also advises clients regarding potential claims tied to securities-related actions in foreign jurisdictions.

James has worked on a number of significant securities class actions, including *In re Worldcom, Inc. Securities Litigation* ($6.1 billion recovery), the second-largest securities class action settlement since the passage of the PSLRA; *In re Parmalat Securities Litigation* ($90 million recovery); *In re American Home Mortgage Securities Litigation* (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); *In re UICI Securities Litigation* ($6.5 million recovery); and *In re SCANA Securities Litigation* ($192.5 million recovery).

In the corporate governance arena, James helped bring claims against Abbott Laboratories' directors for mismanagement and breach of fiduciary duties in 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 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 and for causing tens of billions of dollars in damages.

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.

James is also an accomplished public speaker and 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, on how institutional investors can guard their assets against the risks of corporate fraud and poor corporate governance.

James earned his Juris Doctor, *magna cum laude*, from Georgetown University Law Center. He received his bachelor's and master's degrees from American University, where he was awarded a Presidential Scholarship and graduated with high honors.

Labaton Sucharow

Elizabeth Rosenberg Of Counsel

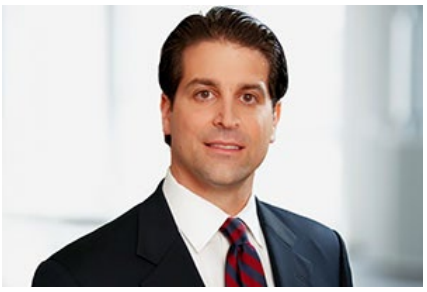
140 Broadway
New York, NY 10005
212.907.0889
erosenberg@labaton.com

Elizabeth Rosenberg is Of Counsel in the New York office of Labaton 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 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.

Labaton Sucharow



William Schervish Of Counsel

140 Broadway
New York, NY 10005
212.907.0886
wschervish@labaton.com

William “Bill” Schervish is Of Counsel in the New York office of Labaton Sucharow LLP and serves as the Firm's Director of Financial Research. As a key member of the Firm’s Case Development Group, Bill 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. Bill also evaluates and develops cases on behalf of confidential whistleblowers for the Securities and Exchange Commission.

Bill has been practicing securities law for more than 15 years. As a complement to his legal experience, Bill is a Certified Public Accountant (CPA), a CFA® Charterholder, and a Certified Fraud Examiner (CFE) with extensive work experience in accounting and finance.

Prior to joining the Firm, Bill 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. Bill's professional background also includes positions in controllership, securities analysis, and commodity trading. He began his career as an auditor at PricewaterhouseCoopers.

Bill earned a Juris Doctor, cum laude, from Loyola University and 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.

Labaton Sucharow

Brendan W. Sullivan Of Counsel

222 Delaware Ave, Suite 1510
Wilmington, DE 19801
302.573.5820
bsullivan@labaton.com

Brendan W. Sullivan is Of Counsel in the Delaware office of Labaton Sucharow LLP. He focuses on representing investors in corporate governance and transactional matters, including class action litigation.

Prior to joining Labaton 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 Summer Associate at Morris, Nichols and 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 in English from the University of Delaware.

Labaton Sucharow

John Vielandi Of Counsel

140 Broadway
New York, NY 10005
212.907.0829
jvielandi@labaton.com

John Vielandi is Of Counsel in the New York office of Labaton Sucharow LLP. John researches, analyzes and assesses potential new shareholder litigations with a focus on breaches of fiduciary duty and mergers and acquisitions.

John has successfully prosecuted cases against Versum Materials, Inc.; Stamps.com Inc.; and Expedia Group, Inc.

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 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.

Exhibit 7

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

PALM TRAN, INC. AMALGAMATED TRANSIT UNION LOCAL 1577 PENSION PLAN, Individually and On Behalf of All Others Similarly Situated, Plaintiff, v. CREDIT ACCEPTANCE CORPORATION, BRETT A. ROBERTS, and KENNETH S. BOOTH, Defendants.	Case No. 20-cv-12698 Honorable Linda V. Parker

DECLARATION OF RONALD A. KING ON BEHALF OF PLAINTIFF IN SUPPORT OF APPLICATION FOR AN AWARD OF ATTORNEYS' FEES AND LITIGATION EXPENSES

I, RONALD A. KING, declare as follows, pursuant to 28 U.S.C. §1746:

1. I am a member of the law firm of Clark Hill PLC. I am submitting 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-entitled action (the "Action") from inception through October 21, 2022 (the "Time Period").

2. My firm, which served as Liaison Counsel in the Action, was involved throughout the course of the litigation, which is described in the accompanying

Declaration of Michael P. Canty in Support of (I) Lead Plaintiffs' Motion for Final Approval of Class Action Settlement and Plan of Allocation and (II) Lead Counsel's Motion for an Award of Attorneys' Fees and Payment of Litigation Expenses, filed herewith.

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

4. The schedule attached hereto as Exhibit A is a summary indicating the amount of time spent by attorneys and professional support staff members of my firm who were involved in the prosecution of the Action, and the lodestar calculation based on my firm's current hourly rates. The schedule was prepared from daily time records regularly prepared and maintained by my firm, which are available at the

request of the Court. Time expended in preparing this application for fees and payment of expenses has not been included in this request.

5. The total number of reported hours spent on this Action by my firm during the Time Period is 26.8. The total lodestar amount for reported attorney/professional staff time based on the firm's current rates is $19,180.

6. The hourly rates for the attorneys of my firm included in Exhibit A are my firm's usual and customary hourly rates. My firm's lodestar figures are based upon the firm's current hourly rates, which do not include charges for expense items. Expense items are recorded separately and are not duplicated in my firm's hourly rates.

7. As detailed in Exhibit B, my firm has incurred a total of $7 in unreimbursed courier expenses in connection with the prosecution of the Action. The expenses are reflected on the books and records of my firm.

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

I declare under penalty of perjury that the foregoing is true and correct. Executed this 1st day of November, 2022.

Ronald A. King, Clark Hill PLC

Exhibit A

Credit Acceptance Corporation Securities Litigation

EXHIBIT A

LODESTAR REPORT

FIRM: CLARK HILL PLC
REPORTING PERIOD: INCEPTION THROUGH OCTOBER 31, 2022

PROFESSIONAL	STATUS	CURRENT RATE	HOURS	LODESTAR
Ronald A. King	P	$750	24.5	$18,375
Kelly E. Kane	A	$350	2.3	$805
TOTALS				**$19,180**

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

Exhibit B

Credit Acceptance Corporation Securities Litigation

EXHIBIT B

EXPENSE REPORT

FIRM: CLARK HILL PLC
REPORTING PERIOD: INCEPTION THROUGH OCTOBER 31, 2022

CATEGORY		TOTAL AMOUNT
Courier Fees		$7.00
TOTAL		**$ 7.00**

Exhibit C

Clark Hill

Ronald A. King

Member

rking@clarkhill.com

Lansing
+1 517.318.3015

fax +1 517.318.3068

Ronald King helps clients solve business, administrative, and regulatory issues. He leads multi-party litigation cases involving commercial matters, constitutional claims, and public pension-related disputes.

Ron guides his clients regarding public pension law, presently serves as General Counsel to the Police and Fire Retirement System of the City of Detroit. He has also served as special counsel and lead trial counsel for the General Retirement System of the City of Detroit and the PFRS since 2006. As General Counsel, Ron has a significant role in strategic planning, government relations, plan qualification and administration, investments, audit, actuary, regulatory compliance and litigation. Most recently, he played a significant and lead role on behalf of the retirement systems leading up to and following Detroit's historic Chapter 9 bankruptcy case. Ron continues to lead the PFRS and its Boards of Trustees, working closely with staff and trustees to thoroughly and clearly convey and analyze the many issues facing PFRS in the implementation of the Chapter 9 Plan of Adjustment and its on-going operations.

Ron also advises his clients in all aspects of complex multi-party litigation involving diverse commercial matters, constitutional claims, and public pension-related disputes. He has conducted and supervised teams of internal and external attorneys in all phases of litigation in federal and state courts, and before federal, state and local administrative bodies, including regulatory and criminal investigations. He has conducted and supervised all aspects of discovery, e-discovery, motion practice, trial, and settlement negotiations. He is particularly proficient at simplifying and clearly conveying complex data and concepts during litigation and trial and, as importantly, in the boardroom.

Ron also represents a broad range of clients in all manner of environmental matters, including regulatory compliance and enforcement, and complex cost recovery litigation involving multiple parties. This work includes taking matters to trial and using world-class technology to explain complex issues to the bench and juries. He has worked with regulators and environmental consultants on developing corrective action plans and meeting compliance obligations. His environmental litigation experience is extensive, varied, and includes successfully defending property owners, operators, and transporters in actions brought by regulatory agencies and third parties, under federal and state statutes as well as common law. Ron has substantial experience in all aspects of hazardous waste management. Ron brings his considerable experience in environmental compliance and remediation to focus on achieving cost-effective, creative and environmentally sound solutions to client problems.

Ron also counsels clients in the development and implementation of business and strategic plans, including plans for business growth, risk management, and asset protection. He has extensive experience negotiating and drafting corporate documents, including by-laws, buy-sell agreements and stock, and asset purchase agreements. Ron is a

Clark Hill

trusted advisor and problem solver.

Practice Areas

Environmental & Natural Resources

Litigation

Municipal Law

Education

J.D., Wayne State University Law School, Detroit, Michigan, 1991

B.A., The University of Chicago, Chicago, Illinois, 1986

Recognitions

Named among Lansing, Michigan's 2023 Litigation – Environmental "Lawyer of the Year" by Best Lawyer

Leading Lawyer

Memberships

State Bar of Michigan

National Association of Public Pension Attorneys

International Association of Employee Benefit Plans

Former Member, Clark Hill Executive Committee (2008-2013)

State Bar Licenses

Michigan

Court Admissions

U.S. District Ct., E.D. of Michigan

U.S. District Ct., W.D. of Michigan

U.S. District Ct., N.D. of Illinois

U.S. Court of Appeals, 6th Circuit

U.S. Court of Appeals, Federal Circuit

Experience

Articles

- Michigan Lawyers Weekly: Clark Hill Attorneys Recognized for Securing Largest Judgment in Michigan – January 2015
- Michigan Lawyers Weekly: Pension Funds Get $119M in Fraud, Conversion Action – September 2014

Clark Hill

Kelly E. Kane

Associate

kkane@clarkhill.com

Detroit
+1 313.309.9495

fax +1 313.309.6875

Kelly Kane supports construction clients including property owners, contractors, and suppliers in litigation of construction matters.

Kelly helps clients with contract disputes, lien and bond claims, collections, and violations of the Michigan Building Contract Fund Act. In addition to her construction practice, Kelly also litigates commercial contract disputes and business torts.

Recently, Kelly obtained a six-figure money judgment on behalf of a construction materials supplier pursuant to a bond claim. Kelly also defended a seven-figure breach of contract action on behalf of a client, where the trial court dismissed all claims against the client following a five-day bench trial. The trial court then awarded the client its reasonable attorney fees incurred at trial pursuant to Kelly's motion.

Prior to joining Clark Hill, Kelly worked as a human resources assistant at the largest greenhouse produce grower in North America. There, Kelly was responsible for recruitment, training, workers compensation, and employee relations at the Canadian headquarters.

Practice Areas

Construction Law

Education

J.D., magna cum laude, Michigan State University College of Law, East Lansing, Michigan

B.B.A., with Honors, University of Guelph, Ontario, Canada

Recognitions

Named among *Best Lawyers: Ones to Watch in America®* in Construction Law by Best Lawyers (2022)

Memberships

Ingham County Bar Association

ICLE New Lawyer Advisory Board

State Bar Licenses

Clark Hill

Michigan

Exhibit 8

Palm Tran, Inc. Amalgamated Transit Union Loc. 1577 Pension Plan
v. Credit Acceptance Corp.,
No 20-CV-12698 (E.D. Mich.)

SUMMARY OF LODESTARS AND EXPENSES

FIRM	HOURS	LODESTAR	EXPENSES
Clark Hill PLC	26.8	$19,180.00	$7.00
Labaton Sucharow LLP	2,497.9	$1,493,783.50	$59,608.60
TOTALS	**2,524.7**	**$1,512,963.50**	**$59,615.60**

Exhibit 9

	Count	Low	25th Percentile	Median	75th Percentile	High
Partners						
1) Akin Gump Strauss Hauer & Feld LLP	18	$1,075	$1,320	$1,388	$1,595	$1,655
2) Davis Polk & Wardwell LLP	15	$1,530	$1,593	$1,685	$1,685	$1,983
3) Kirkland & Ellis LLP	16	$1,135	$1,210	$1,380	$1,605	$1,845
4) Skadden, Arps, Slate, Meagher, & Flom LLP	6	$1,425	$1,425	$1,495	$1,565	$1,565
5) Proskauer Rose LLP	25	$1,150	$1,325	$1,375	$1,575	$1,675
6) Latham & Watkins LLP	29	$1,080	$1,200	$1,325	$1,455	$1,680
7) Paul, Weiss, Rifkind, Wharton, & Garrison LLP	3	$1,825	$1,825	$1,825	$1,825	$1,825
8) Jones Day	20	$875	$1,019	$1,100	$1,156	$1,575
9) Milbank LLP	18	$1,215	$1,379	$1,615	$1,615	$1,695
10) Kramer Levin Naftalis & Frankel	24	$960	$1,208	$1,300	$1,400	$1,525
11) Paul Hastings LLP	27	$1,250	$1,350	$1,450	$1,538	$1,650
12) Quinn Emanuel Urquhart & Sullivan, LLP	10	$1,040	$1,200	$1,263	$1,595	$1,595
13) Morrison & Foerster LLP	15	$1,050	$1,225	$1,350	$1,500	$1,600
14) Sidley Austin LLP	12	$1,025	$1,144	$1,225	$1,350	$1,425
15) O'Melveny & Meyers LLP	12	$1,045	$1,115	$1,193	$1,325	$1,465
16) Kasowitz Benson Torres LLP	3	$840	$1,020	$1,200	$1,225	$1,250
Of Counsel						
1) Akin Gump Strauss Hauer & Feld LLP	16	$960	$996	$1,055	$1,131	$1,310
2) Skadden, Arps, Slate, Meagher, & Flom LLP	1	$1,260	$1,260	$1,260	$1,260	$1,260
3) Davis Polk & Wardwell LLP	4	$1,295	$1,295	$1,295	$1,295	$1,295
4) Paul Hastings LLP	11	$905	$1,200	$1,300	$1,363	$1,550
5) Kramer Levin Naftalis & Frankel	8	$1,050	$1,075	$1,105	$1,191	$1,420
6) Milbank LLP	9	$1,175	$1,175	$1,175	$1,175	$1,235
7) Morrison & Foerster LLP	10	$930	$980	$1,038	$1,238	$1,560
8) Paul, Weiss, Rifkind, Wharton, & Garrison LLP	1	$1,400	$1,400	$1,400	$1,400	$1,400
9) Jones Day	4	$850	$869	$875	$900	$975
10) Latham & Watkins LLP	7	$1,085	$1,085	$1,120	$1,180	$1,295
11) Quinn Emanuel Urquhart & Sullivan, LLP	2	$1,015	$1,015	$1,016	$1,016	$1,016
12) Sidley Austin LLP	3	$975	$1,013	$1,050	$1,063	$1,075
13) O'Melveny & Meyers LLP	14	$850	$931	$943	$991	$1,480
Associates						
1) Paul Hastings LLP	45	$690	$765	$855	$955	$1,125
2) Proskauer Rose LLP	41	$640	$850	$960	$1,075	$1,195
3) Akin Gump Strauss Hauer & Feld LLP	16	$535	$641	$775	$869	$945
4) Kirkland & Ellis LLP	16	$610	$740	$845	$990	$1,105
5) Skadden, Arps, Slate, Meagher, & Flom LLP	5	$995	$1,065	$1,065	$1,120	$1,120
6) Paul, Weiss, Rifkind, Wharton, & Garrison LLP	3	$965	$965	$965	$1,063	$1,160
7) Davis Polk & Wardwell LLP	43	$690	$738	$990	$1,080	$2,017
8) Milbank LLP	24	$475	$625	$870	$995	$1,090
9) Latham & Watkins LLP	47	$580	$793	$925	$1,040	$1,150
10) Kramer Levin Naftalis & Frankel	32	$615	$715	$893	$1,010	$1,090
11) Sidley Austin LLP	13	$570	$675	$775	$930	$1,015
12) Morrison & Foerster LLP	26	$540	$650	$793	$856	$1,070
13) Jones Day	30	$450	$500	$563	$669	$925
14) Quinn Emanuel Urquhart & Sullivan, LLP	12	$700	$806	$900	$975	$995
15) O'Melveny & Meyers LLP	12	$545	$568	$720	$813	$895
16) Kasowitz Benson Torres LLP	9	$445	$445	$700	$775	$950
Paralegals						
1) Kirkland & Ellis LLP	6	$275	$291	$393	$445	$445
2) Akin Gump Strauss Hauer & Feld LLP	8	$300	$345	$360	$396	$435
3) Skadden, Arps, Slate, Meagher, & Flom LLP	1	$450	$450	$450	$450	$450
4) Latham & Watkins LLP	7	$250	$265	$375	$475	$505
5) Paul Hastings LLP	9	$235	$290	$460	$495	$520
6) Davis Polk & Wardwell LLP	7	$325	$388	$450	$450	$450
7) Kramer Levin Naftalis & Frankel LLP	4	$420	$428	$435	$440	$440
8) Sidley Austin LLP	3	$390	$390	$390	$433	$475
9) Morrison & Foerster LLP	4	$375	$409	$423	$426	$430
10) Proskauer Rose LLP	19	$225	$268	$320	$450	$505
11) Milbank LLP	10	$240	$320	$353	$373	$375
12) Paul, Weiss, Rifkind, Wharton, & Garrison LLP	2	$350	$364	$378	$391	$405
13) Jones Day	9	$250	$300	$300	$350	$400
14) Quinn Emanuel Urquhart & Sullivan, LLP	5	$350	$355	$355	$405	$405
15) Kasowitz Benson Torres LLP	6	$103	$224	$288	$310	$315
16) O'Melveny & Meyers LLP	3	$395	$395	$395	$395	$395

	Count	Low	Percentile	Median	Percentile	High
		Rate (%Diff.)	Rate (%Diff.)	Rate (%Diff.)	Rate (%Diff.)	Rate (%Diff.)
All Partners						
All Firms Sampled	253	$840 **(+20%)**	$1,215 **(+47%)**	$1,355 **(+46%)**	$1,565 **(+53%)**	$1,983 **(+65%)**
Labaton Sucharow LLP	25	$700	$825	$925	$1,025	$1,200
Senior Partners						
All Firms Sampled	214	$840 **(+2%)**	$1,246 **(+38%)**	$1,400 **(+44%)**	$1,575 **(+48%)**	$1,983 **(+65%)**
Labaton Sucharow LLP	20	$825	$900	$975	$1,063	$1,200
Mid-Level Partners						
All Firms Sampled	21	$1,025 **(+46%)**	$1,125 **(+55%)**	$1,215 **(+57%)**	$1,360 **(+70%)**	$1,655 **(+107%)**
Labaton Sucharow LLP	5	$700	$725	$775	$800	$800
Junior Partners						
All Firms Sampled	18	$960 **#DIV/0!**	$1,120 **#DIV/0!**	$1,185 **#DIV/0!**	$1,255 **#DIV/0!**	$1,595 **#DIV/0!**
Labaton Sucharow LLP	0	$0	$0	$0	$0	$0
Of Counsel						
All Firms Sampled	105	$850 **(+70%)**	$995 **(+68%)**	$1,110 **(+67%)**	$1,295 **(+82%)**	$1,560 **(+60%)**
Labaton Sucharow LLP	18	$500	$594	$663	$713	$975
All Associates						
All Firms Sampled	374	$445 **(+11%)**	$698 **(+64%)**	$855 **(+80%)**	$995 **(+99%)**	$2,017 **(+267%)**
Labaton Sucharow LLP	21	$400	$425	$475	$500	$550
Senior Associates						
All Firms Sampled	120	$445 **(-11%)**	$871 **(+64%)**	$995 **(+81%)**	$1,076 **(+96%)**	$1,195 **(+117%)**
Labaton Sucharow LLP	6	$500	$531	$550	$550	$550
Mid-Level Associates						
All Firms Sampled	107	$500 **(+11%)**	$825 **(+83%)**	$925 **(+95%)**	$993 **(+109%)**	$2,017 **(+325%)**
Labaton Sucharow LLP	9	$450	$450	$475	$475	$475
Junior Associates						
All Firms Sampled	148	$450 **(+13%)**	$610 **(+53%)**	$700 **(+65%)**	$788 **(+85%)**	$1,095 **(+158%)**
Labaton Sucharow LLP	6	$400	$400	$425	$425	$425
Paralegals						
All Firms Sampled	103	$103 **(-44%)**	$300 **(-16%)**	$375 **(+21%)**	$440 **(+26%)**	$520 **(+24%)**
Labaton Sucharow LLP	19	$185	$358	$310	$350	$420

Exhibit 10

Compendium of Unreported Cases

TAB 1

UNITED STATES DISTRICT COURT

EASTERN DISTRICT OF MICHIGAN

SOUTHERN DIVISION

KEVIN L. DOUGHERTY, Individually and on Behalf of All Others Similarly Situated, Plaintiff, vs. ESPERION THERAPEUTICS, INC., et al., Defendants.	Civ. No. 2:16-cv-10089-AJT-RSW CLASS ACTION ORDER AWARDING ATTORNEYS' FEES, LITIGATION COSTS AND EXPENSES AND AWARDS TO CLASS REPRESENTATIVES PURSUANT TO 15 U.S.C. §78u-4(a)(4)

This matter having come before the Court on August 23, 2021, on the motion of Class Counsel for an award of attorneys' fees and expenses (the "Fee Motion"), the Court, having considered all papers filed and proceedings conducted herein, having found the Settlement of this Litigation to be fair, reasonable and adequate, and otherwise being fully informed in the premises and good cause appearing therefore;

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that:

1. This Order incorporates by reference the definitions in the Stipulation of Settlement, dated April 26, 2021 (the "Stipulation"), and all capitalized terms used, but not defined herein, shall have the same meanings as set forth in the Stipulation.

2. This Court has jurisdiction over the subject matter of this application and all matters relating thereto, including all Members of the Class who have not timely and validly requested exclusion.

3. Notice of Class Counsel's Fee Motion was given to all Class Members who could be located with reasonable effort. The form and method of notifying the Class of the Fee Motion met the requirements of Rule 23 of the Federal Rules of Civil Procedure and 15 U.S.C. §78u-4(a)(7), the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995, due process, and any other applicable law, constituted the best notice practicable under the

circumstances, and constituted due and sufficient notice to all persons and entities entitled thereto.

4. The Court hereby awards Class Counsel attorneys' fees of 32.5% of the $18.25 million Settlement Amount, plus expenses in the amount of $833,716.99, together with the interest earned on both amounts for the same time period and at the same rate as that earned on the Settlement Fund until paid. The Court finds that the amount of fees awarded is fair, reasonable, and appropriate.

5. The awarded attorneys' fees and expenses and interest earned thereon shall be paid to Class Counsel immediately upon execution of the Order and Final Judgment and this Order and subject to the terms, conditions, and obligations of the Stipulation, and in particular ¶6.2 thereof, which terms, conditions, and obligations are incorporated herein.

6. In making this award of fees and expenses to Class Counsel, the Court has considered and found that:

(a) the Settlement has created a fund of $18,250,000 in cash that is already on deposit, and numerous Class Members who submit, or have submitted, valid Proof of Claim and Release forms will benefit from the Settlement created by Class Counsel;

(b) over 13,400 copies of the Notice were disseminated to potential Class Members indicating that Class Counsel would move for attorneys' fees in an

amount not to exceed 32.5% of the Settlement Amount and for expenses in an amount not to exceed $1,000,000, plus interest on both amounts, and no objections to the fees or expenses were filed by Class Members;

(c) Class Counsel have pursued the Litigation and achieved the Settlement with skill, perseverance, and diligent advocacy;

(d) Class Counsel have expended substantial time and effort pursuing the Litigation on behalf of the Class;

(e) Class Counsel pursued the Litigation on a contingent basis, having received no compensation during the Litigation, and any fee amount has been contingent on the result achieved;

(f) the Litigation involves complex factual and legal issues and, in the absence of settlement, would involve lengthy proceedings whose resolution would be uncertain;

(g) had Class Counsel not obtained the Settlement, there would remain a significant risk that the Class may have recovered less or nothing from Defendants;

(h) Class Counsel have devoted over 18,233 hours to achieve the Settlement;

(i) public policy concerns favor the award of reasonable attorneys' fees and expenses in securities class action litigation; and

(j) the attorneys' fees and expenses awarded are fair and reasonable and consistent with awards in similar cases within the Sixth Circuit.

7. Any appeal or any challenge affecting this Court's approval regarding the Fee Motion shall in no way disturb or affect the finality of the Judgment entered with respect to the Settlement.

8. Pursuant to 15 U.S.C. §78u-4(a)(4), the Court awards $7,500.00 each to Ronald E. Wallace and Walter J. Minett for the time they spent directly related to their representation of the Class.

9. In the event that the Settlement is terminated or does not become Final or the Effective Date does not occur in accordance with the terms of the Stipulation, this Order shall be rendered null and void to the extent provided in the Stipulation and shall be vacated in accordance with the Stipulation.

IT IS SO ORDERED.

DATED: August 24, 2021

s/Arthur J. Tarnow
THE HONORABLE ARTHUR J. TARNOW
UNITED STATES DISTRICT JUDGE

TAB 2

UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

SAN JOSE DIVISION

In re EXTREME NETWORKS, INC. SECURITIES LITIGATION

Case No. 15-cv-04883-BLF

ORDER GRANTING LEAD PLAINTIFF'S MOTION FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT AND PLAN OF ALLOCATION; GRANTING LEAD COUNSEL'S MOTION FOR AN AWARD OF ATTORNEYS' FEES AND PAYMENT OF EXPENSES

[Re: ECF 172, 173]

On June 27, 2019, the Court heard (1) Lead Plaintiff's Motion for Final Approval of Class Action Settlement and Plan of Allocation (Appr. Mot., ECF 172), and (2) Lead Counsel's Motion for an Award of Attorneys' Fees and Payment of Expenses (Fees Mot., ECF 173). For the reasons discussed below and those stated on the record at the hearing on the motions, the motions are GRANTED.

I. BACKGROUND

A. Facts

This is a putative class action for securities fraud brought against Extreme Networks, Inc. ("Extreme") and its officers Charles W. Berger, John T. Kurtzweil, and Kenneth B. Arola ("Individual Defendants") (collectively with Extreme, "Defendants"). Founded in 1966, Extreme is a Delaware corporation with its principal offices in San Jose, California. *See* First Am. Compl. ("FAC") ¶ 2, 32, ECF 105. Extreme develops and sells network infrastructure equipment such as wired and wireless devices for accessing the Internet, as well as related software. *Id.* ¶ 2. The Individual Defendants were officers and directors of Extreme during the time relevant to this

litigation. Defendant Charles W. Berger was Extreme's President and Chief Executive Officer ("CEO") and a member of Extreme's Board of Directors from April 2013 until April 19, 2015. *Id.* ¶ 34. Defendant John T. Kurtzweil was Extreme's Chief Financial Officer ("CFO") and Senior Vice President from June 29, 2012 until June 1, 2014. *Id.* ¶ 35. From June 2, 2014 until September 30, 2014, Kurtzweil served as Special Assistant to the CEO. *Id.* Defendant Kenneth B. Arola was the Company's CFO and Senior Vice President from June 2, 2014 through May 2016. *Id.* ¶ 36.

The First Amended Complaint ("FAC") alleges that Defendants misrepresented to investors the success of Extreme's post-acquisition integration with its former competitor, Enterasys Networks, Inc. ("Enterasys"), as well as developments in Extreme's "key partnership" with Lenovo Group Ltd. ("Lenovo"). *See, e.g., id.* ¶¶ 1–18. Defendants' positive representations to investors about the resulting "synergies" from the Enterasys integration and benefits of the Lenovo partnership—including a commitment that cost savings from these arrangements would lead to double-digit revenue growth and a 10% operating margin by June 2015—caused Extreme's stock price to rise. *Id.* ¶¶ 17–19. Extreme's stock price then dropped when Extreme reported disappointing financial results at various points between February 2014 and the end of the Class Period on April 9, 2015. *Id.* ¶¶ 20–22.

Relying on six confidential witnesses ("CWs"), Lead Plaintiff Arkansas Teacher Retirement System ("ATRS" or "Lead Plaintiff") alleged that Defendants knew or recklessly disregarded material adverse facts regarding the lack of any integration plan for the Enterasys merger, which was not "on track" or "complete" as represented. *Id.* ¶ 13. ATRS also pointed to accounts from CWs that the Lenovo partnership was largely unproductive, in direct contrast to Defendants' representations to the market. *Id.* ¶ 17. According to ATRS, Defendants' false statements caused Extreme's stock to trade at artificially inflated prices between September 12, 2013, and April 9, 2015 (the "Class Period"), reaching a high of $8.14 per share on January 23, 2014. *Id.* ¶ 19. ATRS alleges that four partial corrective disclosures by Defendants announcing revenue shortfalls, guidance misses, and turnovers of Extreme executives, caused the stock price to plummet as the undisclosed risks relating to Enterasys integration and Lenovo partnership

materialized. *Id.* ¶ 20–22.

Defendants have agreed to pay $7,000,000 in cash, to secure a settlement of the claims in the Action and related claims that could have been brought ("Released Claims").

B. Procedural History

This litigation has a long history of nearly four years. In October of 2015, two securities class action complaints were filed on behalf of individuals who invested in Extreme during the relevant time period.[1] On December 1, 2015, the Court granted the parties' stipulation to consolidate the two actions. ECF 18. On June 28, 2016, the Court appointed ATRS as Lead Plaintiff, Labaton Sucharow LLP as Lead Counsel, and Berman DeValerio[2] as Liaison Counsel to represent the putative class. ECF 75.

On September 26, 2016, ATRS filed a Consolidated Class Action Complaint on behalf of all investors who purchased the publicly traded common stock of Extreme and/or exchange-traded options on such common stock during the Class Period. *See* Consol. Compl. ¶ 1, ECF 87. Prior to filing the Consolidated Complaint, Lead Counsel conducted extensive factual investigation, including reviewing SEC documents, press releases, and other publicly available information, as well as reviewing research reports issued by financial analysists and other public data. Villegas Decl. ISO Final Appr. ("Villegas Decl.") ¶ 17, ECF 174. Lead Counsel also interviewed former employees of Extreme and other persons with relevant knowledge and consulted with an economics expert for loss causation and damages. *Id.* The Consolidated Complaint asserted two causes of action, based on the facts described above: (1) violation of § 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 against all Defendants; and (2) violation of § 20(a) of the Securities Exchange Act of 1934 against the Individual Defendants for liability as control persons of Extreme. *See generally* Consol. Compl.

On November 10, 2016, Defendants moved to dismiss the Consolidated Complaint. *See* ECF 89. On April 17, 2017, the Court granted Defendants' motion with leave to amend because

[1] *See Hong v. Extreme Networks, Inc., et al.*, No. 5:15-cv-04883-BLF, Compl., ECF 1 (Oct. 23, 2015); and *Kasprzak v. Extreme Networks, Inc., et al.*, No. 5:15-cv-04975-BLF, Compl., ECF 1 (Oct. 29, 2015).

[2] Berman DeValerio has since been renamed Berman Tabacco.

ATRS had failed to adequately plead that Defendants made any false or misleading statements and that they did so with scienter. *See* ECF 102 at 42. On May 29, 2017, ATRS filed its First Amended Complaint, asserting the same two causes of action for securities violations against the same Defendants, focusing their amended factual allegations on statements that the Court had indicated were actionable. *See generally* FAC. Prior to filing the FAC, ATRS contacted 148 former employees of Extreme and interviewed 24 of those employees. Villegas Decl. ¶ 25. ATRS also consulted with an expert in the field of executive compensation. *Id.* On July 10, 2017, Defendants filed a motion to dismiss the FAC. *See* ECF 107. On March 21, 2018, the Court granted in part and denied in part Defendants' motion to dismiss, finding that ATRS stated a claim under Section 10(b) and Rule 10b-5 against all Defendants except Kurtzweil and that ATRS stated a claim under Section 20(a) against the Individual Defendants. On June 21, 2018, more than one and a half years after the Consolidated Complaint was filed and over two and a half years after the lawsuit's inception, Defendants answered the FAC. *See* ECF 145.

The parties then engaged in some discovery, including numerous requests for production and interrogatories and their responses, as well as depositions. Lead Plaintiff served eighty-seven requests for the production of documents on Defendants on April 30, 2018. Villegas Decl. ¶ 33. Defendants served responses and objections to Lead Plaintiff's document requests on June 14, 2018. *Id.* The parties exchanged initial disclosures on May 21, 2018. *Id.* And the parties met and conferred extensively regarding the production of electronically stored information and a protective order governing the disclosures in the action. *Id.* ¶ 34.

Concurrently with discovery, the parties engaged in mediation and settlement discussions. On July 18, 2018, the parties attended an in-person mediation with Robert A. Meyer, Esq. ("Mr. Meyer"), an experienced mediator. *Id.* ¶¶ 35–36. The initial mediation was preceded by the exchange of mediation statements and Defendants' production of approximately 1,270 pages of documents, including Board of Director minutes and presentations, which Lead Counsel reviewed. *Id.* ¶¶ 36–37. Following rigorous arm's length negotiations led by Mr. Meyer, the parties accepted a mediator's proposal on August 17, 2018. *Id.* ¶ 38. On September 26, 2018, the parties entered into a settlement term sheet, and on November 30, 2018, ATRS filed the finalized settlement

agreement in support of its motion seeking preliminary approval of the settlement. *See* ECF 155, 156-1.

C. Settlement Agreement, Allocation Plan, and Notice Plan

On March 13, 2019, the Court granted ATRS's motion for preliminary approval of class action settlement and approved the forms of notice to the Settlement Class. *See* ECF 167. The class includes "all persons and entities that purchased or otherwise acquired the publicly traded common stock and exchange-traded call options, and/or sold put options, of Extreme Networks, Inc. during the period from September 12, 2013 through April 9, 2015, inclusive, and who were damaged thereby." *See* ECF 156-1 ("Agreement") at 10 ¶ hh. Under the Settlement Agreement, Extreme has agreed to provide a settlement fund in the amount of $7 million. *See* Agreement at 10 ¶ gg, 13 ¶ 6. Of the $7 million, the Settlement Class will receive what remains after subtracting the cost of any attorney's fees and expenses, notice and administration costs, Lead Plaintiff's service awards, and applicable taxes (the "Net Settlement Fund"). Villegas Decl. ¶ 62; Agreement ¶ 26. The Net Settlement Fund will be distributed among claimants on a *pro rata* basis based on "Recognized Loss" formulas tied to claimants' potential damages and developed by ATRS's expert. Settlement Agreement ¶¶ 22–26; Villegas Decl. ¶ 63; ECF 167 ¶¶ 48–57. Each claimant's calculated recognized loss will be compared to the aggregate recognized loss of all claimants to determine that claimant's *pro rata* share of the settlement fund. Villegas Decl. ¶ 64. Because the Court dismissed claims prior to February 5, 2014, but the class covers individuals who purchased shares prior to that date, those individuals' claims will be calculated using 20% of the alleged artificial inflation of the share prices. *Id.* ¶ 63.

The Court preliminarily approved, and the Settlement Administrator ("KCC") and the parties complied with, the following notice process: KCC obtained the names and addresses of potential settlement class members from listings provided by Extreme's transfer agent and from banks, brokers, and other nominees. Villegas Decl. ¶ 42; Villegas Decl., Ex. 2 ¶¶ 1–7, ECF 174-2. KCC sent by first-class mail notice packets (containing the notice and claim form) to settlement class members and potential nominees (third-party purchasers who may have purchased shares on behalf of potential claimants). Villegas Decl. ¶ 42; Villegas Decl., Ex. 2 ¶¶ 4–7. As of June 4,

2019, KCC had mailed 27,972 notice packets. Suppl. Decl. of Lance Cavallo ¶ 2, ECF 177. The summary notice was also published in *Investor's Business Daily* and disseminated over *PR Newswire.* Villegas Decl. ¶ 43. KCC also created and maintained a settlement website. Villegas Decl., Ex. 2 ¶ 10.

The Agreement (and approved notice plan) contemplates a process for direct payments to the class members. First, class members needed to submit by June 6, 2019 a simple claim form for their shares purchased during the class period. Villegas Decl. ¶ 61; ECF 167. The direct mail and website notices informed members of the opportunity to opt out through a simple form. Requests for exclusions or objections needed to be filed by May 23, 2019. Villegas Decl. ¶ 45; ECF 167. Once KCC has processed submitted claims and provided claimants with an opportunity to cure deficiencies or challenge rejection determinations, payment distributions will be made to eligible claimants through PayPal (for all payments below $10.00 and for payments between $10.00 and $100.00 for those who elect this option), or by check. Villegas Decl. ¶ 65. At least six months after the initial distribution of the funds, any funds remaining will be redistributed to those who have previously cashed their checks. *Id.* This process will be repeated until the remaining sum is no longer economically feasible to distribute. At that time, Lead Counsel will request with the Court that the unclaimed balance be distributed to a *Cy Pres* Recipient: Consumer Federation of America ("CFA"). *Id.* CFA is a national non-profit consumer advocacy organization for investor protection; it has been approved as a *Cy pres* beneficiary in several securities cases in California. *Id.* ¶ 66.

As of June 4, 2019, 1,244 valid claims had been submitted, representing over 66,777,000 shares of common stock purchased during the class period. Villegas Decl., Ex. 2 ¶¶ 5–6. Of those claims, 888 were filed by or on behalf of institutions and 356 claims were submitted by or on behalf of individuals. *Id.* ¶ 5.

On June 20, 2019, the Court held a hearing on the motions. Counsel represented on the record at the hearing that a total of 3,845 claims had been received, constituting a response rate of approximately 14 percent. Counsel also represented that of these claims, over 3,000 had been filed by or on behalf of institutions and approximately 400 by or on behalf of individuals. The

deadline to submit claims had passed, but Counsel was continuing to accept claims through an informal grace period. At the hearing, this Court ordered Lead Counsel to post by June 21, 2019 a firm grace period termination date of June 28, 2019 on the website maintained by KCC, and to accept only claims filed before that date as determined by postmark and email timestamp. Only two requests for exclusion were received by June 20, 2019, one of which was deemed invalid for failing to provide the requisite information and neglecting to cure the deficiency when notified by KCC that the exclusion request was invalid. Villegas Decl., Ex. 2 ¶ 3. There were no objectors before the deadline and no objectors appeared at the hearing. *Id.* Counsel represented on the record at the hearing that initial distribution was expected to commence in December 2019. The Court indicated on the record that both motions would be granted. On the day of the hearing, the Court issued an order approving the Plan of Allocation. ECF 180.

II. MOTION FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT

In order to grant final approval of the class action settlement, the Court must determine that (1) the class meets the requirements for certification under Federal Rule of Civil Procedure 23, and (2) the settlement reached on behalf of the class is fair, reasonable, and adequate. *See Staton v. Boeing Co.*, 327 F.3d 938, 952 (9th Cir. 2003) ("Especially in the context of a case in which the parties reach a settlement agreement prior to class certification, courts must peruse the proposed compromise to ratify both the propriety of the certification and the fairness of the settlement.").

A. The Class Meets the Requirements for Certification under Rule 23

A class action is maintainable only if it meets the four requirements of Rule 23(a):

> (1) the class is so numerous that joinder of all members is impracticable;
>
> (2) there are questions of law or fact common to the class;
>
> (3) the claims or defenses of the representative parties are typical of the claims or defenses of the class; and
>
> (4) the representative parties will fairly and adequately protect the interests of the class.

Fed. R. Civ. P. 23(a). In a settlement-only certification context, the "specifications of the Rule—

those designed to protect absentees by blocking unwarranted or overbroad class definitions—demand undiluted, even heightened, attention." *Amchem Prods., Inc. v. Windsor*, 521 U.S. 591, 620 (1997).

In addition to satisfying the Rule 23(a) requirements, "parties seeking class certification must show that the action is maintainable under Rule 23(b)(1), (2), or (3)." *Id.* at 614. Plaintiffs seek certification under Rule 23(b)(3), which requires that (1) "questions of law or fact common to class members predominate over any questions affecting only individual members" and (2) "a class action is superior to other available methods for fairly and efficiently adjudicating the controversy." Fed. R. Civ. P. 23(b)(3).

The Court concluded that these requirements were satisfied when it granted preliminary approval of the class action settlement. *See* ECF 167. The Court is not aware of any new facts which would alter that conclusion. However, the Court reviews the Rule 23 requirements again briefly, as follows.

Turning first to the Rule 23(a) prerequisites, the Court has no difficulty concluding that because the class contains thousands of members (3,845 claims filed as of the June 20, 2019 hearing), joinder of all class members would be impracticable. The commonality requirement is met because the key issues in the case are the same for all class members, including, for example, whether Defendants misrepresented material facts or omitted material facts for publicly traded stocks in violation of the law and whether these alleged actions artificially inflated the stock price. *See* Villegas Decl. ¶ 31. ATRS's claims are typical of those of the class, as it advances the same claims, shares identical legal theories, and allegedly experienced losses from Extreme's misrepresentations. *See Hanlon v. Chrysler Corp.*, 150 F.3d 1011, 1020 (9th Cir. 1998) (typicality requires only that the claims of the class representatives be "reasonably co-extensive with those of absent class members"). Finally, to determine ATRS's adequacy, the Court "must resolve two questions: (1) do the named plaintiffs and their counsel have any conflicts of interest with other class members and (2) will the named plaintiffs and their counsel prosecute the action vigorously on behalf of the class?" *Ellis v. Costco Wholesale Corp.*, 657 F.3d 970, 985 (9th Cir. 2011) (internal quotation marks and citation omitted). The Court has no reservations regarding the

abilities of Class Counsel or their zeal in representing the class, and the record discloses no conflict of interest which would preclude ATRS from acting as class representative. *See* Villegas Decl. ¶¶ 4, 16, 101.

With respect to Rule 23(b)(3), the "predominance inquiry tests whether proposed classes are sufficiently cohesive to warrant adjudication by representation." *Amchem*, 521 U.S. at 623. The common questions in this case which would be subject to common proof include whether Defendants misrepresented material facts or omitted material facts for publicly traded stocks in violation of the law, whether Defendants had a duty to disclose alleged material omissions or acted with scienter, and whether the market price of Extreme's common stock during the class period was artificially inflated due to the alleged material omissions and/or misrepresentations. Villegas Decl. ¶ 31; *see generally* ECF 130. These questions predominate. Moreover, given this commonality, and the number of potential class members, the Court concludes that a class action is a superior mechanism for adjudicating the claims at issue.

Accordingly, the Court concludes that the requirements of Rule 23 are met and that certification of the class for settlement purposes is appropriate. Plaintiff Arkansas Teacher Retirement System is hereby appointed as class representative and Labaton Sucharow LLP is appointed class counsel.

B. The Settlement is Fundamentally Fair, Adequate, and Reasonable

Federal Rule of Civil Procedure 23(e) "requires the district court to determine whether a proposed settlement is fundamentally fair, adequate, and reasonable." *Hanlon*, 150 F.3d at 1026. In the Ninth Circuit, courts use a multi-factor balancing test to analyze whether a given settlement is fair, adequate and reasonable. That test includes the following factors:

> the strength of the plaintiffs' case; the risk, expense, complexity, and likely duration of further litigation; the risk of maintaining class action status throughout the trial; the amount offered in settlement; the extent of discovery completed and the stage of the proceedings; the experience and views of counsel; the presence of a governmental participant; and the reaction of the class members to the proposed settlement.

Id. at 1026–27; *see also Lane v. Facebook, Inc.*, 696 F.3d 811, 819 (9th Cir. 2012) (discussing *Hanlon* factors).

Recent amendments to Rule 23 require the district court to consider a similar list of factors before approving a settlement, including whether:

> (A) the class representatives and class counsel have adequately represented the class;
>
> (B) the proposal was negotiated at arm's length;
>
> (C) the relief provided for the class is adequate, taking into account:
>
> > (i) the costs, risks, and delay of trial and appeal;
> >
> > (ii) the effectiveness of any proposed method of distributing relief to the class, including the method of processing class-member claims;
> >
> > (iii) the terms of any proposed award of attorney's fees, including timing of payment; and
> >
> > (iv) any agreement required to be identified under Rule 23(e)(3);
>
> (D) the proposal treats class members equitably relative to each other.

Fed. R. Civ. P. 23(e)(2).

In the Advisory Committee notes to the amendment, the Advisory Committee states that "[c]ourts have generated lists of factors to shed light" on whether a proposed class-action settlement is "fair, reasonable, and adequate." Advisory Committee Notes to 2018 Amendments, Fed. R. Civ. P. 23(e)(2) ("2018 R23 Advisory Notes"). The notes of the Advisory Committee explain that the enumerated, specific factors added to Rule 23(e)(2) are not intended to "displace" any factors currently used by the courts, but instead aim to focus the court and attorneys on "the core concerns of procedure and substance that should guide the decision whether to approve the proposal." *Id.*; *cf. United States v. Vonn*, 535 U.S. 55, 64 n.6 (2002) ("[T]he Advisory Committee Notes provide a reliable source of insight into the meaning of a rule . . . ."). Accordingly, the Court applies the framework set forth in Rule 23 with guidance from the Ninth Circuit's precedent, bearing in mind the Advisory Committee's instruction not to let "[t]he sheer number of factors" distract the Court and parties from the "central concerns" underlying Rule 23(e)(2).

Because this settlement occurs before formal class certification, the Court must also ensure that the class settlement is not the "product of collusion among the negotiating parties." *In re Bluetooth Headset Prods. Liab. Litig.*, 654 F. 3d 935, 946–47 (9th Cir. 2011).

1. Adequacy of Notice

"Adequate notice is critical to court approval of a class settlement under Rule 23(e). *Hanlon*, 150 F.3d at 1025. For the Court to approve a settlement, "[t]he class must be notified of a proposed settlement in a manner that does not systematically leave any group without notice." *Officers for Justice v. Civil Serv. Comm'n of City & County of San Francisco,* 688 F.2d 615, 624 (9th Cir. 1982) (citation omitted).

The Court previously approved the parties' proposed notice procedures. *See* ECF 167. In the motion for final approval, ATRS states that it followed this approved notice plan. Appr. Mot. at 3. After determining the best way to contact potential members of the class, KCC mailed almost 28,000 notice packets to potential class members and nominees. Cavallo Suppl. Decl. ¶ 3. The notice informed the class members of all key aspects of the Settlement, hearings, and the process for objections. *Id.* In addition, the Court-approved summary notice was published in *Investor's Business Daily*, transmitted over *PR Newswire*, and posted on the dedicated website. Villegas Decl. ¶ 103; Villegas Decl., Ex. 2 ¶ 10. Class counsel represented at the hearing that this notice process resulted in approximately 14% of the potential class submitting claims. This response rate is substantial.

In light of these actions and the Court's prior order granting preliminary approval, the Court finds that the parties have provided sufficient notice to the class members. *See Lundell v. Dell, Inc.*, Case No. 05-3970 JWRS, 2006 WL 3507938, at *1 (N.D. Cal. Dec. 5, 2006) (holding that notice via email and first class mail constituted the "best practicable notice" and satisfied due process requirements).

2. Rule 23(e)/*Hanlon* Factors

Turning to the Rule 23(e) factors, the Court first considers whether "the class representatives and class counsel have adequately represented the class" and whether "the proposal was negotiated at arm's length." Fed. R. Civ. P. 23(e)(2)(A)–(B). These considerations overlap with certain *Hanlon* factors, such as the non-collusive nature of negotiations, the extent of discovery completed, and the stage of proceedings. *See Hanlon*, 150 F.3d at 1026.

As discussed above when certifying the class, the Court finds that both Lead Plaintiff and

Class Counsel have adequately represented the class. In its Preliminary Approval Order, the Court found no evidence of a conflict between class representatives or counsel and the rest of the class. ECF 167 ¶ 3. No contrary evidence has emerged. Similarly, the Court found that counsel has vigorously prosecuted this action through dispositive motion practice, extensive initial discovery, and formal mediation. *See* Villegas Decl. ¶¶ 3–39, 90–91. Counsel possessed sufficient information to make an informed decision about the settlement, and its preliminary approval motion included information regarding settlement outcomes of similar cases, further indicating that counsel had adequate information from which to negotiate the settlement. *See* 2018 R23 Advisory Notes. The Court finds that counsel has continued to represent the class diligently by complying with the notice plan and settlement procedures. *See* Villegas Decl. ¶¶ 40–45. ATRS likewise actively participated in the prosecution of this case, including reviewing filings and discovery, and attending and participating in settlement negotiations. *See* ECF 174-1. Thus, the Court finds the adequacy of representation weighs in favor of approval.

The Settlement was also the product of arm's length negotiations through mediation sessions and follow-up communications supervised by an experienced mediator. Villegas Decl. ¶¶ 35–36. Pursuant to Ninth Circuit precedent, the Court must examine the Settlement for additional indicia of collusion that would undermine a *prima facie* arm's length negotiation. Because the Settlement was reached prior to class certification, there is "greater potential for a breach of fiduciary duty owed the class during settlement," and the Court must examine the risk of collusion with "an even higher level of scrutiny for evidence of collusion or other conflicts of interest." *In re Bluetooth,* 654 F.3d at 946. Signs of collusion may include (a) disproportionate distributions of settlement funds to counsel; (b) negotiation of attorney's fees separate from the class fund (a "clear sailing" provision); or (c) an arrangement for funds not awarded to revert to the defendants. *Id.* If multiple indicia of implicit collusion are present, the district court has a heightened obligation to assure that fees are not unreasonably high. *Id.* (quoting *Staton*, 327 F.3d at 965).

There is no evidence that the parties colluded here. Counsel's fee request is proportionate to the settlement fund, there is no clear sailing provision, and no funds revert to Defendants. *See generally* Agreement. Further, the Court finds that the requested fees are in fact reasonable, to be

discussed in greater detail below. This factor weighs in favor of approval.

Rules 23(e)(2)(C)–(D) specify factors for conducting a "substantive" review of the proposed settlement. The Court discusses each of the enumerated factors in turn.

a. Strength of Plaintiffs' Case and Risk of Continuing Litigation

In assessing "the costs, risks, and delay of trial and appeal," Fed R. Civ. P. 23(e)(2)(C)(i), courts in the Ninth Circuit evaluate "the strength of the plaintiffs' case; the risk, expense, complexity, and likely duration of further litigation; [and] the risk of maintaining class action status throughout the trial." *Hanlon*, 150 F.3d at 1026. The Court finds that ATRS faced significant obstacles in this case, including needing to survive multiple motions to dismiss that raised important and complicated issues. The class would have faced similar risks at trial. As set forth in ATRS's motion, these obstacles included challenges to the material falsity of each alleged misstatement, class certification challenges, loss causation and damages challenges, and the risks inherent in a "battle of the experts" of complex economic theories in a jury trial. Appr. Mot. at 6–14. Throughout the litigation and mediation, Defendants raised many substantive, potentially meritorious defenses to the claims; indeed, the Court narrowed the claims significantly through the motions to dismiss phase. *See* Villegas Decl. ¶¶ 46–60. Securities actions in particular are often long, hard-fought, complicated, and extremely difficult to win.

The Court finds this factor weighs in favor of approval.

b. Effectiveness of Distribution Method, Terms of Attorney's Fees, and Supplemental Agreements

The Court must likewise consider "the effectiveness of [the] proposed method of distributing relief to the class." Fed. R. Civ. P. 23(e)(2)(C)(ii). The Court has already approved the Plan of Allocation and has determined that it is reasonable and effective. ECF 180. The "terms of [the] proposed award of attorney's fees," Fed. R. Civ. P. 23(e)(2)(C)(iii), are reasonable as discussed below. There are no supplemental agreements. This factor weighs in favor of approval.

c. Equitable Treatment of Class Members

Rule 23 also requires consideration of whether "the proposal treats class members equitably relative to each other." Fed. R. Civ. P. 23(e)(2)(C)(i). Consistent with this instruction,

the Court considers whether the proposal "improperly grant[s] preferential treatment to class representatives or segments of the class." *In re Tableware Antitrust Litig.*, 484 F. Supp. 2d 1078, 1079 (N.D. Cal. 2007) (citation omitted). Under the Agreement, class members who have submitted timely claims will receive payments on a *pro rata* basis based on the value of their original claim and the number of claims filed. Villegas Decl. ¶¶ 63–66. In granting preliminary approval, the Court found that this proposed allocation did not constitute improper preferential treatment. ECF 180. The Court adheres to its view that the allocation plan is equitable. Moreover, the service award ATRS seeks is reasonable and does not constitute inequitable treatment of class members. *See Rodriguez v. W. Publ'g Corp.*, 563 F.3d 948, 958–59 (9th Cir. 2009). This factor weighs in favor of approval.

d. Settlement Amount

"The relief that the settlement is expected to provide to class members is a central concern," though it is not enumerated among the factors of Rule 23(e). 2018 R23 Advisory Notes. Thus, the Court considers "the amount offered in the settlement." *Hanlon*, 150 F.3d at 1026. Crucial to the determination of adequacy is the ratio of "plaintiffs' expected recovery balanced against the value of the settlement offer." *In re Tableware*, 484 F. Supp. 2d at 1080. However, "[i]t is well-settled law that a cash settlement amounting to only a fraction of the potential recovery does not per se render the settlement inadequate or unfair." *Officers for Justice*, 688 F.2d at 628.

Here, the $7 million fund represents a substantial recovery for the class. Experts have calculated that the maximum potential damages in this action is $74 million to $140 million, with a recovery as low as $13 million to $36 million if Defendants' disaggregation arguments had succeeded. *See* Villegas Decl. ¶ 5. The gross settlement amount thus represents a recovery of between 5% and 9.5% of non-disaggregated damages and between 19% to 54% if disaggregated arguments are credited. *Id.* Other courts have found similar recoveries to be fair and reasonable. *See, e.g.*, *In re Omnivision Techs.*, 559 F. Supp. 2d 1036, 1042 (N.D. Cal. 2007); *Int'l Bhd. of Elec. Workers Local 697 Pension Fund v. Int'l Game Tech., Inc.*, No. 3:09-cv-00419-MMD, 2012 WL 5199742, at *3 (D. Nev. Oct. 19, 2012) (finding 3.5% recovery to be within "the median

recovery in securities class actions settled in the last few years").

Accordingly, the amount of the settlement also weighs in favor of approval.

e. Counsel's Experience

The Court also considers "the experience and views of counsel." *Hanlon*, 150 F. 3d at 1026. Labaton Sucharow has extensive experience representing plaintiffs in securities and financial class action lawsuits. *See generally* Villegas Decl., Ex. 3, ECF 174-3. That such experienced counsel advocate in favor of the settlement weighs in favor of approval.

C. Objections

"[T]he absence of a large number of objections to a proposed class action settlement raises a strong presumption that the terms of a proposed class settlement action are favorable to the class members." *Omnivision*, 559 F. Supp. 2d at 1043 (citation omitted). Here, Class Counsel and the Court received zero objections. Cavallo Suppl. Decl. ¶ 3. Many potential class members are sophisticated institutional investors; the lack of objections from such institutions indicates that the settlement is fair and reasonable. *See In re Citigroup Inc. Sec. Litig.*, 965 F. Supp. 2d 369, 382 (S.D.N.Y. 2013); *In re Linerboard Antitrust Litig.*, 321 F. Supp. 2d 619, 629 (E.D. Pa. 2004). Likewise, there were only two requests for exclusion, one of which KCC deemed invalid. *See id.* ¶ 3. This positive response from the class confirms that the settlement is fair and reasonable.

* * *

Balancing the relevant factors, the Court finds the settlement fair and reasonable under Rule 23(e) and *Hanlon*.

D. CONCLUSION

For the foregoing reasons, and after considering the record as a whole, the Court finds that notice of the proposed settlement was adequate, the settlement was not the result of collusion, and the settlement is fair, adequate, and reasonable.

Lead Plaintiff's Motion for Final Approval of Class Action Settlement and Plan of Allocation is GRANTED.

III. MOTION FOR AN AWARD OF ATTORNEYS' FEES AND PAYMENT OF EXPENSES

ATRS seeks an award of attorneys' fees totaling $1.75 million, reimbursement of litigation costs and expenses in the amount of $167,200, and a service award of $2,180.80 for ATRS. The Court also considers the reasonableness of the Settlement Administrator's requested costs.

A. Attorneys' Fees and Expenses

1. Legal Standard

"While attorneys' fees and costs may be awarded in a certified class action where so authorized by law or the parties' agreement, Fed. R. Civ. P. 23(h), courts have an independent obligation to ensure that the award, like the settlement itself, is reasonable, even if the parties have already agreed to an amount." *In re Bluetooth*, 654 F.3d at 941. "Where a settlement produces a common fund for the benefit of the entire class," as here, "courts have discretion to employ either the lodestar method or the percentage-of-recovery method" to determine the reasonableness of attorneys' fees. *Id.* at 942.

Under the percentage-of-recovery method, the attorneys are awarded fees in the amount of a percentage of the common fund recovered for the class. *Id.* Courts applying this method "typically calculate 25% of the fund as the benchmark for a reasonable fee award, providing adequate explanation in the record of any special circumstances justifying a departure." *Id.* (internal quotation marks omitted). However, "[t]he benchmark percentage should be adjusted, or replaced by a lodestar calculation, when special circumstances indicate that the percentage recovery would be either too small or too large in light of the hours devoted to the case or other relevant factors." *Six (6) Mexican Workers v. Arizona Citrus Growers*, 904 F.3d 1301, 1311 (9th Cir. 2011). Relevant factors to a determination of the percentage ultimately awarded include "(1) the results achieved; (2) the risk of litigation; (3) the skill required and quality of work; (4) the contingent nature of the fee and the financial burden carried by the plaintiffs; and (5) awards made in similar cases." *Tarlecki v. bebe Stores, Inc.*, No. C 05-1777 MHP, 2009 WL 3720872, at *4 (N.D. Cal. Nov. 3, 2009).

Under the lodestar method, attorneys' fees are "calculated by multiplying the number of hours the prevailing party reasonably expended on the litigation (as supported by adequate

documentation) by a reasonable hourly rate for the region and for the experience of the lawyer." *In re Bluetooth*, 654 F.3d at 941. This amount may be increased or decreased by a multiplier that reflects factors such as "the quality of representation, the benefit obtained for the class, the complexity and novelty of the issues presented, and the risk of nonpayment." *Id.* at 942.

In common fund cases, a lodestar calculation may provide a cross-check on the reasonableness of a percentage award. *Vizcaino v. Microsoft Corp.*, 290 F.3d 1043, 1050 (9th Cir. 2002). Where the attorneys' investment in the case "is minimal, as in the case of an early settlement, the lodestar calculation may convince a court that a lower percentage is reasonable." *Id.* "Similarly, the lodestar calculation can be helpful in suggesting a higher percentage when litigation has been protracted." *Id.* Thus even when the primary basis of the fee award is the percentage method, "the lodestar may provide a useful perspective on the reasonableness of a given percentage award." *Id.* "The lodestar cross-check calculation need entail neither mathematical precision nor bean counting. . . . [Courts] may rely on summaries submitted by the attorneys and need not review actual billing records." *Covillo v. Specialtys Cafe*, No. C-11-00594-DMR, 2014 WL 954516, at *6 (N.D. Cal. Mar. 6, 2014) (internal quotation marks and citation omitted).

An attorney is also entitled to "recover as part of the award of attorney's fees those out-of-pocket expenses that would normally be charged to a fee paying client." *Harris v. Marhoefer*, 24 F.3d 16, 19 (9th Cir. 1994) (internal quotation marks and citation omitted).

2. Discussion

ATRS seeks an award of attorneys' fees totaling $1.75 million, which represents 25% of the $7 million gross Settlement Fund, as well as litigation expenses and costs in the amount of $167,200. *See* Fees Mot at 1.

Addressing expenses first, the Court does not hesitate to approve an award in the requested amount of $167,200. Class Counsel have submitted an itemized list of expenses by category of expense incurred through April 15, 2019, totaling $164,647.87, excluding Settlement Administration fees. *See* ECF 174-3, Ex. C. The Court has reviewed the list and finds the expenses to be reasonable.

The Court likewise is satisfied that the request for attorneys' fees is reasonable. Using the percentage-of-recovery method, the Court starts at the 25% benchmark. *See In re Bluetooth*, 654 F.3d at 942. ATRS requests 25%, given the exceptional results achieved, the risks of the litigation, the fine quality of Class Counsel's work, and the contingent nature of the fee. Courts have awarded comparable percentages in similar cases. *See* Villegas Decl.; *Destefano v. Zynga, Inc.*, No. 12-cv-04007-JSC, 2016 WL 537946, at *23 (N.D. Cal. Feb. 11, 2016) (25%); *Omnivision*, 559 F. Supp. 2d at 1049 (28%). As of April 15, 2019, Labaton Sucharow expended 5,778.7 hours litigating this action. Villegas Decl., Ex. 3 ¶ 6 & Ex. A. A lodestar cross-check confirms the reasonableness of the requested fees, which amounts to a 0.53 multiplier of the lodestar in the amount of $3,260,714.50. *Id.* Courts have found that "[m]ultipliers of 1 to 4 are commonly found to be appropriate in common fund cases." *Aboudi v. T-Mobile USA, Inc.*, No. 12-CV-2169-BTM, 2015 WL 4923602, at *7 (S.D. Cal. Aug. 18, 2015); *see also Petersen v. CJ Am., Inc.*, No. 14-CV-2570-DMS, 2016 WL 5719823, at *1 (S.D. Cal. Sept. 30, 2016) (awarding 1.12 multiplier and recognizing that "the majority of fee awards in the district courts in the Ninth Circuit are 1.5 to 3 times higher than lodestar"). Thus, a multiplier below 1.0 is below the range typically awarded by courts and is presumptively reasonable.

Lead Plaintiff's motion for attorneys' fees and expenses is GRANTED. ATRS is awarded expenses in the amount of $167,200 and attorneys' fees in the amount of $1.75 million.

B. Incentive Award

Lead Plaintiff ATRS requests an incentive award in the amount of $2,180.80. The Private Securities Litigation Reform Act of 1995, 15 U.S.C. § 78u-4(a)(4), limits a class representative's recovery to an amount "equal, on a per share basis, to the portion of the final judgment or settlement awarded to all other members of the class," but also provides that "[n]othing in this paragraph shall be construed to limit the award of reasonable costs and expenses (including lost wages) directly relating to the representation of the class to any representative party serving on behalf of a class." Incentive awards "are discretionary . . . and are intended to compensate class representatives for work done on behalf of the class, to make up for financial or reputational risk undertaken in bringing the action, and, sometimes, to recognize their willingness to act as a private

attorney general." *Rodriguez*, 563 F.3d at 958–59 (internal citation omitted).

"Incentive awards typically range from $2,000 to $10,000." *Bellinghausen v. Tractor Supply Co.*, 306 F.R.D. 245, 267 (N.D. Cal. 2015). Service awards as high as $5,000 are presumptively reasonable in this judicial district. *See, e.g.*, *Camberis v. Ocwen Loan Serv. LLC*, Case No. 14-cv-02970-EMC2015 WL 7995534, at *3 (N.D. Cal. Dec. 7, 2015). ATRS's participation in this case was substantial and was essential to obtaining the considerable monetary recovery which will be enjoyed by each class member. *See* Villegas Decl., Ex. 1 ¶¶ 8–11. Two representatives of ATRS expended 25 hours supervising and participating in the litigation and their requested award is directly tied to their normal hourly rates. *Id.* ¶¶ 10–11. Given the amount of time and assistance ATRS put into the case and the success of the recovery, an incentive award in the amount of $2,180.80 is proportional to the class members' recoveries. *See Hayes v. MagnaChip Semiconductor Corp.*, No.14-cv-01160-JST, 2016 WL 6902856 at *10 (N.D. Cal. Nov. 21, 2016) (noting that $5,000 incentive awards are presumptively reasonable in the 9th Circuit); *In re Am. Apparel S'holder Litig.*, No. CV 10-06352 MMM, 2014 WL 10212865, at *34 (C.D. Cal. July 28, 2014) (awarding an incentive award of $6,600 in a securities class action).

The Court concludes that the requested $2,180.80 incentive award is appropriate in this case.

C. Settlement Administrator Costs

The Court also holds that it is appropriate to award KCC its costs. In its preliminary approval order, the Court held that Lead Counsel may pay KCC its costs in an amount not to exceed $500,000. *See* ECF 167 ¶ 20. To date, ATRS has not submitted evidence regarding the total final costs requested by KCC. Given the somewhat complex nature of the allocation plan, the Court approves the awarding of costs to KCC in an amount not to exceed $500,000 subject to ATRS submitting an accounting of such costs with a request that the Court approve the final amount. ATRS shall submit such a request by administrative motion **within 14 days of KCC's final accounting**. If KCC does not reach this cap, the excess funds shall be distributed to the class claimants according to the provisions of the Agreement if practicable or distributed through *Cy Pres*.

IV. ORDER

For the reasons discussed above,

(1) Lead Plaintiff's Motion for Final Approval of Class Action Settlement and Plan of Allocation is GRANTED; and

(2) Lead Counsel's Motion for an Award of Attorneys' Fees and Payment of Expenses is GRANTED. ATRS is awarded attorneys' fees in the amount of $1.75 million, costs and expenses in the amount of $167,200, and a service award in the amount of $2,180.80.

(3) The Settlement Administrator costs are APPROVED in an amount not to exceed $500,000.

Without affecting the finality of this Order and accompanying Judgment in any way, the Court retains jurisdiction over (1) implementation and enforcement of the Settlement Agreement until each and every act agreed to be performed by the parties pursuant to the Settlement Agreement has been performed; (2) any other actions necessary to conclude the Settlement and to administer, effectuate, interpret, and monitor compliance with the provisions of the Settlement Agreement; and (3) all parties to this action and Settlement class members for the purpose of implementing and enforcing the Settlement Agreement. Within 21 days after the distribution of the settlement funds and payment of attorneys' fees, the parties shall file a Post-Distribution Accounting in accordance with this District's Procedural Guidance for Class Action Settlements. The parties must seek approval from the Court for any *Cy Pres* distributions.

IT IS SO ORDERED.

Dated: July 22, 2019

BETH LABSON FREEMAN
United States District Judge

TAB 3

UNITED STATES DISTRICT COURT

EASTERN DISTRICT OF MICHIGAN

SOUTHERN DIVISION

DAVID N. ZIMMERMAN, Individually and on Behalf of All Others Similarly Situated, Plaintiff, vs. DIPLOMAT PHARMACY, INC., et al., Defendants.	Civ. No. 2:16-cv-14005-AC-SDD Hon. Avern Cohn CLASS ACTION ORDER AWARDING ATTORNEYS' FEES, LITIGATION COSTS AND EXPENSES AND AWARDS TO LEAD PLAINTIFFS PURSUANT TO 15 U.S.C. §78u-4(a)(4)

This matter having come before the Court on August 20, 2019, on the motion of Lead Counsel for an award of attorneys' fees and expenses (the "Fee Motion"), the Court, having considered all papers filed and proceedings conducted herein, having found the Settlement of this Litigation to be fair, reasonable and adequate, and otherwise being fully informed in the premises and good cause appearing therefore;

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that:

1. This Order incorporates by reference the definitions in the Stipulation of Settlement, dated April 22, 2019 (the "Stipulation"), and all capitalized terms used, but not defined herein, shall have the same meanings as set forth in the Stipulation.

2. This Court has jurisdiction over the subject matter of this application and all matters relating thereto, including all Members of the Class who have not timely and validly requested exclusion.

3. Notice of Lead Counsel's Fee Motion was given to all Class Members who could be located with reasonable effort. The form and method of notifying the Class of the Fee Motion met the requirements of Rule 23 of the Federal Rules of Civil Procedure and 15 U.S.C. §78u-4(a)(7), the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995, due process, and any other applicable law, constituted the best notice practicable under the

circumstances, and constituted due and sufficient notice to all persons and entities entitled thereto.

4. The Court hereby awards Lead Counsel attorneys' fees of 30% of the $14.1 million Settlement Amount, plus expenses in the amount of $225,717.22, together with the interest earned on both amounts for the same time period and at the same rate as that earned on the Settlement Fund until paid. The Court finds that the amount of fees awarded is fair, reasonable, and appropriate under the "percentage-of-recovery" method.

5. The awarded attorneys' fees and expenses and interest earned thereon shall be paid to Lead Counsel immediately upon execution of the Final Judgment and Order of Dismissal with Prejudice and this Order and subject to the terms, conditions, and obligations of the Stipulation, and in particular ¶7.2 thereof, which terms, conditions, and obligations are incorporated herein.

6. In making this award of fees and expenses to Lead Counsel, the Court has considered and found that:

(a) the Settlement has created a fund of $14,100,000 in cash that is already on deposit, and numerous Class Members who submit, or have submitted, valid Proof of Claim and Release forms will benefit from the Settlement created by Lead Counsel;

(b) over 28,300 copies of the Notice were disseminated to potential Class Members indicating that Lead Counsel would move for attorneys' fees in an amount not to exceed 30% of the Settlement Amount and for expenses in an amount not to exceed $300,000, plus interest on both amounts, and no objections to the fees or expenses were filed by Class Members;

(c) Lead Counsel have pursued the Litigation and achieved the Settlement with skill, perseverance, and diligent advocacy;

(d) Lead Counsel have expended substantial time and effort pursuing the Litigation on behalf of the Class;

(e) Lead Counsel pursued the Litigation on a contingent basis, having received no compensation during the Litigation, and any fee amount has been contingent on the result achieved;

(f) the Litigation involves complex factual and legal issues and, in the absence of settlement, would involve lengthy proceedings whose resolution would be uncertain;

(g) had Lead Counsel not achieved the Settlement, there would remain a significant risk that the Class may have recovered less or nothing from Defendants;

(h) Lead Counsel have devoted over 4,700 hours to achieve the Settlement;

(i) public policy concerns favor the award of reasonable attorneys' fees and expenses in securities class action litigation; and

(j) the attorneys' fees and expenses awarded are fair and reasonable and consistent with awards in similar cases within the Sixth Circuit.

7. Any appeal or any challenge affecting this Court's approval regarding the Fee Motion shall in no way disturb or affect the finality of the Judgment entered with respect to the Settlement.

8. Pursuant to 15 U.S.C. §78u-4(a)(4), the Court awards $2,157.51 to Lead Plaintiff Government Employees' Retirement System of the Virgin Islands, $2,500 to Lead Plaintiff William Kitsonas and $9,000 to Lead Plaintiff David N. Zimmerman for the time they spent directly related to their representation of the Class.

9. In the event that the Settlement is terminated or does not become Final or the Effective Date does not occur in accordance with the terms of the Stipulation, this Order shall be rendered null and void to the extent provided in the Stipulation and shall be vacated in accordance with the Stipulation.

DATED: 8/20/2019

s/Avern Cohn
THE HONORABLE AVERN COHN
UNITED STATED DISTRICT JUDGE