UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF PENNSYLVANIA

MARTIN HOWARD, Individually and on Behalf of All Others Similarly Situated, Plaintiff, vs. ARCONIC INC., KLAUS KLEINFELD, WILLIAM F. OPLINGER, ROBERT S. COLLINS, ARTHUR D. COLLINS, JR., KATHRYN S. FULLER, JUDITH M. GUERON, MICHAEL G. MORRIS, E. STANLEY O'NEAL, JAMES W. OWENS, PATRICIA F. RUSSO, SIR MARTIN SORRELL, RATAN N. TATA, ERNESTO ZEDILLO, MORGAN STANLEY & CO. LLC, CREDIT SUISSE SECURITIES (USA) LLC, CITIGROUP GLOBAL MARKETS INC., GOLDMAN SACHS & CO., J.P. MORGAN SECURITIES LLC, BNP PARIBAS SECURITIES CORP., MITSUBISHI UFJ SECURITIES (USA), INC., RBC CAPITAL MARKETS, LLC, and RBS SECURITIES INC. Defendants.	)	Civ. Action No. 2:17-cv-01057-MRH **(Consolidated)** CLASS ACTION

JOINT DECLARATION OF EMMA GILMORE AND DAVID A. ROSENFELD IN SUPPORT OF LEAD PLAINTIFFS' MOTION FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT, AWARD OF ATTORNEYS' FEES AND EXPENSES, AND AWARDS TO LEAD PLAINTIFFS

WE, EMMA GILMORE and DAVID A. ROSENFELD, declare as follows pursuant to 28 U.S.C. §1746:

1. We, Emma Gilmore and David A. Rosenfeld, are partners of the law firms Pomerantz LLP ("Pomerantz") and Robbins Geller Rudman & Dowd LLP ("Robbins Geller"), respectively. Pomerantz and Robbins Geller serve as Court-appointed Lead Counsel for Lead Plaintiffs Iron Workers Local 580 – Joint Funds and Ironworkers Locals 40, 361 & 417 – Union Security Funds (collectively, "Ironworkers") and Janet L. Sullivan ("Sullivan," and together with Ironworkers, "Lead Plaintiffs"), respectively, and the proposed Class in the above captioned action (the "Litigation"). Lead Plaintiffs bring this Litigation[1] on behalf of a Settlement Class consisting of all persons that purchased or acquired: (i) Arconic securities between November 4, 2013 and June 23, 2017, inclusive (the "Class Period"), seeking to pursue remedies against Arconic and its former CEO, Klaus Kleinfeld (collectively, the "Arconic Defendants") under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 (the "Exchange Act"), and Rule 10b-5 promulgated thereunder; and (ii) Arconic Depositary Shares, each representing a 1/10 interest in a share of 5.375% Class B Mandatory Convertible Preferred Stock, Series 1, par value $1 per share, liquidation preference $500 per share (the "Preferred Shares") pursuant and/or traceable to the Registration Statement and Prospectus issued in connection with Arconic's September 18, 2014 initial public stock offering (the "Preferred IPO"), seeking to pursue remedies under Sections 11 and 15 of the Securities Act of 1933 (the "Securities Act") against the Arconic Defendants and the Underwriter Defendants.[2] We have personal knowledge of the matters set forth herein based on our active supervision of and participation in the prosecution and resolution of this Litigation.

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[1] Unless otherwise defined here, all capitalized terms shall have the meanings provided in the Stipulation of Settlement, dated April 21, 2023. *See* ECF No. 220-1 (the "Stipulation").

[2] Defendants Morgan Stanley & Co. LLC, Credit Suisse Securities (USA) LLC, Citigroup Global Markets Inc., Goldman, Sachs & Co., J.P. Morgan Securities LLC, BNP Paribas Securities

2. We submit this declaration in support of Lead Plaintiffs' motion, pursuant to Federal Rule of Civil Procedure 23(e), for final approval of the proposed settlement, for an award of attorneys' fees and litigation expenses to Lead Counsel, and for awards to Lead Plaintiffs pursuant to 15 U.S.C. §78u-4(a)(4) and/or 15 U.S.C. §77z-1(a)(4).

I. INTRODUCTION

3. Since the Litigation began over five years ago, Lead Plaintiffs and Lead Counsel have actively and vigorously prosecuted the Settlement Class's claims. Only after significant efforts and overcoming challenges at various junctures of the Litigation, were Lead Plaintiffs and Lead Counsel successful in obtaining an excellent recovery for the Settlement Class, totaling $74,000,000 in cash, plus accrued interest. As detailed herein, Lead Plaintiffs and Lead Counsel believe the proposed Settlement represents an extremely favorable result and is in the best interest of the Settlement Class.

4. Lead Plaintiffs and Lead Counsel were well informed of the strengths and weaknesses of the claims and defenses in this Litigation at the time they reached the proposed Settlement. As described in further detail here, by the time they agreed to the proposed Settlement, Lead Plaintiffs and Lead Counsel had:

(a) conducted an extensive investigation into the alleged violations of the securities laws at issue, including a thorough review of Arconic's U.S. Securities and Exchange Commission ("SEC") filings and other publicly filed documents, analyst reports, press releases, media reports, and other publicly available information, such as the evidence published in connection with the Grenfell Tower Inquiry – including Arconic's own documents, testimony from

Corp., Mitsubishi UFJ Securities (USA), Inc., RBC Capital Markets, LLC and RBS Securities Inc. are collectively referred to as the "Underwriter Defendants."

key witnesses, and expert reports – and the engagement of private investigators to interview former Arconic employees and other individuals with relevant knowledge;

(b) drafted an initial complaint and two amended pleadings, all of which were the product of Lead Counsel's rigorous international investigation;

(c) responded to Defendants' two motions to dismiss (ultimately defeating Defendants' second dismissal attempt);

(d) briefed numerous legal issues in supplemental submissions while Defendants' motions to dismiss were *sub judice*;

(e) defeated Defendants' motion for an interlocutory appeal and a stay of this Litigation pending appeal on the issue of corporate scienter;

(f) served and responded to extensive written discovery;

(g) participated in numerous meet-and-confers with Defendants regarding the scope of discovery;

(h) served the Expert Report of Zachary Nye, Ph.D in support of Lead Plaintiffs' anticipated motion for class certification;

(i) prepared a brief in support of a motion for class certification;

(j) consulted with a damages expert in preparing the amended pleadings and in advance of the parties' mediations;

(k) submitted detailed mediation statements with exhibits and participated in two private in-person mediation sessions before Gregory P. Lindstrom of Phillips ADR Enterprises; and

(l) participated in extensive arm's-length negotiations with Defendants regarding the terms of the Settlement.

5. The first formal mediation took place in February 2023 and concluded without the parties reaching any resolution. The second formal mediation took place in March 2023. Before the second mediation session, the parties met with the mediator by teleconference on numerous occasions. During the second mediation, Mr. Lindstrom made a mediator's recommendation to settle the Litigation for $74,000,000, which the parties accepted.

6. Lead Plaintiffs and Lead Counsel believe that the Settlement represents an extremely favorable outcome and its approval would be in the best interest of the Settlement Class because, as detailed below, the proposed $74,000,000 settlement represents a substantial recovery in light of the significant risks in establishing Defendants' liability and proving damages in this Litigation, prevailing on Lead Plaintiffs' class certification motion (and Defendants' potential appeal), and conducting international fact discovery. Thus, the Settlement provides the Settlement Class with a substantial, certain, and immediate recovery while avoiding the significant risks of continued litigation and uncertainty.

7. In addition to seeking final approval of the Settlement, Lead Plaintiffs seek approval of the proposed Plan of Allocation. The Plan of Allocation, which is set forth in the Notice, provides for the equitable distribution of the Net Settlement Fund to Authorized Claimants.

8. Lead Counsel worked hard and skillfully to overcome substantial obstacles and achieve a favorable result for the Settlement Class. Lead Counsel prosecuted this Litigation on a fully contingent basis and incurred significant litigation charges and expenses, and bore all of the financial risk of an unfavorable result. For their considerable efforts in prosecuting the case and negotiating the Settlement, Lead Counsel is applying for an award of 33 1/3% of the Settlement Fund, plus interest. As discussed in the accompanying memorandum of law, the requested fee – which has been reviewed and approved by Lead Plaintiffs – is well within the range of percentage awards granted by courts in this Circuit and elsewhere in similarly sized securities class action

settlements. The requested fee is further confirmed as reasonable when compared to Lead Plaintiffs' Counsel's lodestar in this Litigation of approximately $6.98 million. Lead Counsel respectfully submits that the fee request is also supported by the favorable result achieved, the efforts of Lead Counsel, and the risks and complexity of the litigation. Lead Counsel also seeks payment of litigation charges and expenses incurred in connection with the prosecution and settlement of this Litigation in the amount of $822,910.28 plus interest.

9. Lead Counsel is also applying for an award of $65,000 to Lead Plaintiffs for their time and expenses directly related to their representation of the Class, as authorized by the PSLRA. As explained below, Lead Plaintiffs actively participated in the prosecution of this Litigation and, *inter alia*, reviewed drafts of court filings, provided input on litigation and settlement strategy, assisted in identifying and producing documents for discovery and participated in the mediation discussions personally or through their representatives. Lead Plaintiffs' investment of time and effort greatly contributed to this favorable Settlement.

10. The following is a summary of the principal events that occurred during the course of the Litigation and the legal services provided by Lead Counsel.

II. SUMMARY OF FACTUAL ALLEGATIONS

11. Defendant Arconic Inc. ("Arconic" or the "Company") is a global provider of lightweight multi-material solutions. Dkt. No. 108 (referred to herein as the "Second Amended Complaint") ¶2. During the relevant period, Arconic manufactured and sold an aluminum composite product called Reynobond polyethylene (PE) that was applied as cladding to the exteriors of buildings. *Id.* Lead Plaintiffs have asserted Securities Act claims alleging that Arconic's Registration Statement and incorporated prospectus supplements in connection with the Preferred IPO contained inaccurate statements of material fact and omitted material information that was required to be disclosed. Specifically, the Second Amended Complaint alleges that

Defendants failed to disclose: (i) that the Company knowingly sold Reynobond PE for unsafe and unauthorized uses; (ii) the risks associated with these practices; and (iii) the potential regulatory and criminal risks that stemmed from these practices. *Id.* ¶3. Lead Plaintiffs have also asserted Exchange Act claims against the Arconic Defendants for making false and/or misleading statements or failing to disclose that: (i) Arconic knowingly or recklessly supplied its highly flammable Reynobond PE cladding panels for use in high-rise buildings; (ii) this conduct significantly increased the risk of property damage, injury or death in those buildings; and (iii) as a result, Arconic's public statements were materially false and misleading. *Id.* ¶4.

12. Lead Plaintiffs alleged that the prices of Arconic securities were artificially inflated as a result of the alleged misrepresentations and omissions. *See id.* ¶¶83-84. On June 26, 2017, Arconic ultimately stated in a press release that it would discontinue the sale of its Reynobond PE core panels worldwide for use in any high rise constructions, regardless of local regulations. *Id.* ¶8. In response to these and other related disclosures, Arconic's common share price fell 14.49% and Arconic's preferred stock price fell 13.9%. *Id.* ¶10.

III. HISTORY AND PROSECUTION OF THE ACTION

A. The Commencement of the Litigation and the Appointment of Lead Plaintiffs

13. The first of four related complaints in this Litigation was filed on July 13, 2017 in the Southern District of New York (*Brave v. Arconic, et al.*, No. 1:17-cv-05312). Shortly thereafter, two additional complaints were filed in the Southern District of New York (*Tripson v. Arconic, et al.*, No. 1:17-cv-05369 (filed on July 14, 2017) and *Sullivan v. Arconic, et al.*, No. 1:17-cv-05456 (filed on July 18, 2017 and referred to herein as the "*Sullivan* SDNY Action")). The *Sullivan* SDNY Action was brought on behalf of all purchasers of Preferred Shares.

14. On August 11, 2017, Martin Howard filed his initial complaint in the Western District of Pennsylvania asserting Exchange Act claims on behalf of purchasers of Arconic

common or preferred stock between November 4, 2013 and June 26, 2017, inclusive (the "*Howard* Action").

15. On September 11, 2017, the following investors each filed competing motions for appointment as lead plaintiff and for their counsel to be approved as lead counsel in the *Howard* Action pending in the Western District of Pennsylvania: (a) Ironworkers (represented by Pomerantz) (Dkt. Nos. 8-9); and (b) National Shopmen Pension Fund (represented by Robbins Geller) (Dkt. Nos. 10-11).

16. On September 15, 2017, Sullivan filed her initial complaint in the Western District of Pennsylvania (*Sullivan v. Arconic, et al.*, No. 2:17-cv-01213) (the "*Sullivan* WDP Action") on behalf of purchasers of the Preferred Shares.

17. On September 20, 2017, the Court held a conference and ordered Robbins Geller and Pomerantz to confer regarding whether additional notice to the putative class members of the *Sullivan* WDP Action was required under the PSLRA. Dkt. No. 34-35. On September 28, 2017, Robbins Geller and Pomerantz jointly wrote to the Court stating their position that additional notice was not required by the PSLRA. Dkt. No. 38. Additionally, Robbins Geller and Pomerantz jointly requested that: (i) the *Sullivan* WDP Action be consolidated with the *Howard* Action; (ii) Sullivan be appointed as lead plaintiff for the class of all purchasers of the Preferred Shares with Robbins Geller serving as lead counsel for purchasers of the Preferred Shares; and (iii) Ironworkers be appointed as lead plaintiff for all purchasers of the remaining Arconic securities (including common stock), with Pomerantz serving as lead counsel for purchasers of those securities. *Id.*

18. On December 8, 2017, Ironworkers and Sullivan jointly moved the Court to: (i) consolidate the *Sullivan* WDP Action and the *Howard* Action; (ii) appoint Ironworkers as lead plaintiff for purchasers of all Arconic securities other than the Preferred Shares with Pomerantz as

lead counsel for purchasers of those securities; and (iii) appoint Sullivan as lead plaintiff for purchasers of the Preferred Shares with Robbins Geller as lead counsel for purchasers of those shares. Dkt. Nos. 49-51. On February 7, 2018, the Court granted Lead Plaintiffs' motion to consolidate the actions, appoint Ironworkers and Sullivan as lead plaintiffs and approved Robbins Geller as lead counsel for the Preferred Shares class and Pomerantz as lead counsel for the remaining securities. Dkt. No. 56.

B. Lead Counsel's Extensive Investigation and Filing of the Amended Complaint

19. Before and after moving for appointment as lead plaintiff in this matter, Lead Counsel directed an extensive investigation of the alleged securities law violations at issue. Specifically, the investigation included, but was not limited to, a review and analysis of relevant SEC filings, analyst reports, news reports and conference call transcripts. Lead Counsel also reviewed voluminous materials including documents and testimony from the Grenfell Tower Inquiry. Finally, Lead Counsel's investigation – which was conducted by both a U.S. investigator and a European-based investigator at Lead Counsel's direction – involved interviewing over 50 former Arconic employees and other relevant witnesses. The confidential witness reports in the Amended Complaint are the product of Lead Counsel's comprehensive and far-reaching investigation. Lead Counsel also consulted with a damages and loss causation expert both before filing the amended complaints and before the parties entered mediation.

20. On April 9, 2018, Lead Plaintiffs filed the Amended Complaint asserting Exchange Act and Securities Act claims against Arconic and its CEO, Klaus Kleinfeld and Securities Act claims against all Defendants. Dkt. No. 61. Lead Plaintiffs asserted Securities Act claims alleging that the Registration Statement and incorporated prospectuses contained inaccurate statements of material fact and/or failed to disclose material information regarding the Company's compliance with applicable law and safety standards, and the potential civil, regulatory and criminal risks that

the Company faced. Lead Plaintiffs also asserted Exchange Act claims alleging that the Arconic Defendants made materially false and misleading statements regarding the Company's business, operations and compliance policies. Specifically, Lead Plaintiffs alleged that the Arconic Defendants made false and/or misleading statements and/or failed to disclose that: (i) Arconic knowingly or recklessly supplied its highly flammable Reynobond PE cladding panels for use in high-rise buildings – a practice that is widely banned – and that the safety classification of Arconic's Reynobond PE products had been downgraded increasing the danger that it would react to fire; (ii) the foregoing conduct significantly increased the risk of property damage, injury and/or death in buildings constructed with Arconic's Reynobond PE panels; and (iii) as a result of the foregoing, Arconic's public statements were materially false and misleading at all relevant times. The Amended Complaint reflected the significant amount of factual and legal research that Lead Counsel undertook, spanned 110 pages and 323 paragraphs, and included the accounts of a confidential witness. *See* Dkt. No. 61 ¶129.

C. Defendants' Motion to Dismiss, the Parties' Supplemental Briefing and the Court's Decision on Defendants' First Motion to Dismiss

21. On June 8, 2018, Defendants moved to dismiss the Amended Complaint. Dkt. No. 71-72. Lead Plaintiffs opposed Defendants' dismissal motion on August 7, 2018 and Defendants replied on September 14, 2018. Dkt. Nos. 75, 80. On November 27, 2018, Judge Hornak heard oral argument on the motion.

22. On December 20, 2018, with leave of the Court, the parties submitted supplemental memoranda setting forth their respective legal positions as to the applicability of Item 503 as to this Litigation. Dkt. Nos. 90-91. Further, the Court ordered additional supplemental briefing on the applicability of the Third Circuit's recent decision in *Jaroslawicz v. M&T Bank Corp.*, 912 F.3d 96 (3d Cir. 2018), which the parties submitted on January 18, 2019. Dkt. Nos. 93, 98, 99. Thereafter, on March 15, 2019, the Arconic Defendants submitted *Singh v. Cigna Corp.*, 918 F.3d

57 (2d Cir. 2019), further supplemental authority for the Court's consideration. Dkt. No. 101. Lead Plaintiffs submitted their response on March 21, 2019 setting forth their arguments that *Singh* did not mandate dismissal of their claims. Dkt. No. 104.

23. On June 21, 2019, Judge Hornak issued his Opinion granting Defendants' motion to dismiss, with leave to replead. Dkt. Nos. 106-107. In dismissing the Amended Complaint, the Court identified the following deficiencies in the pleading: (1) that Lead Plaintiffs had not "adequately and plausibly allege[d] that Reynobond PE was being or had been sold for inappropriate end uses other than on the Grenfell Tower" (Dkt. No. 106, at 10); (2) that Lead Plaintiffs had failed to "adequately and plausibly allege that Kleinfeld or any other Arconic executive knew that Reynobond PE was allegedly being sold for improper end uses" (*id.* at 11); and (3) that the Amended Complaint did not "plausibly show that a failure to inform investors of this single sale to an end user who wound end up using the product unsafely provides a basis for a *securities* law claim." *Id*.

D. The Second Amended Complaint

24. In response to the Court's Opinion on Defendants' Motion to Dismiss, Lead Plaintiffs continued their factual and legal investigation in an effort to augment their pleadings. In particular, Lead Plaintiffs interviewed dozens of additional relevant witnesses. Further, Lead Counsel conducted research regarding Arconic's safety disclosures on their website since 2010. Lead Counsel also searched for and identified additional news articles and other information to support their allegations that the use of Reynobond PE in high-rise buildings was a widespread issue by the time the Grenfell Tower fire occurred. Specifically, Lead Counsel researched 18 different similar fires in the U.K. and in other geographic regions that were related to combustible cladding. Dkt. No. 108, ¶81. Additionally, Lead Counsel reviewed the report of an independent expert, Dr. Barbara Lane, who prepared a 210-page report related to the fire and researched the

applicable building regulations in the U.K. Lead Counsel also monitored several proceedings against Arconic related to the Grenfell Tower fire, including the Grenfell Tower Inquiry.

25. On July 23, 2019, Lead Plaintiffs filed their Second Amended Complaint, which was the product of Lead Counsel's diligent international investigation and included three more confidential witness accounts to bolster their scienter allegations. Dkt. No. 108.

26. Defendants moved to dismiss the Second Amended Class Action Complaint on September 11, 2019 (Dkt. Nos. 111-112) and Lead Plaintiffs opposed Defendants' motion on November 1, 2019 (Dkt. No. 115). Defendants' second motion to dismiss was fully briefed by November 26, 2019. Dkt. No. 118.

27. On June 22, 2020, Defendants submitted the Third Circuit's decision in *Jaroslawicz v. M&T Bank Corporation*, 962 F.3d 701 (3d Cir. June 18, 2020), arguing that this decision favored dismissal of this Litigation. Dkt. No. 126. Lead Plaintiffs responded to Defendants' supplemental submission on July 9, 2020 defending their claims and arguing that the *Jaroslawicz* decision actually supports the denial of Defendants' dismissal motion. Dkt. No. 128.

28. On June 23, 2021, the Court denied Defendants' Motion to Dismiss, in part. Dkt. No. 133. The Court dismissed the Exchange Act claims against Defendant Kleinfeld. Further, the Court found that the Exchange Act claims against Arconic survived as to eleven misstatements in the categories of "risk disclosure," "values/safety," and "brochure statements" and "online statements." *Id.* at 2. The Court found that Lead Plaintiffs' new allegations credibly alleged that Arconic regularly sold Reynobond PE for use in high-rise buildings around the world and tracked the specifications of these projects and that the Arconic managers tasked with certifying Reynobond's products knew and concealed that these products failed to meet the safety standards and applicable government guidelines. ECF No. 132 at 3, 23. The Court held that the Second Amended Complaint sufficiently pled Arconic's scienter under the corporate scienter theory, and

imputed the scienter of Mr. Wehrle (the Technical Manager of the French subsidiary that manufactured Reynobond PE), and the scienter of Mr. Schmidt (the General Manager of Arconic's French subsidiary) to Arconic. *Id.* at 43. The Court credited the confidential witness accounts set forth in the Second Amended Complaint. *Id.* at 42-43.

29. The Court sustained the Securities Act claims with respect to one "risk disclosure" statement, as follows: "[Arconic] believes it has adopted appropriate risk management and compliance programs to address and reduce these risks" and only as to claims based on purchases before October 23, 2015. *Id.* at 15, 19. The Court found the statement to be actionable based on Lead Plaintiffs' additional allegations regarding the sale of Reynobond PE for improper use on high-rise buildings. The Court concluded that "[a] reasonable investor could plausibly take from this risk disclosure statement that Arconic had a reasonable basis for its belief that it had implemented appropriate risk management and compliance programs, an understanding that conflicts with Arconic's alleged sales practice of actively and broadly placing into the marketplace a flammable product for improper use in situations where the risk of any loss being catastrophic was significant, were a loss to occur." *Id.* at 15.

E. The Motion for Certification of Interlocutory Appeal and Defendants' Answer

30. On August 11, 2021, Arconic moved for certification of interlocutory appeal pursuant to 28 U.S.C. §1292(b) to petition the Third Circuit on the question of whether the Exchange Act claims can be sustained on the basis of corporate scienter and to request a stay of proceedings pending such appeal. Dkt. Nos. 143-144, 154-155, 157-158. In their motion for certification of an interlocutory appeal, Defendants argued that the viability of the corporate scienter theory is a controlling question of law that is unresolved in the Third Circuit and that the question is outcome-determinative for the majority of claims in this Action. Dkt. No. 144.

31. On August 12, 2021, the Arconic Defendants and the Underwriter Defendants served their Answer to Lead Plaintiffs' Second Amended Complaint. ECF Nos. 146-147.

32. Lead Plaintiffs opposed Defendants' motion for interlocutory appeal and a stay pending appeal on August 17, 2021 (Dkt. Nos. 154-155) and Defendants replied on August 24, 2021 (Dkt. Nos. 158-159). After hearing oral argument on the issue, on July 29, 2022, the Court issued a Memorandum Order denying Arconic's motion for an interlocutory appeal. Dkt. No. 166. The Court reasoned that an interlocutory appeal should not be granted because, among other reasons, the resolution of the corporate scienter issue would not end this case. *Id.* at 4. According to the Court, the fact that the Third Circuit Court of Appeals repeatedly passed on ruling on the issue of corporate scienter is a strong indicator that interlocutory appeal is not appropriate. *Id.* at 5.

F. Fact Discovery

33. Lead Counsel immediately began fact discovery efforts following the July 29, 2022 Memorandum Order. At that point, the parties commenced an extensive meet-and-confer process to outline the factual boundaries of discovery, establish scheduling milestones, and establish the parameters of electronic discovery.

1. Joint Rule 26(f) Report

34. On August 29, 2022, the Parties filed a heavily-negotiated Joint Report with the Court pursuant to Rule 26(f) of the Federal Rules of Civil Procedure, which set forth their respective views on various discovery matters, including whether fact discovery should be bifurcated into two discrete phases, with the initial period limited to class certification issues before the parties could engaged in "merits" discovery. Dkt. No. 176. On September 14, 2022, the Court conducted a telephonic conference to address the discovery schedule. Dkt. No. 181. On

December 2, 2022, the Court issued a Memorandum and Initial Case Management Order setting forth the parameters and dates for discovery and class certification. Dkt. Nos. 183-184.

2. Protective Order

35. To protect against the public disclosure of potentially sensitive personal and proprietary information, the parties negotiated and prepared a protective order to govern the treatment, handling and continued protection of confidential information produced in this Litigation. The parties also negotiated the extent to which, and the conditions under which, such confidential information could be shown to deponents, non-parties, and others not previously privy to such information. The parties ultimately agreed on a Discovery Stipulation and Order and a Stipulated Confidentiality and Protective Order, which the Court approved. Dkt. Nos. 192, 203.

3. Written Discovery

36. On February 6, and 7, 2023, the Arconic Defendants served on Ironworkers and Sullivan their first request for production of documents and their first set of interrogatories. On March 8, and 9, Ironworkers and Sullivan responded and objected to these requests and the parties met and conferred on these issues on March 15, and 20, 2023.

37. On February 15, 2023, Sullivan served the first request for production and first set of interrogatories on the Underwriter Defendants. On March 17, 2023, the Underwriters responded and objected to these requests.

38. On February 6, 2023, Lead Plaintiffs served on the Arconic Defendants their first request for the production of documents and their first set of interrogatories. On March 8, 2023, the Arconic Defendants responded and objected to these requests and the parties met and conferred on these issues on March 2, and 15, 2023.

39. In their responses and objections, Defendants objected to nearly every request for production on the grounds of relevance, over-breadth, ambiguity and/or privilege, asserted the

applicability of the French law 68-678 of 26 July 1968 (the "French Blocking Statute"), and disputed the relevant time period. Defendants also objected to producing any records or information concerning any end-market for Reynobond PE other than the United Kingdom.

40. In an effort to resolve these material, global disputes without judicial intervention, Lead Counsel engaged in numerous meet-and-confer discussions with Defendants' counsel, and exchanged several letters outlining their positions on these topics with references to relevant legal authority. Though the parties reached a settlement in principle before many of the disputes were fully resolved, Lead Plaintiffs worked diligently and in good faith to resolve the disputes with minimal judicial intervention to conserve the resources of the parties and the Court.

4. Initial Disclosure Statement

41. On January 12, 2023, Lead Plaintiffs served their Initial Disclosure Statement pursuant to Rule 26(a)(1) of the Federal Rules of Civil Procedure. In it, Lead Plaintiffs identified numerous individuals and entities likely to have discoverable information supporting the claims alleged in the Second Amended Complaint. To compile this information, Lead Plaintiffs reviewed their own internal investigation files, public information regarding Arconic's corporate organization and employee hierarchy as well as employee departures at Arconic, materials obtained from the Grenfell Tower Inquiry, information provided by confidential witnesses, and Arconic's SEC filings. Lead Plaintiffs also reviewed analyst reports covering Arconic to identify individuals at analyst firms likely to possess knowledge and information regarding Arconic's operations.

5. Negotiations Concerning the Production of Defendants' Electronically Stored Information

42. Multiple meet and confer discussions were also necessary to address the identification and production of relevant Electronically Stored Information ("ESI"). Virtually all of the relevant discovery materials were maintained electronically by Arconic, making these

discussions particularly important to the prosecution of this Action. Given the importance of ESI, the parties negotiated and Lead Plaintiffs submitted to the Court, a Discovery Stipulation and [Proposed] Order to provide a framework for all ESI and hardy copy productions by the parties to this Litigation. The Court approved the Discovery Stipulation and Order on January 10, 2023. Dkt. No. 192.

43. In addition, Lead Counsel, based on consultation with in-house ESI and information technology ("IT") personnel, posed detailed questions to Defendants concerning Arconic's IT Systems. The ensuing discussions involved, *inter alia*, search terms, the treatment of hyperlinks and other embedded materials, and Arconic's ESI retention and destruction policies and practices. Lead Counsel also participated in telephonic exchanges concerning deduplication and other potential methods to efficiently search, review, and produce documents from ESI custodians. The parties worked cooperatively to reach agreement on search terms over a series of months, beginning in January 2023 and ending when the parties reached an agreement in principle to settle the action in May 2023.

44. Per the Court's scheduling Order, the parties were set to commence document production the day after they reached an agreement in principle to settle the Litigation. Lead Counsel had already prepared the relevant documents for production. There were significant open disputes regarding the scope of discovery at the time that the parties reached a settlement in principle of the Litigation.

G. Class Certification

45. Shortly before the parties reached a settlement in principle, Lead Plaintiffs filed the Expert Report of Zachary Nye, Ph.D. in support of their anticipated motion for class certification. Dkt. No. 211. Dr. Nye's report included a detailed analysis of the efficiency of the market for Arconic securities during the Settlement Class Period. Dr. Nye also assessed whether damages

under the Exchange Act claims could be calculated using a common methodology consistent with Lead Plaintiffs' theory of liability. With respect to Lead Plaintiffs' Securities Act claims, Dr. Nye examined whether the damages for purchasers of the Preferred Shares could be calculated with a common methodology that was in alignment with Lead Plaintiffs' theory of liability.

46. Pursuant to the Initial Case Management Order, any motion for class certification was due no later than April 30, 2023. In advance of that deadline, and before the parties finalized the Stipulation, Lead Counsel prepared a brief in support of a motion to certify the putative class in the Litigation.

IV. INFORMAL DISCOVERY

47. In addition to formal discovery authorized by the Federal Rules of Civil Procedure, Lead Plaintiffs reviewed on an interim, ongoing basis extensive evidence published in connection with the Grenfell Tower Inquiry – including Arconic's own documents, testimony from key witnesses, and expert reports – as it became available during the course of the Litigation.

48. As part of the agreement in principle to settle this Litigation, the parties participated in confirmatory discovery to confirm the fairness of the Settlement. Lead Counsel assembled a team and reviewed tens of thousands of pages of documents. Lead Counsel and the document review team met regularly to discuss their findings.

V. THE RISKS OF LITIGATION

49. The Settlement was reached only after Lead Counsel had a thorough understanding of the strengths and potential weaknesses of the claims in the Litigation. Numerous hurdles remained before trial. For one, Lead Plaintiffs' allegations related to a foreign subsidiary of Arconic and there were various uncertainties relating to Lead Plaintiffs' ability to conduct discovery abroad.

50. In addition, at the time of Settlement, Lead Plaintiffs' motion for class certification had not yet been filed. While Lead Plaintiffs strongly believe that the proposed Classes were appropriate for class certification, there was no guarantee that the Court would certify them. If class certification were denied and the Litigation could not be sustained on a class-wide basis, members of the putative Settlement Class would have been forced to commence individual actions (if timely). There was also the risk that if a class was certified, the Court might not maintain the Litigation, or particular claims, on a class-wide basis through trial.

51. Likewise, motions critical to Lead Plaintiffs' ability to obtain a verdict in the Class' favor at trial would likely have been filed, including summary judgment and other motions that would have determined the extent of the evidence that could be presented at trial. Depending on their outcome, those motions could seriously undermine Lead Plaintiffs' ability to prevail on their claims.

52. While Lead Plaintiffs firmly believe that the documentary and other evidence they compiled and developed would support their claims, they also understand that there is no way of predicting which interpretations, inferences or testimony the Court and/or jury will accept. Defendants have denied culpability throughout this Litigation and have indicated that they would mount various defenses to certification and liability. If the Court or jury sided with Defendants on even one of these defenses, the Settlement Class could have recovered nothing.

A. Procedural Challenges of Prosecuting the Litigation Against a Foreign Entity

53. Throughout Defendants' responses to written discovery, they repeatedly cited the French Blocking Statute as a potential obstacle to complying with their production obligations. Defendants argued that according to the French Blocking Statute, they would be unable to produce evidence located in France absent a specialized protocol to ensure compliance with the Hague Convention on the Taking of Evidence Abroad in Civil or Commercial Matters. Defendants

further invoked the European General Data Protection Regulation ("GDPR") as a potential impediment to participating in foreign discovery and refused to produce any records concerning any end-market for Reynobond PE other than the United Kingdom on the ground that they were not implicated by Lead Plaintiffs' claims. While Lead Plaintiffs believe that they would ultimately be able to obtain such discovery in this Litigation, there remained numerous uncertainties regarding when and how this would occur.

B. Defendants' Challenges to the Exchange Act Claims

54. Defendants have indicated that they would raise additional legal defenses at future junctures of the Litigation. Specifically, with respect to Lead Plaintiffs' Exchange Act claims, Defendants have disputed liability based on corporate scienter and claimed that the scienter of the parent company could not be imputed from the knowledge of two employees (Wehrle and Schmidt) of Arconic's French subsidiary. Further, Defendants took the position that Lead Plaintiffs had not proffered sufficient facts to establish Wehrle and Schmidt's individual scienter. Although Lead Plaintiffs believe that their scienter allegations are meritorious and supported by the evidence uncovered in the Grenfell Tower Inquiry, there is no guarantee that these arguments would be accepted at summary judgment or trial.

55. With respect to the falsity element of Lead Plaintiffs' Exchange Act claims, Defendants have argued that the applicable regulations in the U.K. do not place the burden of compliance on manufacturers of cladding like Arconic. Developing proof that the U.K. regulations were directed to manufacturers would present an additional challenge to Lead Plaintiffs. Further, per the Court's Opinion and Order, Lead Plaintiffs would need to establish that the improper use of Reynobond PE cladding was a widespread and systematic practice spanning many geographical locations.

56. Further, Defendants have contended that Lead Plaintiffs would be unable to establish that the "in connection with" element of a Rule 10b-5 claim was met with respect to some of Defendants' misstatements. Although Lead Plaintiffs are confident that the misstatements at issue were actionable under the Exchange Act, there is no assurance that their arguments would be accepted at the proof stage. In fact, the Court referred to the question of whether the brochure statements were actionable under the Exchange Act claims as a "particularly close question" in its Opinion on the second motion to dismiss. Dkt. No. 132 at 29.

C. Defendants' Challenges to the Securities Act Claims

57. Defendants also intend to vigorously challenge Lead Plaintiffs' Securities Act claims at summary judgment and trial. Defendants have advised that they intended to argue that the three-year statute of repose bars the Securities Act claims against the Individual Defendants and Arconic directors because Sullivan first filed a Securities Act claim in this Court on September 15, 2017 – more than three years after the offering date of the securities at issue. Defendants have further stated that they would argue that Lead Plaintiffs' claimed Section 11 damages may be eliminated by the affirmative defense of negative causation because the price of the Preferred Shares declined significantly more before the corrective disclosure than after it, and the price recovered shortly thereafter. Although Lead Plaintiffs believe that they have meritorious responses to these arguments, challenging negative causation would present legal and evidentiary challenges.

D. Risks Related to the Certification of the Class

58. Defendants have made it clear that they intend to challenge price impact under the Supreme Court's ruling in *Goldman Sachs Group, Inc. v. Arkansas Teacher Retirement System*, 141 S. Ct. 1951, 1959 (2021), at class certification. Defendants have argued that there is a mismatch between Defendants' misstatements and the corrective disclosures at issue. While Lead

Plaintiffs believe that Defendants would ultimately be unable to prove a total lack of price impact "by a preponderance of the evidence" as required by *Goldman* (141 S. Ct. at 1955), this is a complicated issue with conflicting authority. Defendants have also advised that they will argue that Lead Plaintiffs will encounter difficulties in establishing a class-wide theory of damages under *Comcast Corp. v. Behrend*, 569 U.S. 27 (2013). Again, while Lead Plaintiffs maintain that class-wide damages can be shown under the applicable out-of-pocket damages methodology, these arguments present additional risk.

VI. SETTLEMENT NEGOTIATIONS AND TERMS

59. As the Litigation progressed, the parties engaged in settlement discussions with Gregory P. Lindstrom, a nationally recognized mediator with extensive experience resolving complex litigation and class actions. Before the mediation, the parties submitted to Mr. Lindstrom and exchanged detailed mediation statements (opening and reply briefs) that outlined the critical evidence and legal principles that they believed supported their positions.

60. On February 23, 2023, the parties participated in their first mediation session with Mr. Lindstrom. The Parties negotiated in good faith to settle the Litigation, but remained far apart at the end of this first mediation.

61. Following the mediation, the parties resumed their meet-and-confer efforts regarding their outstanding discovery disputes and proceeded with discovery but also continued to discuss settlement during numerous phone calls with the mediator over several weeks. The parties ultimately agreed to mediate for a second time. Toward that end, on March 30, 2023, the parties participated in their second mediation session with Gregory Lindstrom. After a full day of contentious negotiations during the second mediation, the parties reached an agreement in principle to settle the Litigation for $74 million, subject to the execution of a settlement stipulation

and related papers and approval by the Court. Thereafter, the parties engaged in further negotiations regarding the terms of the Stipulation.

62. The parties then negotiated, drafted, finalized and signed the Stipulation, which was submitted to the Court with the Motion for Preliminary Approval on April 21, 2023. Dkt. Nos. 218-220. The Court heard oral argument on the motion for preliminary approval on May 1, 2023. On May 2, 2023, the Court granted preliminary approval of the settlement and approved the form and manner of notice of the Settlement to the Settlement Class. Dkt. No. 227.

63. The Settlement set forth in the Stipulation resolves all claims of the Settlement Class against Defendants. The Stipulation provides that Defendants would pay or cause to be paid $74,000,000 in cash, inclusive of attorneys' fees and expenses and any award to Lead Plaintiffs. The recovery to individual Settlement Class Members will depend on variables, including the number and type of Arconic Securities the Settlement Class Member purchased or acquired, and when and at what price such purchases or acquisitions were made.

A. The Settlement Is in the Best Interest of the Settlement Class and Warrants Approval

64. Lead Plaintiffs believe that they would have prevailed on the merits. However, Defendants were just as adamant that Lead Plaintiffs would fail. Defendants' intention to resist document production on the grounds of the French Blocking Statute would have presented a formidable obstacle to Lead Plaintiffs' ability to prove their case. At best, these challenges would have caused substantial delay. Additionally, there was a very real risk that Lead Plaintiffs would not have convinced a jury that corporate scienter was adequately proven, or that the alleged misrepresentations and omissions were materially false and misleading when made, or had any impact on the price of Arconic securities.

65. Having considered the foregoing, and evaluated Defendants' defenses, it is the informed judgment of Lead Counsel, based upon all proceedings to date and our extensive

experience in litigating class actions under the federal securities laws, that the proposed Settlement in this matter before the Court is fair, reasonable, and adequate, and in the best interest of the Settlement Class.

66. The Settlement represents an extremely favorable result. According to Lead Plaintiffs' damages expert, the maximum estimated damages would be approximately $856 million in the aggregate. The Settlement Amount of $74 million reflects a recovery of approximately 22% of the likely recoverable damages in this case for purchasers of Arconic Preferred Shares (who had claims under the Securities Act and the Exchange Act) and 7.18% of the likely recoverable damages in this case for purchasers of Arconic common stock and notes (who had claims under the Exchange Act). Given both the risks at trial and the recognition that not all damaged Settlement Class Members will seek recovery, the size of the recovery strongly supports approval.

B. The Plan of Allocation

67. The Net Settlement Fund will be distributed on a pro rata basis to Settlement Class Members who, in accordance with the terms of the Stipulation, are entitled to a distribution and who submit a valid and timely Proof of Claim and Release form. The Plan of Allocation provides that a Settlement Class Member will be eligible to participate in the distribution of the Net Settlement Fund only if the Settlement Class Member has an overall net loss on all of his, her, their, or its transactions in Arconic securities.

68. For purposes of determining the amount an Authorized Claimant may recover under the Plan of Allocation, Lead Counsel conferred with their damages expert, and the proposed Plan of Allocation reflects an assessment of the damages that could have been recovered by Settlement Class Members had Lead Plaintiffs prevailed at trial. The plan is premised on the damages calculation under Section 11(e) of the Securities Act with respect to the Preferred Shares and the

out-of-pocket measure of damages with respect to the Exchange Act claims and is designed to measure the difference between what Settlement Class Members paid for Arconic securities in the Preferred IPO or during the Settlement Class Period, and what they would have paid had the allegedly omitted information been disclosed and/or the allegedly false and misleading statements and omissions not been made.

69. The Plan of Allocation treats the Settlement Class Members equitably and ensures that each Authorized Claimant will receive a *pro rata* share of the proceeds from the Net Settlement Fund. To date, there have been no objections to the Settlement or the Plan of Allocation and Lead Counsel respectfully submit that the Plan of Allocation is fair and reasonable, and should be approved.

VII. LEAD COUNSEL'S ATTORNEYS' FEES AND EXPENSES

70. Lead Counsel respectfully requests that the Court award attorneys' fees of 33 1/3% of the Settlement Amount, plus interest. Lead Counsel believes such a fee is reasonable and appropriate in light of the efficiency with which Lead Counsel litigated this matter, the resources Lead Counsel expended in prosecuting the case, the inherent risk of nonpayment from representing the Settlement Class on an entirely contingent basis, and the aggregate monetary benefit conferred on the Settlement Class in a challenging case. Lead Counsel further requests an award of $822,910.28 in litigation expenses, plus interest. The legal authorities supporting the requested fees and expenses are set forth in the accompanying memorandum of law.

A. Time, Labor, and Fee Percentage Requested

71. Lead Counsel devoted a significant amount of time and resources in the research, investigation, and prosecution of this Action. Both Pomerantz and Robbins Geller have substantial experience representing investors in securities fraud cases, including in this District. The

identification and background of Pomerantz and Robbins Geller and their partners are described in the declarations of counsel, submitted herewith.

72. Lead Counsel's representation of the Settlement Class in this Litigation required substantial work from its inception, including analyzing a massive amount of factual information, including Arconic SEC filings, conference calls, related legal proceedings, news articles, interviews with former employees of Arconic, preparing three complaints, researching the law pertinent to the claims and defenses asserted, opposing two motions to dismiss, opposing an interlocutory appeal, working with a class certification expert and serving an expert report, preparing a brief for a class certification motion, reviewing and preparing documents for production, serving and responding to written discovery, participating in meet-and-confers with Defendants to establish the scope of discovery, researching the potential applicability of the French Blocking Statute, drafting detailed mediation statements and preparing for and participating in two full-day mediations, and subsequently rigorously negotiating settlement terms.

73. Lead Counsel's experience and advocacy were required in presenting the strength of the case to the Defendants, their insurers, defense counsel, and the mediator.

74. Lead Counsel's fee request is based upon a percentage of the recovery after discussion and approval by Ironworkers and Sullivan. *See* Exs. 2-4. The fee request is similar to other requests approved by judges in this Circuit, as set forth in the accompanying memorandum. The fee request is also reasonable when cross-checked against the lodestar Lead Counsel incurred in prosecuting this Litigation.

75. As provided in the attached declarations of Emma Gilmore, David A. Rosenfeld, Alfred G. Yates, Jr., and Curtis V. Trinko, Lead Plaintiffs' Lead Counsel has spent a combined 11,411.25 hours during the course of the Litigation, representing a total lodestar of $6,976,740.75.

B. Risk, Magnitude, and Complexity of the Litigation

76. As detailed above, the Litigation involved challenging issues of law and fact that presented considerable risk to Lead Plaintiffs' case. The case involved litigating complex issues related to the Exchange Act claims and Securities Act claims. When Lead Counsel undertook this representation, there was no assurance that the Litigation would survive a motion to dismiss or that it would not be indefinitely stalled by Defendants' motion for an interlocutory appeal. Therefore, there was no assurance that Lead Counsel would recover any payment for their work.

77. Lead Counsel accepted the representation of the Settlement Class on a contingent fee basis where, even if recovery was obtained, any payment for Lead Counsel's services was likely to be delayed several years. These cases present formidable challenges as there are numerous rulings in favor of defendants at each stage of the litigation. Moreover, the investigation that Lead Counsel undertook to prepare the two amended complaints involved retaining foreign investigators and conducting extensive research regarding foreign proceedings. Further, relevant legal developments from the Third Circuit pertinent to this Litigation required Lead Plaintiffs to prepare several sets of supplemental briefing to defend their claims.

78. Although a recovery is never guaranteed, Lead Counsel in this case developed sufficient evidence before Settlement to convince Defendants and their insurers to pay $74,000,000 to settle these claims. Had this case not settled, Lead Counsel were prepared to litigate this case through the remaining stages of fact discovery, expert discovery, class certification, summary judgment, trial and appeal. Each of those litigation stages would have posed considerable challenges and expenses.

C. Quality of Representation

79. Lead Counsel worked efficiently and diligently to obtain an exceptional result for the Class. From the outset, Lead Counsel employed considerable resources and spent considerable

time researching and investigating factual evidence to support a pleading that would be viable at the motion to dismiss stage, class certification, summary judgment and thereafter. The theories of damages at issue were complex and Lead Counsel devoted much time and resources to analyzing potential defenses to liability and damages.

80. The recovery obtained for the Settlement Class is the direct result of the significant efforts of highly-skilled attorneys who are armed with substantial experience in prosecuting complex securities class actions. Both Robbins Geller and Pomerantz are firms with some of the most experienced securities practitioners in the country. The Settlement represents a substantial recovery for the Settlement Class – one that is attributable to the diligence, determination, hard work and reputation of Lead Counsel. The quality of opposing counsel is also an important factor in evaluating the quality of Lead Counsel's work. Defendants were represented by experienced lawyers from Wachtell, Lipton, Rosen & Katz (counsel for the Arconic Defendants), K&L Gates LLP (counsel for the Arconic Defendants) and Shearman & Sterling LLP (counsel for the Underwriter Defendants), which are among the largest and most well-respected defense firms. Defense counsel have reputations for vigorous advocacy in defending complex securities cases such as the Litigation. The ability of Lead Counsel to obtain a favorable settlement for the Settlement Class in the face of such opposition confirms the quality of Lead Counsel's representation.

81. When Lead Counsel undertook to represent Lead Plaintiffs and the Settlement Class, it was with the expectation that they would have to devote a significant amount of time and effort to the prosecution and advance large sums of expenses on experts, mediation, and discovery. The time spent by Lead Counsel on this case was at the expense of time that they could have devoted to other matters. Lead Counsel undertook this case solely on a contingent fee basis, assuming a substantial risk that the case would yield no recovery and leave Lead Counsel

uncompensated. Unlike counsel for Defendants, who are paid an hourly rate and paid for their expenses on a regular basis, Lead Counsel have not been compensated for any time or expenses since this case began in 2017. Indeed, when Lead Counsel undertook to represent Lead Plaintiffs and the Settlement Class in this matter, it was with the knowledge that Lead Counsel would spend many hours of hard work against capable defense lawyers with no assurance of ever obtaining any compensation for their efforts. The only way Lead Counsel would be compensated was to achieve a successful result.

82. As discussed above, the Settlement is an excellent result for the Settlement Class in light of the legal and logistical risks, including the difficulty of obtaining class certification, prevailing at summary judgment, trial and appeal. Instead of facing additional years of uncertain, costly and time-consuming litigation, the Settlement will provide Settlement Class Members with an immediate benefit without the risk of no recovery if the Litigation continued.

VIII. THE REQUESTED EXPENSES ARE FAIR AND REASONABLE

83. Lead Counsel seek an award of $822,910.28 in expenses in connection with the prosecution of the Litigation. Those expenses and charges are summarized by category in the Pomerantz, Robbins Geller, Trinko and Yates Firm Declarations. As provided therein, these expenses are: (i) reflected in the books and records maintained by these firms; and (ii) accurately recorded in these declarations.

84. Lead Counsel submit that the expenses are reasonable and were necessary for the successful prosecution of the Litigation. Lead Counsel were aware that they may not recover any of these expenses unless and until this Litigation was successfully resolved. Accordingly, Lead Counsel took steps to minimize expenses whenever practicable without jeopardizing the vigorous and efficient prosecution of Lead Plaintiffs' claims.

85. Lead Counsel's expenses reflect routine and typical expenditures incurred in the course of litigation, such as the costs of investigation, document duplication, transcript fees, expert and consultant fees, mediation fees, and expedited mail delivery. Lead Counsel believe these expenses are reasonable and were necessary for the successful prosecution of the Litigation.

IX. THE REQUESTED AWARDS TO LEAD PLAINTIFFS ARE FAIR AND REASONABLE

86. Additionally, in accordance with 15 U.S.C. §77z-1(a)(4) and/or 15 U.S.C. §78u-4(a)(4), Lead Plaintiffs seek an award of $65,000 in connection with their representation of the Settlement Class. The amount of time and effort devoted to the Action by Lead Plaintiff Ironworkers and Lead Plaintiff Sullivan are detailed in their accompanying declarations, submitted herewith.

87. As discussed above, and in the accompanying declarations, Lead Plaintiffs have been fully committed to pursuing the Settlement Class's claims since they became involved in the Litigation. Specifically, both Ironworkers and Sullivan engaged in time-consuming discovery efforts and searched for documents responsive to discovery requests, including information concerning their investment strategies and investments. Lead Plaintiffs also spent time and effort participating in two mediations through their representatives. These efforts required Lead Plaintiffs to dedicate considerable time and resources to this Litigation that would have been otherwise devoted to their personal and professional duties.

88. As more fully set forth in the accompanying memorandum of law, the efforts expended by Lead Plaintiffs during the course of this Litigation are precisely the types of activities courts have found adequate to support an award under the PSLRA.

X. CONCLUSION

89. In light of the significant recovery to the Settlement Class and the substantial risks presented by this Litigation, as described above and in the accompanying memorandum of law,

Lead Counsel respectfully submit that the Settlement should be approved as fair and reasonable. Further, as a result of the recovery obtained in the face of substantial risks, including the contingent nature of the fees and the complexity of the case, Lead Counsel respectfully submit that the Court should award attorneys' fees of 33-1/3% of the Settlement Amount, plus $822,910.28 in expenses, plus interest at the same rate and for the same period as that earned on the Settlement Fund until paid, and awards to Lead Plaintiff of $65,000.

We declare under penalty of perjury that the foregoing is true and correct. Executed this 5th day of July, 2023, at New York, New York and Melville, New York, respectively.

/s/ Emma Gilmore
EMMA GILMORE

/s/ David A. Rosenfeld
DAVID A. ROSENFELD