UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

In re Arrival SA Securities Litigation.	**DECISION AND ORDER** 22-CV-172 (NRM)(PK)

Peggy Kuo, United States Magistrate Judge:

Named Plaintiff Salvatore Fiorellino and Lead Plaintiff Mostaco Corp. ("Mostaco") (collectively, "Federal Plaintiffs") have filed an unopposed Motion for Preliminary Approval of Partial Class Action Settlement. ("Motion," Dkt. 164; *see also* "Mem.," Dkt. 164-1; Proposed Order, Dkt. 164-2.) The parties have consented to magistrate judge jurisdiction for purposes of the Motion. (Dkt. 166.) For the reasons stated below, the Motion is granted.

BACKGROUND

I. Factual and Procedural Background

The following facts are taken from the SAC and the Stipulation of Settlement dated June 23, 2025 ("Stipulation," Dkt. 163).

A. Federal Action

Plaintiff Miguel A. Sanchez brought this putative securities fraud class action on January 12, 2022, alleging violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 (the "Exchange Act"), 15 U.S.C. §§ 78j(b), 78t(a), and Securities and Exchange Commission Rule 10b-5, 17 C.F.R. § 240.10b-5. (*See* Compl., Dkt. 1.) The Court appointed Mostaco as Lead Plaintiff, and The Rosen Law Firm, P.A. as Lead Counsel. (April 15, 2022 Order, Dkt. 39.)

On February 14, 2023, Federal Plaintiffs[1] filed a Second Amended Complaint, naming as defendants CIIG Management LLC ("CIIG Management"), Tim Holbrow, Michael Ableson, Avinash Rugoobur, Michael Anatolitis, Gilles Dusemon, Csaba Horvath, Alain Kinsch, Kristen O'Hara, Jae Oh, Peter Cuneo, Gavin Cuneo, Michael Minnick, UBS Securities LLC, Barclays Capital Inc., and Cowen & Company LLC[2] (collectively, "Settling Defendants"), along with Arrival SA ("Arrival"), CIIG Merger Corp.[3] ("CIIG"), Denis Sverdlov ("Sverdlov"), and Kinetik S.à.r.l. ("Kinetic") (collectively, together with Settling Defendants, "Defendants") ("SAC," Dkt. 93.) The SAC alleges that Defendants violated, as relevant here, Sections 10(b) and 14(a) of Exchange Act and Section 11 of the Securities Act of 1933 ("Securities Act"), 15 U.S.C. § 77k, for making misrepresentations that artificially inflated the market price of Arrival's stocks. (*See* SAC.)

Five separate motions to dismiss the Second Amended Complaint were filed on June 22, 2023 (collectively, "Motions to Dismiss," Dkts. 107, 108, 110, 111, 112).

On June 11, 2024, Arrival's counsel filed a letter stating that Arrival filed a bankruptcy petition with the Tribunal d'Arrondissement de et à Luxembourg of Luxembourg ("Luxembourg Court"), and the Luxembourg Court rendered a judgment declaring it bankrupt on May 22, 2024. (Notice of Bankruptcy, Dkt. 136; *see also* Form 6-K, Ex. A to Notice of Bankruptcy, Dkt. 136-1.)

B. New York State Court Action

On August 12, 2022, Alexandre Lioubinine ("Lioubinine" or "State Securities Plaintiff") (together with Federal Plaintiffs, "Plaintiffs") brought a putative class action against some Defendants[4]

[1] The SAC did not name Miguel A. Sanchez as a plaintiff.

[2] TD Securities (USA) LLC is the successor to Cowen & Company LLC. (Stipulation at 2 n.1.)

[3] CIIG is now known as Arrival Vault US, Inc. (SAC ¶ 45; *see also* Stipulation at 2 n.2.)

[4] The State Securities Action names as defendants Arrival, Sverdlov, Tim Holbrow, Michael Anatolitis, Gilles Dusemon, Csaba Horvath, Michael Ableson, Avinash Rugoobur, Peter Cuneo, Alain Kinsch, Kristen O'Hara, and Jae Oh. (Stipulation at 6.)

in New York State Supreme Court, New York County, alleging claims arising under Sections 11, 15, and 12(a)(2) of the Securities Act ("State Securities Action") (together with the Federal Action, "Actions").[5] (Stipulation at 6.)

The claims in the State Securities Action are based on the same set of operative facts as the claims in the Federal Action. (*Id.*) Bernstein, Litowitz, Berger & Grossmann LLP and Kaskela Law ("State Securities Plaintiffs' Counsel") represents Lioubinine. (*Id.*)

On February 17, 2024, the State Securities Action was stayed pending resolution of the Federal Action given the substantial overlap between the two actions. (*Id.* at 7.)

C. Delaware Chancery Court Action

On March 22, 2024, Jack Hardy and Ahuva Schachter ("Delaware Plaintiffs") filed a putative class action in the Delaware Chancery Court, alleging breach of fiduciary duty against some Defendants and other persons who are not parties to this action[6] (the "Delaware Action").[7] (Stipulation at 7.) The claims in the Delaware Action are based on the same set of operative facts as the claims in the Actions. (*Id.* at 8.) The Delaware Plaintiffs are represented by Robbins, Geller, Rudman & Dowd LLP ("Delaware Plaintiffs' Counsel").

D. Settlement Negotiations

The parties participated in a mediation on November 12, 2024. (Letter, Dkt. 140.) The mediation was unsuccessful, but the parties continued settlement discussions with the aid of mediator David Murphy Esq. (Joint Status Reports, Dkts. 141 through 148, 153, 154.)

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[5] *Lioubinine v. Arrival SA, et al.*, Index No. 651783/2022.

[6] The Delaware Action names as defendants Peter Cuneo, Gavin Cuneo, Michael Minnick, David Flowers, Chris Rogers, Kenneth P. West, Kristen M. O'Hara, Sverdlov, and Tim Holbrow. (Stipulation at 7.)

[7] *Hardy v. Cuneo, et al.*, C.A. 2024-0297-JTL (Del. Ch.).

On March 18, 2025, the parties filed a letter stating that several of the parties reached a settlement in principle. (Dkt. 155.) The Court administratively closed the pending Motions to Dismiss with leave to reopen within 60 days. (Mar. 24, 2025 Order.)

On June 27, 2025, Federal Plaintiffs filed the Motion, seeking preliminary approval of the settlement. (Dkt. 164.)

II. The Stipulation and Procedure

The Parties stipulate, for settlement purposes only, to the certification of the Federal Action pursuant to Fed. R. Civ. P. 23(a) and 23(b)(3) as a class action on behalf of the settlement class ("Settlement Class") comprised of:

> all Persons who: (1) purchased or otherwise acquired the publicly traded securities of CIIG and/or Arrival during the Class Period and have suffered compensable damages thereby; and/or (2) beneficially owned and/or held common stock of CIIG, eligible to vote at CIIG's special meeting and/or to redeem their CIIG stock prior to the closing of the Business Combination.[8]

(Stipulation ¶¶ 1.44, 3.0.) The Class Period is defined as "the period from November 18, 2020, through November 19, 2021, both dates inclusive." (Stipulation ¶ 1.5.) Excluded from the Settlement Class are:

> (1) Defendants; (2) the present and former officers and directors of Arrival and/or CIIG, and/or CIIG Management; (3) members of such excluded persons' immediate families; (4) the legal representatives, heirs, successors, or assigns of any such excluded person or entity; and (5) any entity in which any of the Defendants, or any person excluded under this subsection, has or had a majority interest during the Class Period. Also excluded from the Settlement Class are those Persons who: (1) suffered no compensable losses; or (2) submit valid and timely a request for exclusion in accordance with the Preliminary Approval Order.

(*Id.*)

[8] "Business Combination" is defined as "the business combination through which Arrival became a publicly traded company by mergining with CIIG." (Stipulation at 4) (cleaned up).

Plaintiffs and Settling Defendants (collectively, "Settling Parties") have agreed to settle the Actions for $11,275,000 in cash ("Cash Settlement Amount") plus a cash reserve of $2,000,000 to be set aside for defense costs ("Cash Settlement Reserve Amount") (together with Cash Settlement Amount, "Settlement Fund"). (Stipulation ¶¶ 1.21, 1.22, 1.49.) Any unused portion of the Cash Settlement Reserve Amount ("Cash Settlement Reserve Remainder Amount") plus the Cash Settlement Amount represents the Settlement Amount. (Stipulation ¶¶ 1.23, 1.43.)

The Settlement Fund will be used to pay taxes, tax expenses, attorneys' fees and costs, compensatory awards to Plaintiffs, and claims administrator fees. (Stipulation ¶ 6.2.) Lead Counsel intends to apply for "attorneys' fees of up to one-third of the Settlement Amount, litigation expenses of up to $325,000 and an award to Plaintiffs of up to $30,000, in total, all to be paid from the Settlement Fund." (Mem. at 26-27.) Lead Counsel will allocate a portion of the attorneys' fees awarded to State Securities Plaintiffs' Counsel. (*Id.* at 21.)

After these payments are made, the remaining amount ("Net Settlement Fund") will be distributed to members of the Settlement Class ("Settlement Class Members") who timely submit valid proof of claim forms ("Authorized Claimants"). (Stipulation ¶¶ 1.1, 1.28, 6.0, 6.2.) The Net Settlement Fund will be distributed pursuant to the formulas set forth in the Plan of Allocation. (*See* "Long Notice" at 7-9, Ex. A-1 to Stipulation, Dkt. 163.)

For Settlement Class Members with claims arising under Section 10(b) of the Exchange Act, the Plan of Allocation calculates their portion of the Net Settlement Fund as follows:

> (A) For shares purchased during the Settlement Class Period[9] and sold during the Settlement Class Period, the Recognized Loss per share will be the lesser of: (1) the inflation per share upon purchase . . . less the inflation per share upon sale . . . ; or (2) the purchase price per share minus the sales price per share.

[9] The Plan of Allocation does not separately define the Settlement Class Period, and the Court uses this term interchangeably with Class Period.

> (B) For shares purchased during the Settlement Class Period and sold during the period November 22, 2021 through February 15 2022, inclusive, the Recognized Loss will be the lesser of: (1) the inflation per share upon purchase . . . ; or (2) the difference between the purchase price per share and the average closing share price as of date of sale . . . .
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> (C) For shares purchased during the Settlement Class Period and retained as of the close of trading on February 15, 2022 the Recognized Loss will be the lesser of: (1) the inflation per share upon purchase . . . ; or (2) the purchase price per share minus $6.59 per share.

(Long Notice at 7-9.) The Plan of Allocation provides tables outlining the inflation per share and the average closing share price for the relevant dates. (Long Notice at 8-9.)

Settlement Class Members with claims arising under Section 14(a) of the Exchange Act must have held publicly traded shares of CIIG as of February 16, 2021, were eligible to vote at CIIG's special meeting, and subsequently exchanged these shares for Arrival's common stock on or about March 24, 2021. (Long Notice at 9.) For the Settlement Class Members who meet these criteria, their respective portion of the Net Settlement Fund is calculated as follows:

> (A) For shares sold during the period March 24, 2021 through November 19, 2021, inclusive, the Recognized Loss Amount is $27.34 per share minus the sale price per share.
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> (B) For shares held as of the close of trading on November 19[,] 2021, the Recognized Loss per share is $17.58.

(Long Notice at 9-10.)

Settlement Class Members with claims arising under Section 11 of the Securities Act must have purchased or acquired Arrival common stock pursuant or traceable to its registration statement and prospectus issued in connection with the Business Combination on March 24, 2021. (Long Notice at 10.) For the Settlement Class Members who meet these criteria, their respective portion of the Net Settlement Fund is calculated as follows:

> (A) For shares sold between March 24, 2021 and November 19, 2021 inclusive, the Recognized Loss per share shall be the lesser of 125% [of]: (1) the inflation per share . . . upon purchase less inflation upon sale . . . ; or (2) purchase price

per share (not to exceed the $23.81 per share offering price) less the sale price per share.

(B) For shares held as of the close of trading on November 19, 2021, the Recognized Loss shall be the lesser of 125% of: (1) the inflation per share . . . upon purchase; or (2) purchase price per share (not to exceed the $23.81 per share offering price) less $1.10 per share.

(Long Notice at 10.)

If there is any balance remaining in the Net Settlement Fund after six months from the date of distribution of the Net Settlement Fund, the claims administrator must "reallocate such balance among Authorized Claimants in an equitable and economic fashion . . . until the balance remaining in the Net Settlement Fund is no longer economically reasonable . . . to distribute to Settlement Class Members." (Stipulation ¶ 6.6.) Any balance that still remains in the Net Settlement Fund must be "donated to an appropriate non-profit organization." (Stipulation ¶ 6.6.) No portion of the Settlement Fund will be returned to the Released Parties.[10] (Stipulation ¶ 6.7.)

As part of the settlement, Plaintiffs and all Settlement Class Members agree to release the "Settlement Class Claims" as that term is defined in the Stipulation.[11] (Stipulation ¶ 5.1.) Settling

[10] "Released Parties" is defined as "Arrival, CIIG, Settling Defendants, and each and all of their Related Parties and Settling Defendants' Counsel. Released Parties specifically excludes Denis Sverdlov and Kinetik." (Stipulation ¶ 1.40.)

[11] "Settlement Class Claims" is defined as "any and all claims, rights, demands, losses, suits, liabilities, or causes of action . . . alleged or that could have been alleged by Plaintiffs or any Settlement Class Member . . . against Arrival, CIIG, Settling Defendants or against any other of the Released Parties . . . that (1) directly or indirectly arise out of, are based upon, in any way related to, or are in consequence of any of the facts, allegations, transactions, matters, events, disclosures, non-disclosures, occurrences, representations, statements, acts, claims, omissions, or failures to act that were involved, set forth, or referred to in any of the complaints filed in the Federal Action, the State Securities Action, or the Delaware Action, or (2) otherwise would have been barred by *res judicata* had the Federal Action, the State Securities Action, or the Delaware Action been fully litigated to a final judgment; or (3) arise out of, are based upon, or in any way relate, directly or indirectly to (a) the holding of any Arrival and/or CIIG securities as of CIIG's redemption deadline or date of CIIG's special meeting . . . or (b) the purchase, acquisition, holding, exchange, redemption, vote, sale or disposition of any Arrival and/or CIIG securities during the Class Period; provided, however, that Settlement Class Claims do not include: (1) any claims relating to the enforcement of the Settlement; or (2) any claims of any person or entity who or which submits a request for exclusion that is accepted by the Court." (Stipulation ¶ 1.45.)

Defendants agree to release the "Defendant Claims" as that term is defined in the Stipulation.[12] (Stipulation ¶ 5.2.) The release of these claims does not include the release or alteration of any contractual rights under the agreements identified in the Stipulation. (Stipulation ¶ 5.3.)

DISCUSSION

I. Preliminary Approval of Proposed Stipulation

A. Standard of Review

Class settlements under Federal Rule of Civil Procedure Rule 23 require court approval. Fed. R. Civ. P. 23(e).

"A class action settlement approval procedure typically occurs in two stages: (1) preliminary approval—where prior to notice to the class, a court makes a preliminary evaluation of fairness, and (2) final approval—where notice of a hearing is given to the class members, and class members and settling parties are provided the opportunity to be heard on the question of final court approval." *In re Payment Card Interchange Fee & Merch. Disc. Antitrust Litig.*, 330 F.R.D. 11, 27 (E.D.N.Y. 2019) (cleaned up).

Under Rule 23(e), in considering a motion for preliminary approval of a proposed settlement, a court must consider whether "giving notice is justified by the parties' showing that the court will likely be able to: (i) approve the proposal under Rule 23(e)(2); and (ii) certify the class for purposes of judgment on the proposal." Fed. R. Civ. P. 23(e)(1)(B)(i)-(ii). Factors relevant to the Court's decision whether to approve a proposed class action settlement include the "(1) adequacy of representation, (2) existence of arm's-length negotiations, (3) adequacy of relief, and (4) equitableness of treatment of

[12] "Defendant Claims" is defined as "any and all counterclaims and bases for relief . . . that the Released Parties could have raised in the Actions against Plaintiffs, Plaintiffs' Counsel, or any Settlement Class Member, whether arising under state, federal, common, or foreign law, which arise out of or are related to the commencement and prosecution of the Actions except for claims relating to enforcement of the Settlement." (Stipulation ¶ 1.8.)

class members." *In re GSE Bonds Antitrust Litig.*, 414 F. Supp. 3d 686, 692 (S.D.N.Y. 2019) (citing Fed. R. Civ. P. 23(e)(2)).

"Courts look to the nine *Grinnell* factors to fill in any gaps and complete the analysis." *Villa v. Highbury Concrete Inc.*, No. 17-CV-984 (PK), 2022 WL 19073649, at *2 (E.D.N.Y. Nov. 25, 2022) (internal quotation marks omitted). These include:

> (1) the complexity, expense and likely duration of the litigation; (2) the reaction of the class to the settlement; (3) the stage of the proceedings and the amount of discovery completed; (4) the risks of establishing liability; (5) the risks of establishing damages; (6) the risks of maintaining the class action through the trial; (7) the ability of the defendants to withstand a greater judgment; (8) the range of reasonableness of the settlement fund in light of the best possible recovery; (9) the range of reasonableness of the settlement fund to a possible recovery in light of all the attendant risks of litigation.

City of Detroit v. Grinnell Corp., 495 F.2d 448, 463 (2d Cir. 1974) (citations omitted), *abrogated on other grounds by Goldberger v. Integrated Res., Inc.*, 209 F.3d 43 (2d Cir. 2000); *accord Charron v. Wiener*, 731 F.3d 241, 247 (2d Cir. 2013).

B. Discussion

Considering both the procedural and substantive factors set forth in Fed. R. Civ. P. 23(e)(2), as well as the *Grinnell* factors, the Court finds that it will likely approve the terms set forth in the Stipulation as fair, reasonable, and adequate.

1. Rule 23(e)(2) Factors

a. Adequate Representation by Class Representatives and Class Counsel – Fed. R. Civ. P. 23(e)(2)(A)

In determining the adequacy of representation by class representatives and class counsel, courts consider whether "1) plaintiff's interests are antagonistic to the interest of other members of the class and 2) plaintiff's attorneys are qualified, experienced and able to conduct the litigation."

Cordes & Co. Fin. Servs. v. A.G. Edwards & Sons, Inc., 502 F.3d 91, 99 (2d Cir. 2007).[13] "An adequate class representative is one who has 'an interest in vigorously pursuing the claims of the class' and 'no interests antagonistic to the interests of other class members.'" *Mikhlin v. Oasmia Pharm. AB*, No. 19-CV-4349 (NGG)(RER), 2021 WL 1259559, at *4 (E.D.N.Y. Jan. 6, 2021) (quoting *Denney v. Deutsche Bank AG*, 443 F.3d 253, 268 (2d Cir. 2006)). "Courts find class counsel qualified when they are experienced and knowledgeable in the area of complex class actions." *Villa*, 2022 WL 19073649, at *3 (cleaned up).

The Settling Parties seek preliminary approval of Plaintiffs as representatives of the Settlement Class. (Mem. at 10.) The parties also seek preliminary approval of Lead Counsel as class counsel. (Mem. at 10-11.)

Plaintiffs are adequate class representatives and their interests are not antagonistic to those of the class members. Plaintiffs allege that they purchased CIIG and Arrival shares during the Class Period at artificially inflated prices, and are seeking to maximize the recovery of damages for all Settlement Class Members. (Mem. at 10.) *See In re Polaroid ERISA Litig.*, 240 F.R.D. 65, 77 (S.D.N.Y. 2006) ("Where plaintiffs and class members share the common goal of maximizing recovery, there is no conflict of interest . . . .") There is no indication that their interests are in any way antagonistic to other Settlement Class Members.

Lead Counsel has ably litigated this case for over three years. Furthermore, it has significant experience in securities class actions and has achieved significant results for certified investor classes as lead or co-lead counsel. (Mem. at 10-11; *see also* Apr. 15, 2022 Order at 20-21, Dkt. 39 (approving The Rosen Law Firm, P.A. as Lead Counsel).)

[13] "Because this factor is nearly identical to the Rule 23(a)(4) prerequisite of adequate representation in the class certification context," the Court's consideration of this factor is guided by Rule 23(a)(4) case law. *Mikhlin*, 2021 WL 1259559, at *4 n.3 (cleaned up).

As a result, this factor weighs in favor of preliminary approval.

b. Arm's Length Negotiation – Fed. R. Civ. P. 23(e)(2)(B)

A class settlement "reached through arm's-length negotiations between experienced, capable counsel knowledgeable in complex class litigation . . . enjoys a presumption of fairness." *In re GSE Bonds*, 414 F. Supp. 3d at 693 (cleaned up).

Settling Parties, counsel for whom are experienced and capable in this field, reached the settlement with the assistance of David Murphy Esq., an experienced mediator. (Mem. at 1, 16.)

This factor weighs in favor of preliminary approval.

c. Adequate Relief for the Class – Fed R. Civ. P. 23(e)(2)(C)

In evaluating whether the proposed settlement provides adequate relief for the class, the Court considers: "(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 the timing of payment; and (iv) any agreement required to be identified under Rule 23(e)(3)." Fed. R. Civ. P. 23(e)(2)(C).

i. Costs, Risks, and Delay of Trial and Appeal – Fed. R. Civ. P. 23(e)(2)(C)(i)

The first factor set forth under Rule 23(e)(2)(C), "the 'costs, risks, and delay of trial and appeal,' subsumes several *Grinnell* factors, including the complexity, expense and likely duration of litigation, the risks of establishing liability, the risks of establishing damages, and the risks of maintaining the class through trial." *Villa*, 2022 WL 19073649, at *3.

Courts favor settlement when it "results in substantial and tangible present recovery, without the attendant risk and delay of trial." *In re Payment Card*, 330 F.R.D. at 36. Class action lawsuits "have a well-deserved reputation as being most complex." *Id.*; *see also Garland v. Cohen & Krassner*, No. 08-CV-4626 (KAM)(RLM), 2011 WL 6010211, at *7 (E.D.N.Y. Nov. 29, 2011) ("Given the complexity

of any class action lawsuit . . . it is reasonable to assume that absent the instant Settlement, continued litigation would have required extensive time and expense.").

"In considering the risks of establishing liability, the court need only assess the risks of litigation against the certainty of recovery under the proposed settlement." *Mikhlin*, 2021 WL 1259559, at *5 (cleaned up). "Settlement is favored in cases in which plaintiffs would have faced significant legal and factual obstacles to proving their case." *Id.* (cleaned up).

The settlement provides a guaranteed, immediate recovery to the Settlement Class Members. (Mem. at 20.) If the parties continue to litigate this matter, they would likely incur substantial costs and engage in prolonged litigation through a decision on the Motions to Dismiss, class certification, summary judgment, trial, and appeals. (*Id.*) Moreover, Plaintiffs face significant obstacles obtaining the necessary evidence to prove their case through discovery because many of Settling Defendants and witnesses are scattered throughout the world, and Arrival is now a bankrupt Luxembourg Company whose principal operations took place in England. (*Id.*)

In sum, the "costs, risks and delay of trial and appeal" are significant and weigh in favor of preliminary approval of the proposed settlement. Fed. R. Civ. P. 23(e)(2)(C)(i). As a result, the Court agrees that the settlement represents a favorable outcome and that in light of the likelihood of substantial delay, the risks and uncertainties of litigation, and the significant costs that the parties would incur, the *Grinnell* factors suggest that the proposed settlement is fair, reasonable, and adequate.

ii. Effectiveness of Proposed Method of Distributing Relief – Fed. R. Civ. P. 23(e)(2)(C)(ii)

A court must consider the effectiveness of the parties' "proposed method of distributing relief to the class, including the method of processing class-member claims." Fed. R. Civ. P. 23(e)(2)(C)(ii). "A plan for allocating settlement funds need not be perfect. Rather, it need only have a reasonable, rational basis, particularly if recommended by experienced and competent class counsel." *Mikhlin*, 2021 WL 1259559, at *6 (cleaned up).

The Plan of Allocation sets forth three distinct formulas for distributing the Net Settlement Fund to Settlement Class Members with claims arising under Sections 10(b) and 14(a) of Exchange Act and Section 11 of the Securities Act. (Long Notice at 7-9). The Long Notice includes a standard proof of claim and release form that requests the information necessary to calculate a claimant's claim amount pursuant to the Plan of Allocation. ("Claim Form," Ex. A-3 to Stipulation at 96-103 (ECF pagination).) In addition, the Long Notice provides clear explanations of how to make a claim, opt out of the class, or object to the settlement. (*See* Long Notice; *see also* "Summary Notice," Ex. A-2 to Stipulation, Dkt. 163.) The distribution plan appears to be rational and fair. This factor, therefore, weighs in favor of preliminary approval.

iii. Terms of Proposed Award of Attorneys' Fees, Including Timing of Payment – Fed. R. Civ. P. 23(e)(2)(C)(iii)

"When analyzing the proposed settlement agreement for final approval, this Court will review Plaintiffs' application for attorneys' fees, taking into account the interests of the class." *Hart v. BHH, LLC*, 334 F.R.D. 74, 79 (S.D.N.Y. 2020).

Lead Counsel has not yet submitted a fee application or application for service award. The Court, therefore, cannot assess the reasonableness of the requested attorneys' fees or service award until a motion for final settlement approval is filed.

This factor does not weigh against preliminary approval.

d. Equitable Treatment of Class Members Relative to Each Other – Fed. R. Civ. P. 23(e)(2)(D)

A court must consider whether the proposed settlement "treats class members equitably relative to each other." Fed. R. Civ. P. 23(e)(2)(D). A court may consider "whether the apportionment of relief among class members takes appropriate account of differences among their claims, and whether the scope of the release may affect class members in different ways that bear on the apportionment of relief." Fed. R. Civ. P. 23 advisory committee's note to 2018 amendment.

As stated *supra*, the method of distribution appears fair and reasonable. Other than any compensatory awards that Plaintiffs may seek, all claimants, including Plaintiffs, will receive their payment pursuant to the same formulas set forth in the Plan of Allocation. (Mem. at 23.)

This factor weighs in favor of preliminary approval.

2. Remaining *Grinnell* Factors

The *Grinnell* factors not covered by Rule 23(e)(2)(C)(i) are the reaction of the class to the settlement, the stage of the proceedings and the amount of discovery completed, the ability of the defendants to withstand a greater judgment, the range of the settlement fund in light of the best possible recovery, and the range of reasonableness of the settlement fund to a possible recovery in light of all the attendant risks of litigation. A court's consideration of the stage of the proceedings and the amount of discovery completed "is intended to assure the Court that counsel for plaintiffs have weighed their position based on a full consideration of the possibilities facing them." *In re Glob. Crossing*, 225 F.R.D. at 458 (cleaned up).

The Court cannot consider the class's reaction to the proposed settlement until after notice has been provided to the class. The Court is, therefore, unable to consider this factor at this stage of the proceedings. *See Mikhlin*, 2021 WL 1259559, at *4 n.2; *Caballero ex rel. Tong v. Senior Health Partners, Inc.*, Nos. 16-CV-0326 (CLP), 18-CV-2380 (CLP), 2018 WL 4210136, at *11 (E.D.N.Y. Sept. 4, 2018).

With regard to the remaining factors, the case has been pending for over three years, and the parties have conducted no formal discovery. However, Plaintiffs conducted an extensive investigation by engaging "investigators around the globe to interview relevant witnesses and retained experts to analyze damages and assist them in understanding electric vehicle manufacturing." (Mem. at 23.) *See In re Am. Bank Note Holographics, Inc.*, 127 F. Supp. 2d 418, 425-26 (S.D.N.Y. 2001) ("To approve a proposed settlement . . . the Court need not find that the parties have engaged in extensive discovery.

Instead, it is enough for the parties to have engaged in sufficient investigation of the facts to enable the Court to intelligently make . . . an appraisal of the Settlement.").

Plaintiffs do not provide any information regarding Settling Defendants' ability to withstand a greater judgment or the range of the Settlement Fund in light of the best possible recovery. Nevertheless, "courts have recognized that the defendant's ability to pay is much less important than other factors, especially where the other *Grinnell* factors weigh heavily in favor of settlement approval." *In re MetLife Demutualization Litig.*, 689 F. Supp. 2d 297, 339 (E.D.N.Y. 2010) (cleaned up). Moreover, Plaintiffs express a reasonable concern that they would not be able to recover more than the settlement amount even if they secured a judgment through litigation because Arrival is bankrupt, and the insurance used to fund this settlement would be depleted to finance defense costs. (Mem. at 24.)

Based on the foregoing, the remaining *Grinnell* factors weigh in favor of preliminary approval.

3. Identification of Other Agreements

Rule 23(e)(3) requires the parties to identify "any agreement made in connection with the proposal." Fed. R. Civ. P. 23(e)(3). Settling Parties represent that they entered into a standard supplemental agreement under which Settling Defendants may terminate the settlement if the number of CIIG and Arrival shares purchased by Settlement Class Members who opt out exceeds the number specified in the agreement. (Mem. at 22; Stipulation ¶ 2.13.) The supplemental agreement will not be filed with the Court, and its terms will be kept confidential to avoid incentivizing a small group of Settlement Class Members from opting out to leverage the threshold to exact an individual settlement. (Mem. at 22.) "This type of agreement is standard in securities class action settlements and has no negative impact on the fairness of the Settlement." *Christine Asia Co. v. Yun Ma*, 2019 WL 5257534, at *15 (S.D.N.Y. Oct. 16, 2019).

* * *

Having weighed the Rule 23(e)(2) and *Grinnell* factors, the Court finds that it will likely be able to approve the proposed settlement as fair, reasonable, and adequate.

III. Preliminary Certification of Rule 23 Settlement Class

Plaintiffs move to provisionally certify a class for settlement purposes comprised of:

> all Persons who: (1) purchased or otherwise acquired the publicly traded securities of CIIG and/or Arrival during the Class Period and have suffered compensable damages thereby; and/or (2) beneficially owned and/or held common stock of CIIG, eligible to vote at CIIG's special meeting and/or to redeem their CIIG stock prior to the closing of the Business Combination.

(Stipulation ¶¶ 1.44, 3.0.)

"The ultimate decision to certify the class for purposes of settlement cannot be made until the hearing on final approval of the proposed settlement." Fed. R. Civ. P. 23 advisory committee's note to 2018 Amendment. The Court may, however, grant preliminary approval when it will "likely be able to certify the class for purposes of judgment on the proposal." *In re Payment Card*, 330 F.R.D. at 50 (cleaned up) (quoting Fed. R. Civ. P. 23(e)(1)(B)(ii).

To qualify for certification, a class must meet the prerequisites set forth in Rule 23 of the Federal Rules of Civil Procedure. A plaintiff seeking certification under Rule 23 has the burden to establish (1) numerosity, (2) commonality, (3) typicality, (4) adequacy of representation, (5) superiority of the class action over other procedures, and (6) predominance. *Mazzei v. Money Store*, 829 F.3d 260, 270 (2d Cir. 2016); *see* Fed. R. Civ. P. 23(a), (b)(3). The Second Circuit has also recognized an implied requirement of ascertainability. *Brecher v. Republic of Arg.*, 806 F.3d 22, 24 (2d Cir. 2015) ("Like our sister Circuits, we have recognized an 'implied requirement of ascertainability' in Rule 23 of the Federal Rules of Civil Procedure."); *see McBean v. N.Y.C.*, 260 F.R.D. 120, 132-33 (S.D.N.Y. 2009).

A. Numerosity

Rule 23(a)(1) requires that the class be "so numerous that joinder of all members is impracticable." Fed. R. Civ. P. 23(a)(1). "[N]umerosity is presumed at a level of 40 members." *Consol.*

Rail Corp. v. Town of Hyde Park, 47 F.3d 473, 483 (2d Cir. 1995). Plaintiffs estimate that "there are hundreds if not thousands of potential Settlement Class Members as Arrival and CIIG's shares were publicly traded on NASDAQ and over 20 million shares of Arrival were offered in connection with the Business Combination/IPO." (Mem. at 8.) Given that joinder of all the Settlement Class Members would be impractical, the Court finds that numerosity is satisfied.

B. Commonality

Under Rule 23(a)(2), there must be "questions of law or fact common to the class." Fed. R. Civ. P. 23(a)(2). The questions must be capable of "class[-]wide resolution—which means the determination of its truth or falsity will resolve an issue that is central to the validity of each one of the claims in one stroke." *Sykes v. Mel S. Harris & Assocs. LLC*, 780 F.3d 70, 80 (2d Cir. 2015) (alteration in original) (quoting *Wal-Mart Stores, Inc. v. Dukes*, 564 U.S. 338, 350 (2011)).

Plaintiffs sufficiently show that the proposed class members share common questions of law and fact regarding "whether false statements of material fact and/or material omissions were made in Arrival and CIIG's SEC filings and public statements and the appropriate measure of damages." (Mem. at 9.) These types of common questions are sufficient to satisfy commonality. *See Darquea v. Jarden Corp.*, No. 06-CV-722, 2008 WL 622811, at *2 (S.D.N.Y. Mar. 6, 2008) ("The alleged misrepresentation leading to artificially inflated stock prices relate to all the investors and the existence and materiality of such misstatements or omissions present important common issues.")

C. Typicality

The requirement for typicality is met "when each class member's claim arises from the same course of events, and each class member makes similar legal arguments to prove the defendant's liability." *Robinson v. Metro-N. Commuter R.R. Co.*, 267 F.3d 147, 155 (2d Cir. 2001), *abrogated on other grounds by Wal-Mart Stores, Inc. v. Dukes*, 564 U.S. 338 (2011). "The commonality and typicality requirements tend to merge into one another, so that similar considerations animate analysis of

[both]." *Marisol A. v. Giuliani*, 126 F.3d 372, 376 (2d Cir. 1997). "The crux of both requirements is to ensure that maintenance of a class action is economical and that the named plaintiff's claim and the class claims are so interrelated that the interests of the class members will be fairly and adequately protected in their absence." *Id.* (cleaned up).

Plaintiffs' claims are typical of the Settlement Class. Their claims, and the claims of each Settlement Class Member, arise from the purchase of CIIG or Arrival shares at prices that were allegedly artificially inflated by Defendants' alleged misrepresentations. (Mem. at 9.) The claims are so interrelated that the class claims will be fairly and adequately protected by Plaintiffs. The typicality requirement is satisfied.

D. Adequacy

In assessing adequacy, "the primary factors are whether the class representatives have any 'interests antagonistic to the interests of other class members' and whether the representatives 'have an interest in vigorously pursuing the claims of the class.'" *In re Patriot Nat'l, Inc. Sec. Litig.*, 828 F. App'x 760, 764 (2d Cir. 2020) (quoting *Denney*, 443 F.3d at 268). "[A] class representative must be part of the class and possess the same interest and suffer the same injury as the class members." *Amchem Prod., Inc. v. Windsor*, 521 U.S. 591, 625-26 (1997).

As discussed in Section I(B)(1)(a) *supra*, Plaintiffs are adequate representatives of the class, and the adequacy requirement is met.

E. Ascertainability

The implied requirement of ascertainability demands "only that a class be defined using objective criteria that establish a membership with definite boundaries." *In re Petrobras Sec. Litig.*, 862 F.3d 250, 264 (2d Cir. 2017). The Settlement Class is ascertainable because it is defined using objective criteria of whether the proposed members purchased or acquired securities of CIIG or Arrival during the Class Period. (Stipulation ¶¶ 1.44, 3.0.)

F. Rule 23(b)(3)

Rule 23(b)(3) requires that "questions of law or fact common to class members predominate over any questions affecting only individual members, and that a class action is superior to other available methods for fairly and efficiently adjudicating the controversy." Fed. R. Civ. P. 23(b)(3).

1. Predominance

The predominance requirement "tests whether proposed classes are sufficiently cohesive to warrant adjudication by representation" and is achieved "if resolution of some of the legal or factual questions that qualify each class member's case as a genuine controversy can be achieved through generalized proof, and if these particular issues are more substantial than the issues subject only to individualized proof." *Moore v. PaineWebber, Inc.*, 306 F.3d 1247, 1252 (2d Cir. 2002) (quoting *Amchem*, 521 U.S. at 623).

Here, common issues predominate as all Settlement Class Members suffered the same alleged harms resulting from the same alleged misrepresentations, which are subject to generalized proof and applicable to the entire class. The Settlement Class is thus sufficiently cohesive to meet the predominance requirement.

2. Superiority

Matters pertinent to superiority include:

> (A) the class members' interests in individually controlling the prosecution or defense of separate actions; (B) the extent and nature of any litigation concerning the controversy already begun by or against class members; (C) the desirability or undesirability of concentrating the litigation of the claims in the particular forum; and (D) the likely difficulties in managing a class action.

Fed. R. Civ. P. 23(b)(3). In assessing a settlement-only class certification, "a district court need not inquire whether the case, if tried, would present intractable management problems," because there will not be a trial. *Amchem*, 521 U.S. at 620.

Concentrating the adjudication of the claims in the Eastern District of New York is a logical and efficient use of judicial resources. The superiority requirement is met because a class action is superior to alternative forms of adjudication of these claims.

* * *

For the foregoing reasons, the Court finds that preliminary certification of the Settlement Class is warranted under Federal Rules of Civil Procedure 23(a) and 23(b)(3) because the Court will likely be able to certify the class after the final approval hearing.

IV. Distribution of the Class Notice and Notice Procedure

Once a court has determined that it will likely be able to approve the proposed settlement and certify the class, it "must direct notice in a reasonable manner to all class members who would be bound by the proposal . . . ." Fed. R. Civ. P. 23(e)(1)(B).

For Rule 23(b)(3) classes, "the court must direct to class members the best notice that is practicable under the circumstances" which includes "individual notice to all members who can be identified through reasonable effort." Fed. R. Civ. P. 23(c)(2)(B). The notice "must clearly and concisely state in plain, easily understood language" the following information:

> (i) the nature of the action; (ii) the definition of the class certified; (iii) the class claims, issues, or defenses; (iv) that a class member may enter an appearance through an attorney if the member so desires; (v) that the court will exclude from the class any member who requests exclusion; (vi) the time and manner for requesting exclusion; and (vii) the binding effect of a class judgment on members under Rule 23(c)(3).

Fed. R. Civ. P. 23(c)(2)(B).

"There are no rigid rules to determine whether a settlement notice to the class satisfies constitutional or Rule 23(e) requirements . . . . Notice is 'adequate if it may be understood by the average class member.'" *Wal-Mart Stores, Inc. v. Visa U.S.A., Inc.*, 396 F.3d 96, 114 (2d Cir. 2005) (quoting 4 Alba Conte & Herbert B. Newberg, Newberg on Class Actions § 11:53, at 167 (4th ed. 2002)). At the same time, "[c]ourts in this Circuit have explained that a Rule 23 Notice will satisfy due

process when it describes the terms of the settlement generally, informs the class about the allocation of attorneys' fees, and provides specific information regarding the date, time, and place of the final approval hearing." *Mikhlin*, 2021 WL 1259559, at *12.

The Long Notice includes a detailed explanation of the terms of the settlement (Long Notice at 1-2); the nature, history, and progress of the action (*id.* at 4-5); how the Settlement Class is defined (*id.* at 2); the class claims, issues, and Settling Defendants' position (*id.*); how claimants can submit their Claim Forms or opt out of the settlement (*id.* at 11-12); the allocation of attorneys' fees (*id.* at 2); the date, time, and place of the final approval hearing (*id.* at 3); and of the effects of claimants choosing to do nothing, submitting a Claim Form, opting out, or objecting. (*Id.* at 12, 14-15.) The Long Notice also explains that a Settlement Class Member may enter an appearance through an attorney (*id.* at 13); states that the Court will exclude from the Settlement Class any member who requests exclusion and provides the time and manner for making such a request (*id.* at 12-13); and explains the binding effect of a class judgment on Settlement Class Members who do not opt out. (*Id.* at 16.)

Plaintiffs' proposed method of notifying the Settlement Class Members include: (a) emailing Summary Notice or links to the Long Notice and Claim Form, or if no email address can be obtained, mailing a postcard notice ("Postcard Notice," Ex. A-4 to Stipulation, Dkt. 163), to Settlement Class Members who can be identified with reasonable effort; (b) posting the Long Notice, Claim Form, a copy of this Decision and Order, and Stipulation on a website maintained by the claims administrator; (c) mailing copies of the Long Notice and Claim Form upon request; and (d) disseminating the Summary Notice over *GlobeNewswire* and in *Investor's Business Daily*. (Mem. at 25.)

Because the proposed notices and notice procedure provide reasonable notice to Settlement Class Members and clearly and concisely states in plain, easily understood language the requisite information, the Court approves the proposed notices and notice procedure.

CONCLUSION

For the reasons stated above, the Motion is granted. Accordingly, it is hereby ORDERED that:

(1) This Decision and Order incorporates by reference the definitions in the Stipulation, and all capitalized terms used herein shall have the same meanings as set forth in the Stipulation unless separately defined herein.

(2) Pursuant to Rule 23(a) and (b)(3) of the Federal Rules of Civil Procedure and for the purposes of settlement only, the Court preliminarily certifies a Settlement Class in this action, consisting of all Persons who: (a) purchased or otherwise acquired the publicly traded securities of CIIG or Arrival during the Class Period and have suffered compensable damages thereby, or (b) beneficially owned or held common stock of CIIG, eligible to vote at CIIG's special meeting or to redeem their CIIG stock prior to the closing of the Business Combination. Excluded from the Settlement Class are (a) Defendants, (b) the present and former officers and directors of Arrival, CIIG, or CIIG Management, (c) members of such excluded persons' immediate families, (d) the legal representatives, heirs, successors, or assigns of any such excluded person or entity, and (e) any entity in which any of the Defendants, or any person excluded under this paragraph, has or had a majority interest during the Class Period. Also excluded from the Settlement Class are those Persons who: (a) suffered no compensable losses, or (b) submit valid and timely requests for exclusion in accordance with this Decision and Order.

(3) The Court finds, preliminarily and for purposes of this Settlement only, that the prerequisites for a class action under Rules 23(a) and (b)(3) of the Federal Rules of Civil Procedure have been satisfied in that: (a) the number of Settlement Class Members is so

numerous that joinder of all members of the Settlement Class is impracticable, (b) there are questions of law and fact common to the Settlement Class, (c) the claims of Plaintiffs are typical of the claims of the Settlement Class they seek to represent, (d) Plaintiffs fairly and adequately represent the interests of the Settlement Class, (e) questions of law and fact common to the Settlement Class predominate over any questions affecting only individual members of the Settlement Class, and (f) a class action is superior to other available methods for the fair and efficient adjudication of the Federal Action.

(4) Pursuant to Rule 23 of the Federal Rules of Civil Procedure, preliminarily and for the purposes of this Settlement only, Plaintiffs are certified as the class representatives on behalf of the Settlement Class and Lead Counsel, The Rosen Law Firm, P.A., is hereby appointed as Class Counsel for the Settlement Class ("Class Counsel").

(5) The Court preliminarily finds that the Stipulation should be approved in that: (a) the Stipulation results from good faith, arm's length negotiations, including mediation under the direction of an experienced mediator, (b) the relief provided to the Settlement Class is adequate, (c) the proposed settlement treats Settlement Class Members equitably relative to each other, and (d) the proponents of the settlement are experienced in class-action securities litigation and had sufficient information to evaluate the settlement.

(6) The Court approves the form, substance, and requirements of the: (a) Long Notice, (b) Postcard Notice, (c) Summary Notice (collectively, "Notice"), and (d) Claim Form. The parties shall update any dates and deadlines prescribed in the Notice and Claim Form to conform with those set forth in this Decision and Order.

(7) Class Counsel have the authority to enter into the Settlement on behalf of the Settlement Class and to act on behalf of the Settlement Class with respect to all acts or consents

required by or that may be given pursuant to the Stipulation or such other acts that are reasonably necessary to consummate the Settlement.

(8) For settlement purposes only, Strategic Claims Services is appointed and approved as the Claims Administrator to supervise and administer the notice procedure as well as the processing of claims.

(9) The Court will hold a Settlement Fairness Hearing on March 17, 2026 at 10:00 a.m. before Magistrate Judge Peggy Kuo at the United States District Court for the Eastern District of New York, 225 Cadman Plaza East, Courtroom 11C South, Brooklyn, New York 11201. The Court may adjourn the Settlement Fairness Hearing without any further notice other than entry of an Order on the Court's docket.

(10) Within 45 calendar days after the later of (a) entry of this Decision and Order, or (b) transmission to Settling Defendants' Counsel of complete payment instructions, including the bank name and ABA routing number, and a signed Form W-9 providing the tax identification number for the Escrow Account, Barclays, UBS, Cowen, and the insurers of the Individual Settling Defendants on behalf of the Individual Settling Defendants shall pay by check or draft or wire, or cause to be wired or paid by check or draft, to the Escrow Agent $11,275,000 to be deposited into the Settlement Fund.

(11) Within 15 business days after the later of: (a) the Court's approval of the Settlement, (b) the Delaware Court dismissing the Delaware Action as to Settling Defendants and that dismissal becoming Final, or (c) the court in the State Securities Action dismissing the State Securities Action as to Settling Defendants and that dismissal becoming Final, Barclays, UBS, Cowen, and the insurers of the Individual Settling Defendants on behalf of the Individual Settling Defendants shall pay or cause to be paid the Cash Settlement

Reserve Remainder Amount to the Escrow Agent for the deposit into the Escrow Account.

(12) As provided in the Stipulation, Settling Defendants shall be permitted to utilize the Cash Settlement Reserve Amount to pay Settling Defendants' reasonable legal fees and costs associated with: (a) the Delaware Action as to the Released Parties, including seeking to obtain a stay of the Delaware Action as to the Released Parties and dismissal of the Delaware Action with prejudice as to the Released Parties, (b) defending any objections to the Settlement, including objections brought by Delaware Plaintiffs, Delaware Plaintiffs' Counsel, or related to the Delaware Action, in the Federal Action, or (c) obtaining final approval of the Settlement. However, the Released Parties collectively shall not seek payment or reimbursement from insurers of the Individual Settling Defendants for any legal fees or costs as identified in ¶ 1.22(1)-(3) of the Stipulation in excess of $2,000,000. Moreover, expenses incurred in the ordinary course of settlement negotiations and obtaining approval that are not related to objections or potential objections to the Settlement by the Delaware Plaintiffs or the Delaware Plaintiffs' failure to participate in this Settlement shall be excluded from in the Cash Settlement Reserve Amount.

(13) At any time after entry of this Decision and Order, Class Counsel may disburse reasonable and necessary Notice and Administration Costs.

(14) No later than 10 business days after entry of this Decision and Order, Settling Defendants (except Barclays, UBS, and Cowen) shall assist the Claims Administrator in obtaining, from Arrival's or CIIG's transfer agents and at no cost to Plaintiffs or Plaintiffs' Counsel, records of ownership to identify Settlement Class Members. The list of record owners shall be provided in an electronic format, such as an Excel spreadsheet.

This information shall be kept confidential and not used for any purpose other than to provide the notice contemplated by this Decision and Order.

(15) Class Counsel, through the Claims Administrator, shall cause the Stipulation and its exhibits, this Decision and Order, a copy of the Long Notice, and the Claim Form to be posted on the Claims Administrator's website within 50 calendar days after entry of this Decision and Order.

(16) Class Counsel, through the Claims Administrator, shall cause the Summary Notice to be published electronically once on the *GlobeNewswire* and in print once in the *Investor's Business Daily* within 50 calendar days of entry of this Decision and Order. Class Counsel must, at least 45 calendar days before the Settlement Fairness Hearing, serve upon Settling Defendant's Counsel and file with the Court proof of publication of the Summary Notice.

(17) Class Counsel, through the Claims Administrator, must cause the Postcard Notice, the Summary Notice, or links to the Long Notice and Claim Form, substantially in the forms annexed to the Stipulation: (a) to be mailed, when disseminating the Postcard Notice, by first class mail, postage prepaid, within 50 calendar days of entry of this Decision and Order, to all Settlement Class Members who are identified by Class Counsel, through the Claims Administrator; or (b) to be emailed, when disseminating the Summary Notice or links to the Notice and Claim Form, within 50 calendar days of the entry of this Decision and Order, to all Settlement Class Members for whom email addresses are obtained, through the Claims Administrator.

(18) Class Counsel, through the Claims Administrator, must give notice to nominees or custodians who held the publicly traded securities of Arrival or CIIG as record owners but not as beneficial owners. Such nominees or custodians must, within 10 calendar

days of receipt of the notice, (a) request copies of the Postcard Notice sufficient to send the Postcard Notice to all beneficial owners for whom they are nominee or custodian, and within 10 calendar days after receipt thereof send copies to such beneficial owners, (b) request an electronic copy of the Summary Notice and either email the Summary Notice in electronic format or links to the Long Notice and Claim Form to each beneficial owner for whom they are nominee or custodian within 10 calendar days after receipt thereof, or (c) provide the Claims Administrator with lists of the names, last known addresses and email addresses of such beneficial owners, in which event the Claims Administrator must promptly send the Summary Notice or a link to the Long Notice and Claim Form electronically, if email addresses are available, or deliver the Postcard Notice to such beneficial owners, if last known addresses are provided. Nominees or custodians who elect to email notice or send the Postcard Notice to their beneficial owners must send a written certification to the Claims Administrator confirming that the mailing has been made as directed. Copies of the Postcard Notice must be made available to any nominee or custodian requesting same for the purpose of distribution to beneficial owners. The Claims Administrator shall, if requested, reimburse nominees or custodians out of the Settlement Fund solely for their reasonable out-of-pocket expenses incurred in providing notice to beneficial owners, which expenses would not have been incurred except for the providing of names and addresses, in amounts up to: (a) $0.05 per name and address provided, (b) $0.05 per email for emailing notice, or (c) $0.05 per postcard, plus postage at the pre-sort rate used by the Claims Administrator, for mailing the Postcard Notice.

(19) Class Counsel must, at least 45 calendar days before the Settlement Fairness Hearing, serve upon counsel for Settling Defendants and file with the Court proof of the mailing and emailing of Notice, as required by this Decision and Order.

(20) The Court finds that the forms and methods set forth herein of notifying the Settlement Class Members of the Settlement and its terms and conditions meet the requirements of due process, Rule 23 of the Federal Rules of Civil Procedure, and Section 21D(a)(7) of the Exchange Act, 15 U.S.C. 78u4(a)(7), as amended by the Private Securities Litigation Reform Act of 1995; constitute the best notice practicable under the circumstances; and constitute due and sufficient notice to all persons and entities entitled thereto. No Settlement Class Member will be relieved from the terms and conditions of the Settlement, including the releases provided for therein, based upon the contention or proof that such Settlement Class Member failed to receive actual or adequate notice.

(21) In order to be entitled to participate in recovery from the Net Settlement Fund after the Effective Date, each Settlement Class Member must take the following action and be subject to the following conditions:

a. A completed and executed Claim Form must be submitted to the Claims Administrator: (1) electronically through the Claims Administrator's website, www.strategicclaims.net/Arrival/; or (2) at the Post Office Box indicated in the Notice. Claim Forms must be either postmarked or electronically submitted no later than 21 calendar days prior to the Settlement Fairness Hearing, by 11:59 p.m. EST. Such deadline may be further extended by Order of the Court. Each Claim Form shall be deemed to have been submitted when: (1) the Claimant receives a confirmation notice from the Claims Administrator for electronic submissions; or (2) legibly postmarked (if properly addressed and mailed by first class mail),

provided such Claim Form is actually received before the filing of a motion for final approval of the Settlement. Any Claim Form submitted in any other manner shall be deemed to have been submitted when it was actually received by the Claims Administrator at the address designated in the Notice.

b. The Claim Form submitted by each Settlement Class Member must satisfy the following conditions: (1) it must be completed, signed, and submitted in a timely manner in accordance with the provisions of the preceding subparagraph; (2) it must be accompanied by adequate supporting documentation for the transactions reported therein, in the form of broker confirmation slips, broker account statements, an authorized statement from the broker containing the transactional information found in a broker confirmation slip, or such other documentation as is deemed adequate by the Claims Administrator or Class Counsel; (3) if the person executing the Claim Form is acting in a representative capacity, a certification of his, her, or its current authority to act on behalf of the Settlement Class Member must be provided with the Claim Form; and (4) the Claim Form must be complete and contain no material deletions or modifications of any of the printed matter contained therein and must be signed under penalty of perjury.

c. Once the Claims Administrator has considered a timely submitted Claim Form, it must determine whether such claim is valid, deficient or rejected. For each claim determined to be either deficient or rejected, the Claims Administrator must send a deficiency letter or rejection letter that describes the basis on which the claim was so determined. Persons who timely submit a Claim Form that is deficient or otherwise rejected shall be afforded 10 calendar days to cure such deficiency. If any Claimant whose claim has been rejected in whole or in part wishes to contest

such rejection, the Claimant must, within 30 calendar days after the date of mailing of the rejection notice, serve upon the Claims Administrator a notice and statement of reasons indicating the Claimant's ground for contesting the rejection along with any supporting documentation. If the Claimant disagrees with the Claims Administrator's review decision, the Claimant may request Class Counsel to review the contested claim. If an issue concerning a claim cannot be otherwise resolved, Class Counsel shall thereafter present the request for review to the Court at the time a motion for final approval of the Settlement is made.

d. As part of the Claim Form, each Settlement Class Member shall submit to the jurisdiction of the Court with respect to the claim submitted, and shall, upon the Effective Date, release all claims as provided in the Stipulation.

(22) All Settlement Class Members who do not timely submit valid Claim Forms will be forever barred from receiving any payments from the Net Settlement Fund, but will in all other respects be subject to and bound by the provisions of the Stipulation and the Judgment.

(23) Settlement Class Members shall be bound by all determinations and judgments in the Federal Action whether favorable or unfavorable, unless they request exclusion from the Settlement Class in a timely and proper manner. A Settlement Class Member wishing to make such a request for exclusion must send an email to info@strategicclaims.net or mail the exclusion request, in written form, by first class mail, postage prepaid, or otherwise deliver it, so that it is received no later than 21 calendar days prior to the Settlement Fairness Hearing (the "Exclusion Deadline"), to the addresses listed in the Notice. In order to be valid, such requests for exclusion must clearly indicate the name, address, phone number, and any email address of the Person seeking exclusion, and state

that the sender specifically "requests to be excluded from the Settlement Class in *In re Arrival SA, et al. Securities Litigation*, Case No. 22-cv-172-NRM-PK (E.D.N.Y.)." In order to be valid, such requests for exclusion must be submitted with the following documentary proof: (a) a list of all purchases, acquisitions, and sales of the publicly traded securities of Arrival or CIIG during or connected to the Class Period, and (b) demonstrating the Person's status as a beneficial owner of such shares. Any such request for exclusion must be signed and submitted by the beneficial owner under penalty of perjury. The request for exclusion shall not be effective unless it provides the required information, is legible, and is made within the Exclusion Deadline, or the exclusion is otherwise accepted by the Court. Class Counsel may contact any Person filing a request for exclusion, or their attorney if one is designated, to discuss the exclusion.

(24) The Claims Administrator must provide all requests for exclusion and supporting documentation submitted therewith, including untimely requests and revocations of requests, to counsel for the Settling Parties promptly as received, and in no case later than the Exclusion Deadline or upon the receipt thereof (if later than the Exclusion Deadline). The Settlement Class shall not include any Person who delivers a valid and timely request for exclusion.

(25) Any Person that submits a request for exclusion may thereafter submit to the Claims Administrator a written revocation of that request for exclusion. A Person who submits such a request shall be included in the Settlement Class if the Claims Administrator receives the request no later than two business days before the Settlement Fairness Hearing.

(26) All Persons who submit valid, timely and unrevoked requests for exclusions will be forever barred from receiving any payments from the Net Settlement Fund.

(27) No Settlement Class Member or other Person shall be heard or entitled to contest the approval of the terms and conditions of the proposed Settlement or, if approved, the Judgment, or any other order relating thereto, unless that Person has served copies of any objections, papers and briefs to each of the following counsel at least 30 calendar days prior to the Settlement Fairness Hearing Date:

CLASS COUNSEL:
Sara Fuks THE ROSEN LAW FIRM, P.A.
275 Madison Avenue, 40th Floor
New York, NY 10016

COUNSEL FOR DEFENDANTS:
Susan L. Saltzstein
Skadden, Arps, Slate, Meagher & Flom LLP
One Manhattan West
New York, NY 10001

and that Person has—at least 30 calendar days prior to the Settlement Fairness Hearing date—filed said objections, papers and briefs, showing due proof of service upon counsel identified above, with the Clerk of the Court, U.S. District Court, Eastern District of New York, 225 Cadman Plaza East, Brooklyn, NY 11201. To be valid, any such objection must contain the Settlement Class Member's: (a) name, address, and telephone number, (b) include documents sufficient to prove the objecting Settlement Class Member's membership in the Settlement Class, such as the purchases, acquisitions, and sales of the publicly traded securities of Arrival or CIIG during the Class Period, (c) all grounds for the objection, (d) the name, address, and telephone number of all counsel who represent the objecting Settlement Class Member, including former or current counsel who may be entitled to compensation in connection with the objection, and (e) the number of times the objecting Settlement Class Member or his, her, or its counsel has filed an objection to a class action settlement in the last five years, the nature of each such objection in each case, the jurisdiction in each case, and the name of the issuer of

the security or seller of the product or service at issue in each case. Attendance at the Settlement Fairness Hearing is not necessary, but Persons wishing to be heard orally in opposition to the approval of the Settlement, the Plan of Allocation, or the Fee and Expense Application must indicate in their written objection that they intend to appear at the Settlement Fairness Hearing and identify any witnesses they may call to testify or exhibits they intend to introduce into evidence at the Settlement Fairness Hearing. Settlement Class Members who do not object to the Settlement do not need to appear at the Settlement Fairness Hearing or take any other action to indicate their approval.

(28) Any Settlement Class Member who does not object in the manner prescribed above shall be deemed to have waived all such objections and shall forever be foreclosed from making any objection to the fairness, adequacy or reasonableness of the Settlement, the Judgment approving the Settlement, the Plan of Allocation, or the Fee and Expense Application; shall be bound by all the terms and provisions of the Stipulation and by all proceedings, orders and judgments in the Federal Action; and shall also be foreclosed from appealing from any judgment or order entered in the Federal Action.

(29) No later than 30 calendar days prior to the Settlement Fairness Hearing, Class Counsel must file a motion for final approval of the Settlement and any Fee and Expense Application. Any submissions filed in response to any objections or in further support of the Settlement or the Fee and Expense Application must be filed no later than seven calendar days prior to the Settlement Fairness Hearing.

(30) Defendants shall have no responsibility for, or liability with respect to, the Plan of Allocation or any application for attorneys' fees and interest, or expenses or payments to the Class Representative submitted by Class Counsel.

(31) Pending final approval of the Settlement, Settling Parties shall be enjoined from commencing, prosecuting, or attempting to prosecute any Released Claims against any Released Party in any court or tribunal or proceeding. Unless and until the Settlement is cancelled and terminated pursuant to the Stipulation, all proceedings in the Federal Action, other than such proceedings as may be necessary to carry out the terms and conditions of the Stipulation, are hereby stayed and suspended as to Settling Parties until further order of the Court.

SO ORDERED:

Peggy Kuo

PEGGY KUO
United States Magistrate Judge

Dated: Brooklyn, New York
October 20, 2025