UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE HUT 8 CORP. SECURITIES LITIGATION	Case No. 1:24-cv-00904-VM CLASS ACTION
THIS DOCUMENT RELATES TO: ALL ACTIONS	

PLAINTIFF'S MEMORANDUM OF LAW IN SUPPORT OF MOTION FOR ATTORNEYS' FEES, REIMBURSEMENT OF LITIGATION EXPENSES, AND AWARD TO PLAINTIFF

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Pursuant to Rules 23(h) and 54(d) of the Federal Rules of Civil Procedure, Lead Counsel Pomerantz LLP ("Pomerantz" or "Lead Counsel") and Lead Plaintiff Abhishek Maheshwari ("Plaintiff"), individually and on behalf of the Settlement Class, respectfully submit this memorandum in support of their motion (the "Fee Motion") seeking: (a) an attorneys' fees award in the amount of 33.3% of the Settlement Fund, or $782,550 plus interest; (b) reimbursement of Lead Counsel's Litigation Expenses in the amount of $67,134.64, plus interest; and (c) a service award of $10,000 to Plaintiff for the time he devoted to the representation of the Settlement Class, pursuant to the Private Securities Litigation Reform Act of 1995 ("PSLRA").[1]

I. INTRODUCTION

The proposed Settlement, providing for a cash payment of $2,350,000 in exchange for the resolution of Plaintiff's claims, represents a fair, adequate, and reasonable outcome for the Settlement Class given the risks and expenses of continued litigation, including the risk of a smaller recovery years from now, or no recovery at all. Upon final approval of the Settlement and the processing of claims, Settlement Class Members will promptly receive cash payments, avoiding further delay, uncertainty, and risk.

Since the inception of the Action in February 2024, Court-appointed Lead Counsel Pomerantz has litigated this case on a contingency basis on behalf of Plaintiff and the Settlement Class, receiving no compensation for its efforts or reimbursement of its out-of-pocket expenses. As part of its substantial efforts on behalf of the Settlement Class for over two years, Lead Counsel, among other things: conducted a comprehensive investigation into Defendants' alleged misconduct, which included, *inter alia*, reviewing and analyzing numerous public documents

[1] Unless otherwise indicated, all capitalized terms herein shall have the same meanings as set forth in the Stipulation and Agreement of Settlement, dated June 18, 2026 (ECF No. 75-1) (the "Stipulation"). All emphasis is added and all internal quotation marks, citations, and brackets are omitted unless otherwise noted.

regarding Hut 8 and interviewing former employees of Hut 8 and its predecessors; drafted a detailed amended complaint; successfully overcame, in part, Defendants' motion to dismiss; met and conferred with Defendants about their original answer, as well as their anticipated motion for judgment on the pleadings on Section 11 traceability grounds; consulted with experts regarding damages and accounting issues; exchanged opening and reply mediation briefs addressing the strengths and weaknesses of Plaintiff's claims; participated in a full-day, virtual mediation session before an experienced JAMS mediator who recommended the Settlement Amount; and negotiated the proposed Settlement. Declaration of Jeremy A. Lieberman ("Lieberman Decl.") ¶55. In compensation for their efforts that led to achieving the Settlement, Lead Counsel requests that the Court award attorneys' fees to them and Additional Plaintiffs' Counsel, Bronstein, Gewirtz & Grossman LLC (together with Lead Counsel, "Plaintiffs' Counsel"), in an amount equal to 33.3% of the Settlement Fund, i.e., $782,550 plus interest,[2] and reimbursement of $67,134.64 in Litigation Expenses, plus interest, which were reasonably incurred in connection with the Action.

An attorneys' fee award of 33.3% of the Settlement Fund is consistent with awards regularly granted in this Circuit. *See In re Tenaris S.A. Sec. Litig.*, 2024 WL 1719632, at *6 (E.D.N.Y. April 22, 2024) ("District courts within the Second Circuit routinely approve attorneys' fees awards of one third or 33 1/3% as reasonable."). Further, it represents a *negative* 0.90 multiplier of Lead Counsel's lodestar—i.e., a discount on the time Lead Counsel actually spent litigating this Action—a fact that strongly supports the reasonableness of the fee request given that courts generally grant fees with positive multipliers to reflect the risks undertaken by plaintiffs' counsel. Moreover, Lead Counsel achieved a highly favorable resolution for the Settlement Class,

[2] The "Settlement Amount" is $2,350,000. Stipulation ¶1(rr). The "Settlement Fund" is "the Settlement Amount and any interest or income earned thereon." *Id.* ¶1(uu). This Fee Motion requests 33.3% of the Settlement Fund, i.e., $782,550 plus interest earned at the same rate as the Settlement Fund.

as the Settlement represents approximately 19.6% of the *maximum* estimated damages, well above the 12.9% median recovery and 14.6% average recovery for cases with only Securities Act claims, as here, in 2025—as well as securities cases generally.[3] *See* Laarni Bulan & Eric Tam, Securities Class Action Settlements – 2025 Review and Analysis (Cornerstone Research 2026) (Lieberman Decl. Ex. 4), (the "Cornerstone Report"), at 20. Thus, the requested fee is reasonable in light of Lead Counsel's diligent efforts and the significant recovery achieved for Plaintiff and the Settlement Class, particularly given the significant risks of continued litigation. To date, no Settlement Class Member has objected to the request for attorneys' fees or reimbursement of Litigation Expenses (nor any other aspect of the Settlement). Lieberman Decl. ¶61.

The Second Circuit's *Goldberger* factors, which include the time and effort expended by Lead Counsel, the litigation risks it faced, and the quality of representation, also support the requested attorneys' fee award, as further detailed below. *See Goldberger v. Integrated Res., Inc.*, 209 F.3d 43, 50 (2d Cir. 2000). Notably, the risks of continued litigation included Defendants' anticipated motion for judgment on the pleadings based on traceability grounds, which they asserted for the first time after the motion to dismiss order. Specifically, Defendants' anticipated motion would argue that it is virtually impossible to trace shares purchased in the aftermarket back to the challenged Registration Statement for the Merger, as required for the remaining Section 11 claim, because pursuant to the merger between Legacy Hut and USBTC, after which Hut 8 was formed, unregistered shares were issued to Legacy Hut shareholders and commingled with registered shares issued to USBTC shareholders. Further, even if Plaintiff had prevailed on

[3] In its motion to dismiss order, the Court dismissed Plaintiff's Exchange Act claims in their entirety and dismissed numerous other alleged misstatements, such that only Plaintiff's Securities Act claims, based on only two alleged misstatements in the Registration Statement for the Merger, survived. Lieberman Decl. ¶20.

Defendants' anticipated motion for judgment on the pleadings, this traceability argument would have remained a significant obstacle at class certification and beyond.

Lead Counsel also seeks reimbursement of $67,134.64 in out-of-pocket Litigation Expenses it incurred in prosecuting this Action. Lieberman Decl. ¶65. These expenses were reasonable and necessary to prosecute the Action, and are the types of expenses that courts regularly reimburse in similar cases, including expert and mediation fees, which together account for over 70% of Lead Counsel's Litigation Expenses. *See id.*; Declaration of Irina Vasilchenko in Support of Plaintiff's Motion for Award of Attorneys' Fees, Reimbursement of Litigation Expenses, and Award to Plaintiff (Lieberman Decl. Ex. 2) ("Vasilchenko Fee Decl."), Ex. B. Notably, these Litigation Expenses were substantially lower than the maximum amount estimated in the Notice.

Finally, during the course of the Action, Plaintiff devoted a substantial number of hours of effort leading the Action on behalf of the Settlement Class. *See* Lieberman Decl. ¶67; Declaration of Abhishek Maheshwari in Support of Plaintiff's Motions for (1) Final Approval of Class Action Settlement and (2) Award of Attorneys' Fees, Reimbursement of Litigation Expenses, and Award to Plaintiff (Lieberman Decl. Ex. 3) ("Maheshwari Decl.") ¶¶2-5. Therefore, Lead Counsel requests that the Court award Plaintiff $10,000, as authorized by the PSLRA, 15 U.S.C. § 78u-4(a)(4), to compensate him for the time he spent on this Action, which he would otherwise have spent on his other business activities. The requested award is reasonable and in line with awards granted in similar cases, and no Settlement Class Member has objected to it. For these reasons, and as further discussed below, the Court should grant this Fee Motion.

II. ARGUMENT

A. The Common Fund Doctrine Entitles Lead Counsel to Attorneys' Fees and Reimbursement of Expenses from the Settlement Fund

"[A] litigant or a lawyer who recovers a common fund for the benefit of persons other than himself or his client is entitled to a reasonable attorney's fee from the fund as a whole." *Boeing Co. v. Van Gemert*, 444 U.S. 472, 478 (1980); *see also Goldberger*, 209 F.3d at 47 (attorneys who create a "common fund" are entitled to "a reasonable fee—set by the court—to be taken from the fund"); *see also Fresno Cnty. Emps.' Ret. Ass'n v. Isaacson/Weaver Fam. Tr.*, 925 F.3d 63, 68 (2d Cir. 2019). This achieves equity, preventing "unjust enrichment of those benefitting from a lawsuit without contributing to its cost." *Goldberger*, 209 F.3d at 47. Moreover, awarding attorneys' fees from a common fund that counsel's efforts help create "encourage[s] skilled counsel to represent those who seek redress for damages inflicted on entire classes of persons, and to discourage future misconduct of a similar nature." *In re Veeco Instruments Inc. Sec. Litig.*, 2007 WL 4115808, at *2 (S.D.N.Y. Nov. 7, 2007).

The Supreme Court has emphasized that private securities actions, such as this one, provide "a most effective weapon in the enforcement of the securities laws and are a necessary supplement to [SEC] action." *Bateman Eichler, Hill Richards, Inc. v. Berner*, 472 U.S. 299, 310 (1985). Thus, it "is well established that where an attorney creates a common fund from which members of a class are compensated for a common injury, the attorneys who created the fund are entitled to a reasonable fee – set by the court – to be taken from the fund." *See In re Top Tankers, Inc. Sec. Litig.*, 2008 WL 2944620, at *12 (S.D.N.Y. July 31, 2008). Moreover, the "[d]etermination of 'reasonableness' is within the discretion of the district court." *In re Interpublic Sec. Litig.*, 2004 WL 2397190, at *10 (S.D.N.Y. Oct. 26, 2004). Here, Lead Counsel's request for 33.3% of the Settlement Fund is reasonable in light of the work provided and the result achieved.

B. The Court Should Grant Lead Counsel's Request for a Reasonable Percentage of the Settlement Fund

The preferred method for awarding fees from a common fund is the percentage of the fund method. *See Blum v. Stenson*, 465 U.S. 886, 900 n.16 (1984) ("[U]nder the 'common fund doctrine,' . . . a reasonable fee is based on a percentage of the fund bestowed on the class"). The Second Circuit, however, leaves to lower courts whether to award attorneys' fees "under either the 'lodestar' method or the 'percentage of the fund' method." *McDaniel v. County of Schenectady*, 595 F.3d 411, 417 (2d Cir. 2010) (quoting *Wal-Mart Stores, Inc. v. Visa U.S.A., Inc.*, 396 F.3d 96, 121 (2d Cir. 2005), *superseded on other grounds*, Fed. R. Civ. P. 23(e)(2), *as recognized in Moses v. N.Y. Times Co.*, 79 F.4th 235, 243 (2d Cir. 2023)). District courts in this Circuit typically award attorneys' fees in class action common fund cases based on the percentage method because it "better aligns the incentives of plaintiffs' counsel with those of the class members because it bases the attorneys' fees on the results they achieve for their clients, rather than on the number of motions they file, documents they review, or hours they work." *In re Payment Card Interchange Fee & Merch. Disc. Antitrust Litig.*, 991 F. Supp. 2d 437, 440 (E.D.N.Y. 2014); *see also Rodriguez v. CPI Aerostructures, Inc.*, 2023 WL 2184496, at *13 (E.D.N.Y. Feb. 16, 2023) (percentage method "directly aligns the interests of the class and its counsel"). The percentage method also comports with the PSLRA. 15 U.S.C. § 78u-4(a)(6) ("Total attorneys' fees and expenses awarded by the court to counsel for the plaintiff class shall not exceed a reasonable percentage of the amount of any damages and prejudgment interest actually paid to the class.").

In contrast, the lodestar method "creates an unanticipated disincentive to early settlements, tempts lawyers to run up their hours, and compels district courts to engage in a gimlet-eyed review of line-item fee audits." *Wal-Mart*, 396 F.3d at 121.

The Court may also evaluate the reasonableness of an attorneys' fees award by reference

to counsel's lodestar. Courts often consider counsel's lodestar as a "cross-check" on the reasonableness of the percentage. *Id.* at 123. For this cross-check, "the hours documented by counsel need not be exhaustively scrutinized by the district court." *Goldberger*, 209 F.3d at 50 ("[T]he reasonableness of the claimed lodestar can be tested by the court's familiarity with the case."). As a cross-check, this Court "may rely on summaries submitted by the attorneys and need not review actual billing records." *In re Rite Aid Corp. Sec. Litig.*, 396 F.3d 294, 306–07 (3d Cir. 2005); *see also Johnson v. Brennan*, 2011 WL 4357376, at *14–15 (S.D.N.Y. Sep. 16, 2011) (courts need not scrutinize time and rate records when using lodestar as a cross-check). Here, a lodestar cross-check confirms that the requested attorneys' fees are reasonable, as discussed below.

C. The Requested Attorneys' Fees Are Reasonable

1. The Requested Attorneys' Fees Are Reasonable Under the Percentage-of-the-Fund Method

Lead Counsel's efforts, beginning in early 2024, led to this fair, reasonable, and adequate Settlement. Lead Counsel, *inter alia*, conducted a comprehensive investigation into Defendants' alleged misconduct, which included reviewing and analyzing regulatory filings, press releases, news reports and articles, call transcripts, analyst reports, and other publicly available information, as well as interviewing former employees of Hut 8 and its predecessors with the aid of a private investigator, and consulting with an accounting expert; successfully moved for appointment of Lead Plaintiff; drafted a detailed amended complaint; successfully overcame, in part, Defendants' motion to dismiss; met and conferred with Defendants about their original answer, which erroneously stated that Defendant Visram had been dismissed; met and conferred with Defendants regarding their anticipated motion for judgment on the pleadings based on traceability grounds; conferred with a damages expert on estimated damages; updated Plaintiff about case developments, including settlement; exchanged opening and reply mediation briefs addressing the

strengths and weaknesses of Plaintiff's claims; participated in a full-day, virtual mediation session and subsequent discussions with the Mediator; and negotiated the proposed Settlement. Lieberman Decl. ¶39.

The requested fee of 33.3% of the Settlement Fund is consistent with fee awards that district courts in the Second Circuit, including this Court, have awarded in similar or larger common fund cases. *See, e.g.*, *Enriquez v. Nabriva Therapeutics plc*, No. 19-cv-04183, ECF No. 78 ¶¶9, 18 (S.D.N.Y. May 14, 2021) (Marrero, J.) (approving fee award that was one-third of a $3 million settlement); *In re Ubiquiti Networks, Inc. Sec. Litig.*, No. 18-cv-01620 (S.D.N.Y.) (Marrero, J.), ECF No. 44 at 1, ECF No. 49 ¶17 (awarding one-third of a $15 million settlement); *Schutter v. Tarena Int'l, Inc*., 2024 WL 4118465, at *13 (E.D.N.Y. Sep. 9, 2024) (awarding one-third of a $3,500,000 settlement in attorneys' fees); *In re Deutsche Bank AG Sec. Litig.*, 2020 WL 3162980, at *1 (S.D.N.Y. June 11, 2020) (awarding attorneys' fees of one-third of $18.5 million settlement); *Lea v. Tal Educ. Grp.*, 2021 WL 5578665, at *10, *12 (S.D.N.Y. Nov. 30, 2021) (awarding one-third of $7.5 million settlement and collecting cases, stating that "one-third [] is a percent that has been approved as reasonable in this Circuit"); *City of Providence v. Aeropostale, Inc.*, 2014 WL 1883494, at *10, *12 (S.D.N.Y. May 9, 2014) (awarding 33% of $15 million settlement), *aff'd sub nom. Arbuthnot v. Pierson*, 607 F. App'x 73 (2d Cir. 2015); *In re Facebook, Inc. IPO Sec. & Derivative Litig.*, 2015 WL 6971424, at *11-12 (S.D.N.Y. Nov. 9, 2015) (awarding 33% of $26,500,000 settlement as attorneys' fees), *aff'd*, 674 F. App'x 37 (2d Cir. 2016). Applying the percentage-of-the-fund method, this Court should award 33.3% of the Settlement Fund, i.e., $782,550 plus interest, as attorneys' fees, which is reasonable under the circumstances.

2. A Lodestar Cross-Check Strongly Supports the Reasonableness of the Requested Attorneys' Fees

Cross-checking the requested fee award against Lead Counsel's lodestar confirms that the fee request is reasonable. *See Goldberger*, 209 F.3d at 50. Lead Counsel calculated its lodestar by reviewing the time billed to this Action by attorneys and paralegals,[4] multiplying each timekeeper's hours by their current hourly rate,[5] and then totaling the resulting amounts. Lead Counsel devoted a total of 1,091.10 hours to the prosecution of this Action, resulting in a lodestar of $868,912.75. *See* Lieberman Decl. ¶62; Vasilchenko Fee Decl. ¶7.

Additionally, "[u]nder the lodestar method, a positive multiplier is typically applied to the lodestar in recognition of the risk of the litigation, the complexity of the issues, the contingent nature of the engagement, the skill of the attorneys, and other factors." *Lowe v. NBT Bank, N.A.*, 2022 WL 4621433, at *12 (N.D.N.Y. Sep. 30, 2022); *In re NTL Inc. Sec. Litig.*, 2007 WL 1294377, at *8 (S.D.N.Y. May 2, 2007) ("In the 'usual' case, the multiplier applied to the lodestar typically is positive, to account for the contingent nature of the engagement and the risk of such a case."); *In re Comverse Tech., Inc. Sec. Litig.*, 2010 WL 2653354, at *5 (E.D.N.Y. June 24, 2010) ("Where . . . counsel has litigated a complex case under a contingency fee arrangement, they are entitled to a fee in excess of the lodestar"). Indeed, "[c]ourts in this district routinely approve lodestar multipliers above 1.5." *Robles v. Luis Furniture #1 Inc.*, 2021 WL 4974677, at *2 (S.D.N.Y. Oct. 26, 2021) (citing *Johnson*, 2011 WL 4357376, at *20 ("Courts regularly award lodestar multipliers from two to six times lodestar.") and *Shapiro v. JPMorgan Chase & Co.*, 2014 WL 1224666, at

[4] Time spent on this Fee Motion has been excluded from the lodestar calculation.

[5] "[T]he use of current rates to calculate the lodestar figure has been endorsed repeatedly by the Supreme Court, the Second Circuit and district courts within the Second Circuit as a means of accounting for the delay in payment inherent in class actions and for inflation." *In re Hi-Crush Partners L.P. Sec. Litig.*, 2014 WL 7323417, at *15 (S.D.N.Y. Dec. 19, 2014); *Missouri v. Jenkins ex rel. Agyei*, 491 U.S. 274, 283–84 (1989); *LeBlanc-Sternberg v. Fletcher*, 143 F.3d 748, 764 (2d Cir. 1998) ("[C]urrent rates, rather than historical rates, should be applied in order to compensate for the delay in payment.").

*24 (S.D.N.Y. Mar. 24, 2014) ("Lodestar multipliers of nearly 5 have been deemed 'common' by courts in this District.")); *see also In re BioScrip, Inc. Sec. Litig.*, 273 F. Supp. 3d 474, 497 (S.D.N.Y. 2017) (finding "no question that Lead Counsel's lodestar multiplier of 1.39 is at the lower range of comparable awards in common fund cases"), *aff'd sub nom. Isaacson/Weaver*, 925 F.3d 63; *In re China Sunergy Sec. Litig.*, 2011 WL 1899715, at *6 (S.D.N.Y. May 13, 2011) (noting that the "lodestar multiplier of 1.41 . . . is on the low end of multipliers found reasonable in the Second Circuit" in approving one-third fee award).

Where, "in contrast, the multiplier is negative," i.e., fractional, the lodestar cross-check even more strongly demonstrates the reasonableness of the fee request "because it will not bring a windfall to co-lead plaintiffs' counsel." *NTL*, 2007 WL 1294377, at *8; *see also Guevoura Fund Ltd. v. Sillerman*, 2019 WL 6889901, at *18 (S.D.N.Y. Dec. 18, 2019) ("Courts have repeatedly recognized that the reasonableness of the fee request under the percentage method is reinforced where, as here, 'the percentage fee would represent a negative multiplier of the lodestar.'" (citing cases)); *Lozada v. TaskUs, Inc.*, 2025 WL 3125848, at *11 (S.D.N.Y. Nov. 6, 2025) ("A negative multiplier strongly suggests that the requested fee amount is reasonable."), *R. & R. adopted*, 2025 WL 3482752 (S.D.N.Y. Dec. 4, 2025); *Gruber v. Gilbertson*, 647 F. Supp. 3d 100, 128 (S.D.N.Y. 2022) (approving "1/3 fee" award and noting that the negative multiplier "demonstrates that a fee award in the amount plaintiffs' counsel requests would not constitute anything approaching a windfall").

Here, the requested 33.3% fee ($782,550) represents a 0.90 negative multiplier on Lead Counsel's lodestar of approximately $868,912.75. Lieberman Decl. ¶63; Vasilchenko Fee. Decl. ¶7. "In other words, Lead Counsel's request for attorneys' fees reflects a discount on the time Lead Counsel actually spent litigating the matter," and such a negative multiplier "militates very in favor

of the reasonableness of the fee request, particularly in light of the fact that courts generally grant fees with positive multipliers to reflect the complexity and risks undertaken by class counsel." *Guevoura*, 2019 WL 6889901, at *18; *see also Veeco*, 2007 WL 4115808, at *10 ("Not only is [p]laintiffs' [c]ounsel not receiving a premium on their lodestar to compensate them for the contingent risk factor, their fee request amounts to a deep discount from their lodestar."). "Thus, the lodestar 'cross-check' unquestionably supports" granting the requested fee award of 33.3% of the Settlement Fund. *Id.*

D. The *Goldberger* Factors Confirm the Requested Fee is Fair and Reasonable

The Second Circuit has set forth the following criteria that courts should consider when reviewing a request for attorneys' fees in a common fund case: (1) the time and labor expended by counsel; (2) the magnitude and complexities of the litigation; (3) the risk of the litigation; (4) the quality of representation; (5) the requested fee in relation to the settlement; and (6) public policy considerations. *Goldberger*, 209 F.3d at 50. Consideration of these factors, together with the analyses above, demonstrates that the requested fee is reasonable.

1. The Time and Effort Expended Support the Requested Fee

The time and effort that Lead Counsel expended in prosecuting this Action and achieving the Settlement supports the fee request. Among other things, Lead Counsel: (i) conducted a comprehensive investigation into Defendants' alleged misconduct, which included, *inter alia*, reviewing and analyzing regulatory filings, press releases, news reports and articles, call transcripts, analyst reports, and other publicly available information, as well as interviewing former employees of Hut 8 and its predecessors with the aid of a private investigator, and consulting with an accounting expert; (ii) filed a detailed amended complaint; (iii) successfully defeated, in part, Defendants' motion to dismiss; (iv) met and conferred with Defendants about their original answer, which erroneously stated that Defendant Visram had been dismissed; (v) met

and conferred with Defendants regarding their anticipated motion for judgment on the pleadings on traceability grounds; (vi) conferred with a damages expert on estimated damages; (vii) updated Plaintiff about case developments, including settlement, (viii) exchanged opening and reply mediation briefs addressing the strengths and weaknesses of Plaintiff's claims; (ix) participated in a full-day, virtual mediation session and subsequent discussions with the Mediator; and (x) negotiated the proposed Settlement. Lieberman Decl. ¶39.

In addition, following the Court's order preliminarily approving the Settlement, Lead Counsel has overseen the publication of notice to the Settlement Class and the on-going claims administration process. Lieberman Decl. ¶40.

Moreover, Lead Counsel's work for the benefit of the Settlement Class will not end with the Court's granting of final approval to the Settlement. Lead Counsel will devote additional hours and resources to overseeing the claims administration process, responding to Settlement Class Member inquiries, and, when the Claims Administrator has completed processing all claims, filing a motion seeking the Court's approval to distribute the Net Settlement Fund to Settlement Class Members. *See Facebook*, 2015 WL 6971424, at *10 (awarding 33% as attorneys' fees, considering time and effort expended thus far and remaining work to oversee claims process and distribution).

The time and effort that Lead Counsel devoted to the Action was critical to securing the Settlement, supporting the reasonableness of the fee request.

2. General and Specific Litigation Risks Support the Requested Fee

"[T]he risk of success [is] 'perhaps the foremost' factor to be considered in determining" a reasonable award of attorneys' fees. *Goldberger*, 209 F.3d at 54; *see also Shapiro*, 2014 WL 1224666, at *21 ("The Second Circuit long ago recognized that courts should consider the risks associated with lawyers undertaking a case on a contingent fee basis."). "No one expects a lawyer whose compensation is contingent upon his success to charge, when successful, as little as he

would charge a client who in advance had agreed to pay for his services, regardless of success. Nor, particularly in complicated cases producing large recoveries, is it just to make a fee depend solely on the reasonable amount of time expended." *City of Detroit v. Grinnell Corp.*, 495 F.2d 448, 470 (2d Cir. 1974), *abrogated on other grounds by*, *Goldberger*, 209 F.3d 43. In applying this factor, "'[l]itigation risk must be measured as of when the case is filed,' rather than with the hindsight benefit of subsequent events." *In re Glob. Crossing Sec. & ERISA Litig.*, 225 F.R.D. 436, 467 (S.D.N.Y. 2004) (quoting *Goldberger*, 209 F.3d at 55).

Courts have recognized that "class actions confront even more substantial risks than other forms of litigation," *Comverse*, 2010 WL 2653354, at *5, and that "[i]n evaluating the settlement of a securities class action, federal courts, including this court, have long recognized that such litigation is notably difficult and notoriously uncertain," *In re IMAX Sec. Litig.*, 283 F.R.D. 178, 189 (S.D.N.Y. 2012) (quoting *In re Sumitomo Copper Litig.*, 189 F.R.D. 274, 281 (S.D.N.Y. 1999)).[6] This case was no exception. From the outset of the Action, Lead Counsel understood that they were embarking on a complex, expensive, and potentially lengthy litigation with no guarantee of ever receiving compensation for the substantial investment of time and money the case would require. In undertaking that responsibility, "plaintiffs' counsel were obligated to assure that sufficient attorney and para-professional resources were dedicated to the prosecution of the Action; counsel also faced the responsibility of advancing litigation and overhead expenses on this case . . . ." *In re Giant Interactive Grp., Inc. Sec. Litig.*, 279 F.R.D. 151, 164 (S.D.N.Y. 2011). Indeed, "[u]nlike counsel for Defendants, who are paid substantial hourly rates and reimbursed for their expenses on a regular basis, Lead Counsel have not been compensated for any time or expenses since this case began." *In re Flag Telecom Holdings, Ltd. Sec. Litig.*, 2010 WL 4537550,

[6] *See also Tchrs.' Ret. Sys. of La. v. A.C.L.N., Ltd.*, 2004 WL 1087261, at *3 (S.D.N.Y. May 14, 2004) ("Little about litigation is risk-free, and class actions confront even more substantial risks than other forms of litigation.").

at *27 (S.D.N.Y. Nov. 8, 2010). Lead Counsel's commitments of time and expenses were significant and would have gone unrewarded and unreimbursed had Lead Counsel failed to obtain a recovery.

While Lead Counsel believe that Plaintiff's claims are meritorious and remain confident in their ability to prevail at trial, there remain substantial risks in the litigation. Although certain of Plaintiff's Securities Act claims survived the motion to dismiss, Defendants subsequently raised traceability concerns with Plaintiff's remaining Section 11 claim, which their motion to dismiss had failed to challenge, and which represented significant risks at multiple stages if this litigation continued. Specifically, after the motion to dismiss order, Defendants informed Plaintiff that they intended to move for judgment on the pleadings because Plaintiff's Hut 8 shares, which he purchased in the aftermarket after the Merger closed, could not be traced to the challenged Registration Statement as the registered shares issued to USBTC shareholders were commingled with the unregistered shares issued to Legacy Hut shareholders when the Merger closed. *See* ECF No. 63; Lieberman Decl. ¶¶22-23. Defendants would surely continue to press these arguments if the Action continued, not only in their anticipated motion for judgment on the pleadings, but at class certification and beyond.

In addition, Defendants would also fiercely litigate the merits, and argue at summary judgment and trial, that their alleged misstatements and omissions were inactionable because they were not material to a reasonable investor, were not false or misleading because they were supported by Defendants' internal documents, and that, in any case, Defendants' public disclosures adequately warned of the risks and problems at issue. Lieberman Decl. ¶44. While Plaintiff strongly disagrees with these arguments, had the litigation continued there is simply no guarantee that the finder of fact would ultimately adopt Plaintiff's view of the case on any of these liability

issues. If Defendants prevailed on this and similar arguments at a later stage of the Action, it would substantially reduce, or entirely eliminate, any possible recovery.

These issues would certainly become fodder for expert testimony, likely leading to an expensive (and always unpredictable) "battle of the experts." Before verdict, neither the parties nor a court can predict which expert's testimony or methodology a jury will adopt, and thus courts recognize the need for compromise. *See generally Doe #1 ex rel. Parent #1 v. N.Y.C. Dep't of Educ.*, 2018 WL 3637962, at *11 (E.D.N.Y. July 31, 2018) (finding that the prospect of an expensive battle of the experts supports settlement); *In re Am. Bank Note Holographics, Inc., Sec. Litig.*, 127 F. Supp. 2d 418, 426-27 (S.D.N.Y. 2001) (approving settlement based, in part, on counsel's recognizing that a jury might accept defendants' expert and eliminate or reduce damages materially). Without the Settlement, Plaintiff's ability to succeed at trial is far from certain. Lieberman Decl. ¶41. Indeed, the Court already dismissed a significant portion of the claims asserted in the Complaint—i.e., Plaintiff's Exchange Act claims in their entirety and the Securities Act claims based on the alleged misrepresentations about USBTC's dire financial condition before the Merger. ECF No. 57 at 77; *see also IMAX*, 283 F.R.D. at 189 (securities class actions are "notably difficult and notoriously uncertain").

Further, proving damages presents a significant risk in securities class actions. "Calculation of damages is a complicated and uncertain process, typically involving conflicting expert opinion . . . ." *Glob. Crossing*, 225 F.R.D. at 459; *see also Chatelain v. Prudential-Bache Sec., Inc.*, 805 F. Supp. 209, 214 (S.D.N.Y. 1992) (in securities class actions, the "complexities of calculating damages increase geometrically"). "There is the undeniable risk that a jury could be swayed by experts for the Defendants, who could minimize the amount of [p]laintiffs' losses." *In re Marsh & McLennan Cos. Sec. Litig.*, 2009 WL 5178546, at *6 (S.D.N.Y. Dec. 23, 2009); *see*

also In re Cendant Corp. Litig., 264 F.3d 201, 239 (3d Cir. 2001) ("[E]stablishing damages at trial would lead to a 'battle of experts' with each side presenting its figures to the jury and with no guarantee whom the jury would believe."). Here, even if Plaintiff overcame the barriers to proving traceability and material falsity, he faced significant risks in recovering lower, or no, damages. In particular, Section 11 offers defendants an affirmative defense that bars plaintiffs from recovering for stock price declines that were caused by other factors, rather that by the alleged misstatements or omissions (the "negative causation" defense). 15 U.S.C. § 77k(e); Lieberman Decl. ¶45. Thus, Plaintiff could be unable to recover Section 11 damages if Defendants were able to establish negative causation—i.e., that Hut 8's stock price declined for reasons other than the remaining misstatements, for example, because no new, corrective information was disclosed in the J Capital Research short seller report as Hut 8's connectivity problems were already publicly available and thus known to the market. Lieberman Decl. ¶45; *see also In re OSG Sec. Litig.*, 2015 WL 3466094, at *4 (S.D.N.Y. May 29, 2015) (granting defense motion for summary judgment dismissing Section 11 claims based on negative causation defense).

Accordingly, the material risks of Plaintiff failing to establish liability and damages—particularly given Defendants' traceability argument—and/or Defendants successfully proving a negative causation defense, could lead to the Settlement Class recovering less than the Settlement Amount or even nothing at all. Even if Plaintiff overcame these risks and a jury awarded the full measure of damages, they would still face the risk of an adverse decision on post-trial motions, or reversal on appeal.[7]

[7] *See, e.g., Glickenhaus & Co. v. Household Int'l, Inc.*, 787 F.3d 408 (7th Cir. 2015) (reversing jury verdict of $2.46 billion on loss causation and damages grounds, remanding for a new trial on these issues); *In re BankAtlantic Bancorp, Inc.*, 2011 WL 1585605, at *20-22 (S.D. Fla. Apr. 25, 2011) (granting motion for judgment as a matter of law following jury verdict in plaintiffs' favor), *aff'd sub nom. Hubbard v. BankAtlantic Bancorp, Inc.*, 688 F.3d 713 (11th Cir. 2012).

3. The Complexity of the Action Supports the Fee

Courts recognize that securities class actions are "notorious[ly] complex[]." *In re AOL Time Warner, Inc. Sec. & "ERISA" Litig.*, 2006 WL 903236, at *8 (S.D.N.Y. Apr. 6, 2006), a factor that further supports an award of attorneys' fees.

This case was no exception. While Plaintiff believes that the claims are meritorious, it is highly uncertain whether he would be able to overcome all obstacles to proving the claims, establishing Defendants' liability and damages, and, critically, enforcing a judgment. Further litigation would have required substantial additional expenditures of time and resources, with a material risk of a lower recovery, if any. *See id.* at *9 ("In addition to the complex issues of fact involved in this case, the legal requirements for recovery under the securities laws present considerable challenges, particularly with respect to loss causation and the calculation of damages"). As such, the complexity of the litigation supports the requested fee. *See Aeropostale*, 2014 WL 1883494, at *16 ("[T]he complex and multifaceted subject matter involved in a securities class action such as this supports the fee request.").

4. The Quality of Representation Supports the Requested Fee

Furthermore, the quality of Lead Counsel's representation here supports the fee request. "The quality of Securities Lead Counsel's representation is evidenced by the recovery obtained for the [Settlement] Class." *Christine Asia Co. v. Yun Ma*, 2019 WL 5257534, at *19 (S.D.N.Y. Oct. 16, 2019).

Here, the $2,350,000 million Settlement is a fair, reasonable, and adequate result in the face of numerous substantial risks. Under the best-case scenario—assuming Plaintiff overcomes all the obstacles noted above at and beyond trial, and Defendants do not prevail on any of their anticipated arguments—Plaintiff's expert's estimate of the maximum, potentially recoverable class-wide damages is approximately $12.08 million. Lieberman Decl. ¶32. That estimate

encompasses all surviving claims after the Court's ruling on the motion to dismiss, which sustained only Plaintiff's claims under the Securities Act for only two alleged misstatements. As further addressed in Plaintiff's Memorandum of Law in Support of Motion for Final Approval of the Settlement, filed simultaneously herewith, that the Settlement obtained approximately 19.6% of these best-case scenario damages is a very positive result. *See also* Lieberman Decl. ¶32. Indeed, the recovery of 19.6% of maximum estimated damages is well above the 12.9% median recovery and 14.6% average recovery for cases with only Securities Act claims in 2025, and the average recoveries in securities class actions generally. *See* Cornerstone Report (Lieberman Decl. Ex. 4), at 20; *China Sunergy*, 2011 WL 1899715, at *5 (finding 18.4% recovery of estimated class damages "far surpasses the average settlement amounts in securities fraud class actions . . . [of] 3% to 7% of the class members' estimated losses").

Thus, the Settlement is well within the range of reasonableness and is favorable considering the significant hurdles that Plaintiff faced. Indeed, courts in this Circuit, including this Court, regularly award similar fees where such a favorable result is reached after the motion to dismiss stage (or even earlier), before formal discovery. *See, e.g.*, *In re iDreamSky Tech. Ltd. Sec. Litig.*, No. 15-cv-02514, 2018 WL 10075669 (S.D.N.Y. Feb. 27, 2018), 2018 WL 8950640, at *4 (S.D.N.Y. Apr. 6, 2018) (awarding one-third of $4.15 million settlement following decision on motion to dismiss, but prior to formal discovery); *Ubiquiti*, *supra* p. 8 (awarding 33.3% fee where case settled at the motion-to-dismiss stage); *Maley v. Del Glob. Techs. Corp.*, 186 F. Supp. 2d 358, 368, 370 (S.D.N.Y. 2002) (awarding one-third of $11.5 million where settlement was reached while motions to dismiss were pending); *Taft v. Ackermans*, 2007 WL 414493, at *1, *11 (S.D.N.Y. Jan. 31, 2007) (awarding 30% of $15.2 million settlement while motion to dismiss was pending).

The quality of Lead Counsel's efforts and commitment to providing Plaintiff and the Settlement Class with the best possible representation, together with its substantial experience in securities class actions, provided the leverage necessary to negotiate the Settlement. As reflected in its firm résumé, Pomerantz is highly experienced in the field of securities class action litigation and has recovered billions of dollars for its clients in some of the largest and most complex securities class actions, including the fifth-largest securities class action settlement achieved in the United States—obtaining $3 billion in the historic Petrobras securities class action (*In re Petrobras Sec. Litig.*, No. 14-cv-9662 (S.D.N.Y)). *See* Lieberman Decl. ¶50; ECF No. 75-8 (Pomerantz résumé). Lead Counsel's experience and reputation contributed to the successful resolution of this Action.

Courts have also recognized that the quality of the opposition faced by plaintiffs' counsel should be taken into consideration in assessing the quality of their performance. *See, e.g.*, *Veeco*, 2007 WL 4115808, at *7 (fee award supported by the fact that defendants were represented by "one of the country's largest law firms"); *In re Adelphia Commc'ns Corp. Sec. & Derivative Litig.*, 2006 WL 3378705, at *3 (S.D.N.Y. Nov. 16, 2006) ("The fact that the settlements were obtained from defendants represented by formidable opposing counsel from some of the best defense firms in the country also evidences the high quality of lead counsels' work."), *aff'd*, 272 F. App'x 9 (2d Cir. 2008). Here, Defendants were represented by accomplished attorneys from Gibson, Dunn & Crutcher LLP—highly skilled securities litigators who vigorously represented their clients. Lieberman Decl. ¶52.

The positive reaction by Settlement Class Members confirms the quality of Lead Counsel's representation. In total, 169,114 notices were sent to potential Settlement Class Members. *See* Declaration of Sarah Evans Concerning: (A) Mailing/Emailing of Notice; (B) Publication of the

Summary Notice; and (C) Report on Requests for Exclusion and Objections (Lieberman Decl. Ex. 1) ("Evans Decl.") ¶9. To date, no Settlement Class Members have objected to the Settlement or the fee request, and only two have requested exclusion from the Settlement Class (and these requests are currently invalid). Evans Decl. ¶¶13-14; Lieberman Decl. ¶¶37, 61; *see also Guevoura*, 2019 WL 6889901, at *22 ("To date, no object[ion] to the fee request has been received. The lack of objections, in this day and age, is not only remarkable, but militates in favor of approval of the Fees as requested.")

5. The Amount of Attorneys' Fees in Relation to the Settlement

"When determining whether a fee request is reasonable in relation to a settlement amount, the court compares the fee application to fees awarded in similar securities class-action settlements of comparable value." *Comverse*, 2010 WL 2653354, at *3; *see also Alaska Elec. Pension Fund v. Bank of Am. Corp.*, 2018 WL 6250657, at *2 (S.D.N.Y. Nov. 29, 2018). Here, Lead Counsel's fee request of 33.3% of the Settlement Fund is fair, reasonable and consistent with the range of percentages that courts in this Circuit have awarded in similar securities class action and other class action settlements of this size. *See supra* Section II(C)(1); *see also Tenaris*, 2024 WL 1719632, at *10 ("District courts within the Second Circuit routinely approve attorneys' fees awards of one third or 33 1/3% as reasonable."); *Khait v. Whirlpool Corp.*, 2010 WL 2025106, at *8 (E.D.N.Y. Jan. 20, 2010) (awarding attorneys' fees equal to 33% of $9.25 million settlement); *Payment Card*, 991 F. Supp. 2d at 445 (awarding 33% fee for the first $10 million of settlement, and noting it is "very common" to see 33% contingency fees in settlements less than $10 million); *Gay v. Tri-Wire Eng'g Sols., Inc.*, 2014 WL 28640, at *12 (E.D.N.Y. Jan. 2, 2014) (awarding 35.3% of $183,123.60 settlement fund where the total fees equaled a reasonable lodestar amount); *Mohney v. Shelly's Prime Steak, Stone Crab & Oyster Bar*, 2009 WL 5851465, at *1, *5 (S.D.N.Y.

Mar. 31, 2009) (awarding 33% of $3,625,000 settlement).[8] Here, Lead Counsel's request is in line with awards in similar securities class action settlements, and should be granted.

6. Public Policy Considerations Support the Requested Fee

"In considering an award of attorney's fees, the public policy of vigorously enforcing the federal securities laws must be considered." *Maley*, 186 F. Supp. 2d at 373. This is because private actions such as this one serve to further the objective of the federal securities laws to protect investors. "[The Supreme] Court has long recognized that meritorious private actions to enforce federal antifraud securities laws are an essential supplement to criminal prosecutions and civil enforcement actions brought, respectively, by the Department of Justice and the Securities and Exchange Commission." *Tellabs, Inc. v. Makor Issues & Rts., Ltd.*, 551 U.S. 308, 313 (2007). If the "important public policy [of enforcing the securities laws] is to be carried out, the courts should award fees which will adequately compensate Lead Counsel for the value of their efforts, taking into account the enormous risks they undertook." *Flag Telecom*, 2010 WL 4537550, at *29.

As a practical matter, "[l]awsuits such as this one can only be maintained if competent counsel can be retained to prosecute them. This will occur if courts award reasonable and adequate compensation for such services where successful results are achieved." *Aeropostale*, 2014 WL 1883494, at *18; *see also Hicks v. Morgan Stanley*, 2005 WL 2757792, at *9 (S.D.N.Y. Oct. 24, 2005) (private securities actions promote securities laws' objectives, but "could not be sustained

[8] *See also Silverberg v. People's Bank*, 23 F. App'x 46, 48 (2d Cir. 2001) (affirming award of attorneys' fees and expenses of nearly one-third of settlement fund); *Becher v. Long Island Lighting Co.*, 64 F. Supp. 2d 174, 182-83 (E.D.N.Y. 1999) (awarding one-third fee of $7.75 million, which was "well within the range accepted by courts in this circuit"), *superseded on other grounds*, Fed. R. Civ. P. 23(e)(2), *as recognized by*, *Vasquez v. A+ Staffing LLC*, 746 F. Supp. 3d 26, 53-54 (E.D.N.Y. 2024); *Stefaniak v. HSBC Bank USA, N.A.*, 2008 WL 7630102, at *3 (W.D.N.Y. June 28, 2008) (awarding 33% of fund, finding it "typical in class action settlements in the Second Circuit"); *Collins v. Olin Corp.*, 2010 WL 1677764, at *6–7 (D. Conn. Apr. 21, 2010) (awarding one-third of settlement fund); *In re Med. X-Ray Film Antitrust Litig.*, 1998 WL 661515, at *7 (E.D.N.Y. Aug. 7, 1998) (awarding one-third of a settlement fund as "well within the range accepted by courts in this circuit").

if plaintiffs' counsel were not to receive remuneration from the settlement fund for their efforts on behalf of the class").

The integrity of the markets depends on companies and their executives complying with the federal securities laws. Courts must ensure that competent counsel with the knowledge and experience to litigate these disputes in an orderly and efficient manner is available to the markets. Public policy thus supports the award of the attorneys' fees requested here. *See China Sunergy*, 2011 WL 1899715, at *6 ("[P]ublic policy supports granting attorneys' fees 'that are sufficient to encourage plaintiffs' counsel to bring securities class actions that supplement the efforts of the SEC.'").

E. This Court Should Approve Reimbursement of Lead Counsel's Expenses as Reasonable and Necessary to the Benefit Obtained

Lead Counsel also requests reimbursement of $67,134.64 in expenses incurred while prosecuting the Action. *See* Lieberman Decl. ¶65; Vasilchenko Fee Decl. ¶9; *see also Flag Telecom*, 2010 WL 4537550, at *30 ("It is well accepted that counsel who create a common fund are entitled to the reimbursement of expenses that they advanced to a class."); *In re Indep. Energy Holdings PLC Sec. Litig.*, 302 F. Supp. 2d 180, 183 n.3 (S.D.N.Y. 2003) ("Attorneys may be compensated for reasonable out-of-pocket expenses incurred and customarily charged to their clients, as long as they were 'incidental and necessary to the representation' of those clients.").

The amount requested is substantially lower than the $150,000 maximum amount disclosed in the Notice to Settlement Class Members. *See* Evans Decl. Ex. A (Notice and Claim Form) at 2, 15; *see also* Evans Decl. Ex. C (Postcard Notice); *Flag Telecom*, 2010 WL 4537550, at *30 (noting that "the expenses for which reimbursement is sought amount to less than the expense figure . . . referred to in the Notice, to which no objection was filed" in approving reimbursement request). No Settlement Class Member has objected to the requested reimbursement, and only two have

requested Exclusion (requests that are currently invalid). Evans Decl. ¶¶13-14; Lieberman Decl. ¶¶37, 61; *see also Rodriquez v. It's Just Lunch Int'l*, 2020 WL 1030983, at *11 (S.D.N.Y. Mar. 2, 2020) (awarding the requested 31.5% in attorneys' fees and expenses over two objections, noting that "the relatively low number of objections weighs in favor of approving the attorneys' requested fees as reasonable").

Most of the Litigation Expenses—$47,577.88, or over 70% of the total—for which Lead Counsel seeks reimbursement are expert fees and mediation fees. Lieberman Decl. ¶65; Vasilchenko Fee Decl., Ex. B. In addition, the Plan of Allocation for distribution of the Net Settlement Fund was developed with expert assistance. Lieberman Decl. ¶65. These efforts, as well as expert consultation regarding damages and loss causation and accounting issues at the pleading stage, as well as regarding damages in connection with mediation and settlement negotiations, required Lead Counsel to incur substantial expert fees. *Id.* Another significant expense was for professional services rendered by Plaintiff's investigators in connection with interviews of former employees as part of Plaintiff's investigation for the Complaint, without which the case would not have survived the motion to dismiss. *Id.* These expenses were reasonable and necessary to the prosecution of the Action and are reasonable in amount. Therefore, the Court should approve their reimbursement. *See Flag Telecom*, 2010 WL 4537550, at *30 (approving reimbursement of expenses, including fees for "accounting, damages and other experts," which were "customary and necessary expenses for a complex securities action, and were necessary for Lead Counsel to successfully prosecute this case"); *Glob. Crossing*, 225 F.R.D. at 468 ("The expenses incurred – which include investigative and expert witnesses, filing fees, service of process, travel, legal research and document production and review – are the type for which 'the paying, arms' length market' reimburses attorneys. For this reason, they are properly chargeable

to the Settlement fund.").

F. The Court Should Approve a Compensatory Award to Plaintiff

Plaintiff and Lead Counsel also request an award for Plaintiff in the amount of $10,000 for the time he devoted to representing the Settlement Class in this Action. The PSLRA specifically provides that an "award of reasonable costs and expenses (including lost wages) directly relating to the representation of the class" may be made to "any representative party serving on behalf of a class." 15 U.S.C. § 78u-4(a)(4).

Courts in this Circuit, including this Court, "routinely award such costs and expenses to reimburse the named plaintiffs for expenses incurred through their involvement with the action and lost wages." *Christine Asia*, 2019 WL 5257534, at *20 (quoting *Hicks*, 2005 WL 2757792, at *10) (approving request for award to lead plaintiffs); *see also In re Bank of Am. Corp. Sec., Derivative, & Emp. Ret. Income Sec. Act (ERISA) Litig.*, 772 F.3d 125, 132–33 (2d Cir. 2014) (affirming the award of PSLRA expenses and costs to lead plaintiffs totaling $453,000)); *Friel v. Dapper Labs, Inc.*, No. 21-cv-05837, ECF No. 86 (S.D.N.Y. Oct. 28, 2024) (Marrero, J.) (awarding $10,000 to each plaintiff); *Tate v. Aterian, Inc.*, 21-cv-04323, ECF No. 99 ¶12 (S.D.N.Y. Sep. 12, 2022) (Marrero, J.) (awarding $10,000 to lead plaintiff); *Marsh & McLennan*, 2009 WL 5178546, at *21 (approving $215,000 total award to two lead plaintiffs); *Deutsche Bank.*, 2020 WL 3162980, at *2 (awarding $10,000 to each class representative); *In re Qudian Inc. Sec. Litig.*, 2021 WL 2328437, at *2 (S.D.N.Y. June 8, 2021) (awarding lead plaintiff $25,000, and class representative $12,500, for "reasonable costs and expenses directly related to [their] representation of the Class"); *In re Signet Jewelers Ltd. Sec. Litig.*, 2020 WL 4196468, at *23-24 (S.D.N.Y. July 21, 2020) (collecting cases and awarding $25,410 to lead plaintiff).

As set forth in his declaration, Plaintiff was actively involved throughout the Action, devoting an estimated 55 hours to the Action. *See* Maheshwari Decl. ¶¶2-5. Plaintiff oversaw Lead

Counsel during the Action, communicating with Plaintiffs' Counsel regarding the progress of and strategy for the case, reviewing and discussing with Plaintiffs' Counsel all of the significant pleadings and briefs filed in the Action, and consulting with Plaintiffs' Counsel in assessing and approving the Settlement. *Id.* ¶3. Plaintiff also executed declarations in connection with his motion to be appointed to lead the Action and collected his trading data related to his transactions in Hut 8 Securities. *Id.* These are "precisely the types of activities that support awarding reimbursement of expenses to class representatives." *Marsh & McLennan*, 2009 WL 5178546, at *21; *see also Christine Asia*, 2019 WL 5257534, at *20 (approving award to lead plaintiffs where they, *inter alia*, reviewed pleadings and briefs, and evaluated and approved settlement). Plaintiff devoted this time to the Action even though there was no guarantee of any recovery for himself or other Settlement Class Members, and even though he would have otherwise devoted that time to his professional endeavors. The requested award of $10,000 also represents a substantial discount to the amount ($13,750) that would normally be charged for 55 hours of Plaintiff's work as a senior director for a pharmaceutical company given his estimated hourly rate of approximately $250. Maheshwari Decl. ¶5. Finally, Plaintiff's request for reimbursement is not conditioned on his approval of the Settlement. *Id.*

Lead Counsel submits that the modest, requested award of $10,000 to Plaintiff, which does not exceed the amount set forth in the Notice, is reasonable and should be granted.

III. CONCLUSION

For the foregoing reasons, Plaintiff and Lead Counsel respectfully request that the Court grant this Fee Motion and: (a) award Plaintiffs' Counsel attorneys' fees in the total amount of 33.3% of the Settlement Fund, i.e., $782,550 plus interest; (b) reimburse Lead Counsel's Litigation Expenses in the amount of $47,577.88, plus interest; and (c) award Plaintiff $10,000, pursuant to the PSLRA, for his efforts on behalf of the Settlement Class.

Dated: October 2, 2026

Respectfully submitted,

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CERTIFICATION PURSUANT TO LOCAL CIVIL RULE 7.1(c)

The undersigned certificates that this memorandum of law contains 8,257 words and complies with the word-count limitations set forth in Local Civil Rule 7.1(c).

/s/ Irina Vasilchenko
Irina Vasilchenko