

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

RAVISHANKER NARAYANAN,  
Individually and on Behalf of All Others  
Similarly Situated,

Plaintiff

v.

MAREX GROUP PLC, IAN LOWITT, and  
ROBERT IRVIN,

Defendants.

Case No. 1:25-cv-08393-RA-SDA

[rel. 1:25-cv-08368-RA-SDA]

**CLASS ACTION**

**MEMORANDUM OF LAW IN SUPPORT OF LEAD PLAINTIFFS' UNOPPOSED  
MOTION FOR PRELIMINARY APPROVAL OF PROPOSED CLASS ACTION  
SETTLEMENT**

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## PRELIMINARY STATEMENT

Court-appointed Lead Plaintiffs Ali Shabsavanpour and Jaimin Patel (“Lead Plaintiffs”) respectfully submit this memorandum in support of their unopposed motion for preliminary approval of the proposed settlement (the “Settlement”) of this securities class action against Marex Group plc (“Marex” or the “Company”), Ian Lowitt, and Robert Irvin (collectively, “Defendants”).<sup>1</sup>

Rule 23(e)(1)(B) governs this preliminary-approval stage. It requires Lead Plaintiffs to show that the Court will likely be able to (1) approve the Settlement as fair, reasonable, and adequate under Rule 23(e)(2), and (2) certify the proposed class for purposes of judgment on the Settlement. Both showings are met.

The case arises from allegations in an August 5, 2025 report by short seller NINGI Research (the “NINGI Report”). The Report accused Marex of nine separate acts of financial misconduct, including concealing losses through off-balance-sheet and related entities, manufacturing gains in transactions with an allegedly controlled fund, misstating operating cash flow, maintaining a balance sheet with material intercompany discrepancies and, among other things, reflecting aggressive insider and backer selling. On the day the Report was released, Marex’s share price fell by \$2.33 from \$37.64 to \$35.31, a 6.2% drop. After investigating each allegation, Lead Counsel decided to pursue only one alleged theory from the Report in the First Amended Complaint (the “FAC”). This theory was that Marex presented revenue from the

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<sup>1</sup> All capitalized terms not defined herein have the meanings given in the Stipulation and Agreement of Settlement dated August 20, 2026 (the “Stipulation”), attached as Exhibit 1 to the accompanying Declaration of William M. Brody (“Brody Decl.”). All exhibits are attached to the Brody Declaration unless otherwise noted. Exhibits A, A-1 through A-4, and B are exhibits to the Stipulation.

“Securities” line of its Market Making business beside a volume metric that measured only the exchange-traded portion of that business, making the pairing materially misleading. Eight days after the Report was released, Marex’s Chief Executive Officer confirmed that the metric covered only the exchange-traded component, while explaining that Marex had removed the metric months earlier. The other misconduct alleged in the Report was not alleged as a basis for the claims in the FAC.

Because Rule 23(e)(2)(C)(i) requires the Court to evaluate the risks of continued litigation when assessing the adequacy of the settlement relief, loss causation and damages are central. The Settlement Amount is \$950,000. As a high-end reference point, not a prediction of likely trial recovery, Lead Counsel modeled a highly plaintiff-favorable scenario that assumes the pleaded misrepresentations in the FAC were sustained in their entirety, caused the entire \$2.33 August 5 decline, and that the NINGI Report’s eight other allegations of misconduct caused none of the decline. Applying an estimated 90-day held-through limitation under 15 U.S.C. § 78u-4(e), that scenario yields a maximum damages estimate of approximately \$80.2 million. The Settlement equals 1.18% of that complete-victory benchmark. Apportioned equally among the NINGI Report’s nine allegations, that damages benchmark would be approximately \$8.9 million, and the Settlement would equal approximately 10.7% of it.

The \$80.2 million figure is not equivalent to the estimate of the likely potential recovery in this case. Among other things, it assumes the entire stock drop was the result of just one of the nine allegations in the NINGI Report. To obtain it, Lead Plaintiffs would not only have to prevail on falsity, scienter, price impact, and class certification but they would also have to prove that the pleaded misrepresentation—not the Report’s eight other allegations—caused the entire decline. Any contrary ruling could reduce damages sharply or eliminate recovery. The related and

coordinated action, *Katz v. Marex Group plc*, No. 1:25-cv-08368-RA-SDA (S.D.N.Y.) (“*Katz*”), supplies corroborative context supporting this Settlement: its separately represented plaintiff dismissed with prejudice without apparently obtaining any recovery. Viewed in light of those loss causation, damages, and other litigation risks, as well as the cost and delay of expert-intensive litigation, the certain \$950,000 recovery now is a favorable result for the Settlement Class. Lead Plaintiffs therefore request preliminary approval of the Settlement and Plan of Allocation, certification of the Settlement Class, approval of notice, and entry of the proposed schedule.

## **FACTUAL AND PROCEDURAL BACKGROUND**

### **I. Relevant Procedural History**

This action was commenced on October 9, 2025. The *Katz* action was filed the same day and was accepted as related on October 17, 2025. Notice required by the Private Securities Litigation Reform Act of 1995 (“PSLRA”) was published on October 9, 2025, and lead-plaintiff motions followed on December 8, 2025. 15 U.S.C. § 78u-4(a)(3)(A); ECF Nos. 1, 28, 41; *Katz*, ECF No. 1.

On January 20, 2026, the Court referred this action to Magistrate Judge Stewart D. Aaron for general pretrial purposes, including settlement. ECF No. 38. On February 2, 2026, the Court appointed Lead Plaintiffs and approved The Schall Law Firm, now called Schall Brown & Schwartz LLP, as Lead Counsel. ECF No. 41. On February 18, 2026, the Court set April 20, 2026 as the amended-pleading deadline and June 22, 2026 as the motion-to-dismiss deadline. ECF No. 43.

On April 13, 2026, the *Katz* plaintiff voluntarily dismissed her action with prejudice, without filing an amended complaint or, apparently, obtaining a recovery. *Katz*, No. 1:25-cv-08368, ECF No. 33. Lead Plaintiffs filed the FAC on April 20, 2026. ECF No. 44. The Parties advised the Court on June 5, 2026 that they had reached a settlement, and the Court stayed the

Action on June 10, 2026 pending completion of the Settlement. ECF Nos. 45–46. No discovery had been taken because the case settled before Defendants filed their anticipated motion to dismiss. Brody Decl. ¶¶ 4, 16.

## **II. The Action and Lead Counsel’s Investigation**

Before agreeing to any settlement figure, Lead Counsel conducted an extensive investigation designed to analyze liability, loss causation, and damages. It reviewed the original complaint and NINGI Report and researched the available U.S. and U.K. public record for the relevant periods, including Marex’s registration statements and prospectuses, Forms 20-F and 6-K, U.S. and U.K. annual reports, U.K. corporate and regulatory filings, investor presentations, earnings releases, earnings- and conference-call transcripts, other public statements, and market and trading data. It also reviewed documents concerning Marex’s alleged counterparties and related parties to investigate the Report’s allegations. Counsel analyzed the NINGI Report’s nine allegations and any of Marex’s responses; sought an interview with NINGI Research; retained and paid an investigative firm to conduct an extensive search for former Marex employees in the United States and the United Kingdom; had the investigative firm interview identified witnesses and then conducted follow-up interviews; compared Marex’s reported Securities revenue with the published volume metric in each period in which both appeared; calculated and analyzed potential aggregate damages; and, among other things, performed extensive legal research on liability, loss causation, and damages. Brody Decl. ¶¶ 5–6.

The NINGI Report’s Executive Summary combined the pleaded Market Making allegation with eight different charges: a purported bailout of a failed volatility fund to conceal a loss; an allegedly undisclosed fund holding more than \$930 million in derivatives; allegedly self-dealing fair-value transactions with that fund; purportedly fictitious operating cash flow and inconsistent debt figures; a claimed connection between Marex leadership and Lehman Brothers’ Repo 105

accounting; alleged intercompany balance-sheet holes; a shrinking audit scope and inconsistent audit disclosures; and aggressive sales by insiders and pre-IPO backers. Original Compl. ¶¶ 28–31, ECF No. 1.<sup>2</sup> Based on its analysis, research and judgment, Lead Counsel’s investigation supported pleading only the Market Making theory in the FAC. *See* Brody Decl. ¶¶ 5–6.

The FAC asserts claims under Sections 10(b) and 20(a) of the Exchange Act and Rule 10b-5 for investors who acquired Marex ordinary shares from November 7, 2024 through August 5, 2025, inclusive. FAC ¶¶ 1–2. It alleges that Marex reported revenue for the “Securities” line of its Market Making segment beside a volume metric that covered a narrower business. Securities revenue included corporate-bond market making, stock lending, and other off-exchange activities, whereas the accompanying metric counted only exchange-traded activity. FAC ¶¶ 19–28. The NINGI Report identified that mismatch on August 5, 2025, together with eight other accusations. Original Compl. ¶¶ 28–31, ECF No. 1; FAC ¶ 29. That same day, Marex shares fell from \$37.64 to \$35.31 on trading volume more than four times the prior day’s. FAC ¶¶ 5, 35–36. On August 13, Marex’s Chief Executive Officer confirmed that the revenue line included activities the metric did not measure and that the exchange-traded business measured by the metric was being wound down. FAC ¶¶ 30–31, 37, 39; *see infra* § I.D.1.b.

### **III. Negotiation of the Settlement and the Terms of the Proposed Settlement**

From April through early June 2026, experienced counsel negotiated directly and at arm’s length while Defendants’ motion to dismiss was in preparation. Schwartz Decl. ¶¶ 1–6. Counsel exchanged demands and counteroffers by telephone and in writing, discussed their competing views of the merits and damages, and both sides moved from their opening positions before

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<sup>2</sup> The NINGI Report is publicly available at <https://ningiresearch.com/2025/08/05/marex-group-plc-nasdaq-mrx-a-financial-house-of-cards/> (last visited Aug. 20, 2026).

agreeing to \$950,000. *Id.* They fixed the Settlement Amount before discussing attorneys’ fees, Litigation Expenses, or any reimbursement to Lead Plaintiffs. *Id.* The Parties executed a confidential Term Sheet and advised the Court of their agreement in principle on June 5, 2026. ECF No. 45. After reaching that agreement, the Parties negotiated and drafted the Stipulation and the documents needed to seek preliminary and final approval: the proposed Preliminary Approval Order (Stipulation Ex. A); the long-form Notice, Claim Form, Summary Notice, and Postcard Notice (Stipulation Exs. A-1 through A-4); and the proposed Judgment (Stipulation Ex. B). *See id.* The proposed Order would authorize notice and administration and set the schedule, the notice and claim forms explain class members’ rights and collect claim information, and the proposed Judgment would finally approve the Settlement, enter the releases, and dismiss the Action with prejudice. Brody Decl. ¶¶ 7–8 & Ex. 1; Stipulation ¶¶ 3.2–3.3.

The core terms of the Settlement are as follows:

1. **Settlement Amount and escrow.** \$950,000 in cash, payable into an interest-bearing qualified settlement fund (the “Settlement Fund”) maintained by The Huntington National Bank, the independent Escrow Agent, within the later of sixty calendar days after preliminary approval or receipt of complete payment information. Brody Decl. Ex. 1, Stipulation ¶¶ 1.16–1.18, 2.1, 2.4–2.7.
2. **Settlement Class.** All persons and entities that purchased or otherwise acquired Marex ordinary shares on the Nasdaq Global Select Market or in another domestic transaction from November 7, 2024 through August 5, 2025, inclusive, and were allegedly damaged thereby, subject to the exclusions in the Stipulation. *Id.* ¶¶ 1.50, 1.52.
3. **No reversion.** The Settlement is not claims-made, and no portion of the Settlement Fund reverts to Defendants for any reason. *Id.* ¶ 2.8.

4. **Releases.** Mutual releases covering claims arising from the allegations, facts, transactions, and disclosures set forth or referred to in the Action and based on Class Period transactions in Marex ordinary shares; unrelated claims and claims to enforce the Settlement are preserved. *Id.* ¶¶ 1.45, 5.2–5.5.
5. **Fees and expenses.** Lead Counsel will apply separately for attorneys’ fees not to exceed one-third of the Settlement Fund and reimbursement of case-related expenses (“Litigation Expenses”) not to exceed \$75,000, which may include applications for awards to Lead Plaintiffs of not more than \$2,500 each under 15 U.S.C. § 78u-4(a)(4). *Id.* ¶¶ 7.1–7.3; Notice ¶¶ 5, 38.
6. **Notice, administration, and distribution.** Strategic Claims Services (“SCS”), subject to Court approval, will serve as Claims Administrator, not the Escrow Agent, and will provide notice, maintain the website and toll-free number, process Claims and curable deficiencies, and distribute the amount remaining after Court-approved deductions (the “Net Settlement Fund”). The Plan of Allocation (the “Plan”) calculates transaction-based “Recognized Loss Amounts” for eligible shares and uses those amounts only to determine each claimant’s pro rata share of the fixed Net Settlement Fund; they are not estimates of trial damages or actual payments. The notice program uses mailed and emailed Postcard Notice, nominee outreach, posting through the Depository Trust Company, and a published Summary Notice. Distributions are subject to a \$10.00 floor, re-distribution, and a Court-approved not-for-profit residual recipient. Stipulation ¶¶ 1.8, 4.1–4.3, 4.6, 4.9; Notice App. ¶¶ 3–7, 10–11; *see infra* §§ I.D.2, III.
7. **Related agreement.** A confidential Supplemental Agreement, executed with the Stipulation, establishes a threshold of exclusion requests above which Marex alone may

terminate the Settlement. It does not alter the relief available to participating class members. *Stipulation* ¶ 9.3; *see infra* § I.D.4.

## ARGUMENT

### I. PRELIMINARY APPROVAL OF THE SETTLEMENT IS WARRANTED

#### A. Standards for Preliminary Approval of a Proposed Class Action Settlement

Rule 23(e)(1)(B) requires two findings at preliminary approval. First, the Court must find that it will likely be able to approve the Settlement as fair, reasonable, and adequate under Rule 23(e)(2). Second, it must find that it will likely be able to certify the Settlement Class for purposes of judgment on the Settlement. Fed. R. Civ. P. 23(e)(1)(B)(i)–(ii). The present record supports both findings. *See In re Payment Card Interchange Fee & Merch. Disc. Antitrust Litig.*, 330 F.R.D. 11, 28–29 (E.D.N.Y. 2019) (at preliminary approval, the court asks whether the parties have shown that it will likely be able to grant final approval under Rule 23(e)(2) and certify the class). The Settlement before the Court consists of the Stipulation and its exhibits described above. Brody Decl. ¶ 8 & Ex. 1; *see supra* Background § III. Preliminary approval authorizes notice to the Settlement Class, and final approval and entry of the proposed Judgment come later.

The first required finding is the settlement-fairness determination. Rule 23(e)(2) permits final approval only after the Court finds that the Settlement is fair, reasonable, and adequate, considering four mandatory subjects: (A) whether Lead Plaintiffs and Lead Counsel adequately represented the class; (B) whether the Settlement was negotiated at arm’s length; (C) whether the relief provided is adequate; and (D) whether the Settlement treats class members equitably relative to one another. Fed. R. Civ. P. 23(e)(2)(A)–(D). At this preliminary stage, the question is whether the Court will likely be able to make those findings. Fed. R. Civ. P. 23(e)(1)(B)(i); *Payment Card*, 330 F.R.D. at 28–29. Those four Rule 23(e)(2) considerations supplement—not displace—the nine factors stated in *City of Detroit v. Grinnell Corp.*, 495 F.2d 448, 463 (2d Cir. 1974), *abrogated on*

*other grounds by Goldberger v. Integrated Res., Inc.*, 209 F.3d 43 (2d Cir. 2000), which “remain a useful framework for considering the substantive fairness of a settlement,” while “the rule now mandates courts to evaluate factors that may not have been highlighted in our prior case law, and its terms prevail over any prior analysis that are inconsistent with its requirements.” *Moses v. New York Times Co.*, 79 F.4th 235, 243 (2d Cir. 2023).

In applying both frameworks, the Court may not presume fairness because the Parties negotiated at arm’s length. *Moses*, 79 F.4th at 243–44. Lead Plaintiffs instead establish each consideration from the record, with the heightened scrutiny appropriate to a settlement reached before certification. *See D’Amato v. Deutsche Bank*, 236 F.3d 78, 85 (2d Cir. 2001).

**B. Rule 23(e)(2)(A): Lead Plaintiffs and Lead Counsel Have Adequately Represented the Settlement Class**

Rule 23(e)(2)(A) requires adequate representation by both the class representatives and class counsel. Lead Plaintiffs’ interests align with the class. The Court appointed Lead Plaintiffs as the “most adequate plaintiff” under 15 U.S.C. § 78u-4(a)(3)(B). ECF No. 41. The PSLRA made that appointment turn in part on whether they “otherwise satisf[y] the requirements of Rule 23.” 15 U.S.C. § 78u-4(a)(3)(B)(iii)(I)(cc). They purchased 2,334 Marex ordinary shares during the Class Period and sold none, share the class’s interest in maximizing recovery, and hold no interest antagonistic to the class. ECF Nos. 28-2, 41.

The relevant inquiry is whether the plaintiffs, through their counsel, have obtained “a sufficient understanding of the case to gauge the strengths and weaknesses of their claims and the adequacy of the settlement.” *In re GSE Bonds Antitrust Litig.*, 414 F. Supp. 3d 686, 699 (S.D.N.Y. 2019) (addressing the stage-of-proceedings inquiry into counsel’s understanding of the case) (quoting *In re AOL Time Warner, Inc.*, No. 02 Civ. 5575 (SWK), 2006 WL 903236, at \*10 (S.D.N.Y. Apr. 6, 2006)). As discussed above, Lead Counsel’s investigation met that standard. It

examined many U.S. and U.K. filings and public statements, including materials that turned out not to be relevant, directed former-employee interviews on two continents through a retained investigative firm, tested all nine NINGI allegations and Marex's responses, compared the challenged revenue and volume disclosures in each period in which both appeared, developed the liability and causation theories, and quantified the full-decline benchmark. The resulting model estimated approximately 36.17 million damaged shares, \$84.3 million before transaction-specific PSLRA limitations, and \$80.2 million under an estimated held-through cap scenario. A consulting expert performed his own analysis and calculations and independently confirmed the methodology, inputs, and reasonableness of the overall estimates. Brody Decl. ¶¶ 5–6, 10, 12–13; *see also supra* Background § II.

Formal discovery is unnecessary when counsel otherwise has enough information to make an informed judgment. *See In re Global Crossing Sec. & ERISA Litig.*, 225 F.R.D. 436, 458 (S.D.N.Y. 2004) (formal discovery “is not a prerequisite” where the parties had “adequate information about their claims”). Lead Counsel's factual investigation, legal analysis, market work, damages analysis, and securities-litigation experience therefore permit an informed assessment despite settlement before discovery. Brody Decl. ¶ 16 & Ex. 2.

**C. Rule 23(e)(2)(B): The Settlement Is the Product of Informed, Arm's-Length Negotiation**

The second mandatory consideration under Rule 23(e)(2) asks whether the Settlement was negotiated at arm's length. Fed. R. Civ. P. 23(e)(2)(B). Arm's-length negotiation “remain[s] a factor in favor of approving the settlement (one whose absence would count significantly against approval),” although it creates no presumption of fairness. *Moses*, 79 F.4th at 243–44. The relevant question is therefore whether the actual negotiation process was informed and adversarial. The record establishes that it was.

Counsel negotiated directly for several weeks while Defendants’ motion to dismiss was in preparation. They exchanged multiple demands and counteroffers, and both sides moved materially before agreeing to \$950,000. Schwartz Decl. ¶ 2. No mediator participated; counsel negotiated directly and at arm’s length throughout. Schwartz Decl. ¶¶ 2–4. The sequence further protected the class. Counsel did not discuss attorneys’ fees, Litigation Expenses, or Lead Plaintiff awards until after fixing the Settlement Amount. Schwartz Decl. ¶ 5; Stipulation ¶ 7.1; *see Hasemann v. Gerber Prods. Co.*, No. 15-CV-2995, 2025 WL 2773748, at \*5 (E.D.N.Y. Sept. 29, 2025) (crediting that “the parties negotiated the initial fee terms after negotiating the substantive relief to the class”).

**D. Rule 23(e)(2)(C): The Relief Provided to the Settlement Class Is Adequate**

The third mandatory consideration under Rule 23(e)(2) asks whether the relief provided to the class is adequate. Rule 23(e)(2)(C) requires the Court to answer that question by considering four subjects: (1) the costs, risks, and delay of trial and appeal; (2) the effectiveness of the proposed distribution method, including claim processing; (3) the proposed fee terms, including payment timing; and (4) the agreements identified under Rule 23(e)(3). Fed. R. Civ. P. 23(e)(2)(C)(i)–(iv). Sections I.D.1 through I.D.4 address those subjects in the Rule’s order. They show that the Settlement supplies certain, non-reversionary cash in exchange for claims presenting substantial liability, causation, certification, cost, and delay risks. The approximately \$80.2 million figure is a highly plaintiff-favorable damages scenario, not an estimate of likely trial recovery, and the Settlement equals 1.18% of that benchmark. Brody Decl. ¶ 12. As the legally attributable share of the August 5 decline decreases, the Settlement represents a correspondingly larger percentage of recoverable damages.

# **1. The Costs, Risks, and Delay of Trial and Appeal**

## **a. Risks of Establishing Liability**

The first consideration under Rule 23(e)(2)(C) is the cost, risk, and delay of continued litigation. Fed. R. Civ. P. 23(e)(2)(C)(i). The adequacy of the relief cannot be measured in the abstract. The Court weighs the certain recovery now against what continued litigation would realistically yield, so the risk assessment comes first. Liability risk matters because an adverse ruling on falsity, materiality, or scienter would end the case without a class recovery. Although Lead Plaintiffs believe the FAC states meritorious claims, securities actions present particularly difficult liability hurdles, and Defendants had substantial arguments at the pleading and later stages. *See In re Advanced Battery Techs., Inc. Sec. Litig.*, 298 F.R.D. 171, 177–78 (S.D.N.Y. 2014).

Lead Plaintiffs’ affirmative case rested on a single alleged misstatement. In its quarterly earnings releases, furnished to the SEC on Form 6-K throughout the Class Period, Marex placed Securities revenue beside a volume metric that measured only part of the revenue-producing business, without explaining that the two figures covered different activity. FAC ¶¶ 3, 20–25. The FAC alleges scienter from management’s explanation of a smaller divergence in another segment, its unexplained removal of the Securities metric while retaining a parallel metric elsewhere, the magnitude of the 206% revenue increase against an 86% volume decline, and Lowitt’s and Irvin’s roles in approving the challenged disclosures. FAC ¶¶ 19–28, 40–58.

Defendants nevertheless would have contested every element. They would have argued that both the revenue and volume figures were accurate and separately labeled, that other aspects of the documents disclosed the Securities business’s composition, and that no rule required a different presentation. They would have added that no reasonable investor would have been misled and that the FAC did not plead a strong inference of scienter. They also would have cited Marex’s

status as a foreign private issuer reporting under International Financial Reporting Standards (“IFRS”), ten years of unqualified audit opinions, and the absence of a restatement, group-level auditor resignation, or known governmental action as corroborative—not dispositive—facts. Finally, they would have argued that Marex removed the metric because it was no longer useful. Lead Plaintiffs had substantial responses, but no court ruled on the dispute. Had Defendants prevailed on any one of these challenges at the pleading stage or summary judgment, the case would be dismissed, and the class would recover nothing.

**b. Risks of Establishing Loss Causation and Damages**

Under Rule 23(e)(2)(C)(i), loss causation and damages presented perhaps the greatest risk: the loss of all recovery or, at minimum, a substantial reduction in recoverable damages. Lead Plaintiffs would have to prove that the pleaded misstatement, and not other information released at the same time, caused the class’s losses and then quantify that causal share. 15 U.S.C. § 78u-4(b)(4). To prevail, Lead Plaintiffs would ultimately need evidence that would “allow a factfinder to ascribe some rough proportion of the whole loss” to the alleged fraud, and summary judgment proof must disaggregate confounding information. *See Lattanzio v. Deloitte & Touche LLP*, 476 F.3d 147, 158 (2d Cir. 2007); *In re Omnicom Grp., Inc. Sec. Litig.*, 541 F. Supp. 2d 546, 554 (S.D.N.Y. 2008), *aff’d sub nom. New Orleans Emps.’ Ret. Sys. v. Omnicom Grp., Inc.*, 597 F.3d 501 (2d Cir. 2010). Lead Plaintiffs would have contested each point. But because the NINGI Report published nine allegations at once and the FAC pleads only one, Defendants had three independent causation arguments. Any could have reduced recovery substantially, and the first two could have eliminated it.

First, a corrective disclosure must reveal previously undisclosed information about the specific misstatement alleged. A new negative characterization of already public facts does not suffice. *See Omnicom*, 597 F.3d at 511–12. Defendants would have argued that the NINGI Report,

written by a short seller with a financial interest in a decline, merely analyzed public filings. Lead Plaintiffs would have answered that the Report exposed a previously undisclosed scope mismatch and that Marex’s Chief Executive Officer confirmed it eight days later. FAC ¶¶ 30–31, 37, 39. A short-seller report may be corrective when it reveals accurate information that exposes an actual misstatement. *See Harris v. AmTrust Fin. Servs., Inc.*, 135 F. Supp. 3d 155, 173–74 n.30 (S.D.N.Y. 2015), *aff’d*, 649 F. App’x 7 (2d Cir. 2016) (summary order). Lead Plaintiffs had a substantial answer, but the risk was there and an adverse ruling would have ended the case without recovery.

Second, recovery is limited to the portion of a price decline caused by the alleged fraud. *See* 15 U.S.C. § 78u-4(b)(4); *Lattanzio*, 476 F.3d at 158. Expert proof must isolate that amount from other price-moving information. *See Glickenhau & Co. v. Household Int’l, Inc.*, 787 F.3d 408, 421–22 (7th Cir. 2015) (reversing \$2.46 billion judgment and remanding for a new trial on loss causation and on whether three executives made certain false statements). Defendants therefore would have argued that the Report’s eight other, facially more sensational accusations caused most or all of the decline (including the alleged concealment of a fund loss, a supposedly hidden \$930 million derivative vehicle, manufactured fair-value gains, fictitious cash flow, balance-sheet and audit irregularities, insider selling, and a claimed Repo 105 connection). Original Compl. ¶¶ 28–31, ECF No. 1.<sup>3</sup> The Original Complaint itself alleged that Marex’s price fell “[o]n this news” after listing all nine allegations. Original Compl. ¶¶ 28–32. Defendants also would have stressed that Marex’s price rose 3.3% on August 13, when management confirmed the mismatch. Lead Plaintiffs would have responded that the market learned the mismatch on August 5 and that the August 13 confirmation came with strong quarterly results. Had Defendants

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<sup>3</sup> *See supra* note 2.

succeeded in their attribution defense, it very well could have reduced the \$2.33 full-decline assumption sharply or to zero.

Third, Defendants' prior-disclosure argument would turn on whether the earlier information reached the market with enough intensity and credibility to counteract the challenged statement. *See Ganino v. Citizens Utils. Co.*, 228 F.3d 154, 167 (2d Cir. 2000). Defendants would have argued that an April 2, 2025 investor presentation described the Securities business's broader product mix and that the May 15, 2025 earnings release removed the metric. Lead Plaintiffs would have responded that neither disclosure retracted or reconciled the challenged pairing. A ruling keyed to either date would have excluded many later purchases from recovery, reducing damages.

Finally, the PSLRA independently caps transaction-level damages at the difference between the purchase price and the mean trading price during the 90-day period beginning with the corrective disclosure. 15 U.S.C. § 78u-4(e)(1), (3). The 90-day mean here was \$33.20, the arithmetic average of the 63 daily closing prices from August 5 through October 31, 2025. Brody Decl. ¶ 11. Fifty-one Class Period trading days closed below that mean, so shares bought on those days and retained through the statutory period have a Recognized Loss Amount of zero under the Plan. The provision caps damages without altering the ordinary out-of-pocket method. *See Acticon AG v. China N.E. Petroleum Holdings Ltd.*, 692 F.3d 34, 38–39 (2d Cir. 2012).

### **c. The Costs and Duration of Continued Litigation**

Rule 23(e)(2)(C)(i) also requires the Court to account for the expense and delay of trial and appeal—not only the risk of an adverse result. Even a trial victory may leave class members waiting through post-trial motions and appellate proceedings for years. *See GSE Bonds*, 414 F. Supp. 3d at 693. Without settlement, the Parties faced a motion to dismiss, cross-border discovery, competing experts at class certification, summary judgment, *Daubert* motions, trial, and appeal.

Expert costs alone would consume a meaningful share of any eventual recovery. The Settlement replaces that expense, delay, and uncertainty with certain cash relief now.

## **2. The Effectiveness of the Proposed Method of Distributing Relief**

The second consideration under Rule 23(e)(2)(C) is whether the proposed method will distribute relief effectively, including through an effective claims process. Fed. R. Civ. P. 23(e)(2)(C)(ii). The proposed method meets that standard. SCS will accept online and mailed Claim Forms, review supporting transaction data, provide a written opportunity to cure deficiencies, and present disputed rejections for judicial review. Stipulation ¶¶ 4.1, 4.6, 4.9–4.10, 4.13. That process is conventional for a securities settlement. *See* Declaration of Paul Mulholland (“Mulholland Decl.”) ¶¶ 1–2, 6. The \$10.00 distribution floor also preserves the fund by avoiding administrative expense that would exceed de minimis payments. *See Global Crossing*, 225 F.R.D. at 463; Mulholland Decl. ¶ 24.

The Plan of Allocation must have a reasonable, rational basis and reflect the claims and risks settled. *In re Am. Bank Note Holographics, Inc. Sec. Litig.*, 127 F. Supp. 2d 418, 429–30 (S.D.N.Y. 2001). This Plan meets that standard. It uses \$2.33 per share only to weight claims against a fixed fund, not to decide that the pleaded theory caused the entire decline. It assigns no Recognized Loss Amount to shares sold before the corrective disclosure, applies § 78u-4(e), and caps recovery at each claimant’s overall market loss. Notice App. ¶¶ 3–7 & Tables A–B. Those rules allocate the fund according to relative recognized economic loss.

## **3. The Terms of the Proposed Award of Attorneys’ Fees, Including Timing of Payment**

The third consideration under Rule 23(e)(2)(C) is the proposed fee arrangement, including payment timing. Fed. R. Civ. P. 23(e)(2)(C)(iii). At preliminary approval, the Court asks whether those terms undermine the adequacy of the class relief; the amount of any fee is decided separately

on a Rule 23(h) motion. *See Kurtz v. Kimberly-Clark Corp.*, 142 F.4th 112, 121 (2d Cir. 2025). That preliminary inquiry considers the relative shares allocated to the class and counsel, the proper measure of available class relief, and safeguards governing payment. *Id.* at 115, 119–21.

The proportional comparison favors preliminary approval. In evaluating the proposed fee terms, the Court compares the share of total recovery allocated to the class with the share allocated to counsel and asks whether any imbalance casts doubt on the Settlement’s fairness. *Kurtz*, 142 F.4th at 115, 119. Assuming the maximum requested amounts and current administration-cost estimate, the Settlement Class would receive at least \$480,333.33 and counsel, at most, \$316,666.67, a counsel-to-class ratio of approximately 0.66 to 1. Even if all requested Litigation Expenses are attributed to counsel, the ratio is approximately 0.82 to 1. Brody Decl. ¶ 14. On both measures, more money is allocated to the class than to counsel:

|                                                                        | Amount              | Share of Settlement<br>Amount |
|------------------------------------------------------------------------|---------------------|-------------------------------|
| Settlement Amount                                                      | \$950,000.00        | 100.0%                        |
| Less: attorneys’ fees (maximum, one-third)                             | (\$316,666.67)      | 33.3%                         |
| Less: Litigation Expenses (maximum)                                    | (\$75,000.00)       | 7.9%                          |
| Less: estimated Notice and Administration Costs                        | (\$78,000.00)       | 8.2%                          |
| <b>Estimated Net Settlement Fund available to the Settlement Class</b> | <b>\$480,333.33</b> | <b>50.6%</b>                  |

Applying the maximum noticed fee and expense amounts and SCS’s estimated \$78,000 for notice and administration, the projected Net Settlement Fund is therefore approximately \$480,333.33, or 50.6% of the fund. Because the fee and expense figures are ceilings, the Settlement Class will receive at least that amount unless notice and administration costs exceed the estimate. And taxes on the Settlement Fund’s interest income are paid from that income. Brody Decl. ¶ 14; Mulholland Decl. ¶¶ 21–23; Stipulation ¶¶ 2.6–2.7, 7.1–7.3.

For that proportional comparison, the class-side measure is the Net Settlement Fund because this non-reversionary Settlement leaves unclaimed funds available for the class rather than

returning them to Defendants. *Kurtz*, 142 F.4th at 119–20 & n.5. No amount can revert to Defendants, unclaimed amounts remain with the class through re-distribution, and the claims process includes a cure opportunity and judicial review. Stipulation ¶¶ 2.8, 4.6(d)–(e), 4.9. The Net Settlement Fund therefore measures the relief available to the class for the comparison.

The proportional comparison is not dispositive. The Court considers it together with the remaining fee terms. *Kurtz*, 142 F.4th at 121. Here, the class receives more than counsel under either allocation described above. That affirmative margin supports preliminary fairness, while the Court will separately decide the amount of any fee under Rule 23(h) after reviewing the supporting record and any objections.

The payment-timing component also favors approval. Rule 23(e)(2)(C)(iii) expressly requires consideration of when fees may be paid. Awarded fees and expenses may be paid when awarded, even before the conclusion of any appeal by an objector or Settlement Class Member from the fee award or the Judgment, but each recipient firm must refund any amount finally reduced or reversed, with interest, within thirty days of notice. Stipulation ¶ 7.3. Fee disputes cannot delay the Settlement’s effectiveness or class relief, and any Lead Plaintiff reimbursement is paid only after the Settlement becomes effective or the reimbursement order is entered, whichever is later. *Id.* ¶¶ 7.2–7.4.

Rule 23(h) separately requires a noticed fee motion and permits class members to object. Fed. R. Civ. P. 23(h)(1)–(2). Lead Counsel will support any fee request on a developed record before the objection deadline, and the Court retains authority to determine the final award.

#### **4. Agreements Required to Be Identified Under Rule 23(e)(3)**

The fourth consideration under Rule 23(e)(2)(C) incorporates Rule 23(e)(3), which requires the Parties to identify any agreement made in connection with the Settlement proposal. Fed. R. Civ. P. 23(e)(2)(C)(iv), (e)(3). Those agreements are the confidential Term Sheet, the

Stipulation and its Exhibits, the confidential Supplemental Agreement executed with the Stipulation, and the Escrow Agreement between Lead Counsel and the Escrow Agent governing custody and disbursement of the Settlement Fund. Brody Decl. ¶ 17; Stipulation ¶¶ 1.18, 13.9. There are no others. The Stipulation supersedes the Term Sheet. Stipulation ¶ 13.9. The releases and exclusion threshold—the provisions most relevant to fairness—are addressed next.

The releases define what the Settlement Class gives up in exchange for the \$950,000, so their scope bears directly on the adequacy of the relief. A class settlement may release claims that share an identical factual predicate with the settled action, including claims not separately pleaded, provided those claims were adequately represented. *Wal-Mart Stores, Inc. v. Visa U.S.A., Inc.*, 396 F.3d 96, 107 (2d Cir. 2005), *superseded by rule on other grounds as recognized in Moses v. New York Times Co.*, 79 F.4th 235 (2d Cir. 2023). The releases satisfy that rule. Although broader than the single theory pleaded in the FAC, they cover only claims arising from allegations, facts, transactions, and disclosures set forth or referred to in the Action and based on Class Period transactions in Marex shares. Stipulation ¶ 1.45. Lead Counsel investigated all nine NINGI allegations and concluded that one supported pleading in the FAC. Brody Decl. ¶ 6. Resolving claims arising from the same report, disclosure event, and transactions matches the consideration paid. Unrelated claims and claims to enforce the Settlement are preserved.

The Supplemental Agreement gives Marex alone the option—not an obligation—to terminate if exclusion requests exceed a confidential threshold. Stipulation ¶ 9.3. An exclusion threshold is a standard securities-settlement term and does not undermine fairness. *See Christine Asia Co. v. Yun Ma*, No. 15-MD-2631, 2019 WL 5257534, at \*15 (S.D.N.Y. Oct. 16, 2019). Confidentiality prevents the number from being used to organize exclusions. Lead Plaintiffs will submit the agreement for *in camera* review if the Court requests it.

**E. Rule 23(e)(2)(D): The Settlement Treats Settlement Class Members Equitably Relative to One Another**

Rule 23(e)(2)(D) requires equitable treatment among class members. The Settlement satisfies that requirement because the Net Settlement Fund will be distributed *pro rata* under one formula, an allocation structure recognized as presumptively reasonable. *See In re Merrill Lynch Tyco Rsch. Sec. Litig.*, 249 F.R.D. 124, 135 (S.D.N.Y. 2008) (approving pro rata distribution of settlement proceeds based on each claimant’s recognized loss). Each claimant is subject to the same inflation amount, § 78u-4(e) limits, and market-gain cap. Differences in payment therefore reflect differences in recognized economic loss, not preferential treatment.

Lead Plaintiffs’ pro rata recoveries are calculated under the same formula as every other claimant’s. Any separate award of no more than \$2,500 each would be reimbursement of costs and expenses (including lost wages) authorized by 15 U.S.C. § 78u-4(a)(4), subject to Court approval on proof at final approval.

**F. The Remaining *Grinnell* Factors Support Preliminary Approval**

After applying Rule 23(e)(2)’s four mandatory considerations, the Court may apply the *Grinnell* factors, which “remain a useful framework for considering the substantive fairness of a settlement,” as an additional check on fairness. *Moses*, 79 F.4th at 243. The nine factors are (1) complexity, expense, and likely duration; (2) class reaction; (3) stage of proceedings and completed discovery; (4) liability risk; (5) damages risk; (6) risk of maintaining the class through trial; (7) defendants’ ability to withstand a greater judgment; and (8)–(9) the range of reasonableness in light of the best possible recovery and all attendant litigation risks. *Grinnell*, 495 F.2d at 463. Factors four and five are analyzed in Section I.D.1. The remaining factors are organized below by the questions they require the Court to decide.

**1. Grinnell Factors 1–3: Complexity, Class Reaction, and Stage of Proceedings**

Factors one and two examine the burden of continued litigation and the class’s response. *Grinnell*, 495 F.2d at 463. Continued litigation would be complex, expensive, and lengthy for the reasons stated in Section I.D.1.c: a motion to dismiss, cross-border discovery, competing experts at class certification, summary judgment, *Daubert* motions, trial, and appeal. Factor one therefore favors settlement. The class’s reaction, factor two, cannot be assessed until notice issues; the Court will have the objection, exclusion, and claims data at final approval.

Factor three asks whether the proceedings had advanced far enough for counsel to make an informed decision. *Id.* Although settlement preceded formal discovery, Lead Counsel had completed the factual, legal, witness, market, and damages investigation described in Background § II and Section I.B. Brody Decl. ¶¶ 5–6, 16. Formal discovery was not necessary to identify the principal attribution problem. Nine allegations appeared in one report and moved the market on a single day, leaving no market observation that isolates the pleaded theory. The completed work therefore gave counsel an adequate basis to settle.

**2. Grinnell Factor 6: Risk of Maintaining the Class Through Trial**

Factor six examines the risks of maintaining the class action through the trial. *Grinnell*, 495 F.2d at 463; *see* Fed. R. Civ. P. 23(c)(1)(C). The risk was genuine because Defendants would have contested price impact and market efficiency, requiring competing experts at certification and possibly later decertification proceedings. When a mismatch between the challenged statement and asserted corrective disclosure weakens the inference that the back-end price drop equals front-end inflation, the Court must conduct a price-impact analysis. *See Ark. Teacher Ret. Sys. v. Goldman Sachs Grp., Inc.*, 77 F.4th 74, 102 (2d Cir. 2023); *Goldman Sachs Grp., Inc. v. Ark. Teacher Ret. Sys.*, 594 U.S. 113, 123 (2021). Defendants would have applied that framework to a

nine-allegation report and a single pleaded theory. They also would have challenged market efficiency because Marex completed its IPO only in April 2024 and its float was initially concentrated in pre-IPO holders. *See Waggoner v. Barclays PLC*, 875 F.3d 79, 94–97 (2d Cir. 2017). Lead Plaintiffs had substantial responses—including the specificity of the alleged mismatch, Nasdaq trading, analyst coverage, trading volume, and the observed August 5 reaction—but neither expert-dependent issue had been decided and presented additional risks. Those contested issues bore on whether a litigation class could be certified and maintained. They do not undercut certification of the Settlement Class, which Section II addresses under the settlement-certification standards.

### **3. Grinnell Factors 7–9: Ability to Pay and Range of Reasonableness**

Factor seven asks whether Defendants could withstand a greater judgment. *Grinnell*, 495 F.2d at 463. Marex’s ability to pay more is neutral because the Settlement reflects litigation risk, not an asserted inability to pay. Ability to withstand a larger judgment, standing alone, does not make a settlement unfair. *See D’Amato*, 236 F.3d at 86.

Factors eight and nine test the settlement range against both the best possible recovery and the risks that could prevent it. *Grinnell*, 495 F.2d at 463. The Court does not compare the Settlement only with recovery in the “best of all possible worlds.” It weighs the strengths and weaknesses of the case. *In re Giant Interactive Grp., Inc. Sec. Litig.*, 279 F.R.D. 151, 162 (S.D.N.Y. 2011) (quoting *In re “Agent Orange” Prod. Liab. Litig.*, 597 F. Supp. 740, 762 (E.D.N.Y. 1984)). A best-possible-recovery benchmark assumes complete success on liability and damages for every class member. *Payment Card*, 330 F.R.D. at 48 (quoting *Teachers’ Ret. Sys. of La. v. A.C.L.N., Ltd.*, No. 01-CV-11814, 2004 WL 1087261, at \*5 (S.D.N.Y. May 14, 2004)). The model here does exactly that: it attributes the entire \$2.33 decline to the pleaded theory, applies it to approximately 36.17 million estimated damaged shares, and assumes the NINGI Report’s other

eight allegations caused none of the decline. The result is approximately \$84.3 million before transaction-specific PSLRA limits and approximately \$80.2 million under an estimated held-through cap scenario. Brody Decl. ¶ 12. Those figures are plaintiff-favorable benchmarks, not predictions or likely outcomes.

The \$950,000 Settlement equals 1.18% of the capped benchmark, but a larger percentage of any recovery after apportionment. A complete-victory benchmark and realistic and recoverable damages are not the same. Apportioned equally among the Report's nine allegations, that benchmark would be approximately \$8.9 million, and the Settlement would equal approximately 10.7% of it. Brody Decl. ¶¶ 6, 12. No fixed percentage floor governs. The question is case-specific risk. *See Grinnell*, 495 F.2d at 455 n.2. Lead Counsel therefore did not value this Settlement by mechanically applying 1.18%. It weighed dismissal and certification risk, the absence of a reliable pre-discovery attribution floor, and the cost and delay of expert-intensive litigation. The percentage is informative but not dispositive. *See Global Crossing*, 225 F.R.D. at 460–61.

Comparable securities settlements further support that the Settlement falls within the range of reasonableness, without creating a numerical safe harbor. Most closely, a settlement at approximately 1% of maximum estimated damages was approved where loss causation would require competing experts and other information may have caused some or all of the decline. *In re 3D Sys. Sec. Litig.*, No. 21-CV-1920, 2024 WL 50909, at \*12 & n.11 (E.D.N.Y. Jan. 4, 2024). A settlement at approximately 2.3% of a \$281 million best-case estimate was likewise approved in light of the need to separate losses caused by nonactionable factors. *In re N. Dynasty Mins. Ltd. Sec. Litig.*, No. 20-CV-5917 (TAM), 2024 WL 308242, at \*13 & n.11 (E.D.N.Y. Jan. 26, 2024). A recovery of approximately 3% of plaintiffs' estimated damages has been found not to

“meaningfully diverge from the range of reasonableness for settlements of similarly-sized securities class actions.” *Merrill Lynch Tyco*, 249 F.R.D. at 135.

The related Katz dismissal supplies limited, corroborative context. That plaintiff, represented by separate experienced counsel and proceeding from the same NINGI Report, dismissed with prejudice one week before her amended pleading was due, without obtaining a recovery. *Katz*, No. 1:25-cv-08368, ECF No. 33; *see* Schwartz Decl. ¶ 3. The dismissal adjudicates nothing, binds no Settlement Class Member, and does not prove that Lead Plaintiffs’ claims lacked merit. It does, however, illustrate that zero was a concrete possible outcome, not a rhetorical one.

#### **4. Conclusion Under Rule 23(e)(2) and *Grinnell***

Taken together, the certain non-reversionary recovery, informed and adversarial negotiations, evenhanded allocation, and substantial litigation risks establish that the Court will likely be able to approve the Settlement as fair, reasonable, and adequate.

## **II. THE COURT SHOULD PRELIMINARILY CERTIFY THE SETTLEMENT CLASS**

Rule 23(e)(1)(B) requires two findings, as Section I.A explained. Section I addressed the first, the fairness finding. The second finding concerns class certification. Rule 23(e)(1)(B)(ii) requires a showing that the Court will likely be able to certify the Settlement Class for purposes of judgment on the Settlement. That showing requires compliance with Rule 23(a), Rule 23(b)(3), and Rule 23(g), each addressed below. The Parties have stipulated to certification for settlement purposes only. Stipulation ¶ 3.1. Consistent with *Morrison v. National Australia Bank Ltd.*, 561 U.S. 247, 273 (2010), the Class includes only shares acquired on Nasdaq or in another domestic transaction. Stipulation ¶ 1.50.

**A. The Settlement Class Satisfies Rule 23(a)**

**Numerosity.** Rule 23(a)(1) requires a class so numerous that joinder of all members would be impracticable. That standard is met. Approximately 148.1 million Marex shares traded during the Class Period—an average of approximately 805,000 per trading day—and the Claims Administrator estimates 30,000 to 50,000 potential Settlement Class Members. Brody Decl. ¶ 15; Mulholland Decl. ¶ 18. Class membership is defined by objective transaction criteria and can be determined from the records submitted with claims.

**Commonality.** Rule 23(a)(2) requires “questions of law or fact common to the class.” They include whether Marex’s paired revenue and volume disclosures were materially misleading, whether Defendants acted with the required state of mind, whether Lowitt and Irvin are control persons under Section 20(a), and whether and to what extent the share price was artificially inflated. Each turns on Marex’s own filings and market data, so the answers will be the same for every Settlement Class Member.

**Typicality.** Rule 23(a)(3) requires that Lead Plaintiffs’ claims be “typical of the claims . . . of the class.” Lead Plaintiffs purchased in May and June 2025. The FAC alleges one uncorrected pairing, first published November 7, 2024, that remained in the market until August 5, 2025, and neither the April 2 investor presentation nor the May 15 removal of the metric retracted or reconciled the challenged figures. Any argument that intervening disclosures cut off inflation is a common question affecting every later purchaser, not a defense unique to Lead Plaintiffs.

**Adequacy.** Rule 23(a)(4) requires that the representatives “fairly and adequately protect the interests of the class,” which is addressed in Section I.B above.

**B. The Settlement Class Satisfies Rule 23(b)(3)**

**Predominance.** Rule 23(b)(3) requires common questions to predominate over questions affecting only individual class members. That standard is met because falsity, materiality, scienter,

loss causation, and price impact can be resolved with common proof. Reliance is likewise susceptible to common proof through the fraud-on-the-market presumption if Marex shares traded in an efficient market. *Basic Inc. v. Levinson*, 485 U.S. 224, 246–47 (1988). The present record makes efficiency likely for settlement purposes. The shares traded on the Nasdaq Global Select Market at an average daily volume of approximately 805,000 shares. Brody Decl. ¶ 15. Analysts followed Marex, the Company issued periodic reports and completed a registered secondary offering, and the price reacted to firm-specific news. *See Waggoner*, 875 F.3d at 94–97.

**Superiority.** Rule 23(b)(3) also requires that a class action be “superior to other available methods” of adjudication. Individual claims are small relative to the cost of prosecuting a securities fraud action, and the alternative to class treatment is, for most, no litigation at all. Because certification is sought for settlement purposes only, the Court “need not inquire whether the case, if tried, would present intractable management problems,” *Amchem Prods., Inc. v. Windsor*, 521 U.S. 591, 620 (1997), though the Rule’s remaining requirements “demand undiluted, even heightened, attention in the settlement context.” *Id.*

### **C. Rule 23(g)**

Rule 23(g)(1)(A) requires the Court to consider counsel’s work identifying and investigating the claims, experience with class actions, knowledge of the governing law, and resources. The investigation and experience described in Background § II and Section I.B satisfy each requirement. Brody Decl. ¶¶ 5–6, 16 & Ex. 2. Schall Brown & Schwartz LLP should therefore be appointed Class Counsel.

## **III. THE PROPOSED NOTICE PROGRAM SHOULD BE APPROVED**

Rule 23(e)(1)(B) requires reasonable notice to every class member who would be bound, and Rule 23(c)(2)(B) requires the best notice practicable under the circumstances. Notice also must be reasonably calculated to inform class members of the Action and permit them to exercise their

rights. *Mullane v. Cent. Hanover Bank & Tr. Co.*, 339 U.S. 306, 314 (1950). The proposed program satisfies those standards through direct notice where class members can be identified, broad nominee outreach, publication, and continuous online access to the settlement documents.

Within ten calendar days after preliminary approval, Marex will provide available transfer-agent records to SCS. Stipulation ¶ 4.2. No later than twenty business days after preliminary approval, SCS will mail or email Postcard Notice to potential Settlement Class Members identified through those records and reasonable nominee outreach. It will also maintain a dedicated settlement website, online claim portal, and toll-free number; notify approximately 2,500 banks, brokers, and other nominees; post the Notice and Claim Form through the Depository Trust Company's legal-notice system; and publish the Summary Notice once over *GlobeNewswire*. Stipulation ¶¶ 4.2–4.3 & Ex. A ¶ 7; Exs. A-1 through A-4; Mulholland Decl. ¶¶ 6–16, 20. A postcard directing recipients to a complete online notice is an accepted method in this District. *See Advanced Battery*, 298 F.R.D. at 182–83 & n.3.

The PSLRA imposes additional content requirements for notice of a securities class-action settlement. It requires disclosure of the aggregate and estimated per-share recovery; the Parties' competing positions on damages; the requested fees, expenses, and Lead Plaintiff reimbursements; counsel's contact information; and the reasons for settlement. 15 U.S.C. § 78u-4(a)(7)(A)–(E); *see In re Bank of Am. Corp. Sec., Derivative & Emp. Ret. Income Sec. Act (ERISA) Litig.*, 772 F.3d 125, 133–34 & n.5 (2d Cir. 2014). The long-form Notice supplies each item and also makes clear that the \$2.33 Plan of Allocation figure is a claim-weighting assumption rather than an adjudication that the pleaded theory caused the full decline.

The Notice further explains the Action, Settlement Class, claims and defenses, binding effect of judgment, releases, right to appear through counsel, and procedures and deadlines for

submitting a Claim, objecting, or requesting exclusion. Notice ¶¶ 1, 30–44. It identifies the Supplemental Agreement and states that the fee motion will be posted before the objection deadline. Notice ¶¶ 15A, 46; Stipulation Ex. A ¶ 28. *See* Fed. R. Civ. P. 23(c)(2)(B) (required content of class notice), (e)(5) (objections), (h)(1)–(2) (fee motion and objection rights). The Claim Form collects the transaction and holding data needed to apply the Plan, while the Postcard and Summary Notices direct investors to the complete materials. Stipulation Exs. A-2 through A-4.

Paul Mulholland, SCS’s President and Chief Executive Officer, has more than thirty years of claims-administration experience and has administered more than 750 class-action settlements. *See* Mulholland Decl. ¶¶ 1–2. His declaration establishes SCS’s qualifications and details the direct-notice, nominee, publication, website, claim-processing, cure, and distribution procedures. *Id.* ¶¶ 6–16, 20. It also supports the estimated \$78,000 administration cost and explains why a \$10.00 distribution floor preserves more value for the class. *Id.* ¶¶ 21–24. The proposed program is therefore reasonably calculated to reach identifiable investors and to administer their Claims effectively, satisfying Rule 23 and due process.

#### **IV. PROPOSED SCHEDULE OF SETTLEMENT-RELATED EVENTS**

The proposed schedule must give class members adequate time to review the Settlement and fee request and must comply with the Class Action Fairness Act’s (“CAFA”) 90-day waiting period. Fed. R. Civ. P. 23(h)(1); 28 U.S.C. § 1715(d). Marex will provide available transfer records within ten calendar days after entry; the date notice is first mailed or emailed (the “Notice Date”) will occur no later than twenty business days after entry; and the Summary Notice will be published no later than ten business days after the Notice Date. Stipulation ¶ 4.2; Stipulation Ex. A ¶ 7(a), (c). Final-approval and fee opening papers will be filed thirty-five calendar days before the final-approval hearing (the “Settlement Hearing”), fourteen days before objections and exclusion requests are due. Stipulation Ex. A ¶¶ 14, 18, 28. Claim Forms will be due one hundred calendar

days after the Notice Date, and reply papers and proof of notice will be filed seven calendar days before the hearing. Stipulation Ex. A ¶¶ 7(d), 11, 28. Defendants will serve CAFA notice within ten calendar days after the Stipulation is filed, and final approval will occur no earlier than ninety days after the later required service. 28 U.S.C. § 1715(b), (d); Stipulation ¶ 4.14.

### CONCLUSION

For the foregoing reasons, Lead Plaintiffs respectfully request that the Court enter the proposed Preliminary Approval Order (Stipulation Ex. A), which will: (i) preliminarily approve the Settlement and the Plan of Allocation; (ii) preliminarily certify the Settlement Class for settlement purposes only and appoint Lead Plaintiffs as Class Representatives and Schall Brown & Schwartz LLP as Class Counsel; (iii) approve the form, content, and manner of dissemination of the Notice, Claim Form, Summary Notice, and Postcard Notice as the best notice practicable; (iv) appoint Strategic Claims Services as Claims Administrator; (v) set deadlines for requests for exclusion, objections, and submission of Claim Forms; and (vi) schedule the Settlement Hearing.

Dated: August 20, 2026

Respectfully submitted,

By: /s/ William M. Brody

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*Local Counsel for Lead Plaintiffs*

### **CERTIFICATE OF COMPLIANCE**

Pursuant to Local Civil Rule 7.1(c), the undersigned certifies that the foregoing memorandum complies with the word-count limitation of that Rule. According to the word count of the word-processing program used to prepare it (Microsoft Word), the memorandum contains 8,725 words, excluding the caption, table of contents, table of authorities, signature block, and this certificate.

Dated: August 20, 2026

/s/ William M. Brody  
William M. Brody

**PROOF OF SERVICE**

I hereby certify that on this 20th day of August, 2026, a true and correct copy of the foregoing document was served by CM/ECF to the parties registered to the Court's CM/ECF system.

*s/ William M. Brody*  
William M. Brody