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10
 11 **UNITED STATES DISTRICT COURT**
 12 **FOR THE NORTHERN DISTRICT OF CALIFORNIA**
 13 **SAN FRANCISCO DIVISION**

14
 15 SEB INVESTMENT MANAGEMENT AB, and
 16 WEST PALM BEACH FIREFIGHTERS'
 17 PENSION FUND, Individually and On Behalf of
 All Others Similarly Situated,

18 Plaintiffs,

19 v.

20 WELL'S FARGO & COMPANY, CHARLES W.
 21 SCHARF, KLEBER R. SANTOS, and CARLY
 SANCHEZ,

22 Defendants.

23 Case No. 3:22-cv-03811-TLT

24
PLAINTIFFS' UNOPPOSED MOTION
FOR PRELIMINARY APPROVAL OF
SETTLEMENT AND MEMORANDUM
OF POINTS AND AUTHORITIES IN
SUPPORT THEREOF

25 Date: February 10, 2026
 26 Time: 2:00 p.m.
 27 Location: Ctrm. 9, 19th Floor
 28 Judge: Hon. Trina L. Thompson

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PLAINTIFFS' NOTICE OF MOTION AND MOTION

TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:

PLEASE TAKE NOTICE that on February 10, 2026, at 2:00 p.m., before the Honorable Trina L. Thompson, United States District Judge for the United States District Court, Northern District of California, San Francisco Division, Phillip Burton Federal Building & United States Courthouse, 450 Golden Gate Avenue, Courtroom 9, 19th Floor, San Francisco, California 94102, Court-appointed Class Representatives SEB Investment Management AB and West Palm Beach Firefighters' Pension Fund (together, "Class Representatives" or "Plaintiffs") will and hereby do respectfully move this Court for an order pursuant to Federal Rule of Civil Procedure ("Rule") 23 that will: (i) preliminarily approve the proposed \$85 million Settlement¹ of the Action; (ii) approve the form and manner of providing notice of the Settlement to the Court-certified Class; (iii) approve A.B. Data, Ltd. ("A.B. Data") as the Claims Administrator for the Settlement; and (iv) set a date for the Settlement Hearing as well as the schedule for various deadlines in connection with the Settlement.

This Motion is supported by the following Memorandum of Points and Authorities, the Stipulation and the exhibits thereto, which embody the terms of the proposed Settlement between the Parties, the Proposed Schedule of Settlement-Related Events (“Appendix A” hereto), the Chart Addressing the Northern District of California’s *Procedural Guidance for Class Action Settlements* (“N.D. Cal. Guid.”) requirements (“Appendix B” hereto),² the accompanying declarations of Sharan Nirmul (“Nirmul Decl.”) and Eric A. Nordskog of A.B. Data (“Nordskog Decl.”), and all other previous filings and orders in this case. A [Proposed] Order Preliminarily Approving Settlement and Providing for Notice of Settlement (“Preliminary Approval Order”) is submitted herewith.

Pursuant to Civil Local Rule 7-2 and Your Honor's Standing Order for Civil Cases, this Motion is noticed for a hearing on February 10, 2026, at 2:00 p.m. However, because this Motion is unopposed,

¹ Unless otherwise noted, citations and internal quotation marks have been omitted and capitalized terms herein have the meanings ascribed to them in the Stipulation and Agreement of Settlement dated October 15, 2025 (“Stipulation” or “Stip.”), attached as Exhibit 1.

² For ease of reference, Appendix B sets forth the N.D. Cal. Guid.'s preliminary approval requirements, along with where the information addressing the requirements can be found in Plaintiffs' preliminary approval papers.

1 the Parties agree that it may be decided on the papers and without a hearing, should the Court so desire,
 2 and waive oral argument pursuant to Local Rule 7-1(b). *See In re Alphabet, Inc. Sec. Litig.*, No. 3:18-cv-
 3 06245-TLT, Dkt. No. 227 (N.D. Cal. Mar. 1, 2024) (Thompson, J.) (“The Court finds the [unopposed
 4 preliminary settlement approval motion] suitable for determination without oral argument pursuant to
 5 Civ. L.R. 7-1(b). Accordingly, the hearing . . . is [vacated].”). The Parties are also available on October
 6 28, 2025—the currently scheduled date for summary judgment argument, to address any questions or
 7 concerns that the Court may have on the Motion and its supporting papers.

8 **STATEMENT OF ISSUES TO BE DECIDED**

9 1. Whether the Court will likely be able to approve the proposed \$85 million cash Settlement
 10 of the Action under Rule 23(e)(2) so that notice of the Settlement’s terms and conditions may be provided
 11 to members of the Class.

12 2. Whether the Court should approve the proposed form and content of the Settlement notices
 13 and Claim Form and the manner for dissemination of these materials to the Class.

14 3. Whether the Court should approve Class Counsel’s selection of A.B. Data as the Claims
 15 Administrator for the Settlement.

16 4. Whether the Court should schedule a hearing for final approval of the proposed Settlement,
 17 the proposed Plan of Allocation, and Class Counsel’s motion for attorneys’ fees and expenses.

18 **MEMORANDUM OF POINTS AND AUTHORITIES**

19 **I. PRELIMINARY STATEMENT**

20 Following three years of vigorous litigation efforts, Plaintiffs have agreed to settle all claims against
 21 Wells Fargo & Company (“Wells Fargo”), Charles W. Scharf, Kleber R. Santos, and Carly Sanchez
 22 (collectively, “Defendants”) for \$85,000,000 in cash pursuant to the terms of the Stipulation. The
 23 Settlement is the product of arm’s-length negotiations facilitated by an accomplished mediator, the
 24 Honorable Layn R. Phillips (Ret.), including formal mediation and briefing, and ultimately the Parties’
 25 acceptance of Judge Phillips’ recommendation to resolve the Action. At this time, Plaintiffs seek the
 26 Court’s preliminary approval of the proposed Settlement under Rule 23 so that notice of the Settlement
 27 may be disseminated to the Class and the Settlement Hearing may be scheduled.

1 Plaintiffs and Class Counsel believe that the proposed Settlement—reached *just weeks* before a
 2 hearing on Defendants' summary judgment motion and while the Parties were preparing for trial—is an
 3 excellent result for the Class. In agreeing to settle, Plaintiffs and their counsel were wholly aware of the
 4 strengths and weaknesses of the Class's claims and made a fully informed evaluation of the risks of
 5 continued litigation and the fairness of resolving the Action at this time. Indeed, at the time of settlement,
 6 Class Counsel had: (i) conducted an extensive investigation into the Class's claims—including a detailed
 7 review of publicly available information, interviews with former Wells Fargo employees, and consultation
 8 with experts; (ii) prepared two particularized complaints, including the operative Amended Complaint for
 9 Violations of the Federal Securities Laws (“Amended Complaint”); (iii) defeated Defendants' motion to
 10 dismiss the Amended Complaint in its entirety; (iv) engaged in comprehensive fact and expert discovery,
 11 which included taking or defending 25 depositions, analyzing hundreds of thousands of pages of
 12 documents produced by Defendants and various third parties, and exchanging opening and rebuttal expert
 13 reports; (v) successfully moved for class certification and defended this ruling against Defendants' Rule
 14 23(f) petition to the Ninth Circuit; (vi) briefed Defendants' summary judgment motion and the Parties'
 15 motions to exclude expert testimony (which were all pending at the time of settlement); and (vii) been
 16 preparing for trial, including preparing the joint pretrial statement and Plaintiffs' exhibit list, deposition
 17 designations, witness list, verdict form, and jury instructions.

18 While Plaintiffs and their counsel believe the Class's claims against Defendants are meritorious
 19 and supported by substantial evidence developed during discovery, they also recognize the significant risks
 20 they faced, including that the Court would grant, in whole or in part, Defendants' pending summary
 21 judgment motion, or that a trial of the Action could have precluded *any* recovery for the Class, let alone a
 22 recovery greater than the Settlement Amount.

23 At the Settlement Hearing, the Court will have before it more extensive submissions in support of
 24 the Settlement, and will be asked to determine whether, in accordance with Rule 23(e)(2), the Settlement
 25 is fair, reasonable, and adequate. By this Motion, Plaintiffs respectfully request that this Court begin the
 26 Settlement approval process by entering the Preliminary Approval Order attached as Exhibit A to the
 27 Stipulation which will, among other things: (i) preliminarily approve the Settlement on the terms set forth
 28 in the Stipulation as fair, reasonable, and adequate to the Class, pending further determination at the

1 Settlement Hearing; (ii) schedule the Settlement Hearing;³ (iii) approve the forms and methods of notice
 2 to the Class; (iv) approve the retention of A.B. Data to disseminate notice and administer the Settlement;
 3 and (v) establish procedures and deadlines for Class Members to submit Claim Forms in order to be eligible
 4 for payment from the Settlement, opt back into the Class if they previously requested exclusion from the
 5 Class in connection with Class Notice, and submit an objection.

6 For the reasons set forth herein, Plaintiffs respectfully request that the Court preliminarily approve
 7 the Settlement and enter the Preliminary Approval Order.

8 **II. FACTUAL BACKGROUND**

9 **A. Overview of the Action⁴**

10 On June 28, 2022, the initial complaint was filed in this Court, asserting violations of the federal
 11 securities laws against Wells Fargo and certain of its current and former executives. Dkt. No. 1. Following
 12 notice to the public stating the deadline for moving for lead plaintiff appointment, the Court, on November
 13 10, 2022, appointed SEB Investment Management AB (“SEB”) as Lead Plaintiff and appointed SEB’s
 14 selection of Kessler Topaz Meltzer & Check, LLP (“KTMC”) as Lead Counsel. Dkt. No. 55.

15 After an extensive investigation, SEB and additional plaintiff West Palm Beach Firefighters’
 16 Pension Fund (“WPB Fire”) filed the Complaint for Violations of the Federal Securities Laws
 17 (“Complaint”) on January 31, 2023. Dkt. No. 69. The Complaint named Wells Fargo, Charles W. Scharf,
 18 Kleber R. Santos, and Carly Sanchez as defendants and asserted claims under Sections 10(b) and 20(a) of
 19 the Securities Exchange Act of 1934 (“Exchange Act”) and Rule 10b-5 promulgated thereunder. *Id.* The
 20 Complaint alleged that Defendants made materially false and misleading statements and omissions
 21 regarding the Company’s diversity hiring initiative, the Diverse Search Requirement. *Id.* The Complaint
 22 further alleged that the statements at issue were false or materially misleading when made because
 23 Defendants failed to disclose that they were managing and operating the Diverse Search Requirement in

24
 25
 26 ³ As set forth in Appendix A, Plaintiffs request that the Court schedule the Settlement Hearing for a
 27 date 140 calendar days after entry of the Preliminary Approval Order, or at the Court’s earliest convenience
 thereafter, to allow time for disseminating notice to Class Members and compliance with the Class Action
 Fairness Act of 2005, 28 U.S.C. § 1715 *et seq.*

28 ⁴ This section provides only a summary of litigation events. A more detailed account of Plaintiffs’
 Counsel’s litigation efforts will be provided in submissions in support of final approval.

1 a manner that led to widespread “fake” interviews of diverse candidates. *Id.* Plaintiffs asserted that the
 2 truth was revealed to the market by an article *The New York Times* published on June 9, 2022, and caused
 3 shareholder losses. *Id.*

4 Defendants moved to dismiss the Complaint on April 3, 2023. Dkt. No. 100. Defendants’ motion
 5 was fully briefed. Dkt. Nos. 102, 104. Following a hearing on Defendants’ motion to dismiss the
 6 Complaint (Dkt. No. 110), the Court, by Order dated August 18, 2023, granted Defendants’ motion. Dkt.
 7 No. 112. By the same Order, Plaintiffs were granted leave to amend, and on September 8, 2023, Plaintiffs
 8 filed the Amended Complaint. Dkt. No. 116. Defendants moved to dismiss the Amended Complaint on
 9 October 23, 2023. Dkt. No. 122. Defendants’ motion was fully briefed. Dkt. Nos. 129, 130.

10 The Court held a hearing on Defendants’ motion to dismiss the Amended Complaint on January
 11 30, 2024. Dkt. No. 131. On July 29, 2024, the Court issued an Order denying Defendants’ motion in its
 12 entirety. Dkt. No. 150. On August 23, 2024, Defendants answered the Amended Complaint. Dkt. No. 155.

13 Thereafter, the Parties engaged in extensive fact and expert discovery. Among other things,
 14 Plaintiffs: (i) served document requests, interrogatories, and requests for admission on Defendants; (ii)
 15 served subpoenas on various third parties; (iii) exchanged correspondence and participated in numerous
 16 meet-and-confers with Defendants regarding Plaintiffs’ discovery requests and the nature and scope of
 17 Defendants’ document collection, review, and production; (iv) reviewed over 600,000 pages of documents
 18 produced by Defendants and third parties; (v) reviewed and produced documents in response to
 19 Defendants’ discovery requests, as well as provided written discovery responses to document requests
 20 and interrogatories served by Defendants; and (vi) took or defended a total of 25 depositions, including
 21 four experts and representatives from both Plaintiffs.

22 On January 17, 2025, Plaintiffs moved for certification of a class consisting of all persons and
 23 entities who purchased or otherwise acquired Wells Fargo common stock between February 24, 2021 and
 24 June 9, 2022, inclusive, and were damaged thereby (“Motion to Certify”). Dkt. No. 182. The Motion to
 25 Certify was accompanied by a report from Plaintiffs’ expert, Joseph R. Mason, Ph.D. Plaintiffs’ motion
 26 was fully briefed. Dkt. Nos. 202, 205.

27 By Order dated April 25, 2025 (“Class Certification Order”), the Court granted Plaintiffs’ Motion
 28

1 to Certify. Dkt. No. 215. Specifically, the Court: (i) certified the Class;⁵ (ii) appointed Plaintiffs SEB and
 2 WPB Fire as Class Representatives; and (iii) appointed KTMC as Class Counsel for the Class. *Id.* On May
 3 9, 2025, Defendants filed a petition with the Ninth Circuit Court of Appeals for permission to appeal the
 4 Class Certification Order pursuant to Rule 23(f). Dkt. No. 216. On May 19, 2025, Plaintiffs opposed that
 5 petition. The Ninth Circuit denied Defendants' petition on July 17, 2025. Dkt. No. 232.

6 On June 13, 2025, Plaintiffs filed an unopposed motion to approve the form and manner of notice
 7 to the Class ("Class Notice"). Dkt. No. 219. The Court granted Plaintiffs' motion on July 14, 2025 ("Class
 8 Notice Order"), finding that the proposed Class Notice met the requirements of Rule 23 and due process
 9 and constituted the best notice practicable under the circumstances. *Id.* Class Notice was mailed to
 10 potential Class Members beginning on August 1, 2025 and a summary Class Notice was published in *The*
 11 *Wall Street Journal* and transmitted over *PR Newswire* on August 11, 2025. Dkt. No. 253. This notice
 12 provided Class Members with the opportunity to request exclusion from the Class, explained that right,
 13 and set forth the procedures for doing so.⁶ The notice also advised that it would be for the Court to decide
 14 whether to permit a second opportunity to request exclusion in the event of a settlement.

15 On July 7, 2025, Defendants moved for summary judgment pursuant to Rule 56. Dkt. No. 225. On
 16 the same day, Defendants filed a motion to exclude the testimony of Plaintiffs' expert, Dr. Mason. Dkt.
 17 No. 226. Alongside Defendants' motions, Plaintiffs filed a motion to strike the report of one of
 18 Defendants' experts, Patsy Doerr. Dkt. No. 222. These motions were fully briefed and pending at the time
 19 of settlement. Dkt. Nos. 234, 235, 237, 246-48. Trial was scheduled to commence on March 16, 2026.
 20 Dkt. No. 231.

21 **B. Settlement Negotiations and Mediation**

22 The Parties initially began discussing a possible resolution of the Action following the Court's
 23 certification of the Class. On May 28, 2025, the Parties participated in an in-person mediation session
 24 with Judge Phillips at his offices in Corona Del Mar, California. Dkt. No. 212. Prior to the mediation, the
 25 Parties exchanged and also submitted to Judge Phillips detailed mediation statements with extensive
 26

27 ⁵ Excluded from the Class are Defendants and their families, the officers, directors, and affiliates of
 28 Defendants, at all relevant times, members of their immediate families and their legal representatives, heirs,
 successors or assigns, and any entity in which Defendants have or had a controlling interest.

6 ⁶ The 49 requests for exclusion received are set forth in Appendix 1 to the Stipulation.

1 evidentiary support. After a full-day session, however, the Parties were unable to resolve the Action.

2 Following the filing of Defendants' summary judgment motion, the Parties continued their
 3 previous settlement discussions through Judge Phillips. After extensive negotiations, Judge Phillips issued
 4 a mediator's recommendation to resolve the matter for \$85 million. On September 22, 2025, both sides
 5 accepted the recommendation. The Parties filed a Notice of Settlement with the Court on September 25,
 6 2025. Dkt. No. 249. Thereafter, the Parties engaged in negotiations over the specific terms of their
 7 agreement and ultimately executed the Stipulation on October 15, 2025.⁷

8 **III. TERMS OF THE PROPOSED SETTLEMENT**

9 The Settlement provides that Defendants will pay or cause to be paid \$85,000,000 in cash into the
 10 interest-bearing Escrow Account. Stip. ¶ 8. The Settlement Amount, plus accrued interest, after the
 11 deduction of Court-awarded attorneys' fees and Litigation Expenses, Notice and Administration Costs,
 12 Taxes, and any other costs or fees approved by the Court (*i.e.*, the Net Settlement Fund), will be distributed
 13 among Class Members who submit valid Claims, in accordance with the Plan of Allocation set forth in the
 14 Notice, or other plan of allocation approved by the Court. *Id.* ¶¶ 9, 21-27. The Settlement is not a claims-
 15 made settlement: if approved, Defendants will have no right to the return of any portion of the Settlement
 16 Fund based on the number or value of Claims submitted or the amounts to be paid to eligible Class
 17 Members. *See* Stip. ¶ 13; *See also* N.D. Cal. Guid. ¶ 1(g) (requiring disclosure of any reversions).

18 As set forth in the Stipulation, the Class—all persons and entities who purchased or otherwise
 19 acquired Wells Fargo common stock between February 24, 2021 and June 9, 2022, inclusive, and were
 20 damaged thereby⁸—is the same class pled in the Amended Complaint and certified in the Court's Class
 21 Certification Order (Dkt. No. 215). *See* Stip. ¶ 1(i); *see also* N.D. Cal. Guid. ¶ 1(a) (requiring disclosure of
 22 any differences between class and class proposed in operative complaint).

23
 24 ⁷ The Parties also entered into a confidential Supplemental Agreement which applies *only if* the Court
 25 requires a second opt-out period. If there is a second opt-out period, the Supplemental Agreement gives
 26 Defendants the right to terminate the Settlement if valid opt-out requests exceed an agreed-upon amount.
 27 *See* § IV(B)(2)(d) herein. If there is no second opt-out period, the Supplemental Agreement is moot.

28 ⁸ Excluded from the Class are Defendants and their families, the officers, directors, and affiliates of
 29 Defendants, at all relevant times, members of their immediate families and their legal representatives, heirs,
 30 successors or assigns, and any entity in which Defendants have or had a controlling interest. Also excluded
 31 are any persons and entities that submitted a request for exclusion in connection with Class Notice as set
 32 forth on Appendix 1 to the Stipulation that do not opt back into the Class in connection with the Settlement.

1 In exchange for the Settlement Amount, Class Members will release the “Released Plaintiffs’
 2 Claims” against Defendants’ Releasees. *See* Stip. ¶ 5. “Released Plaintiffs’ Claims” are limited to claims
 3 that **both** (1) “arise out of, are based upon, or relate to in any way any of the allegations, acts, transactions,
 4 facts, events, matters, occurrences, representations or omissions involved, set forth, alleged or referred to,
 5 in the Action, or which could have been alleged in the Action,” **and** (2) “arise out of, are based upon, or
 6 relate in any way the purchase or other acquisition of Wells Fargo common stock between February 24,
 7 2021 and June 9, 2022, inclusive.” *Id.* ¶ 1(mm); *see also* N.D. Cal. Guid. ¶ 1(b) (requiring disclosure of
 8 differences between released claims and claims of the operative complaint).

9 The foregoing release is tailored to the conduct at issue in the Action and is consistent with release
 10 provisions approved by courts in this District. *See, e.g., Bernstein v. Ginkgo Bioworks Holdings, Inc.*, 2024
 11 WL 5483605, at *3 (N.D. Cal. July 31, 2024) (“Because the scope of the release is limited to
 12 claims that relate to both the complaint’s factual allegations and to the purchase or ownership of the
 13 Ginkgo securities in question, it ensure[s] that the released claim[s] [are] based on the identical factual
 14 predicate as that underlying the claims in the settled class action.”); *In re LendingClub Sec. Litig.*, 2018
 15 WL 1367336, at *4 (N.D. Cal. Mar. 16, 2018) (approving similar release because it was “anchored to the
 16 purchase, acquisition, holding, sale, or disposition of LendingClub common stock by Class Members
 17 during the [class] period”); *see also generally Reyn’s Pasta Bella, LLC v. Visa USA, Inc.*, 442 F.3d 741,
 18 748 (9th Cir. 2006) (a class release may release claims not asserted in the action as long as they arise from
 19 the same set of factual allegations).⁹

20 In addition, none of the Ninth Circuit’s indicia of collusion are present here. *See Briseno v.*
 21 *Henderson*, 998 F.3d 1014, 1019 (9th Cir. 2021). Signs of collusion include: “(1) ‘when counsel receive a
 22 disproportionate distribution of the settlement;’ (2) ‘when parties negotiate a clear sailing arrangement,’
 23 under which defendant agrees not to challenge a request for an agreed-upon attorneys’ fee; and (3) when
 24 the agreement contains a ‘kicker’ or ‘reverter’ clause that returns unawarded fees to the defendant rather
 25 than the class.” *Id.* at 1023 (quoting *In re Bluetooth Headset Prods. Liab. Litig.*, 654 F.3d 935, 947 (9th
 26 Cir. 2011)). As discussed below, Class Counsel will request attorneys’ fees in an amount not to exceed the
 27

28 ⁹ Plaintiffs are not aware of any other pending cases that will be affected by the Settlement or the
 proposed release. *See* N.D. Cal. Guid. ¶ 1(d) (requiring disclosure of other cases affected by settlement).

1 Ninth Circuit's 25% benchmark. Further, there is no clear sailing agreement, and under the terms of the
 2 Stipulation, Defendants have no right to the return of any portion of the Settlement Fund upon the
 3 occurrence of the Effective Date. Stip. ¶ 13.

4 **IV. THE PROPOSED SETTLEMENT MERITS PRELIMINARY APPROVAL**

5 **A. Standards Governing Approval of a Class Action Settlement**

6 In the Ninth Circuit, there is a strong judicial policy in favor of voluntary settlement of litigation.
 7 *See, e.g., Allen v. Bedolla*, 787 F.3d 1218, 1223 (9th Cir. 2015); *Linney v. Cellular Alaska P'ship*, 151 F.3d
 8 1234, 1238 (9th Cir. 1998). This "strong judicial policy" is particularly applicable "where complex class
 9 action litigation is concerned." *Allen*, 787 F.3d at 1223; *see also Rael v. Children's Place, Inc.*, 2020 WL
 10 434482, at *10 (S.D. Cal. Jan. 28, 2020) (noting the "overriding public interest in settling and quieting
 11 litigation, particularly where resource-intensive class actions are concerned").

12 Rule 23(e) requires judicial approval of class action settlements. A district court's review of a
 13 proposed settlement is a two-step process. First, the court performs a preliminary review of the terms of
 14 the proposed settlement to determine whether to send notice of the settlement to the class. *See Fed. R. Civ.*
 15 P. 23(e)(1). Second, after notice to the class and a hearing, the Court determines whether to grant final
 16 approval of the settlement. *See Fed. R. Civ. P. 23(e)(2); see also, e.g., Hefler v. Wells Fargo & Co.*, 2018
 17 WL 4207245, at *8 (N.D. Cal. Sept. 4, 2018).

18 At the first stage of the approval process, a court should grant preliminary approval and authorize
 19 notice of a proposed settlement to the class upon a finding that it "will likely be able to" (i) finally approve
 20 the settlement as fair, reasonable, and adequate under Rule 23(e)(2);¹⁰ and (ii) certify the class for purposes
 21 of settlement. Fed. R. Civ. P. 23(e)(1)(B).¹¹ In considering whether final approval of a proposed settlement
 22 is likely, Rule 23(e)(2) provides that courts consider whether:

23
 24 ¹⁰ This standard effectively codifies prior case law, providing that courts should grant preliminary
 25 approval after considering whether the "settlement: (1) appears to be the product of serious, informed,
 26 non-collusive negotiations; (2) has no obvious deficiencies; (3) does not improperly grant preferential
 27 treatment to class representatives or segments of the class; and (4) falls within the range of possible
 28 approval." *See, e.g., Luz Bautista-Perez v. Juul Labs, Inc.*, 2022 WL 307942, at *6 (N.D. Cal. Feb. 2,
 2022).

¹¹ Here, the Court already certified the Class in the course of litigation. Dkt. No. 215. As noted above,
 there is no difference between the Class previously pled and certified and the Class that the proposed
 Settlement will bind. *See Stip. ¶ 1(i); N.D. Cal. Guid. ¶ 1(a).*

(A) the class representatives and class counsel have adequately represented the class; (B) the proposal was negotiated at arm's length; (C) the relief provided for the class is adequate, taking into account: (i) the costs, risks, and delay of trial and appeal; (ii) the effectiveness of any proposed method of distributing relief to the class, including the method of processing class-member claims; (iii) the terms of any proposed award of attorney's fees, including timing of payment; and (iv) any agreement required to be identified under Rule 23(e)(3); and (D) the proposal treats class members equitably relative to each other.¹²

In reviewing a proposed settlement, "a court need not address whether the settlement is ideal or the best outcome, but only whether the settlement is fair, free of collusion, and consistent with plaintiff's fiduciary obligations to the class." *Wicks v. Alphabet, Inc.*, 2024 WL 5484607, at *3 (N.D. Cal. Apr. 2, 2024) (Thompson, J.). Moreover, courts should defer to "the private consensual decision of the parties" to settle. *See Rodriguez v. W. Publ'g Corp.*, 563 F.3d 948, 965 (9th Cir. 2009); *see also In re Graña y Montero S.A.A. Sec. Litig.*, 2021 WL 4173684, at *11 (E.D.N.Y. Aug. 13, 2021) ("[a]bsent fraud or collusion, [courts] should be hesitant to substitute [their] judgment for that of the parties who negotiated the settlement") (alterations in original).

Because each of the Rule 23(e)(2) factors are satisfied here, final approval of the Settlement is "likely" and preliminary approval is merited. Fed. R. Civ. P. 23(e)(2).

B. The Court "Will Likely Be Able to" Approve the Proposed Settlement Under Rule 23(e)(2)

1. Procedural Aspects of the Settlement Satisfy Rule 23(e)(2)

Rule 23(e)(2)'s first two factors "look[] to the conduct of the litigation and of the negotiations leading up to the proposed settlement." Fed. R. Civ. P. 23(e)(2) advisory committee's note to 2018 amendment. In evaluating these factors, courts may consider "the nature and amount of discovery in this or other cases, or the actual outcomes of other cases, [which] may indicate whether counsel negotiating on behalf of the class had an adequate information base." *Id.* The Settlement embodies all of the hallmarks of a procedurally fair resolution under Rule 23(e)(2).

¹² Final approval will involve an analysis of the Rule 23(e)(2) factors and, to the extent they do not overlap, the Ninth Circuit's approval factors: (1) the strength of the plaintiffs' case; (2) the risk, expense, complexity, and likely duration of further litigation; (3) the risk of maintaining class action status throughout the trial; (4) the amount offered in settlement; (5) the extent of discovery completed and the stage of the proceedings; (6) the experience and views of counsel; (7) the presence of a governmental participant; and (8) the reaction of the class members to the proposed settlement. *See Churchill Vill., L.L.C. v. Gen. Elec.*, 361 F.3d 566, 575 (9th Cir. 2004).

a. Plaintiffs and Class Counsel Have Adequately Represented the Class

In determining whether to approve a settlement, courts first consider whether class representatives and class counsel “have adequately represented the class.” Fed. R. Civ. P. 23(e)(2)(A). The adequacy requirement has two components: (1) whether there are conflicts within the class; and (2) whether plaintiffs and counsel will vigorously fulfill their duties to the class. *Amey v. Cinemark USA Inc.*, 2018 WL 3956326, at *6 (N.D. Cal. Aug. 17, 2018). In granting Plaintiffs’ Motion to Certify, the Court has already found Plaintiffs and their counsel to be adequate representatives. Dkt. No. 215 at 6, 15.

Here, Plaintiffs have devoted significant time to serving as class representatives—each: (i) reviewed drafts of pleadings and discovery responses; (ii) responded to Defendants’ extensive discovery requests, including collecting and producing documents and written information; (iii) prepared for depositions and were deposed; and (iv) participated in or consulted with counsel throughout the Parties’ settlement negotiations. And, like the rest of the Class, Plaintiffs have an interest in obtaining the largest possible recovery from Defendants.¹³

Likewise, Class Counsel vigorously litigated this Action for three years against Defendants and its highly proficient counsel at Sullivan & Cromwell LLP. Indeed, at the time of settlement, the Parties had completed comprehensive fact and expert discovery and were just months from trial.¹⁴ Through the summary judgment process and the Parties' protracted settlement negotiations, Class Counsel (throughout various stages of the Action) vetted the factual record, analyzed Defendants' arguments and contrary facts, and thoroughly considered Plaintiffs' loss causation and damages arguments (and their potential impact on recoverable damages) as well as the costs and risks of continued litigation. Class Counsel—a firm with extensive experience litigating securities class actions—was well informed of the strengths and weaknesses of the claims and defenses in this Action and conducted the settlement negotiations seeking to achieve the best possible result for the Class.

¹³ See *In re Polaroid ERISA Litig.*, 240 F.R.D. 65, 77 (S.D.N.Y. 2006) (“Where plaintiffs and class members share the common goal of maximizing recovery, there is no conflict of interest between the class representatives and other class members.”).

¹⁴ See, e.g., *Kleen Prods. LLC v. Int'l Paper Co.*, 2017 WL 5247928, at *3 (N.D. Ill. Oct. 17, 2017) (noting the “case was in an advanced stage with trial near, and the record exceptionally well-developed” where litigation had been pending seven years, discovery was extensive, the class had been certified, and summary judgment motions were fully briefed).

b. The Settlement Was Reached Through Arm's-Length Negotiations Between Experienced Counsel and with the Assistance of a Mediator

Courts next consider whether the proposed settlement was “negotiated at arm’s length.” Fed. R. Civ. P. 23(e)(2)(B). A presumption of fairness attaches where a settlement was reached after arm’s-length negotiations between experienced counsel and with the assistance of an experienced mediator. *See In re Netflix Privacy Litig.*, 2013 WL 1120801, at *4 (N.D. Cal. Mar. 18, 2013) (“Courts have afforded a presumption of fairness and reasonableness of a settlement agreement where that agreement was the product of non-collusive, arms’ length negotiations conducted by capable and experienced counsel.”); *Ferreira v. Funko, Inc.*, 2022 WL 22877154, at *5 (C.D. Cal. Dec. 13, 2022) (“The assistance of an experienced mediator in the settlement process confirms that the settlement is non-collusive.”).

The Parties began discussing a possible resolution of the Action following the Court’s certification of the Class and participated in a formal mediation session with Judge Phillips on May 28, 2025. Months later, the Parties resumed their discussions with the continued assistance of Judge Phillips, and these discussions ultimately culminated in the issuance of a mediator’s recommendation to resolve the Action in September 2025, which both sides accepted. These facts support a finding that the Settlement is non-collusive. *See, e.g., Lusk v. Five Guys Enters. LLC*, 2022 WL 4791923, at *9 (E.D. Cal. Sept. 30, 2022) (“The fact that the parties engaged in mediation and that the Settlement is based on a mediator’s proposal further supports a finding that the settlement agreement is not the product of collusion.”); *In re Apple Inc. Sec. Litig.*, 2024 WL 3297079, at *1 (N.D. Cal. June 3, 2024) (granting preliminary approval of settlement following mediation before Judge Phillips).

2. The Settlement's Terms Are Adequate

Rules 23(e)(2)(C) and 23(e)(2)(D) direct the Court to evaluate whether “the relief provided for the class is adequate” and “the proposal treats class members equitably relative to each other.” Fed. R. Civ. P. 23(e)(2)(C)-(D). Here, the Settlement represents a favorable result for the Class. Furthermore, Class Counsel, with the assistance of Plaintiffs’ damages expert, has proposed a method for allocating the net Settlement proceeds that ensures all Class Members will be treated equitably relative to their respective damages. *See infra* § IV(B)(2)(b).

a. The Settlement Provides Substantial Relief, Especially in Light of the Costs, Risks, and Delay of Further Litigation

A key factor to be considered in assessing the approval of a class action settlement is the plaintiff's likelihood of success on the merits, balanced against the relief offered in the settlement. At the preliminary approval stage, the Court need only determine whether it "will likely be able to" approve the Settlement, *see Fed. R. Civ. P. 23(e)(1)(B)*, or, in other words, whether the Settlement "falls within the range of possible approval." *Reynolds v. Direct Flow Med., Inc.*, 2019 WL 1084179, at *4 (N.D. Cal. Mar. 7, 2019). Because the \$85 million Settlement represents a favorable recovery for the Class in light of the significant risks (as well as cost and delay) of continued litigation, the Settlement is well within the range of possible approval.

Plaintiffs and Class Counsel believe that the Class’s claims are meritorious and that Plaintiffs had strong arguments and evidence for prevailing at summary judgment and, later, at trial. However, Plaintiffs and Class Counsel understood that they would be required to prove all elements of Plaintiffs’ claims to prevail, while Defendants need only succeed on one defense to potentially defeat the entire Action. At all stages, Defendants had vigorously denied the claims, including Plaintiffs’ ability to prove falsity, scienter, loss causation and damages. Consequently, there were numerous risks that Plaintiffs would face had the Parties not agreed to settle, and these risks could have eliminated any recovery at all for the Class. *See, e.g., Salazar v. Midwest Servicing Grp., Inc.*, 2018 WL 3031503, at *6 (C.D. Cal. June 4, 2018) (a settlement agreement’s “elimination of risk, delay, and further expenses weighs in favor of approval”).

For example, to prevail on falsity and scienter elements, Plaintiffs needed to prove that Wells Fargo engaged in fake interviews of diverse candidates and that this practice was “widespread.” However, what constitutes a fake interview and the proof necessary to prove such interviews were “widespread” was hotly debated between the Parties at all stages, including summary judgment. Had the Action continued, Defendants would continue to assert that Plaintiffs could not establish that any “fake” interview ever occurred, arguing all candidates met the minimal qualifications for the positions and were given a fair shake. Even if Plaintiffs could identify fake interviews, Defendants would argue that there was insufficient evidence to prove that such interviews were “widespread.” To this end, Defendants had argued, and would continue to argue, that Plaintiffs could not identify a sufficient enough number of fake interviews to render them widespread. Defendants would also assert that Plaintiffs had no evidence that Defendants Scharf,

1 Santos, or Sanchez knew about the alleged fake interviews (or that such interviews were widespread), and
 2 that the alleged misstatements and omissions were therefore not made with intent to defraud.

3 With respect to loss causation and damages, Plaintiffs relied on their expert, Dr. Mason, to establish
 4 that the truth was revealed by a *New York Times* article on June 9, 2022, and that the artificial inflation in
 5 Wells Fargo’s stock was then released over a two-day period. In response, Defendants argued that the
 6 allegedly concealed facts had been disclosed prior to the alleged corrective disclosure on June 9, 2022—a
 7 “truth on the market” defense, which, if proven, would eliminate all damages. Defendants also argued the
 8 stock price decline on June 9 and June 10, 2022 was related to other non-fraudulent market factors (which
 9 they claim Plaintiffs failed to properly disaggregate), and that the decline on neither day met a 95%
 10 statistical significant confidence level. *See, e.g., In re Celera Corp. Sec. Litig.*, 2015 WL 1482303, at *5
 11 (N.D. Cal. Mar. 31, 2015) (“As with any securities litigation case, it would be difficult for Lead Plaintiff
 12 to prove loss causation and damages at trial. . . . Lead Plaintiff would risk recovering nothing without a
 13 settlement.”). As such, a trial would involve a battle of experts, with “no guarantee whom the jury would
 14 believe” and the possibility of the Class’s damages materially reduced or eliminated. *Davis v. Yelp, Inc.*,
 15 2022 WL 21748777, at *4 (N.D. Cal. Aug. 1, 2022). Indeed, Defendants had moved to exclude Dr. Mason’s
 16 expert opinion in its entirety through a *Daubert* motion and an adverse decision on that motion would have
 17 derailed Plaintiffs’ efforts to prove any damages. Further, the outcome of a trial in this Action may have
 18 turned on the attitudes and experiences of potential jury members with respect to diversity hiring practices
 19 and/or diversity, equity and inclusion practices in general. Had a single juror accepted any of Defendants’
 20 arguments or viewed the facts in favor of Defendants in whole or in part, Plaintiffs’ ability to obtain a
 21 recovery for the Class would be in jeopardy.

22 In light of the foregoing risks (and others), the Settlement represents a meaningful percentage of
 23 the Class’s recoverable damages as estimated by Plaintiffs’ damages expert. Plaintiffs’ damages expert
 24 estimates maximum class-wide damages in this Action to be in the range of approximately \$1-2 billion.
 25 The \$2 billion damages estimate is dependent on whether Plaintiffs could successfully convince the trier
 26 of fact that both June 9 and June 10 constituted corrective disclosure events; if not, damages would be \$1
 27 billion. That amount would have decreased even further had the trier of fact accepted Defendants’
 28 arguments that a portion of the stock decline on June 10 was attributable to non-fraud factors. Furthermore,

1 the damages estimate is dependent on a constant level of inflation in the stock price throughout the Class
 2 Period which Defendants had challenged claiming that based on Plaintiffs' theory, if the prevalence of fake
 3 interviews varied throughout the Class Period, an assumption of constant inflation would have been
 4 inappropriate. Accordingly, assuming a range of \$1-2 billion in class-wide damages under the most
 5 favorable interpretation of Plaintiffs' case, which was vigorously disputed by Defendants, the Settlement
 6 represents approximately 4.25% - 8.5% of the Class's maximum recoverable damages. This recovery
 7 reflects the informed assessment of Plaintiffs and their counsel of the strength of the Class's claims and
 8 the risks of litigating this complex Action through a ruling on Defendants' summary judgment motion, trial
 9 and appeals. The fact that the Settlement Amount was the product of a mediator's recommendation
 10 provides further support for its reasonableness.¹⁵

11 **b. The Settlement Treats All Class Members Fairly**

12 The Court must also ultimately assess whether the Settlement equitably distributes relief to the
 13 Class. Fed. R. Civ. P. 23(e)(2)(C)(ii) & (e)(2)(D). Here, too, the Court can readily find the Settlement will
 14 likely earn approval. The Settlement does not improperly grant preferential treatment to Plaintiffs or any
 15 segment of the Class.¹⁶ All Class Members will be eligible to receive a distribution from the Net
 16 Settlement Fund in accordance with a plan of allocation approved by the Court. At the Settlement Hearing,
 17 Plaintiffs will ask the Court to approve the Plan of Allocation set forth in the Notice ("Plan"), which
 18 provides a formula for the allocation and distribution of the Net Settlement Fund to Class Members that
 19 demonstrate a loss on their transactions in Wells Fargo common stock related to the alleged fraud.
 20 Developed with the assistance of Plaintiffs' damages expert, the Plan provides a fair and equitable method
 21

22 ¹⁵ While each securities class action reflects its own unique risks, the recovery obtained here is within
 23 the range of recoveries achieved in other securities cases and approved by courts. Indeed, "[i]t is well-
 24 settled law that [even] a cash settlement amounting to only a fraction of the potential recovery does not per
 25 se render the settlement inadequate or unfair." *In re Omnivision Techs., Inc.*, 559 F. Supp. 2d 1036, 1042
 26 (N.D. Cal. 2008). *See also Vataj v. Johnson*, 2021 WL 5161927, at *6 (N.D. Cal. Nov. 5, 2021) (approving
 27 settlement recovering "slightly more than 2% of [] estimated damages"); *IBEW Local 697 Pension Fund
 v. Int'l Game Tech., Inc.*, 2012 WL 5199742, at *3 (D. Nev. Oct. 19, 2012) (approving settlement
 recovering approximately 3.5% of maximum damages).

28 ¹⁶ Class Counsel's request for Litigation Expenses may also include a request for reimbursement of
 Plaintiffs' reasonable costs and expenses incurred in representing the Class, as permitted by the PSLRA.
 15 U.S.C. § 78u-4(a)(4) (allowing the "award of reasonable costs and expenses (including lost wages)
 directly relating to the representation of the class to any representative party serving on behalf of a class").

1 for allocating the Net Settlement Fund among injured Class Members.

2 **c. The Settlement Does Not Excessively Compensate Counsel**

3 The notices provide that Class Counsel, on behalf of Plaintiffs' Counsel, will apply for an award
 4 of attorneys' fees not to exceed 25% of the Settlement Fund, subject to Court approval. Class Counsel
 5 will submit detailed information in support of their motion for attorneys' fees and expenses, to be filed
 6 with the Court fifty-six (56) days before the Settlement Hearing. *See* N.D. Cal. Guid. ¶ 9.

7 For purposes of the Court's review in connection with preliminary approval of the Settlement,
 8 Class Counsel notes that the maximum fee that Class Counsel will request, 25% of the Settlement Fund,
 9 is the benchmark percentage for attorneys' fees in the Ninth Circuit, *see Paul, Johnson, Alston & Hunt v.*
 10 *Grauity*, 886 F.2d 268, 272-73 (9th Cir. 1989), and is in line with percentage fees awarded by courts in
 11 this Circuit in class actions with significant contingency fee risks. *See, e.g., In re QuantumScape Sec.*
 12 *Class Action*, 2025 WL 353556, at *5 (N.D. Cal. Jan. 22, 2025) (approving 30% fee of \$47.5 million
 13 settlement); *Roberts v. Zuora*, 2024 WL 6847397, at *1 (N.D. Cal. Jan. 16, 2024) (approving 30% fee of
 14 \$75.5 million settlement); *Purple Mountain Tr. v. Wells Fargo Co.*, 2023 WL 11872699, at *4 (N.D. Cal.
 15 Sept. 26, 2023) (approving 25% fee in \$300 million settlement); *Evanston Police Pension Fund v.*
 16 *McKesson Corp.*, 2023 WL 12126586, at *1 (N.D. Cal. July 14, 2023) (approving 25% fee of \$141 million
 17 settlement); *Ferris v. Wynn Resorts Ltd.*, 2025 WL 2308698, at *1 (D. Nev. Jan. 31, 2025) (granting one-
 18 third fee of \$70 million settlement); *see also Vizcaino v. Microsoft Corp.*, 290 F.3d 1043, 1048, 1050-51
 19 (9th Cir. 2002) (recognizing 25% benchmark and affirming award of 28% of \$97 million settlement).

20 Moreover, based on an initial review of their contemporaneous time records, Plaintiffs' Counsel
 21 have devoted roughly 35,000 hours to this Action, with a lodestar of approximately \$20 million, and
 22 anticipate that the lodestar multiplier for the fee requested will be less than 1.2. Such a multiplier is on the
 23 lower end of the range of multipliers commonly awarded in class actions. *See, e.g., Oliveira v. Language*
 24 *Line Servs., Inc.*, 767 F. Supp. 3d 984, 1006-07 (N.D. Cal. 2025) (awarding 30% fee representing
 25 multiplier of approximately 2.0); *In re VeriFone Holdings, Inc. Sec. Litig.*, 2014 WL 12646027, at *2
 26 (N.D. Cal. Feb. 18, 2014) (noting "over 80% of multipliers fall between 1.0 and 4.0"); *see also* N.D. Cal.

1 Guid. ¶ 6.¹⁷ Class Counsel will present more detailed information on Plaintiffs' Counsel's lodestar in
 2 connection with its fee application at final approval, including the number of hours spent on various
 3 litigation activities and the case law addressing fee awards in this jurisdiction.

4 Class Counsel also intends to seek payment of Litigation Expenses in an amount not to exceed
 5 \$3.5 million. *See Harris v. Marhoefer*, 24 F.3d 16, 19 (9th Cir. 1994) (plaintiff may recover "those out-
 6 of-pocket expenses that would normally be charged to a fee paying client"). A large portion of Class
 7 Counsel's expenses (approximately \$2 million) was incurred in connection with the retention of Plaintiffs'
 8 experts and consultants. Class Counsel's expenses also include costs for travel, online legal and factual
 9 research, data hosting, the Class Notice campaign, and mediation with Judge Phillips.

10 Finally, Plaintiffs may seek awards of up to \$60,000 in the aggregate, pursuant to 15 U.S.C. § 78u-
 11 4(a)(4), as reimbursement for their costs and expenses related to their representation of the Class. "Under
 12 the PSLRA, a class representative may seek an award of reasonable costs and expenses, including lost
 13 wages, directly relating to the representation of the class." *See* N.D. Cal. Guid. ¶ 7; *see also* *In re HP Sec.*
 14 *Litig.*, No. 3:12-cv-05980-CRB, ECF No. 279 at 2 (N.D. Cal. Nov. 16, 2015) (awarding \$162,900 PSLRA
 15 service award to lead plaintiff as "reimbursement for its costs and expenses directly related to its
 16 representation of the Settlement Class"); *Baker v. SeaWorld Ent., Inc.*, 2020 WL 4260712, at *12 (S.D.
 17 Cal. July 24, 2020) (awarding \$10,569 and \$60,000 to institutional lead plaintiffs); *In re Intuitive Surgical*
 18 *Sec. Litig.*, No. 5:13-cv-01920-EJD-HRL, Dkt. No. 317 at 4 (N.D. Cal. Dec. 20, 2018) (awarding
 19 approximately \$59,000 to two class representatives). Class Counsel believes this amount is fully supported
 20 by the time spent and work undertaken by Plaintiffs throughout the Action, which will be set forth in
 21 greater detail in connection with the fee and expense motion. Importantly, if approved, the maximum

22

23 ¹⁷ Additionally, any attorneys' fees awarded by the Court will be paid to Class Counsel upon award,
 24 which is appropriate and consistent with common practice in cases of this nature. The Stipulation provides
 25 that if the Settlement is ultimately terminated or the fee award is later reduced or reversed, Plaintiffs'
 26 Counsel will refund or repay the subject amount to the Settlement Fund. *See* Stip. ¶ 16; *see also*, e.g.,
 27 *NECA-IBEW Health & Welfare Fund v. Goldman, Sachs & Co.*, 2016 WL 3369534, at *1 (S.D.N.Y. May
 2, 2016) ("[T]he fees and expenses awarded herein shall be paid from the Settlement Fund to Lead Counsel
 immediately upon entry of this Order, notwithstanding the existence of any timely filed objections thereto,
 if any, or potential for appeal therefrom, or collateral attack on the Settlement or any part thereof, subject
 to Plaintiffs' Counsel's obligation to repay all such amounts with interest."); *see In re Vocera Commc'nns,*
 28 *Inc. Sec. Litig.*, 2016 WL 8201593, at *1 (N.D. Cal. July 29, 2016) (fees to be paid "immediately upon
 entry of this Order").

1 amount to be requested (\$60,000) represents a mere 0.07% of the Settlement Amount and will have a
 2 minimal impact on the amount of Settlement funds available to Class Members.

3 **d. Plaintiffs Have Identified All Agreements Made in Connection with
 4 the Settlement**

5 In addition to the Stipulation, the Parties have entered into a confidential Supplemental Agreement
 6 which applies *only if* the Court provides a second opportunity for Class Members to request exclusion
 7 from the Class in connection with the Settlement (“Supplemental Agreement”). *See* Stip. ¶ 36. As set forth
 8 in the Supplemental Agreement, if there is a second opportunity to request exclusion, Defendants will
 9 have the option to terminate the Settlement in the event that requests for exclusion in connection with the
 10 Settlement exceed certain agreed-upon conditions.¹⁸ As is standard practice in securities class actions, the
 11 Supplemental Agreement is not being made public and, pursuant to its terms, the Supplemental Agreement
 12 will be submitted to the Court under seal. The Supplemental Agreement and Stipulation are the only
 13 agreements concerning the Settlement entered into by the Parties.

14 **V. THE PLAN OF ALLOCATION IS FAIR AND REASONABLE**

15 In considering the proposed Plan (see Appendix A to Notice), the Court’s review is governed by
 16 the same standards of review applicable to the Settlement itself—the Plan must be fair and reasonable.
 17 *See Class Plaintiffs v. City of Seattle*, 955 F.2d 1268, 1284 (9th Cir. 1992). The Plan, which was developed
 18 with the assistance of Plaintiffs’ damages expert, provides a fair, reasonable, and equitable basis to allocate
 19 the Net Settlement Fund among Class Members who submit valid Claims. Plaintiffs will ask the Court to
 20 approve the Plan in connection with final approval.

21 Specifically, the Plan provides for distribution of the Net Settlement Fund to Class Members who
 22 submit timely and valid Claims demonstrating a loss on their transactions in Wells Fargo common stock
 23

24

25 ¹⁸ This type of agreement is standard in securities class actions and does not bear on the fairness of
 26 the Settlement. *See, e.g., Wells Fargo*, 2018 WL 4207245, at *11 (“The existence of a termination option
 27 triggered by the number of class members who opt out of the Settlement does not by itself render the
 Settlement unfair.”); *see also In re Carrier IQ, Inc. Consumer Priv. Litig.*, 2016 WL 4474366, at *5 (N.D.
 Cal. Aug. 25, 2016) (“[O]pt-out deals are not uncommon as they are designed to ensure that an objector
 cannot try to hijack a settlement in his or her own self-interest.”), *amending in part*, 2016 WL 6091521
 (N.D. Cal. Oct. 19, 2016).

1 during the Class Period.¹⁹ In developing the Plan, Plaintiffs' damages expert calculated the estimated
 2 amount of alleged artificial inflation in the per-share closing price of Wells Fargo common stock during
 3 the Class Period that was allegedly proximately caused by Defendants' alleged misrepresentations and
 4 omissions. *See Plan.* In calculating the estimated alleged artificial inflation, Plaintiffs' damages expert
 5 considered price changes in Wells Fargo common stock in reaction to the public announcement allegedly
 6 revealing the relevant truth concealed by Defendants' alleged misrepresentations and omissions, adjusting
 7 for price changes that were attributable to market or industry forces or that would likely have been
 8 attributed to non-fraud-related information released on the same day. *Id.* In order to have a loss under the
 9 Plan, a Class Member must have held Wells Fargo common stock purchased or otherwise acquired during
 10 the Class Period through the disclosure of the alleged corrective information that removed the alleged
 11 artificial inflation from the price of the stock on June 9, 2022. *Id.*

12 The Plan treats all Class Members equitably and eligible Class Members will receive a *pro rata*
 13 distribution from the Net Settlement Fund based on the amount of their recognized losses. The Plan
 14 calculates a "Recognized Loss Amount" for each purchase/acquisition of Wells Fargo common stock
 15 during the Class Period that is listed in the Claim and accompanied by supporting documentation. *Id.* In
 16 general, Recognized Loss Amounts will be the lesser of: (i) the difference between the estimated artificial
 17 inflation on the date of purchase/acquisition and the estimated artificial inflation on the date of sale, and
 18 (ii) the difference between the actual purchase/acquisition price and sales price. *Id.* For shares sold during
 19 or after the 90-day period following the end of the Class Period, the Plan limits losses based on the average
 20 price of the stock during that 90-day period, consistent with the PSLRA. *Id.* ¶¶ 7C(ii), 7D(ii).²⁰ To the
 21 extent that a Class Member is entitled to recover less than \$10.00, such Class Member will be excluded

22
 23 ¹⁹ The Settlement will be effectuated with the assistance of an experienced claims administrator. If
 24 approved by the Court to serve as Claims Administrator, A.B. Data will employ a standard and well-tested
 25 protocol for processing claims in securities class actions. Namely, potential Class Members will submit
 26 Claims, either by mail or online and, based on the information submitted, A.B. Data will determine each
 27 Claimant's eligibility to participate in the Settlement by calculating his, her, or its "Recognized Claim"
 under the Plan. *See Stip.* ¶ 21. Claimants will be notified of (and given the chance to remedy) any defects
 in their Claims, and will also have the opportunity to contest any rejection of their Claims. *Id.* ¶ 25(e). Any
 Claim disputes that cannot be resolved will be presented to the Court. *Id.*

28 ²⁰ The sum of a Claimant's Recognized Loss Amounts for all of his, her, or its Class Period
 purchases/acquisitions is the Claimant's "Recognized Claim." Plan ¶ 2. The Net Settlement Fund will be
 allocated to Authorized Claimants *pro rata* based on the relative size of their Recognized Claims. *Id.* ¶ 9.

1 from recovering a payment.²¹

2 Payments will be issued to eligible Class Members following the Effective Date. Stip. ¶ 27. If any
 3 funds remain after an initial distribution, as a result of uncashed or returned checks or other reasons,
 4 subsequent distributions to eligible Class Members will be conducted as long as they are cost effective.
 5 *See* Plan ¶ 12. Any amounts that are not cost effective to redistribute to Class Members will be contributed
 6 to the Council of Institutional Investors – Research and Education Fund (“CII-REF”). *Id.* CII-REF, a
 7 501(c)(3) nonprofit organization devoted to investor education, is an appropriate *cy pres* recipient here
 8 because of the nature of the securities fraud claims at issue.²² The Parties do not have a relationship with
 9 CII-REF. *See* N.D. Cal. Guid. ¶ 8.

10 **VI. THE COURT SHOULD APPROVE THE PROPOSED FORMS AND METHODS OF
 11 PROVIDING SETTLEMENT NOTICE TO THE CLASS**

12 **A. Retention of A.B. Data, Ltd. as Claims Administrator**

13 Plaintiffs propose that A.B. Data—an independent notice and claims administrator with extensive
 14 experience handling the administration of securities class actions—be retained as the Claims
 15 Administrator for the Settlement. *See* Nordskog Decl. (Exhibit 3 hereto). Information regarding A.B. Data
 16 and its experience is included on page 1 and Ex. A of the Nordskog Decl. and a discussion of A.B. Data’s
 17 data security procedures is provided on pages 1-2 and Ex. B. *See* N.D. Cal. Guid. ¶ 2(b).

18 A.B. Data was previously retained as the administrator in connection with Class Notice (Dkt. No.
 19 230) and conducted the extensive Class Notice campaign that commenced in August 2025.²³ Plaintiffs
 20 believe that A.B. Data’s work in locating and communicating with Class Members during the Class Notice
 21

22²¹ It is standard practice in securities class actions to utilize a \$10 minimum check threshold. *See, e.g.*,
 23 *Destefano v. Zynga, Inc.*, 2016 WL 537946, at *4 (N.D. Cal. Feb. 11, 2016) (“[N]o Settlement Class
 24 Member will be issued a check for a Recognized Loss of less than \$10.00 due to the expenses associated
 25 with administering the claims.”); *Wells Fargo*, 2018 WL 4207245, at *12 (approving \$10 minimum and
 26 noting “numerous cases . . . have approved similar or higher minimum thresholds”) (alteration in original).

27²² Pursuant to its website, CII-REF “focuses on educating the public, investors, corporations, other
 28 financial market participants and policymakers about topical issues, including corporate governance,
 shareholder rights, investment, capital markets, accounting standards and securities litigation.” *See*
www.ciiref.org; *see also In re Hewlett-Packard Co. Sec. Litig.*, 2015 WL 13917012, at *2 (C.D. Cal. Nov.
 9, 2015) (approving Council of Institutional Investors as a *cy pres* recipient).

²³ *See* Declaration of Kathleen Brauns dated October 13, 2025 (Dkt. No. 253).

1 campaign makes it uniquely suited to administer the Settlement. Class Counsel selected A.B. Data to
 2 conduct the Class Notice campaign following a competitive bidding process in which five administrators
 3 submitted cost proposals and A.B. Data had the lowest bid. *See* Nirmul Decl. (Exhibit 2 hereto), ¶ 5. Class
 4 Counsel has engaged A.B. Data to serve as the administrator in nine cases (including this Action) in the
 5 past two years, and has found A.B. Data to be a very diligent and reliable administrator. *Id.* ¶¶ 6, 7. *See*
 6 *also* N.D. Cal. Guid. ¶ 2(a).

7 **B. Proposed Forms of Settlement Notice**

8 Plaintiffs respectfully submit that the Court should approve the form and content of the proposed
 9 Postcard Notice, Notice, and Summary Notice. *See* Stip. Exs. A-1, A-2, and A-3. The notices are written
 10 in plain language and provide the relevant information and answers to most questions that Class Members
 11 will have. Consistent with Rules 23(c)(2)(B) and 23(e)(1), the Postcard Notice and Notice collectively
 12 apprise Class Members of (among many other disclosures): the nature of the Action; the definition of the
 13 Court-certified Class; the claims and issues asserted; that the Court will exclude from the Class any Class
 14 Member who requested exclusion in connection with Class Notice and does not opt back into the Class;
 15 and the binding effect of a class judgment on Class Members under Rule 23(c)(3)(B). The Postcard Notice
 16 alerts Class Members about how they can obtain the full Notice and Claim Form.

17 The Notice also satisfies the separate disclosure requirements imposed by the PSLRA. *See* 15
 18 U.S.C. § 78u-4(a)(7). Among other things, the Notice: states the Settlement Amount on an absolute and
 19 per-share basis; provides a statement concerning the issues about which the Parties disagree; states the
 20 amount of attorneys' fees and Litigation Expenses that Class Counsel will seek; provides contact information
 21 for a KTMC attorney, who will be available to answer questions from Class Members; and provides a brief
 22 statement explaining the reasons why the Parties are proposing the Settlement. The notices collectively
 23 also meet this District's *Procedural Guidance for Class Action Settlements*. *See* N.D. Cal. Guid. ¶ 3. The
 24 notices also set out the procedures and deadlines for the submission of Claims, objections, and in the event
 25 that a Class Member previously requested exclusion pursuant to Class Notice, requests to opt back into the
 26 Class to be potentially eligible to receive a payment from the Settlement.

27 Further, Rule 23(h)(1) requires that “[n]otice of the motion [for attorneys' fees] must be served on
 28 all parties and, for motions by class counsel, directed to class members in a reasonable manner.” The

1 proposed notices satisfy these requirements: all three notices specifically advise Class Members that Class
 2 Counsel will apply to the Court for attorneys' fees not to exceed 25% of the Settlement Fund and for
 3 Litigation Expenses in an amount not to exceed \$3.5 million to be paid from the Settlement Fund. *See*
 4 Stip. Exs. A-1, A-2 and A-3. A copy of Class Counsel's application for attorneys' fees and expenses will
 5 be posted on the Website, www.WellsFargoSecuritiesAction.com, once filed.

6 **C. Proposed Notice Dissemination Procedures**

7 The proposed methods for disseminating notice, set forth in the Preliminary Approval Order, are
 8 the same as approved and utilized for the Class Notice campaign and readily meet the standards under the
 9 Federal Rules and due process. Rule 23(c)(2)(B) requires the court to direct to a class certified under Rule
 10 23(b)(3) "the best notice that is practicable under the circumstances, including individual notice to all
 11 members who can be identified through reasonable effort." Fed. R. Civ. P. 23(c)(2)(B). In addition, Rule
 12 23(e)(1) requires the court to direct notice of a class action settlement "in a reasonable manner to all class
 13 members who would be bound" by a proposed settlement. Fed. R. Civ. P. 23(e)(1).

14 If the Court preliminarily approves the Settlement, A.B. Data will mail and/or email the Postcard
 15 Notice to potential Class Members who were previously mailed and/or emailed a copy of the postcard
 16 Class Notice and any other potential Class Member who otherwise may be identified through reasonable
 17 effort. A.B. Data will cause the Summary Notice to be published in *The Wall Street Journal* and
 18 transmitted over *PR Newswire*. A.B. Data will also post the full Notice and Claim Form and other
 19 Settlement-related materials on the Website. Any Class Member who receives a Postcard Notice or who
 20 learns about the Settlement through other means will be able to obtain the Notice and Claim Form from
 21 the Website or may request copies by phone, email, or letter. The Postcard Notice will include the Website
 22 address and a QR code that, when scanned, will bring recipients directly to the Website.

23 In addition, the Parties have agreed that, no later than ten calendar days following the filing of the
 24 Stipulation with the Court, Defendants shall serve the notice required under the Class Action Fairness
 25 Act, 28 U.S.C. § 1715 (2005) *et seq.* Stip. ¶ 20. The Parties are not aware of any other such required
 26 notices to government entities or others. *See* N.D. Cal. Guid. ¶ 10.

27 The proposed plan for providing notice of the Settlement to the Class in the Action has been used
 28 in many other securities class actions and was the same method utilized for the Class Notice campaign

earlier this year. Courts have found that comparable notice programs meet all the requirements of Rule 23 and due process. *See, e.g., In re QuantumScape Sec. Litig.*, 2024 WL 3491039, at *2 (N.D. Cal. July 18, 2024) (approving comparable notice plan and finding that “distribution of the Postcard Notice, the posting of the Notice and Claim Form online, and the publication of the Summary Notice . . . constitutes due, adequate and sufficient notice to all persons and entities entitled to receive notice of the proposed Settlement [and] satisfies the requirements of Rule 23 of the Federal Rules of Civil Procedure, the United States Constitution (including the Due Process Clause), the [PSLRA], and all other applicable law and rules”); *Zaidi v. Adamas Pharm., Inc.*, 2024 WL 4342185, at *2 (N.D. Cal. Sept. 27, 2024) (same); *Yaron v. Intersect ENT, Inc.*, 2021 WL 5184290, at *2 (N.D. Cal. Nov. 5, 2021) (same).

D. Claims Processing

The net proceeds of the Settlement will be distributed to Class Members who submit valid Claims. A.B. Data will review and process the Claims received under the supervision of Class Counsel, will provide Claimants with an opportunity to cure any deficiencies in their Claim(s) or request Court review of the denial of their Claim(s), and will mail or wire Claimants their *pro rata* share of the Net Settlement Fund (as calculated under the Plan) upon Court approval.

A.B. Data estimates that a total of 775,000 Postcard Notices will be mailed based on the volume of notices disseminated in the Class Notice campaign, and that approximately 193,750 Claims will be received, based on an estimated 25% response rate, which A.B. Data finds reasonable and typical in these cases. *See* Nordskog Decl. ¶21; *see also* N.D. Cal. Guid. ¶ 1(f). Summary information for three recent cases in which A.B. Data served as administrator is attached to the Nordskog Decl. as Exhibit C. These cases were selected because they are comparable securities class actions administered by A.B. Data and provide support for the notice and settlement procedures to be utilized in this Settlement.

E. Estimated Notice and Administrative Costs

A.B. Data’s fees for administering the Settlement will be charged on a per-Claim basis and expenses will be billed separately (including the costs for printing and mailing the Postcard Notice, publishing the Summary Notice, updating the Website, and operating the toll-free telephone helpline). Because these costs are highly dependent on how many Claims are ultimately received and processed, only an estimate of the total Notice and Administration Costs can be provided at this time. Based on the

1 estimates for Postcard Notices mailed and Claims received noted above, A.B. Data estimates that the total
 2 Notice and Administration Costs for the Action will range from approximately \$950,000 to approximately
 3 \$1,200,000 (which amounts include \$150,000 for estimated broker and nominee fulfillment costs). *See*
 4 Nordskog Decl. ¶31. The Notice and Administration Costs are necessary to effectuate the Settlement and
 5 are reasonable in relation to the value of the Settlement (the estimated total administrative costs represent
 6 approximately 1.1% - 1.4% of the Settlement Amount). All Notice and Administration Costs will be paid
 7 from the Settlement Fund. *See* Stip. ¶¶ 9, 14.

8 **VII. THE COURT SHOULD NOT REQUIRE A SECOND OPT-OUT PERIOD**

9 On August 1, 2025, A.B. Data began an extensive notice campaign to inform potential Class
 10 Members of the pendency of the Action as a class action as well as their right to request exclusion (or opt
 11 out) from the Class and the procedures for doing so. *See* Dkt. No. 253. During the Class Notice campaign,
 12 A.B. Data mailed over 778,000 notices to potential Class Members and nominees. *See id.* ¶ 8, Exs. A & B.
 13 A related summary notice was published in *The Wall Street Journal* and transmitted over *PR Newswire*.
 14 *See id.* ¶ 9, Exs. C & D.

15 The notices disseminated during the Class Notice campaign advised recipients that, pursuant to
 16 Rule 23(e)(4), it would be within the Court’s discretion whether to allow a second opportunity to request
 17 exclusion from the Class if there was a settlement or judgment in the Action after a trial and appeal. *See*
 18 *id.* at Exs. A & B. Moreover, the Class Notice made clear that Class Members would “be bound by all past,
 19 present, and future orders and judgments in the Action, whether favorable or unfavorable”—if they failed
 20 to exclude themselves from the Class. *Id.* at Ex. B. In response, 49 potential Class Members (as listed on
 21 Appendix 1 to the Stip.) requested exclusion from the Class, demonstrating that Class Members who
 22 wished to request exclusion from the Class had a fair opportunity to do so.

23 The Ninth Circuit has rejected the argument that due process requires that members of a Rule
 24 23(b)(3) class be given a second opportunity to opt out of a class when such class members already received
 25 extensive notice and ample opportunity to do so—as they did here. *See Low v. Trump Univ., LLC*, 881 F.3d
 26 1111, 1122 n.6 (9th Cir. 2018) (noting that Rule 23(e)(4) does not “impose a *per se* rule mandating a
 27 settlement-stage opt-out opportunity in any case where members of a previously-certified class later learn
 28 of a settlement’s actual value,” and explaining that the Rule’s “language anticipates that parties can reach

1 a settlement agreement that does not permit an additional opt-out opportunity.”); *Officers for Justice v.*
 2 *Civil Serv. Comm’n of City and Cnty. of S.F.*, 688 F.2d 615, 634–35 (9th Cir. 1982) (noting that while
 3 some class action settlements allow for a second opportunity to opt out, “they are unusual”); *see also In re*
 4 *HIV Antitrust Litig.*, 2023 WL 11897610, at *2 (N.D. Cal. Sept. 25, 2023) (“The Court finds that
 5 a second opportunity to opt out is not necessary in this case. The class members are sophisticated entities
 6 and thus understood the importance of the decision of whether or not to opt out at the time they were
 7 notified of class certification.”); *Yanez v. Knight Transp. Inc.*, 2024 WL 4524164, at *3 (D. Ariz. Oct. 17,
 8 2024) (“to hold that due process requires a second opportunity to opt out after the terms of the settlement
 9 have been disclosed to the class would impede the settlement process so favored by the law”).

10 In this case, there is no reason to depart from standard practice and require a second opportunity to
 11 opt out of the Class. The response to the widespread Class Notice campaign demonstrates it was effective
 12 and the new developments that have occurred since Class Members made their decision of whether to opt
 13 out—namely, vigorous litigation that culminated in a substantial recovery—provide a clear benefit to the
 14 Class and negate any potential prejudice from disallowing a second opt out. Accordingly, the Court should
 15 exercise its discretion to preclude a second opportunity to request exclusion.²⁴

16 **VIII. PROPOSED SCHEDULE OF SETTLEMENT-RELATED EVENTS**

17 In connection with preliminary approval, the Court must also set dates for certain future
 18 Settlement-related events. Plaintiffs respectfully propose the schedule set forth in Appendix A hereto, as
 19 agreed to by the Parties and set forth in the proposed Preliminary Approval Order. Additionally, Plaintiffs
 20 request that the Court schedule the Settlement Hearing for a date 140 calendar days after entry of the
 21 Preliminary Approval Order, or at the Court’s earliest convenience thereafter. Plaintiffs respectfully
 22 submit that the proposed dates are consistent with other settlement schedules in this Court and this District.

23 **IX. CONCLUSION**

24 For the foregoing reasons, Plaintiffs respectfully request that the Court grant preliminary approval
 25 of the Settlement and enter the proposed Preliminary Approval Order.

26

27 ²⁴ Class Members who previously requested exclusion from the Class pursuant to Class Notice will
 28 be permitted to opt back into the Class in connection with the Settlement in order to be potentially eligible
 to receive a payment from the Settlement.

1 Dated: October 15, 2025

Respectfully submitted,

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**KESSLER TOPAZ MELTZER
& CHECK, LLP**

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APPENDIX A

APPENDIX A**Proposed Schedule of Settlement-Related Events**

EVENT	PROPOSED TIME FOR COMPLIANCE
Deadline for mailing/emailing Postcard Notice to Class Members (which date shall be the “Notice Date”) and posting Notice and Claim Form on the Website	No later than 20 business days after the date of entry of the Preliminary Approval Order (Preliminary Approval Order ¶ 4(a))
Deadline for publishing the Summary Notice	No later than 10 business days after Notice Date (Preliminary Approval Order ¶ 4(c))
Deadline for filing papers supporting final approval of the Settlement, Plan of Allocation, and Class Counsel’s motion for attorneys’ fees and Litigation Expenses	No later than 56 calendar days prior to the Settlement Hearing (Preliminary Approval Order ¶ 25)
Deadline for submitting request to opt back into the Class (receipt date)	No later than 21 calendar days prior to the Settlement Hearing (Preliminary Approval Order ¶ 12)
Deadline for submitting objection to Settlement (receipt date)	No later than 21 calendar days prior to the Settlement Hearing (Preliminary Approval Order ¶ 15)
Deadline for submitting Claim Forms	No later than 90 calendar days after Notice Date (Preliminary Approval Order ¶ 8)
Deadline for filing reply papers	No later than 7 calendar days prior to the Settlement Hearing (Preliminary Approval Order ¶ 25)
Settlement Hearing	140 calendar days after entry of the Preliminary Approval Order, or at the Court’s earliest convenience thereafter (Preliminary Approval Order ¶ 2)

APPENDIX B

Appendix B

N.D. Cal. Procedural Guidance for Class Action Settlements Items to Address at Preliminary Approval	Where Procedural Guidance is Addressed in Papers
1. INFORMATION ABOUT THE SETTLEMENT	
(a) Any differences between the settlement class and the class proposed in the operative complaint (or, if a class has been certified, the certified class) and an explanation as to why the differences are appropriate.	Motion at p. 7
(b) Any differences between the claims to be released and the claims in the operative complaint (or, if a class has been certified, the claims certified for class treatment) and an explanation as to why the differences are appropriate.	Motion at p. 8
(c) The class recovery under the settlement (including details about and the value of injunctive relief), the potential class recovery if plaintiffs had fully prevailed on each of their claims, claim by claim, and a justification of the discount applied to the claims.	Motion at pp. 14-15
(d) Any other cases that will be affected by the settlement, an explanation of what claims will be released in those cases if the settlement is approved, the class definitions in those cases, their procedural posture, whether plaintiffs' counsel in those cases participated in the settlement negotiations, a brief history of plaintiffs' counsel's discussions with counsel for plaintiffs in those other cases before and during the settlement negotiations, an explanation of the level of coordination between the two groups of plaintiffs' counsel, and an explanation of the significance of those factors on settlement approval. If there are no such cases, counsel should so state.	Motion at p. 8, fn 9
(e) The proposed allocation plan for the settlement fund.	Motion at pp. 18-20; Proposed Notice (Appendix A)
(f) If there is a claim form, an estimate of the expected claim rate in light of the experience of the selected claims administrator and/or counsel based on comparable settlements, the identity of the examples used for the estimate, and the reason for the selection of those examples.	Motion at p. 23; Nordskog Decl. (Ex. 3 to Motion), ¶ 21
(g) In light of Ninth Circuit case law disfavoring reversions, whether and under what circumstances money originally designated for class recovery will revert to any defendant, the expected and potential amount of any such reversion, and an explanation as to why a reversion is appropriate.	Motion at p. 7; Stipulation ¶ 13
2. SETTLEMENT ADMINISTRATION	
(a) Identify the proposed settlement administrator, the settlement administrator selection process, how many settlement administrators submitted proposals, what methods of notice and claims payment were proposed, and the lead class counsel's firms' history of engagements with the settlement administration over the last two years.	Motion at pp. 20-21; Nordskog Decl. ¶ 6; Nirmul Decl. (Ex. 2 to Motion), ¶¶ 4-5
(b) Address the settlement administrator's procedures for securely handling class member data (including technical, administrative, and physical controls; retention; destruction; audits; crisis response; etc.), the settlement administrator's acceptance of responsibility and maintenance of insurance in case of errors, the anticipated administrative costs, the reasonableness of those costs in relation to the value of the settlement, and who will pay the costs.	Nordskog Decl. ¶¶ 3-4 & Ex. B

Appendix B

N.D. Cal. Procedural Guidance for Class Action Settlements Items to Address at Preliminary Approval	Where Procedural Guidance is Addressed in Papers
3. NOTICE	
<ul style="list-style-type: none"> The parties should ensure that the class notice is easily understandable, in light of the class members' communication patterns, education levels, and language needs. The notice should include the following information: 	<i>See generally</i> Proposed notices
<ul style="list-style-type: none"> a. Contact information for class counsel to answer questions. 	Proposed Notice p. 3 & ¶ 68; Proposed Email Notices
<ul style="list-style-type: none"> b. The address for a website, maintained by the claims administrator or class counsel, that lists key deadlines and has links to the notice, claim form (if any), preliminary approval order, motions for preliminary and final approval and for attorneys' fees, and any other important documents in the case. 	<i>See generally</i> Proposed notices
<ul style="list-style-type: none"> c. Instructions on how to access the case docket via PACER or in person at any of the court's locations. 	Proposed Notice ¶ 68
<ul style="list-style-type: none"> d. The date and time of the final approval hearing, clearly stating that the date may change without further notice to the class. 	Proposed Notice p. 4 & ¶¶ 57-58; Proposed Postcard Notice
<ul style="list-style-type: none"> e. A note to advise class members to check the settlement website or the Court's PACER site to confirm that the date has not been changed. 	Proposed Notice p. 4; Proposed Email Notices
<ul style="list-style-type: none"> The parties should explain how the notice distribution plan is effective. Class counsel should consider the following ways to increase notice to class members: identification of potential class members through third-party data sources; use of text messages and social media to provide notice to class members; hiring a marketing specialist; providing a settlement website that estimates claim amounts for each specific class member and updating the website periodically to provide accurate claim amounts based on the number of participating class members; and distributions to class members via direct deposit. 	Motion at pp. 21-23; Nordskog Decl. ¶¶ 12-20
<ul style="list-style-type: none"> The notice distribution plan should rely on U.S. mail, email, and/or social media as appropriate to achieve the best notice that is practicable under the circumstances, consistent with Federal Rule of Civil Procedure 23(c)(2). If U.S. mail is part of the notice distribution plan, the notice envelope should be designed to enhance the chance that it will be opened. 	Motion at pp. 21-23; Nordskog Decl. ¶¶ 12-20
<ul style="list-style-type: none"> Inclusion of suggested language in class notices: This notice summarizes the proposed settlement. For the precise terms of the settlement, please see the settlement agreement available at www._____com, by contacting class counsel at _____, by accessing the Court docket in this case, for a fee, through the Court's Public Access to Court Electronic Records (PACER) system at https://ecf.cand.uscourts.gov, or by visiting the office of the Clerk of the Court for the United States District Court for the Northern District of California, [insert appropriate Court location here], between 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays. 	Proposed Notice ¶ 68

Appendix B

N.D. Cal. Procedural Guidance for Class Action Settlements Items to Address at Preliminary Approval	Where Procedural Guidance is Addressed in Papers
PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE TO INQUIRE ABOUT THIS SETTLEMENT OR THE CLAIM PROCESS.	
4. OPT-OUTS	
<ul style="list-style-type: none"> The notice should instruct class members who wish to opt out of the settlement to send a letter, setting forth their name and information needed to be properly identified and to opt out of the settlement, to the settlement administrator and/or the person or entity designated to receive opt outs. It should require only the information needed to opt out of the settlement and no extraneous information or hurdles. The notice should clearly advise class members of the deadline, methods to opt out, and the consequences of opting out. 	NA
5. OBJECTIONS	
<ul style="list-style-type: none"> Objections must comply with Federal Rule of Civil Procedure 23(e)(5). The notice should instruct class members who wish to object to the settlement to send their written objections only to the court. All objections will be scanned into the electronic case docket, and the parties will receive electronic notices of filings. The notice should make clear that the court can only approve or deny the settlement and cannot change the terms of the settlement. The notice should clearly advise class members of the deadline for submission of any objections. 	Proposed Notice ¶¶ 59-63 <i>See generally Proposed notices; Proposed Notice ¶¶ 59-63</i>
<ul style="list-style-type: none"> Below is suggested language for inclusion in class notices: "You can ask the Court to deny approval by filing an objection. You can't ask the Court to order a different settlement; the Court can only approve or reject the settlement. If the Court denies approval, no settlement payments will be sent out, and the lawsuit will continue. If that is what you want to happen, you should object. Any objection to the proposed settlement must be in writing. If you file a timely written objection, you may, but are not required to, appear at the Final Approval Hearing, either in person or through your own attorney. If you appear through your own attorney, you are responsible for hiring and paying that attorney. All written objections and supporting papers must (a) clearly identify the case name and number (_____ v. _____, Case No. _____), (b) be submitted to the Court either by filing them electronically or in person at any location of the United States District Court for the Northern District of California or by mailing them to the Class Action Clerk, United States District Court for the Northern District of California, [insert appropriate Court location here], and (c) be filed or postmarked on or before _____." 	Proposed Notice ¶¶ 50-60
6. ATTORNEYS' FEES AND COSTS	
<ul style="list-style-type: none"> Class Counsel should include information about the fees and costs (including expert fees) they intend to request, their lodestar calculation (including total hours), and resulting multiplier in the motion for preliminary approval. 	Motion at pp. 16-17; Proposed Email Notices; Proposed Notice pp. 2-3 & ¶ 49

Appendix B

N.D. Cal. Procedural Guidance for Class Action Settlements Items to Address at Preliminary Approval	Where Procedural Guidance is Addressed in Papers
<ul style="list-style-type: none"> • In a common fund case, the parties should include information about the relationship between the amount of the common fund, the requested fee, and the lodestar. 	Motion at p. 16
<ul style="list-style-type: none"> • To the extent counsel base their fee request on having obtained injunctive relief and/or other non-monetary relief for the class, counsel should discuss the benefit conferred on the class. 	N/A
7. SERVICE AWARDS	
<ul style="list-style-type: none"> • The parties should include information about the service awards they intend to request as well as a summary of the evidence supporting the awards in the motion for preliminary approval. The parties should ensure that neither the size nor any conditions placed on the incentive awards undermine the adequacy of the named plaintiffs or class representatives. 	Motion at p. 17; Proposed Email Notices
8. CY PRES AWARDEES	
<ul style="list-style-type: none"> • If the settlement contemplates a cy pres award, the parties should identify their chosen cy pres recipients, if any, and how those recipients are related to the subject matter of the lawsuit and the class members' claims. • The parties should also identify any relationship they or their counsel have with the proposed cy pres recipients. 	Motion at pp. 20; Proposed Notice (Appendix A, ¶ 80)
9. TIMELINE	
<ul style="list-style-type: none"> • The parties should ensure that class members have at least thirty-five days to opt out or object to the settlement and the motion for attorney's fees and costs. 	Motion at Appendix A
10. CLASS ACTION FAIRNESS ACT (CAFA) AND SIMILAR REQUIREMENTS	
<ul style="list-style-type: none"> • The parties should address whether CAFA notice is required and, if so, when it will be given. In addition, the parties should address substantive compliance with CAFA. 	Motion at p. 22; Stipulation ¶ 20
<ul style="list-style-type: none"> • In addition, the parties should address whether any other required notices to government entities or others have been provided, such as notice to the Labor & Workforce Development Agency (LWDA) pursuant to the Private Attorneys General Act (PAGA). 	Motion at p. 22
11. COMPARABLE OUTCOMES	
<ul style="list-style-type: none"> • Lead class counsel should provide information about comparable cases, including settlements and litigation outcomes. Lead class counsel should provide the following information for as many as feasible (and at least one) comparable class settlement (i.e. settlements involving the same or similar claims, parties, issues): <ul style="list-style-type: none"> a. The claims being released, the total settlement fund, the total number of class members, the total number of class members to whom notice was sent, the method(s) of notice, the number and percentage of claim forms submitted, the average recovery per class member or claimant, 	Nordskog Decl. ¶ 28 & Ex. C

Appendix B

N.D. Cal. Procedural Guidance for Class Action Settlements Items to Address at Preliminary Approval	Where Procedural Guidance is Addressed in Papers
<p>the amounts distributed to cy pres recipients, the administrative costs, the attorneys' fees and costs, the total exposure if the plaintiffs had prevailed on every claim.</p> <ul style="list-style-type: none"> b. Where class members are entitled to non-monetary relief, such as discount coupons or debit cards or similar instruments, the number of class members availing themselves of such relief and the aggregate value redeemed by the class members and/or by any assignees or transferees of the class members' interests. c. Where injunctive and/or other non-monetary relief has been obtained, discuss the benefit conferred on the class. • Counsel should summarize this information in easy-to-read charts that allow for quick comparisons with other cases, supported by analysis in the text of the motion. 	
12. ELECTRONIC VERSIONS	
<ul style="list-style-type: none"> • Electronic versions (Microsoft Word or WordPerfect) of all proposed orders and notices should be submitted to the presiding judge's Proposed Order (PO) email address when filed. Most judges in this district use Microsoft Word, but counsel should check with the individual judge's Courtroom Deputy. 	To be done upon filing
13. OVERLAPPING CASES	
<ul style="list-style-type: none"> • Within one day of filing of the preliminary approval motion, the defendants should serve a copy on counsel for any plaintiffs with pending litigation, whether at the trial court or appellate court level, whether active or stayed, asserting claims on a representative (e.g., class, collective, PAGA, etc.) basis that defendants believe may be released by virtue of the settlement. 	N/A