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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

IN RE TALIS BIOMEDICAL SECURITIES LITIGATION

THIS DOCUMENT RELATES TO:

ALL ACTIONS

Case No. 22-cv-00105-SI

CLASS ACTION

CLASS REPRESENTATIVE'S NOTICE OF MOTION AND MOTION FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT AND MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT THEREOF

Judge: Hon. Susan Illston
Date: March 14, 2025
Time: 10:00 a.m.
Courtroom: 1 – 17th Floor

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NOTICE OF MOTION AND MOTION

PLEASE TAKE NOTICE THAT on March 14, 2025, at 10:00 a.m. PST, or as soon thereafter as this matter may be heard, Lead Plaintiff and Class Representative Martin Dugan ("Lead Plaintiff," "Class Representative," or "Dugan"), on behalf of himself and the Class, by and through Class Counsel, will and hereby does, respectfully move this Court, pursuant to Federal Rule of Civil Procedure 23, in the above-captioned action (the "Action") for entry of (1) the proposed Final Judgment certifying the Settlement Class and granting final approval of the proposed settlement of this Action (the "Settlement"), and (2) an order granting approval of the proposed Plan of Allocation, submitted herewith.[1]

This Motion is based on the Memorandum of Points and Authorities below, the Declaration of Evan A. Kubota in Support of Class Representative's Motion for Final Approval of Proposed Class Action Settlement and Lead Counsel's Motion for Attorneys' Fees, Litigation Expenses, and Lead Plaintiff's Reasonable Costs and Expenses ("Kubota Declaration" or "Kubota Decl.") and the exhibits thereto, including the Declaration of Lead Plaintiff Martin Dugan (Kubota Decl., Ex. A), the Declaration of Rochelle J. Teichmiller ("Teichmiller Decl.") (Kubota Decl., Ex. E), and the Declaration of Michelle Yoshida of Phillips ADR (Kubota Decl., Ex. G), all other prior pleadings and papers in this Action, arguments of counsel, and such additional information or argument as may be requested by the Court.

Given the February 21, 2025 deadline for exclusions, Lead Plaintiff will submit the proposed Final Judgment, listing any exclusions from the Settlement Class, with Lead Plaintiff's reply submission.

[1] Unless otherwise noted, all emphasis is added, and all internal citations and quotation marks are omitted.

STATEMENT OF THE ISSUES TO BE DECIDED

The issues to be decided on this Motion are:

1. Whether the Court should grant final approval of the Settlement as fair, reasonable, and adequate under Rule 23(e)(2); and

2. Whether the Court should approve the Plan of Allocation as fair, reasonable, and adequate.

MEMORANDUM OF POINTS AND AUTHORITIES

I. PRELIMINARY STATEMENT

Lead Plaintiff respectfully requests that the Court grant final approval of the $32.5 million Settlement in this Action. In granting preliminary approval, this Court reviewed the Settlement and found that it was "fair, reasonable, and adequate" under Rule 23(e)(2). (ECF No. 186 (the "Preliminary Approval Order").)

The factors that led the Court to grant preliminary approval remain unchanged. The Settlement is an excellent result for the Class, recovering up to 72% of potentially recoverable damages (as calculated by Plaintiff's expert) and multiples of the national median in Securities Act cases. The Settlement exhausts more than half of Talis's remaining cash and all remaining D&O insurance coverage available. And the Settlement is a particularly favorable result in light of the substantial risks of continued litigation, including as to material falsity; Defendants' statutory negative causation defense; and Talis's precarious financial situation, given the Company's rapid cash depletion and real risk of near-term bankruptcy. (*See* ECF No. 167 at 3–4.)

Events since preliminary approval confirm that final approval should be granted and the Settlement Class should be finally certified. The notice program has effectively distributed notice to the Class. The Court-appointed claims administrator, A.B. Data, Ltd. ("A.B. Data"), has disseminated 19,384 Notices as of January 16, 2025. After this broad dissemination of notice, no Settlement Class Members have objected to any aspect of the Settlement or Plan of Allocation (or

the requested fee and expense awards), and no additional Settlement Class Members have sought exclusion.[2]

The Court should also approve the Plan of Allocation, which fairly and equitably distributes the Net Settlement Fund to Settlement Class Members on a *pro rata* basis using their recognized losses in transactions in Talis common stock, calculated consistently with Section 11's statutory formula.

In short, the Settlement and the Plan of Allocation are fair, reasonable, and adequate, and satisfy the standards of Rule 23 of the Federal Rules of Civil Procedure. Accordingly, the Court should grant final approval of the Settlement and approve the Plan of Allocation so Settlement Class Members can promptly receive compensation.

II. SUMMARY OF LITIGATION AND SETTLEMENT

Lead Plaintiff's prosecution and settlement of the Action is detailed in the Kubota Declaration (¶¶ 5–72) and the preliminary approval motion (ECF No. 181 at 8–10 of 22).

In summary, the Settlement is the culmination of hard-fought litigation since early 2022. By the time of the Settlement, Lead Plaintiff and Lead Counsel had, among other things, (i) investigated, drafted, and filed two consolidated class action complaints; (ii) defeated Defendants' second motion to dismiss; (ii) secured and analyzed approximately 865,000 pages of documents; (iii) taken 14 fact depositions; (iv) obtained class certification after three expert depositions and a full-day deposition of Lead Plaintiff; (v) served three opening expert reports, with rebuttal reports in progress; and (vi) engaged in extensive arm's-length mediation, including two full-day sessions and extensive follow-up negotiations, under the supervision of Michelle Yoshida of Phillips ADR.

This effort led to Ms. Yoshida's mediator's proposal to resolve the matter for $32.5 million in cash. The parties accepted the mediator's proposal, then negotiated a term sheet and the Stipulation setting forth the terms of the proposed Settlement.

The Settlement Amount of $32.5 million in cash has been deposited into interest-bearing escrow accounts (*see* Stipulation ¶ 2.1). The Net Settlement Fund (*i.e.*, the Settlement Amount,

[2] A.B. Data previously received two (2) requests for exclusion as part of the class certification notice procedure.

plus accrued interest, minus Notice and Administration Costs, Taxes and Tax Expenses, and any Court-approved attorneys' fees, expenses, awards, or other Court-approved deductions) will then be distributed to Settlement Class Members who submit valid Proof of Claim forms ("Authorized Claimants") in accordance with a plan of allocation to be approved by the Court.[3]

On November 22, 2024, the Court granted preliminary approval of the Settlement. (ECF No. 186.) The Court noted that the Settlement was "the result of informed, extensive arm's-length, and non-collusive negotiations between experienced counsel, including mediation under the direction of an experienced mediator, Michelle Yoshida," "eliminat[ed] risks to the Parties of continued litigation," "fall[s] within a range of reasonableness warranting final approval," and "ha[d] no obvious deficiencies." (*Id.* at 1.)

Since preliminary approval, A.B. Data has implemented the Court-approved notice program, as detailed further below, including mailing 19,384 Notices; establishing the settlement website; and publishing the Summary Notice. (*Infra* Sec. V.)

III. THE PROPOSED SETTLEMENT IS FAIR, REASONABLE, AND ADEQUATE

In the Ninth Circuit, "voluntary conciliation and settlement are the preferred means of dispute resolution." *Officers for Justice v. Civil Serv. Comm'n of City & Cnty. of San Francisco*, 688 F.2d 615, 625 (9th Cir. 1982). There is a "strong judicial policy that favors settlements, particularly where complex class action litigation is concerned." *In re Syncor ERISA Litig.*, 516 F.3d 1095, 1101 (9th Cir. 2008); *see also In re Omnivision Techs., Inc.*, 559 F. Supp. 2d 1036, 1041 (N.D. Cal. 2007) ("[T]he court must also be mindful of the Ninth Circuit's policy favoring settlement, particularly in class action law suits."). "Settlement avoids the complexity, delay, risk and expense of continuing with the litigation and will produce a prompt, certain, and substantial recovery for the Plaintiff class." *Garner v. State Farm Mut. Auto. Ins. Co.*, No. 08-cv-1365, 2010 WL 1687832, at *10 (N.D. Cal. Apr. 22, 2010).

[3] Closely tracking the claims alleged, the claims to be released in the Settlement include the claims asserted in the Amended Complaint and certified for class treatment, and all claims arising out of or relating to Talis's IPO and trading or holding Talis common stock during the Class Period. *See* Stipulation ¶ 1.42.

1 Under Rule 23(e)(2), to approve a class-action settlement, the Court must determine that it
2 is "fair, reasonable, and adequate after considering whether:"

3 (A) the class representatives and class counsel have adequately represented the class;
4 (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)
5 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
6 of attorneys' 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
7 equitably relative to each other.

8 Further, in this Circuit, district courts examining whether a settlement is adequate under Rule
9 23(e)(2) look to the eight so called "*Churchill*" factors. *See, e.g.*, *Hernandez v. Wells Fargo Bank,*
10 *N.A.*, No. C 18-07354 WHA, 2022 WL 93618, at *4 (N.D. Cal. Jan. 9, 2022). Those factors are:

11 (1) the strength of the plaintiffs' case; (2) the risk, expense, complexity, and likely
12 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
13 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
14 members to the proposed settlement.

15 *Churchill Vill., L.L.C. v. Gen. Elec.*, 361 F.3d 566, 575 (9th Cir. 2004). As discussed below, the
16 Proposed Settlement readily meets these standards.

17 **A. <u>Lead Plaintiff and Co-Lead Counsel Have Adequately Represented the Class</u>**

18 In determining whether to approve a class action settlement, the Court must consider
19 whether "the class representatives and class counsel have adequately represented the class." Fed.
20 R. Civ. P. 23(e)(2)(A).

21 Lead Plaintiff and Co-Lead Counsel have adequately represented the Class in this Action.
22 As noted, they have vigorously prosecuted this Action, including investigating, drafting, and filing
23 a Consolidated Complaint and an Amended Complaint. Lead Plaintiff and Co-Lead Counsel also
24 defeated Defendants' second motion to dismiss; obtained class certification; engaged in extensive
25 discovery efforts (as detailed above); worked with experts to assist in the prosecution of the case;
26 engaged in a lengthy mediation process; prepared the Settlement documents and obtained
27 preliminary approval; and worked closely with A.B. Data to ensure an efficient and effective claims
28 administration process. (*See* Kubota Decl. ¶¶ 5–72 & 86–88.)

Moreover, the Court previously found Lead Plaintiff adequate in certifying the Class (*see* ECF No. 153 at 6–13), and Lead Plaintiff's interest in obtaining the largest possible recovery is fully aligned with the Class. Lead Plaintiff has also protected the Class's interests by retaining and overseeing qualified and experienced counsel, including Lead Counsel BFA.

B. <u>The Settlement Is Presumptively Fair, Reasonable, and Adequate Because It Is the Product of Arm's Length Negotiations</u>

A settlement is presumed to be fair and reasonable when it is the "product of arms-length negotiations." *In re Portal Software, Inc. Sec. Litig.*, No. C-03-5138 VRW, 2007 WL 1991529, at *6 (N.D. Cal. June 30, 2007). Courts have recognized that "[t]he assistance of an experienced mediator in the settlement process confirms that the settlement is non-collusive." *Satchell v. Fed. Express Corp.*, No. 03-cv-2659, 2007 WL 1114010, at *4 (N.D. Cal. Apr. 13, 2007).

The Preliminary Approval Order recognized that the settlement was "the result of informed, extensive arm's-length, and non-collusive negotiations between experienced counsel, including mediation under the direction of an experienced mediator, Michelle Yoshida." (ECF No. 186 at 1.)

In addition, settlements are presumptively fair if reached after relevant discovery has taken place. *See Linney v. Cellular Alaska P'ship*, No. C-96-3008 DLJ, 1997 WL 450064, at *5 (N.D. Cal. July 18, 1997), *aff'd*, 151 F.3d 1234 (9th Cir. 1998) ("The involvement of experienced class action counsel and the fact that the settlement agreement was reached in arm's-length negotiations, after relevant discovery had taken place create a presumption that the agreement is fair."). The extensive discovery in this action, which included over 865,000 pages of documents, 14 fact depositions, and substantial expert discovery, is detailed in the Kubota Declaration (¶¶ 31–41). This discovery enabled a fully informed assessment of the merits.

C. <u>The Relief Provided for the Class Is Adequate</u>

Rule 23(e)(2)(C) provides that the adequacy of relief should be assessed "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 attorneys' fees, including timing of payment; and (iv) any agreement required to be identified under Rule 23(e)(3)."

These factors are satisfied here. The non-reversionary, all-cash $32.5 million Settlement Amount represents between 20% and 72% of Plaintiff's estimated range of recoverable damages of $44.6 million to $162 million. The low end of this range, at 20% of maximum statutory damages, is nearly three times the median 7.5% recovery in Securities Act cases between 2014 and 2023, and 4.4 times higher than the 4.5% median in Securities Act cases of comparable size.[4] (Kubota Decl. ¶ 93.) And if Defendants' negative causation defense had prevailed, constraining recoverable damages to at most $44.6 million under Plaintiff's estimate, the Settlement Amount would constitute a 72% recovery—nearly three-quarters of recoverable damages.[5]

This is an exceptional result, even before considering Talis's precarious financial condition. The range of recovery here also compares favorably to securities class action settlements in this District. *See, e.g.*, *In re FibroGen Sec. Litig.*, No. 3:21-cv-02623-EMC, ECF No. 244 ¶ 5(b) (N.D. Cal. Feb. 13, 2024) (settlement recovered "approximately 3.4% to 6.4% of the maximum damages"); *In re Lyft, Inc. Sec. Litig.*, No. 4:19-cv-02690-HSG, 2023 WL 5068504, at *6 (N.D. Cal. Aug. 7, 2023) (3.2 to 4.7% of maximum damages in Section 11 settlement).

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

Talis's financial condition and the risks of further litigation confirm that the Settlement is fair, reasonable, and adequate.

As to Talis's financial condition, with no commercial product and no meaningful revenue source, Talis's cash position rapidly diminished during this action. By June 30, 2024, Talis's cash and cash equivalents had diminished to $59.9 million,[6] a figure that was significantly lower by the time of the Settlement in August 2024. Talis warned in its most recent Form 10-Q that "the Company anticipates commencing a voluntary petition under Chapter 11 (the "Chapter 11 Case")

[4] *See Cornerstone Research, Securities Class Action Settlements – 2023 Review and Analysis*, at 8, *available at* https://www.cornerstone.com/wp-content/uploads/2024/03/Securities-Class-Action-Settlements-2023-Review-and-Analysis.pdf.

[5] $44.6 million is Plaintiff's estimate of damages after negative causation. Defendants' position is that their negative causation defense would have foreclosed any recoverable damages if litigation had continued.

[6] Talis Form 10-Q for the quarterly period ended June 30, 2024, at 2, *available at* https://investors.talisbio.com/static-files/0d97e096-a3c1-4d78-9654-074ef05fef4c.

of the United States Code (the "Bankruptcy Code") in the near future to seek resolution of all claims against the Company and an orderly liquidation of its assets and dissolution of the Company."[7]

Further litigation posed significant risks. On the merits, Defendants vigorously denied any material misstatement or omission, and their negative causation defense threatened to foreclose the majority (or all) of statutory damages. (Kubota Decl. ¶¶ 75–79.)

Meanwhile, Talis's cash position continued to decrease during litigation, and defense costs had already significantly reduced the insurance available to Talis and the Individual Defendants. In addition, a Talis Chapter 11 filing would, at minimum, trigger an automatic stay of the Class's strict liability claims against Talis, likely preventing those claims from reaching trial. At the same time, additional expenses during a Chapter 11 proceeding would accelerate the depletion of Talis's cash and further constrain any possible recovery.

In short, Talis's financial condition and the real prospect of a near-term bankruptcy materially heightened the complexity and risk of further litigation. Given these risks, the Settlement—which provides for Talis's payment of more than half of its remaining cash, and all of the remaining insurance available—is an exceptional result for the Class.

2. The Proposed Method for Distributing Relief Is Effective

The relief is also adequate in light of the effectiveness of the proposed method of distributing relief to the Settlement Class. *See* Fed. R. Civ. P. 23(e)(2)(C)(ii). As discussed more fully below, A.B. Data has effectively and efficiently distributed the Notice to Class Members as required by Rule 23 and due process. (*See infra*, Sec. V.) And the Plan of Allocation fairly distributes the Net Settlement Fund to Settlement Class Members on an equitable, *pro rata* basis determined by share prices at the time of purchase and sale, consistent with Section 11's statutory formula. (*See infra*, Sec. IV.)

[7] *Id.* at 14.

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3. The Terms and Timing of Payment of Attorneys' Fees and Expenses Are Reasonable

The relief is also adequate given the reasonable request for attorneys' fees and litigation expenses, *see* Fed. R. Civ. P. 23(e)(2)(C)(iii), as discussed in detail in Lead Counsel's separate Motion for Attorneys' Fees and Litigation Expenses.

4. Lead Plaintiff Has Identified All Agreements Made in Connection with the Proposed Settlement

In addition to the Stipulation, the parties have entered into a confidential Supplemental Agreement providing specified options to terminate the settlement if Persons who otherwise would be Members of the Settlement Class, and timely choose to exclude themselves, purchased more than a certain number of shares of Talis common stock during the Class Period. (Stipulation ¶ 9.2.) As is standard in securities class action settlements, such agreements are not made public to avoid incentivizing individual class members to leverage the opt-out threshold to seek disproportionate individual settlements at the expense of the broader class.[8] Pursuant to its terms, the Supplemental Agreement may be submitted to the Court for *in camera* review.

D. The Proposal Treats Class Members Equitably Relative to Each Other

The Settlement "treats class members equitably relative to each other," as required by Rule 23(e)(2)(D). Specifically, the Plan of Allocation, which was prepared with expert assistance, satisfies this requirement by allocating each Authorized Claimant their *pro rata* share of the Net Settlement Fund based on their recognized losses in transactions in Talis common stock. (*See infra*, Sec. IV.)

E. The Remaining *Churchill* Factors Also Favor Final Approval

The remaining *Churchill* factors—the experience and views of counsel, the reaction of the class to the proposed settlement, and the presence of a governmental participant—either favor final approval or are neutral.

[8] *See, e.g.*, *In re HealthSouth Corp. Sec. Litig.*, 334 F. App'x 248, 250 n.4 (11th Cir. 2009) ("The threshold number of opt outs required to trigger the blow provision is typically not disclosed and is kept confidential to encourage settlement and discourage third parties from soliciting class members to opt out.").

Here, Co-Lead Counsel are two highly qualified law firms experienced in prosecuting securities class actions. (Kubota Decl. ¶ 4, Ex. D (BFA firm resume); Ex. H-1 (Pomerantz firm resume); Ex. I-1 (Schall firm resume).) After extensively litigating this action for over two years, including extensive discovery, Co-Lead Counsel support the settlement.

Further, the reaction of the Class is universally positive.

To start, Lead Plaintiff Dugan—who has been involved in the Action for nearly three years and directly supervised Plaintiff's Counsel—authorized the Settlement and fully supports final approval. (Kubota Decl., Ex. A ¶¶ 5–7.)

In addition, A.B. Data has disseminated a total of 19,384 Notices to Class Members. (Teichmiller Decl. ¶ 13.) Notably, to date, not a single Settlement Class Member has objected to the Settlement or opted out. (*Id.* ¶¶ 19-20.)[9] This speaks volumes about the fairness and reasonableness of the Settlement. *See Churchill*, 361 F.3d at 577 (noting that "only 45 of the approximately 90,000 notified class members objected to the settlement"); *Cruz v. Sky Chefs, Inc.*, No. 12-cv-02705, 2014 WL 7247065, at *5 (N.D. Cal. Dec. 19, 2014) ("A court may appropriately infer that a class action settlement is fair, adequate, and reasonable when few class members object to it.").

Finally, there was no government participant here, so that *Churchill* factor is either "neutral," *Karl v. Zimmer Biomet Holdings, Inc.*, No. C 18-04176 WHA, 2022 WL 658970, at *3 (N.D. Cal. Mar. 4, 2022), or favors settlement because the "class in this case does not have the benefit . . . of previous litigation between the defendants and the government" to draw from. *Rodriguez v. W. Publ'g Corp.*, 563 F.3d 948, 966 (9th Cir. 2009).

In sum, all the Rule 23(e)(2) factors support a finding that the Settlement is fair, reasonable, and adequate, and the Settlement should therefore be finally approved.

IV. THE PLAN OF ALLOCATION IS FAIR, REASONABLE, AND ADEQUATE

In addition to seeking final approval of the Settlement, Lead Plaintiff seeks final approval of the Plan of Allocation set forth in the Long-Form Notice. (Teichmiller Decl., Ex. B.)

[9] A.B. Data received two requests for exclusion as part of the class certification notice procedure. (*Id.* ¶19.) Given the Feb. 21, 2025 deadline for requests for exclusion, Lead Plaintiff will submit the proposed Final Judgment listing all exclusions on reply.

Approval of the Plan of Allocation is considered separately from the fairness of the Settlement, but it is governed by the same legal standards: the plan must be fair, reasonable, and adequate. *Class Plaintiffs v. City of Seattle*, 955 F.2d 1268, 1284–85 (9th Cir. 1992); *Vataj v. Johnson*, No. 19-cv-06996-HSG, 2021 WL 1550478, at *10 (N.D. Cal. Apr. 20, 2021).

The Plan of Allocation here easily meets that standard. As noted above, the Plan of Allocation, which was prepared with expert assistance, allocates each Authorized Claimant their *pro rata* share of the Net Settlement Fund based on their recognized losses in transactions in Talis common stock. Those recognized losses are calculated under the Plan of Allocation using share prices at the time of purchase and sale, consistent with Section 11's statutory formula.

In addition, while the objection deadline is February 21, 2025, to date, not one Class Member has objected to the Plan of Allocation (or any other aspect of the Settlement).

As such, the Plan of Allocation is fair, reasonable, and adequate, and comparable to plans approved in other securities class actions in this District. *See, e.g.*, *Moradpour v. Velodyne Lidar, Inc.*, No. 3:21-cv-01486-SI, ECF No. 237 (N.D. Cal. Aug. 19, 2024) (approving plan of allocation); *FibroGen*, No. 3:21-cv-02623-EMC, ECF No. 256 (N.D. Cal. May 28, 2024) (same).

V. NOTICE TO THE SETTLEMENT CLASS SATISFIED RULE 23 AND DUE PROCESS REQUIREMENTS

Rule 23 states that a district court "must direct notice in a reasonable manner to all class members who would be bound by the proposal." Fed. R. Civ. P. 23(e)(1). Specifically, "[f]or any class certified under Rule 23(b)(3), the court must direct to class members the best notice that is practicable under the circumstances, including individual notice to all members who can be identified through reasonable effort." Fed. R. Civ. P. 23(c)(2)(B); *see also Low v. Trump University, LLC*, 881 F.3d 1111, 1117 (9th Cir. 2018) ("The yardstick against which we measure the sufficiency of notices in class action proceedings is one of reasonableness.").

The contents of the notice to the Settlement Class satisfy Rule 23, due process, and the PSLRA. The Notice and Long-Form Notice are written in plain language and apprise Settlement Class Members of the nature of the litigation, including the claims and issues involved; the definition of the Settlement Class; the terms of the proposed Settlement; that the Court will exclude

any Settlement Class member who requests exclusion; the procedures and deadlines for exclusion requests and objections; and the binding effect of a class judgment on Settlement Class Members under Rule 23(c)(3)(B), among other disclosures. *See Ching v. Siemens Indus., Inc.*, No. 11-cv-4838, 2013 WL 6200190, at *6 (N.D. Cal. Nov. 27, 2013). The Notice and Long-Form Notice also provide all of the information required under the PSLRA. (*See* ECF No. 181 at 19 of 22.)

The method of distributing notice also satisfies Rule 23 and due process. At Lead Counsel's direction, immediately after the Court granted preliminary approval of the Settlement on November 22, 2024, A.B. Data began implementing the Court-approved notice program. Specifically, on December 13, 2024, A.B. Data began delivering Notices directly to potential Settlement Class Members in accordance with instructions in the Court's Preliminary Approval Order. (*See* Teichmiller Decl. ¶ 6.) To disseminate notice efficiently, A.B. Data utilized names and contact information obtained in connection with the class certification notice procedure to contact brokers and other nominees directly to distribute 19,290 Notices. (*Id.* ¶¶ 6–7.) A.B. Data also received additional names and addresses of potential Settlement Class Members from individuals or brokerage firms, banks, institutions, and other nominees, and distributed Notices to those persons and entities. (*Id.* ¶ 12.)

In addition, A.B. Data activated the website for this Action (www.TalisSecuritiesLitigation.com) on June 7, 2024, as part of the class certification notice procedure. Pursuant to the Preliminary Approval Order, A.B. Data updated the website on December 13, 2024 to provide investors with complete access to the Notice, Long-Form Notice, Summary Notice, claim forms, and other documents, as well as information on the exclusion, objection, and claim filing deadlines, and instructions on how to submit claims. (*Id.* ¶ 15.)

On December 23, 2024, the Court-approved Summary Notice was published in *The Wall Street Journal* and *Investor's Business Daily* and released via *PR Newswire*. (*Id.* ¶ 14.)

The notice program has proven to be effective and efficient. Through January 16, 2025, A.B. Data has sent a total of 19,384 Notices to investors. (*Id.* ¶ 13.) And while the vast majority of claims are expected to be submitted on or around the March 13, 2025 claim filing deadline, A.B. Data has already received 87 claim submissions. (*Id.*)

VI. CONCLUSION

For the foregoing reasons, Lead Plaintiff respectfully requests that the Court (1) enter a Final Judgment finally approving the Settlement as fair, reasonable, and adequate under Rule 23(e)(2), and (2) enter an Order approving the Plan of Allocation as fair, reasonable, and adequate.

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Respectfully submitted,

By: */s/ Joseph A. Fonti*

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