UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

SJUNDE AP-FONDEN and THE CLEVELAND BAKERS AND TEAMSTERS PENSION FUND, individually and on behalf of all others similarly situated, Plaintiffs, v. GENERAL ELECTRIC COMPANY, et al., Defendants.	Case No. 1:17-cv-8457-JMF Hon. Jesse M. Furman

NOTICE OF CLASS REPRESENTATIVES' MOTION FOR FINAL APPROVAL OF SETTLEMENT AND PLAN OF ALLOCATION

TO: ALL PARTIES AND THEIR COUNSEL OF RECORD

PLEASE TAKE NOTICE that in accordance with Federal Rule of Civil Procedure 23(e) and this Court's Order Preliminarily Approving Settlement and Providing for Notice of the Settlement dated January 14, 2025 (ECF No. 486), Class Representatives Sjunde AP-Fonden and The Cleveland Bakers and Teamsters Pension Fund, on behalf of themselves and the Class, will and do hereby move this Court, before the Honorable Jesse M. Furman, on April 24, 2025 at 11:00 a.m., for entry of a Judgment approving the Settlement as fair, reasonable and adequate and for entry of an Order approving the proposed Plan of Allocation as fair, reasonable and adequate. This motion is based on: (i) the Declaration of Sharan Nirmul in Support of (I) Class Representatives' Motion for Final Approval of Settlement and Plan of Allocation; and (II) Class Counsel's Motion for Attorneys' Fees and Litigation Expenses (with exhibits); (ii) the Memorandum of Law in Support of Class Representatives' Motion for Final Approval of Settlement and Plan of Allocation; and (iii) all other papers and proceedings herein. A proposed Judgment and Order granting the

requested relief will be submitted with Class Representatives' reply papers after the deadline for objecting to the Settlement and Plan of Allocation has passed.

Dated: March 20, 2025

Respectfully submitted,

KESSLER TOPAZ MELTZER & CHECK, LLP

S/ Sharan Nirmul
Sharan Nirmul
Gregory M. Castaldo
Richard A. Russo, Jr.
Jamie M. McCall
Joshua A. Materese
Austin W. Manning
280 King of Prussia Road
Radnor, PA 19087
Tel: (610) 667-7706
Fax: (610) 667-7056
snirmul@ktmc.com
gcastaldo@ktmc.com
rrusso@ktmc.com
jmccall@ktmc.com
jmaterese@ktmc.com
amanning@ktmc.com

Counsel for Class Representative Sjunde AP-Fonden and Class Counsel for the Class

GRANT & EISENHOFER P.A.
Daniel L. Berger
Karin E. Fisch
Vincent J. Pontrello
Cecilia E. Stein
485 Lexington Avenue
New York, NY 10017
Tel: (646) 722-8500
Fax: (646) 722-8501
dberger@gelaw.com
kfisch@gelaw.com
vpontrello@gelaw.com
cstein@gelaw.com

Counsel for Class Representative The Cleveland Bakers and Teamsters Pension Fund and Liaison Counsel for the Class

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MEMORANDUM OF LAW IN SUPPORT OF CLASS REPRESENTATIVES' MOTION FOR FINAL APPROVAL OF SETTLEMENT AND PLAN OF ALLOCATION

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Court-appointed Class Representatives Sjunde AP-Fonden ("AP7") and The Cleveland Bakers and Teamsters Pension Fund ("Cleveland Bakers" and together with AP7, "Class Representatives" or "Plaintiffs"), on behalf of themselves and the Court-certified Class, respectfully submit this memorandum of law in support of their motion, pursuant to Rule 23 of the Federal Rules of Civil Procedure ("Rules"), for: (i) final approval of the proposed settlement of the above-captioned action ("Action") on the terms set forth in the Stipulation and Agreement of Settlement dated November 22, 2024 (ECF No. 476) ("Stipulation"); and (ii) approval of the proposed plan for allocating the net proceeds of the Settlement to the Class ("Plan of Allocation" or "Plan").[1]

I. PRELIMINARY STATEMENT

After seven years of hard-fought litigation, including expansive fact and expert discovery, a contested motion for class certification, vigorously disputed summary judgment and *Daubert* motions, extensive pre-trial briefing and trial preparation, as well as protracted, arm's-length negotiations facilitated by an experienced class action mediator, Plaintiffs have succeeded in securing a significant common-fund recovery of $362,500,000 in cash for the Class. Subject to Court approval, this Settlement will resolve all claims asserted in the Action and related claims against Defendants and Defendants' Releasees. The Settlement delivers a clear benefit and excellent result for the Class and warrants final approval under Rule 23(e)(2).

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[1] All capitalized terms not defined herein have the meanings ascribed to them in the Stipulation and in the Declaration of Sharan Nirmul in Support of (I) Class Representatives' Motion for Final Approval of Settlement and Plan of Allocation; and (II) Class Counsel's Motion for Attorneys' Fees and Litigation Expenses ("Nirmul Declaration" or "Nirmul Decl.") filed herewith. Citations to "¶ _" herein refer to paragraphs in the Nirmul Declaration and citations to "Ex. _" herein refer to exhibits attached to the Nirmul Declaration. Internal citations, quotation marks, and footnotes have been omitted and emphasis has been added unless otherwise indicated.

As set forth herein, the Settlement provides a certain recovery for the Class in a case that presented serious risks of no recovery at all, and represents a significant percentage—between approximately 8% to 36%, of the Class's potentially recoverable damages as estimated by Plaintiffs' damages expert.[2] This Settlement is further distinguished from typical securities class action settlements by how far the Action had advanced towards trial at the time of resolution. Indeed, when the Settlement was reached, Plaintiffs' Counsel were preparing the Class's claims for a jury trial scheduled to begin in *less than one month*.

Over the course of this Action, Plaintiffs vigorously pursued the Class's claims. These efforts included: (i) conducting a months-long pre-complaint investigation, which included interviewing over 100 potential witnesses, reviewing tens of thousands of pages of research materials, and working with multiple experts; (ii) drafting three substantive amended complaints, including the Sixth Amended Complaint; (iii) opposing two motions to dismiss; (iv) reviewing over 1.1 million pages of documents produced by Defendants and third parties; (v) taking or defending 24 depositions; (vi) consulting with and retaining numerous expert witnesses and consultants; (vii) obtaining class certification and overseeing an extensive notice of pendency campaign; (viii) successfully seeking leave to amend; (ix) exchanging class certification and merits expert reports, the sum total of which exceeded 20 opening and rebuttal reports for both sides, and taking or defending seven depositions of the Parties' experts; (x) defeating (in large part) Defendants' motion for summary judgment and their motion for reconsideration of the Court's

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[2] *See, e.g.*, *Pearlstein v. BlackBerry Ltd.*, 2022 WL 4554858, at *6 (S.D.N.Y. Sept. 29, 2022) (approving recovery of 13.75% of estimated maximum damages of $1.2 billion which was "well within the range of reasonableness and, in fact, considerably above the high end of historical averages" and "substantially exceed[ed] the median recovery of 2.3% of . . . damages for securities class actions with damages over $1 billion between 2012-2020" and the "median recovery of 4.2% of damages in 2021"); *see also* Section III.C.6 below.

ruling on that motion; (xi) briefing motions in *limine* and motions to exclude expert testimony; (xii) preparing two final pre-trial orders and exhibits, which included witness lists, exhibit lists, deposition designations, jury instructions, and draft verdict forms; (xiii) negotiating with Defendants to narrow disputed issues in the pre-trial orders; (xiv) conducting a mock jury trial and focus group exercise in preparation for trial; (xv) carrying out extensive trial preparations; and (xvi) engaging in settlement discussions (spanning more than two years) under the guidance of former United States District Court Judge Layn R. Phillips ("Judge Phillips"). From these efforts and others discussed herein and in the Nirmul Declaration, at the time of settlement, Plaintiffs were steeped in the facts and law, had a thorough understanding of the strengths and weaknesses of the Class's claims, and were amply prepared to evaluate the risks of continued litigation (trial and appeals) against the recovery obtained for the Class through the Settlement.

While Plaintiffs believed in the strength of their claims, a settlement of the Action was in the best interests of the Class when weighed against the significant risk that a trial and certain appeals could have resulted in a much smaller recovery, or no recovery at all. In weighing the risks of trial, Plaintiffs considered the complexity of the documentary evidence that would be used to prove the elements of their claims, including that much of the evidence was in the form of charts and presentations, or snippets of emails, and that a jury could have struggled to understand the evidence and concepts at issue. Plaintiffs' case was also entirely dependent on the testimony of current and former employees of Defendant GE, and trial would have depended on the cross examination of these witnesses and the jury's assessment of their credibility.

Complex legal issues abounded in this Action. In particular, the case was largely premised on disclosure obligations arising under Item 303 of Regulation S-K, promulgated by the U.S. Securities and Exchange Commission, which presented novel legal issues—to wit, no other case

had presented an Item 303 claim to a jury, let alone crafted jury instructions specific to that claim. Damages and loss causation were also grounded in complex expert testimony and scientific analysis, and the jury would have been required to parse competing expert views on multiple corrective disclosure dates to arrive at a loss causation and damages verdict. Six different experts were poised to offer competing views of the evidence in this Action. This "battle of the experts" added even more layers of complexity to trial. In considering whether settlement at this juncture was in the best interests of the Class, Plaintiffs also weighed the likelihood of protracted appeals and a second individualized reliance phase of trial. In the face of these and other risks, Plaintiffs determined that a certain, near-term benefit for the Class in the amount of $362.5 million, created through the Settlement, is in the best interests of the Class.

In its January 14, 2025 Preliminary Approval Order, this Court preliminarily approved the Settlement, finding it likely to be finally approved as being fair, reasonable, and adequate to the Class. The Settlement has the full support of Plaintiffs—sophisticated institutional investors with experience acting as fiduciaries on behalf of investors in securities actions—and the reaction of the Class to date has been positive. While the deadline to submit objections to the Settlement has not yet passed, following the dissemination of over 3.8 million notices to potential Class Members and nominees, publication of a summary notice online and in high-circulation media, and the availability of a dedicated case website, only one objection has been received. ¶¶ 11, 160.[3]

[3] This objection (ECF No. 488), as well as any objections received after this submission, will be fully addressed in Plaintiffs' reply due on April 10, 2025. It is worth noting that the one objection received to date is from an individual who provided no information regarding his transactions in GE common stock and therefore has not established his membership in the Class or standing to object. Further, the objection addresses class action settlements generally and provides no analysis of this Settlement.

As set forth herein: (i) the Settlement readily meets the standards for final approval under Rule 23 and is a fair, reasonable, and adequate result for the Class; and (ii) the Plan of Allocation, which was prepared in consultation with Plaintiffs' damages expert, is a fair and reasonable method for equitably distributing the Net Settlement Fund among eligible Class Members who submit valid claims based on damages they suffered on purchases of GE common stock that were attributable to the alleged fraud.

II. PROCEDURAL AND FACTUAL BACKGROUND

The accompanying Nirmul Declaration is an integral part of this submission and, to avoid repetition, Plaintiffs respectfully refer the Court to the Nirmul Declaration for a full discussion of: (i) the claims asserted (¶¶ 12-19); (ii) the history of the Action and Plaintiffs' Counsel's litigation efforts over the past seven years (¶¶ 20-129); (iii) the negotiations resulting in the Settlement (¶¶ 130-37); and (iv) the risks of continued litigation (¶¶ 138-55).

III. THE PROPOSED SETTLEMENT WARRANTS FINAL APPROVAL

Rule 23(e)(2) requires judicial approval for any compromise or settlement of class action claims. *See* Fed. R. Civ. P. 23(e). While the decision to grant such approval lies within a court's discretion, this discretion should be guided by this Circuit's "general policy favoring settlement, especially with respect to class actions." *Shapiro v. JPMorgan Chase & Co.*, 2014 WL 1224666, at *6 (S.D.N.Y. Mar. 24, 2014); *see also Wal-Mart Stores, Inc. v. Visa U.S.A., Inc.*, 396 F.3d 96, 116 (2d Cir. 2005) ("We are mindful of the strong judicial policy in favor of settlements, particularly in the class action context."). Moreover, "absent fraud or collusion, [courts] should be hesitant to substitute [their] judgment for that of the parties who negotiated the settlement." *Kohari v. MetLife Grp., Inc.*, 2025 WL 100898, at *8 (S.D.N.Y. Jan. 15, 2025); *see also In re EVCI Career Colleges Hldg. Corp. Sec. Litig.*, 2007 WL 2230177, at *4 (S.D.N.Y. July 27, 2007) ("A proposed class action settlement enjoys a strong presumption that it is fair, reasonable and adequate if, as is

the case here, it was the product of arm's-length negotiations conducted by capable counsel, well-experienced in class action litigation arising under the federal securities laws.").

Under Rule 23(e)(2), a court should approve a class action settlement if it finds it to be "fair, reasonable, and adequate." *Emeterio v. A&P Rest. Corp*., 2022 WL 274007, at *5 (S.D.N.Y. Jan. 26, 2022). In making this determination, a court should examine both the negotiation process leading to the settlement, and the settlement's substantive terms. *See Wal-Mart*, 396 F.3d at 116; *In re Citigroup Inc. Sec. Litig*., 2014 WL 2112136, at *2-3 (S.D.N.Y. May 20, 2014). To this end, Rule 23(e)(2) provides that a court should consider whether:

> (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.

Fed. R. Civ. P. 23(e)(2). Consistent with this guidance, courts in this Circuit have long considered the factors enumerated in *City of Detroit v. Grinnell Corp.*, 495 F.2d 448 (2d Cir. 1974) ("*Grinnell*"), in deciding whether to approve a class action settlement:

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

Grinnell, 495 F.2d at 463, *abrogated on other grounds by Goldberger v. Integrated Res., Inc.*, 209 F.3d 43 (2d Cir. 2000);[4] *see also In re Facebook, Inc., IPO Sec. & Deriv. Litig.*, 343 F. Supp. 3d 394, 409 (S.D.N.Y. 2018), *aff'd, In re Facebook, Inc., IPO Class Action Settlement*, 822 F. App'x 40 (2d Cir. 2020).

At the preliminary approval stage, this Court considered the Rule 23(e)(2) factors in assessing the Settlement, and found it to be fair, reasonable, and adequate, subject to further consideration at the Settlement Hearing. ECF No. 486, ¶ 1. Nothing has changed to alter these findings, and the factors supporting the Court's determination to preliminarily approve the Settlement apply equally now. Accordingly, Plaintiffs respectfully submit that the Settlement is fair, reasonable, and adequate and warrants final approval under the Rule 23(e)(2) factors and Second Circuit law.

A. Plaintiffs and Their Counsel Have Zealously and Adequately Represented the Class

The first Rule 23(e)(2) factor—whether class representatives and class counsel "have adequately represented the class"—favors approval of the Settlement. Fed. R. Civ. P. 23(e)(2)(A); *see also In re GSE Bonds Antitrust Litig.*, 414 F. Supp. 3d 686, 692 (S.D.N.Y. 2019) ("Determination of adequacy typically entails inquiry as to whether: (1) plaintiff's interests are antagonistic to the interest of other members of the class and (2) plaintiff's attorneys are qualified, experienced and able to conduct the litigation."). In certifying the Class in April 2022, the Court appointed AP7 and Cleveland Bakers as Class Representatives, and KTMC and G&E as Class Counsel and Liaison Counsel, respectively. ¶ 89. In the following two-plus years, Plaintiffs and

[4] Per the advisory committee notes, the Rule 23(e) factors were intended to supplement, rather than displace, the *Grinnell* factors. *See* Fed. R. Civ. P. 23 Advisory Committee's Notes to the 2018 Amendment. *See, e.g.*, *Christine Asia Co., Ltd. v. Yun Ma*, 2019 WL 5257534, at *8 (S.D.N.Y. Oct. 16, 2019) ("The factors set forth in Rule 23(e)(2) have been applied in tandem with the Second Circuit's Grinne[ll] factors[.]").

their counsel have clearly demonstrated their adequacy as representatives of the Class by prosecuting this Action to the brink of trial.

First, AP7 and Cleveland Bakers are sophisticated institutional investors of the type that Congress, in the PSLRA, deemed appropriate to lead securities class actions. Over the course of the seven years that this Action was litigated, Plaintiffs aggressively pursued the Class's claims and provided valuable and meaningful assistance to Plaintiffs' Counsel necessary to reaching the Settlement. ¶ 198; *see also* Declaration of Hans Bergström on behalf of AP7 (Ex. 1), ¶ 7; Declaration of Carl Pecoraro on behalf of Cleveland Bakers (Ex. 2), ¶ 12. Each Plaintiff devoted considerable time and effort over the course of the litigation, including by, *inter alia*, regularly communicating with Plaintiffs' Counsel, reviewing, and when needed, commenting on pleadings and briefs as well as pre-trial submissions, gathering and reviewing documents and information in response to Defendants' discovery requests, preparing and sitting for a deposition, participating in settlement negotiations, and evaluating the mediator's recommendation to settle the Action. *Id.* Further, Plaintiffs' interests were completely aligned with, and not antagonistic to, the interests of the Class because each suffered a monetary injury due to Defendants' alleged conduct. Plaintiffs, therefore, had an interest in "vigorously pursuing the claims of the class." *GSE Bonds*, 414 F. Supp. at 692; *see also Denney v. Deutsche Bank AG*, 443 F.3d 253, 268 (2d Cir. 2006).

Second, Class Counsel and Liaison Counsel have adequately represented the Class in the years before and since their appointment. Both KTMC and G&E are highly experienced in the field of securities litigation, each with a long and successful track record in representing investors in cases across the country. *See* Exs. 4-D, 5-C. As further set forth herein and in the Nirmul Declaration, Plaintiffs' Counsel litigated this Action for seven years, undertaking a comprehensive investigation, significant evidence gathering through fact and expert discovery, hard-fought

motion practice, intense trial preparations, extensive mediation efforts, and the expenditure of resources necessary to finance every aspect of this Action's prosecution. ¶¶ 6, 174-78. And, perhaps most importantly, as the history of the Action makes clear, the services provided by Plaintiffs' Counsel resulted in an exceptional $362.5 million recovery for the Class.

B. The Settlement Was Negotiated at Arm's Length with the Assistance of an Experienced Mediator and Following Substantial Discovery

In weighing approval of a class action settlement, courts consider whether the settlement "was negotiated at arm's length." Fed. R. Civ. P. 23(e)(2)(B). Courts have also considered other related circumstances in determining a settlement's "procedural" fairness, including: (i) counsel's understanding of the strengths and weaknesses of the case based on factors such as "the stage of the proceedings and the amount of discovery completed;"[5] (ii) the absence of any indicia of collusion;[6] and (iii) the involvement of a mediator.[7] All of these considerations strongly support approval of the Settlement here.

Prior to reaching the Settlement, the Parties engaged in extensive arm's-length negotiations, which spanned the course of two years—including three formal mediation sessions, the exchange of detailed mediation briefing, and presentations addressing the Parties' respective views on liability and damages—under the guidance of former federal judge and experienced class action mediator, the Honorable Layn R. Phillips (Ret.). ¶¶ 130-33. The Parties' negotiations culminated in Judge Phillips's recommendation to settle the Action for $362.5 million. ¶ 133; *see*

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[5] *Grinnell*, 495 F.2d at 463 (third factor).

[6] *Weinberger v. Kendrick*, 698 F.2d 61, 74 (2d Cir. 1982) ("[T]he absence of any indication of collusion, the protracted settlement negotiations, the ability and experience of plaintiffs' counsel, [and] the extensive discovery preceding settlement . . . are important indicia of the propriety of settlement negotiations[.]").

[7] *D'Amato v. Deutsche Bank*, 236 F.3d 78, 85 (2d Cir. 2001) (a mediator's involvement "helps to ensure that the proceedings were free of collusion and undue pressure").

generally Torretto v. Donnelley Fin. Sols., Inc., 2023 WL 123201, at *2 (S.D.N.Y. Jan. 5, 2023) (noting that "the involvement of a mediator in the Parties' negotiations . . . further supports the finding that the Settlement was negotiated at arm's-length"); *see also Pearlstein*, 2022 WL 4554858, at *7 (approving settlement, in part, because it was facilitated by the "extensive mediation efforts" of a "highly regarded mediator, [Judge Phillips]"); *In re Signet Jewelers Ltd. Sec. Litig.*, 2020 WL 4196468, at *3 (S.D.N.Y. July 21, 2020) (approving settlement following mediation before, and a mediator's proposal by, Judge Phillips).

Given that the Parties were on the cusp of trial and nearly all pre-trial proceedings were complete, there is no question that Plaintiffs were fully and comprehensively informed about the value of the claims and propriety of settlement. During the Parties' lengthy efforts to settle this case, each side had carefully vetted the opposing side's best facts and legal arguments as well as their own, and as the litigation proceeded, those facts and legal arguments were revisited numerous times, through the negotiations and efforts by Judge Phillips. ¶¶ 130-33. As a result, Plaintiffs were well-informed of the strengths and risks of the case when they agreed to settle. *See Facebook*, 343 F. Supp. 3d at 408 ("When a settlement is the product of arms-length negotiations between experienced, capable counsel after meaningful discovery, it is afforded a presumption of fairness, adequacy, and reasonableness."); 4 WILLIAM B. RUBENSTEIN, NEWBERG AND RUBENSTEIN ON CLASS ACTIONS § 13:49 (6th ed. 2024) (approval warranted "[w]here a court can conclude that the parties had sufficient information to make an informed decision about settlement").

Given the stage of the case, the Parties' protracted negotiations, which continued as trial was fast-approaching, and the involvement of Judge Phillips in the settlement process, the Court can take comfort that the Class's interests were protected and the Settlement is free of collusion.

C. The Settlement Provides the Class Adequate Relief, Considering the Costs, Risks, and Delay of Litigation and Other Relevant Factors

Rule 23(e)(2)(C) overlaps considerably with many of the factors articulated in *Grinnell*. All of these factors, which entail "a substantive review of the terms of the proposed settlement" and the "relief that the settlement is expected to provide to" the Class, weigh in favor of the Settlement. Fed. R. Civ. P. 23(e)(2)(A), (B) advisory committee's note to 2018 amendment.

1. The Complexity, Expense, and Likely Duration of the Action

Rule 23(e)(2)(C)(i) and the first *Grinnell* factor—the complexity, expense and likely duration of the litigation, support final approval of the Settlement, as courts consistently recognize that the expense, complexity, and possible duration of the litigation are key factors in evaluating the reasonableness of a settlement. *See Kohari*, 2025 WL 100898, at *4 ("Class action suits readily lend themselves to compromise because of the difficulties of proof, the uncertainties of the outcome, and the typical length of the litigation."); *In re Citigroup Inc. Bond Litig*., 296 F.R.D. 147, 155 (S.D.N.Y. 2013) ("[T]he more complex, expensive, and time consuming the future litigation, the more beneficial settlement becomes as a matter of efficiency to the parties and to the [c]ourt."); *In re LinkedIn User Privacy Litig*., 309 F.R.D. 573, 587 (N.D. Cal. 2015) ("Generally, unless the settlement is clearly inadequate, its acceptance and approval are preferable to lengthy and expensive litigation with uncertain results.").

Courts consistently acknowledge that securities class actions are "notably difficult and notoriously uncertain," and this case was no exception. *Signet*, 2020 WL 4196468, at *4. The Action presented both a complex fact pattern and novel legal issues. This combination contributed to the Parties having vastly different views on the value of the case and whether settlement was achievable. ¶¶ 138-43. The lengthy procedural history of the Action and pitched legal battles at every stage of the case are a testament to the complexity of the factual and legal issues litigated

here, including those issues litigated through motions to dismiss, summary judgment, *Daubert* and *in limine* briefing. *See generally* ¶¶ 20-129.

Over its seven-year pendency, this Action also involved considerable expense, which would have increased significantly if the case did not settle. In addition to the costs of trial, if Plaintiffs succeeded at trial, they would have faced vigorous post-trial motion practice, potential individual trials for Class Members whom Defendants challenged in the claims process, and likely appeals to the Second Circuit—adding to the costs and delaying any recovery for years with the possibility of eliminating it entirely. ¶¶ 154-55. The Settlement, which provides a $362.5 million cash payment for the benefit of the Class now, avoids those further costs, delays, and uncertainties.

2. The Risks of Continued Litigation

The fourth, fifth, and sixth *Grinnell* factors consider the risks of establishing liability, the risks of establishing damages, and the risks of maintaining the class action through the trial, respectively. *See Grinnell*, 495 F.2d at 463. In this assessment, "the Court need not adjudicate the disputed issues or decide unsettled questions; rather, the Court need only assess the risks of litigation against the certainty of recovery under the proposed settlement." *In re 3D Systems Sec. Litig.*, 2024 WL 50909, at *10 (S.D.N.Y. Jan. 4, 2024). Here, continued litigation posed significant risks to Plaintiffs' ability to achieve a better result for the Class. *See generally In re Glob. Crossing Sec. & ERISA Litig.*, 225 F.R.D. 436, 459 (S.D.N.Y. 2004) ("Courts approve settlements where plaintiffs would have faced significant legal and factual obstacles to proving their case.").

a. Risks to Establishing Liability and Damages

While Plaintiffs believe they had substantial evidence to support their claims and were fully prepared to try this case in November 2024, they acknowledge that doing so posed major challenges and considerable risks. Moreover, even if a unanimous liability verdict was obtained for the Class, there remained no assurance that the jury would have awarded damages in an amount

equal to or greater than the Settlement Amount, or that the ultimate judgment could have been protected on appeal. ¶¶ 138-55.[8]

i. Risks Concerning Liability

Had the Action continued, Plaintiffs would face challenges in establishing Defendants' liability. At trial, a jury would be required to evaluate claims that the alleged misstatements were materially false or misleading based on internal evidence that long-term factoring concealed negative information about GE's present and future cash flows. ¶ 146. To the contrary, Defendants would argue that factoring is a legitimate business practice used by many companies and that any cash flow created by GE's use of long-term factoring was small or immaterial relative to GE's overall cash flows. *Id*. A jury's evaluation of these opposing positions would be no easy task and the result far from certain, as it would largely depend on the jury's ability to fully comprehend the many complex topics involved in the Action, including: (i) the specifics of GE's contracts with its customers; (ii) the recognition of revenue under those contracts; (iii) GE's use of Industrial cash flow from operations ("CFOA") as a key financial metric; (iv) the host of periodic reports circulated by and between the relevant divisions of GE; and (v) the use of what Defendants referred to as "deferred monetization" to create Industrial CFOA, as well as its effects on future cash flows. ¶ 16. In addition, with arguably stronger evidence of falsity accruing later in the Class Period, the risk of obtaining only a partial victory on liability, tied to the last few months of the Class Period, was real. ¶ 146.

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[8] *See, e.g.*, *In re BankAtlantic Bancorp, Inc. Sec. Litig.*, 2011 WL 1585605, at *1 (S.D. Fla. Apr. 25, 2011) (granting defendants judgment as a matter of law on the basis of loss causation, overturning jury verdict and award in plaintiff's favor), *aff'd on other grounds sub nom., Hubbard v. BankAtlantic Bancorp, Inc.*, 688 F.3d 713 (11th Cir. 2012); *Robbins v. Koger Props., Inc.*, 116 F.3d 1441, 1448-49 (11th Cir. 1997) (reversing jury verdict of $81 million for plaintiffs against accounting firm on appeal on causation grounds, and judgment entered for defendant).

Similarly, Defendants would dispute that the requisite element of scienter was satisfied for each alleged misstatement. ¶ 147.[9] While Plaintiffs were prepared to present strong evidence that Defendants recklessly downplayed and dismissed clear, tangible, and contemporaneous proof of the cash flow issues allegedly concealed by its long-term factoring practice, aside from Plaintiffs' experts, every fact witness at trial would have been hostile. ¶¶ 147-48. Thus, Defendants would be able to rebut Plaintiffs' evidence with potentially persuasive live witness testimony from credible current and former GE executives with critical roles in assessing and effectuating GE's factoring transactions. ¶ 148. Defendants would also present evidence that, for every factoring transaction, GE conducted analyses to ensure the present value of the cash it was pulling forward exceeded the value of the cash had it been left to collect in the future. ¶ 147. Defendants would also assert that their corporate processes and procedures, supposedly designed to ensure a rigorous vetting process by numerous informed stakeholders, employees, and committees, supported the accuracy and completeness of Defendants' public statements and further demonstrated a lack of scienter. ¶ 149; *see also, e.g.*, ECF No. 360 at 45-49.

ii. Risks Concerning Loss Causation and Damages

As demonstrated by Defendants' attempts to dispose of the case by filing early pre-trial summary judgment motions on the issue of loss causation (ECF Nos. 235, 254) as well as Defendants' Summary Judgment Motion filed in September 2022 (ECF No. 360), Plaintiffs faced significant trial risks related to the Rule 10b-5 elements of loss causation and damages, where Plaintiffs' claims rested heavily on expert testimony about complicated economic and statistical concepts. ¶¶ 150-53; *see In re AOL Time Warner, Inc. Sec. & "ERISA" Litig.*, 2006 WL 903236,

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[9] *See, e.g.*, *Fishoff v. Coty Inc.*, 2010 WL 305358, at *2 (S.D.N.Y. Jan. 25, 2010), *aff'd*, 634 F.3d 647 (2d Cir. 2011) ("[T]he element of scienter is often the most difficult and controversial aspect of a securities fraud claim.").

at *9 (S.D.N.Y. Apr. 6, 2006) ("[T]he legal requirements for recovery under the securities laws present considerable challenges, particularly with respect to loss causation and the calculation of damages[.]"). At trial, the outcome on these elements likely would have hinged on an unpredictable battle of the experts. ¶ 150; *see In re IMAX Sec. Litig.*, 283 F.R.D. 178, 193 (S.D.N.Y. 2012) ("[I]t is well established that damages calculations in securities class actions often descend into a battle of experts.").

Moreover, Defendants would argue (as they did throughout the Action) that Plaintiffs would be unable to determine the precise amount of the price decline following each remaining corrective disclosure that was caused by the alleged fraud. ¶ 151. To this end, Defendants would assert that on the days at issue, GE released other negative information to investors that was arguably unrelated to the alleged fraud, e.g., long term care reinsurance reserve issues, lower-than-expected earnings, cash flows that were lower than expected for reasons unrelated to factoring (including because of a global downturn in the power market), and other confounding information that could have caused most, if not all, of the price decline following each disclosure. *Id.* Defendants would also assert that none of the purportedly "corrective" disclosures revealed new information previously concealed with respect to Plaintiffs' claims. ¶ 152. An adverse finding by a jury on any one of the corrective disclosures would have significantly reduced, or eliminated altogether, the amount of recoverable damages for Class Members. *Id.*; *see In re Northern Dynasty Minerals Ltd. Sec. Litig.*, 2024 WL 308242, at *11 (E.D.N.Y. Jan. 26, 2024) (moving forward to a trial naturally introduces an element of risk because a jury may only award a fraction of Plaintiffs' established damages).

iii. Additional Jury and Trial Risks

Plaintiffs also faced additional jury and trial risks. ¶¶ 154-55. Because Plaintiffs would have had to obtain a unanimous jury verdict to establish liability, a single juror with entrenched sympathies toward GE or strong feelings about other pertinent issues, like class action lawsuits (as demonstrated by the lone objection received to date), could have singlehandedly led to a verdict for Defendants. ¶ 154. Indeed, the prominence of GE as a longtime fixture in the corporate world and its historical reputation as a safe "blue chip" stock increased the likelihood that one or more jurors would hesitate to award damages that could be seen as negatively impacting the Company. *Id*. Adding to this risk, every live witness at trial, with the exception of Plaintiffs' experts, would have been prepared by Defendants and hostile towards the Class's interests. ¶ 148. And, as noted above, the Class's success depended in some ways on the jury's understanding of relatively complex economic concepts related to securities fraud and stock markets generally, as well as case-specific issues such as long-term factoring and Item 303 disclosure obligations. ¶ 139.

Plaintiffs' Counsel analyzed each of these risks for years, and further empirically tested them before mock jurors in February 2024. ¶¶ 144-45. If realized, any one of these risks could have resulted in no recovery for the Class. By resolving the Action through the Settlement, in contrast, Plaintiffs have guaranteed the Class a $362.5 million recovery.

b. Risks to Maintaining the Class Action Through Trial

The Court certified the Class on April 11, 2022. ECF No. 314, ¶ 89. In light of the strong arguments supporting the appropriateness of class certification in this Action, Plaintiffs believe that the risk of decertification was minimal. Nevertheless, there is always a risk that the Action, or particular claims in the Action, might not have been maintained as a class through trial. *See* Fed. R. Civ. P. 23(c)(1)(C) ("An order that grants or denies class certification may be altered or amended before final judgment."); *see also Facebook*, 343 F. Supp. 3d at 413 (noting that the risk

of decertification militates in favor of settlement approval). Indeed, Defendants intended to challenge both the efficiency of the market for and the impact of the alleged misrepresentations on the price of GE common stock (commonly known as "price impact") at trial.

3. The Reaction of the Class to Date

The Class's reaction to a proposed settlement is an important factor to be weighed in considering its fairness and adequacy. *See, e.g.*, *Maley v. Del Global Techs. Corp.*, 186 F. Supp. 2d 358, 362 (S.D.N.Y. 2002) ("It is well-settled that the reaction of the class to the settlement is perhaps the most significant factor to be weighed in considering its adequacy."). Although the deadline to object has not yet passed, following an extensive notice campaign—including the dissemination of over 3.8 million notices to potential Class Members and nominees and publication of the Summary Notice in *The Wall Street Journal* and over *PR Newswire* (Ex. 3, ¶¶ 10-11), only one objection has been received. ¶¶ 11, 160.[10] Moreover, both Plaintiffs support and endorse the Settlement. *See* Ex. 1, ¶ 8; Ex. 2, ¶ 13.

4. Stage of the Proceedings and Amount of Discovery Completed

"When considering this *Grinnell* factor [three], the question is whether . . . counsel possessed a record sufficient to permit evaluation of the merits of Plaintiffs' claims, the strengths of the defenses asserted by Defendants, and the value of Plaintiffs' causes of action for purposes of settlement." *Christine Asia Co.*, 2019 WL 5257534, at *11; *Martignago v. Merrill Lynch & Co., Inc.*, 2013 WL 12316358, at *6 (S.D.N.Y. Oct. 3, 2013) ("The pertinent question is whether counsel had an adequate appreciation of the merits of the case before negotiating.").

As reflected in the nearly 500 docket entries for this matter, it is apparent that the Settlement was reached only after vigorous litigation. From the commencement of this Action in

[10] All objections received will be fully addressed in Plaintiffs' reply to be filed on April 10, 2025.

2017 through the Parties' agreement to settle just weeks before trial in 2024, Plaintiffs spent substantial time and resources analyzing and zealously litigating the factual and legal issues in the Action. ¶¶ 6, 20-129. Before reaching the Settlement, they had completed both fact and expert discovery, which included: (i) analyzing over 1.1 million pages of documents from Defendants and third parties; (ii) serving or responding to numerous written discovery requests; (iii) litigating several discovery disputes with Defendants; (iv) preparing and exchanging class certification expert reports and merits reports for six expert witnesses; and (v) taking or defending 24 depositions. *Id*.

Also, Plaintiffs briefed two motions to dismiss, successfully moved for class certification and for leave to file an amended complaint, briefed and successfully overcame Defendants' motion for summary judgment and subsequent motion for reconsideration, as well as two previously-filed motions for leave to file early summary judgment motions, briefed motions *in limine* and motions to exclude experts, and prepared for trial, including preparing and exchanging voluminous pretrial disclosures (including 4,000+ proposed exhibits and deposition designations for 21 witnesses) and objections thereto. *See generally* ¶¶ 6, 32-129. In addition, Plaintiffs prepared mediation submissions, participated in three formal mediation sessions, and conducted a two-day mock jury trial and focus group exercise. ¶¶ 123, 130-32.

This substantial record demonstrates that, when the Settlement was reached, Plaintiffs and their counsel had more than "enough information to make an informed decision about settlement based on the strengths and weaknesses" of their case. *In re Amgen Sec. Litig*., 2016 WL 10571773, at *4 (C.D. Cal. Oct. 25, 2016) (finding "in favor of granting final approval" where discovery was complete and "case was on the verge of trial"). Indeed, the only stage of litigation not completed in its entirety was trial.

5. Ability of Defendants to Withstand a Greater Judgment

Although there is nothing to suggest that Defendants would be unable to withstand a greater judgment than the Settlement Amount, "a defendant is not required to empty its coffers before a settlement can be found adequate." *Shapiro*, 2014 WL 1224666, at *11. Further, Defendants' financial wherewithal "do[es] not ameliorate the force of the other *Grinnell* factors, which lead to the conclusion that the settlement is fair, reasonable and adequate." *Id.*; *see also Davis v. J.P. Morgan Chase & Co.*, 827 F. Supp. 2d 172, 178 (W.D.N.Y. 2011) (assigning "relatively little weight to th[is] factor" because "it is more important to assess the judgment in light of plaintiffs' claims and the other factors").

6. The Range of Reasonableness of the Settlement Amount in Light of the Best Possible Recovery and the Risks of Litigation

The final two *Grinnell* factors—the reasonableness of the settlement in light of the best possible recovery and the risks of litigation—also weigh in favor of approving the Settlement. As the Second Circuit has explained, there is "a range of reasonableness with respect to a settlement" that "recognizes the uncertainties of law and fact in any particular case and the concomitant risks and costs necessarily inherent in taking any litigation to completion." *Newman v. Stein*, 464 F.2d 689, 693 (2d Cir. 1972); *see also In re Payment Card Interchange Fee & Merch. Disc. Antitrust Litig.*, 330 F.R.D. 11, 48 (E.D.N.Y. 2019) (in considering a settlement's reasonableness, "a court must compare the terms of the compromise with the likely rewards of litigation"); *Shapiro*, 2014 WL 1224666, at *11 (recognizing "that the very essence of a settlement is compromise, a yielding of absolutes and an abandoning of highest hopes"). The Settlement meets this threshold.

Here, the Settlement Amount—$362,500,000—is significant by any measure. The recovery provides a near-term, tangible cash benefit to the Class and eliminates the substantial risk that the Class could recover less, or nothing at all, if the Action continued. Indeed, the Settlement

Amount represents a substantial percentage of the Class's potentially recoverable damages (as estimated by Plaintiffs' damages expert) had this Action proceeded to trial. ¶¶ 10, 173. Plaintiffs' damages expert estimated class-wide damages in this Action to range from approximately $1 billion to approximately $4.5 billion depending on the statements found to be actionable and the loss causation theories accepted by the jury. Using this estimated range, the Settlement represents approximately 8% to 36% of the Class's potential recoverable damages—a recovery that reflects Plaintiffs' informed assessment of the strength of the Class's claims and the risks of litigating this complex Action through trial and appeals.[11]

The "adequacy of this amount is reinforced by the fact that the amount was originally recommended by [Judge Phillips], an objective and informed third-party during the mediation process." *Roberti v. OSI Sys., Inc*., 2015 WL 8329916, at *4 (C.D. Cal. Dec. 8, 2015); *see also 3D Sys.*, 2024 WL 50909, at *12 ("Based on the substantial litigation risks [], and because the settlement here was reached with the assistance of an experienced mediator, the Court concludes that the settlement amount is within a reasonable range."). Considered against the

[11] While each securities class action reflects its own unique risks, the recovery obtained here compares favorably to recoveries achieved in other securities cases and approved by courts. *See, e.g.*, *McIntosh v. Katapult Holdings, Inc.*, 2024 WL 5118192, at *10 (S.D.N.Y. Dec. 13, 2024) (finding settlement amount representing recovery of 5.22% of maximum estimated damages to be "well within the range" of reasonableness); *Oka. Firefighters Pension & Ret. Sys. v. Lexmark Int'l, Inc.*, 2021 WL 76328, at *3 (S.D.N.Y. Jan. 7, 2021) (approving settlement that was 10% of estimated damages, noting that the settlement was "within the range previously approved by judges in this District," referencing recoveries ranging from 3% to 11% of estimated damages); *In re Patriot Nat'l, Inc. Sec. Litig.*, 828 F. App'x 760, 762 (2d Cir. 2020) (affirming district court award of 6.1% of total damages as fair, reasonable and adequate); *In re Citigroup Inc. Sec. Litig.*, 965 F. Supp. 2d 369, 384 (S.D.N.Y. 2013) (approving settlement amount representing 9.4% of best possible recovery); *In re China Sunergy Sec. Litig.*, 2011 WL 1899715, at *5 (S.D.N.Y. May 13, 2011) (noting that the average settlement in securities class actions ranges from 3% to 7% of the class's total estimated losses); *In re Merrill Lynch & Co., Inc. Rsch. Reps. Sec. Litig.*, 2007 WL 313474, at *10 (S.D.N.Y. Feb. 1, 2007) (approving recovery of approximately 6.25%, which was "at the higher end of the range of reasonableness").

extensive risks involved with prosecuting this Action further, the amount provided by the Settlement is fair, reasonable, and adequate.

D. The Remaining Rule 23(e)(2) Factors Also Support the Settlement

In evaluating the Settlement, Rule 23(e)(2) instructs courts to also consider: (i) the effectiveness of the proposed method of distributing the relief provided to the class, including the method of processing class member claims; (ii) the terms of any proposed award of attorney's fees, including the timing of payment; (iii) any other agreement made in connection with the proposed settlement; and (iv) whether class members are treated equitably relative to each other. Fed. R. Civ. P. 23(e)(2)(C)(ii)-(iv), (e)(2)(D). These factors also support final approval of the Settlement.

First, the proposed method of distribution and claims processing ensures equitable treatment of Class Members. *See* Fed. R. Civ. P. (e)(2)(C)(ii), (e)(2)(D). Class Members' Claims will be processed and the Net Settlement Fund distributed pursuant to a standard method routinely approved in securities class actions. JND Legal Administration ("JND") will review and process all Claims received, provide Claimants with an opportunity to cure any deficiency or request judicial review of the denial of their Claims, if applicable, and will ultimately mail or wire Authorized Claimants their *pro rata* share of the Net Settlement Fund, as calculated pursuant to the Plan of Allocation. *See infra* Section IV; ¶¶ 161-67. Importantly, none of the Settlement proceeds will revert to Defendants. *See* Stip., ¶ 13.

Second, the relief provided by the Settlement remains adequate upon consideration of the terms of the proposed award of attorneys' fees, including the timing of any such Court-approved payments. *See* Fed. R. Civ. P. 23(e)(2)(C)(iii). As discussed in the Fee and Expense Memorandum filed herewith, the 19.82% fee request, to be paid within five business days of the award, is reasonable in light of Plaintiffs' Counsel's efforts, the recovery obtained, and the risks in the

litigation.[12] Stip., ¶ 16. Additionally, the 19.82% request is supported by other fee awards in this Circuit. *See* Fee and Expense Memorandum, Section II.C.1.[13]

Lastly, as previously disclosed, the only agreement the Parties entered into, in addition to the initial Term Sheet and the Stipulation, was the Parties' confidential Supplemental Agreement regarding requests for exclusion. *See* Stip., ¶ 36; *see also* Fed. R. Civ. P. 23(e)(2)(C)(iv). The Supplemental Agreement provided Defendants with the option to terminate the Settlement in the event that requests for exclusion exceeded certain conditions but *only if* the Court permitted a second opportunity to opt out of the Class in connection with the Settlement. ¶ 135, fn. 22. Given that the Court did not permit a second opportunity to opt out, the Supplemental Agreement is moot.

IV. THE PLAN OF ALLOCATION IS FAIR AND REASONABLE AND WARRANTS APPROVAL

This Court has "broad supervisory powers over the administration of class action settlements to allocate the proceeds among the claiming class members . . . equitably." *Beecher v. Able*, 575 F.2d 1010, 1016 (2d Cir. 1978). The standard for approving a plan of allocation is the same as the standard for approving the settlement: the plan must be "fair and adequate." *Guevoura Fund Ltd. v. Sillerman*, 2019 WL 6889901, at *10 (S.D.N.Y. Dec. 18, 2019). Courts recognize that "the adequacy of an allocation plan turns on whether counsel has properly apprised itself of the merits of all claims, and whether the proposed apportionment is fair and reasonable in light of that information." *Id.* Moreover, an allocation plan needs only to have a "reasonable, rational basis," where, as here, it is recommended by competent and experienced class counsel. *Id.*; *see also 3D*

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[12] In connection with its fee request, Class Counsel also seeks payment from the Settlement Fund of expenses in the total amount of $9,834,712.40 (comprised of $9,599,984.13 for Plaintiffs' Counsel's and $234,728.27 to Labaton Keller Sucharow LLP) and reimbursement of Class Representatives' costs in the aggregate amount of $35,519.91. ¶ 168.

[13] Approval of attorneys' fees is entirely separate from approval of the Settlement, and neither Plaintiffs nor Plaintiffs' Counsel may terminate the Settlement based on this Court's or any appellate court's ruling with respect to attorneys' fees. *See* Stip., ¶ 16.

Sys., 2024 WL 50909, at *13 ("When formulated by competent and experience counsel, a plan for allocation of net settlement proceeds need have only a reasonable, rational basis.").

With the assistance of Plaintiffs' damages expert, and after careful consideration and analysis, Plaintiffs' Counsel prepared the Plan of Allocation. ¶ 163. The objective of the Plan, which is set forth in Appendix A to the Notice, is to equitably distribute the Net Settlement Fund among those Class Members who suffered economic losses as a result of the Defendants' alleged violations of the federal securities laws. ¶ 162. The computations under the Plan will be used to weigh the claims of Authorized Claimants against one another for the purposes of making *pro rata* allocations of the Net Settlement Fund. *Id.* at ¶¶ 164-65; *see also McIntosh*, 2024 WL 5118192, at *11 (plan of allocation methodology, which distributes settlement funds on a *pro rata* basis to class members, is appropriate and consistent with prior cases); *Merrill Lynch*, 2007 WL 313474, at *12 ("A plan of allocation that calls for the pro rata distribution of settlement proceeds on the basis of investment loss is reasonable.").

The Plan is based upon the estimated amount of alleged artificial inflation in the price of GE common stock over the course of the Class Period (i.e., the period between February 29, 2016 and January 23, 2018, inclusive). ¶¶ 163-64. To have a loss under the Plan, a Claimant must have purchased and/or acquired their GE common stock during the Class Period and held such stock through at least one of the dates when the disclosure of alleged corrective information partially removed the alleged artificial inflation from the price of GE common stock. ¶ 164.[14]

Further, a Claimant's loss will depend upon several factors, including the date(s) when the Claimant purchased/acquired/sold their GE common stock during the Class Period and at what

[14] Plaintiffs allege that artificial inflation was partially removed from the price of GE common stock on the following six dates: (i) April 21, 2017; (ii) July 21, 2017; (iii) October 20, 2017; (iv) November 13, 2017; (v) January 16, 2018; and (vi) January 24, 2018.

price(s), taking into account the PSLRA's statutory limitation on recoverable damages. *Id.*[15] Authorized Claimants will recover their proportional "pro rata" amount of the Net Settlement Fund based on their calculated loss. *Id*. Ultimately, each Authorized Claimant's *pro rata* share of the Net Settlement Fund will be determined by dividing the Authorized Claimant's Recognized Claim (i.e., the sum of a claimant's Recognized Loss Amounts as calculated under the Plan) by the total Recognized Claims of all Authorized Claimants, multiplied by the total amount of the Net Settlement Fund. ¶ 165. Thereafter, following Settlement approval and upon the Court's entry of the Class Distribution Order, the Net Settlement Fund will be distributed to Authorized Claimants on a *pro rata* basis based on the relative size of their Recognized Claims. ¶ 166.

The Plan will result in a fair and equitable distribution of the Settlement proceeds among Class Members who suffered losses as a result of Defendants' alleged conduct. The Plan was fully disclosed in the Notice and, to date, there have been no objections to the Plan. ¶ 167. For these reasons, the Plan should be approved by the Court.

V. THE NOTICE SATISFIES RULE 23 AND DUE PROCESS STANDARDS

The notices provided to the Class satisfy the requirements of Rule 23(c)(2)(B), which requires "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 Eisen v. Carlisle & Jacquelin*, 417 U.S. 156, 173-75 (1974). The notices also satisfy Rule 23(e)(1), which requires that notice of a settlement be "reasonable," i.e., it must "fairly apprise the

[15] In its Opinion and Order dated September 28, 2023, the Court denied Defendants' motion for summary judgment, except as to claims arising from alleged corrective disclosures between November 2017 and January 2018. Accordingly, the estimated alleged artificial inflation for this dismissed period, i.e., November 13, 2017 through January 23, 2018, inclusive, has been reduced by 90% to account for the unlikelihood of prevailing on appeal for the dismissed period. The calculation of Recognized Loss Amounts also takes into account the PSLRA's statutory limitation on recoverable damages. *See* Section 21(e)(1) of the PSLRA.

prospective members of the class of the terms of the proposed settlement and of the options that are open to them in connection with the proceedings." *Wal-Mart*, 396 F.3d at 114.

In accordance with the Preliminary Approval Order, JND began mailing the Postcard Notice to all potential Class Members and nominees (in bulk) who previously received the Class Notice, as well as other potential Class Members identified through reasonable effort, on February 20, 2025. As of March 19, 2025, JND has mailed 3,862,508 Postcard Notices and 5,581 Notice Packets to potential Class Members and nominees, and has emailed 4,639 Notice Packets. *See* Ex. 3, ¶ 10. JND also published the Summary Notice in *The Wall Street Journal* and over *PR Newswire*. *Id.*, ¶ 11. In addition, JND updated the website, www.GeneralElectricSecuritiesLitigation.com, to provide information about the Settlement, including downloadable copies of the Notice, Claim Form, Stipulation, and Preliminary Approval Order. *Id.*, ¶ 15. Defendants also issued notice pursuant to CAFA. ¶ 158, fn. 24.

Collectively, the notices apprise Class Members of, among other things: (i) the amount of the Settlement; (ii) the reasons why the Parties are proposing the Settlement; (iii) the Class definition and exclusions therefrom; (iv) the estimated average recovery per damaged share of GE common stock; (v) the maximum amount of attorneys' fees and expenses that will be sought by counsel; (vi) the identity and contact information for a representative of Class Counsel available to answer questions concerning the Settlement; (vii) the right of Class Members to object to the Settlement; (viii) the binding effect of a judgment on Class Members; (ix) the dates and deadlines for certain Settlement-related events; and (x) the opportunity to obtain additional information about the Action and the Settlement by contacting Class Counsel, the Claims Administrator, or visiting the website. *See* Fed. R. Civ. P. 23(c)(2)(B); 15 U.S.C. § 78u-4(a)(7). The long-form Notice also contains the Plan of Allocation and provides Class Members with information on how

to submit a Claim in order to be eligible to receive a distribution from the Net Settlement Fund. *See* Ex. B attached to Ex. 3.

In sum, the notices provide sufficient information for Class Members to make informed decisions regarding the Settlement, fairly apprises them of their rights with respect to the Settlement, is the best notice practicable under the circumstances, and complies with the Court's Preliminary Approval Order, Rule 23, the PSLRA, and due process. *See, e.g.*, *In re Romeo Power Inc. Sec. Litig.*, 2024 WL 5321295, at *2 (S.D.N.Y. Aug. 1, 2024); *Northern Dynasty Minerals*, 2024 WL 308242, at *5.

VI. CONCLUSION

For the reasons set forth herein and in the Nirmul Declaration, Plaintiffs respectfully request that the Court grant final approval of the Settlement and approve the Plan of Allocation.

Dated: March 20, 2025

Respectfully submitted,

KESSLER TOPAZ MELTZER & CHECK, LLP

S/ Sharan Nirmul
Sharan Nirmul
Gregory M. Castaldo
Richard A. Russo, Jr.
Jamie M. McCall
Joshua A. Materese
Austin W. Manning
280 King of Prussia Road
Radnor, PA 19087
Tel: (610) 667-7706
Fax: (610) 667-7056
snirmul@ktmc.com
gcastaldo@ktmc.com
rrusso@ktmc.com
jmccall@ktmc.com
jmaterese@ktmc.com
amanning@ktmc.com

Counsel for Class Representative Sjunde AP-Fonden and Class Counsel

GRANT & EISENHOFER P.A.
Daniel L. Berger
Karin E. Fisch
Vincent J. Pontrello
Cecilia E. Stein
485 Lexington Avenue
New York, NY 10017
Tel: (646) 722-8500
Fax: (646) 722-8501
dberger@gelaw.com
kfisch@gelaw.com
vpontrello@gelaw.com
cstein@gelaw.com

Counsel for Class Representative The Cleveland Bakers and Teamsters Pension Fund and Liaison Counsel for the Class

CERTIFICATE OF COMPLIANCE

The undersigned attorney hereby certifies that this brief complies with the type-volume limitation of the Southern District of New York Local Rule 7.1(c). This brief contains 8,573 words and uses a Times New Roman 12 point font.

S/ Sharan Nirmul
Sharan Nirmul