

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF SOUTH CAROLINA
COLUMBIA DIVISION**

INTERNATIONAL BROTHERHOOD OF
ELECTRICAL WORKERS LOCAL 98
PENSION FUND on behalf of itself and all
others similarly situated,

Plaintiff,

vs.

DELOITTE & TOUCHE, LLP;
DELOITTE LLP,

Defendants.

Case No. 3:19-cv-3304-JDA

CLASS ACTION

**DECLARATION OF LAURA H. POSNER IN SUPPORT OF (I) LEAD PLAINTIFF'S
MOTION FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT AND PLAN
OF ALLOCATION; AND (II) LEAD COUNSEL'S MOTION FOR AN AWARD OF
ATTORNEYS' FEES AND PAYMENT OF LITIGATION EXPENSES**

TABLE OF CONTENTS

Exhibit List.....	ii
Declaration.....	1
I. Introduction.....	2
II. History of the Action	5
A. Background.....	5
B. Commencement of the Action and Appointment of Lead Plaintiff	5
C. Investigation and Filing of the Complaint.....	6
D. Motions to Dismiss and Answer.....	7
1. First Motion to Dismiss.....	7
2. Answer	8
3. Second Motion to Dismiss	9
E. Motions for Class Certification and Rule 23(f)Appeal	10
F. Discovery.....	11
1. Document Discovery.....	11
2. Discovery Disputes and Related Motions	13
3. Depositions.....	15
4. Expert Discovery.....	16
G. Summary Judgment and <i>Daubert</i> Motions.....	16
H. Mediation Efforts and Settlement.....	17
I. Preliminary Approval	19
III. Risks of Continued Litigation.....	19
A. Risks Concerning Liability.....	20
1. Falsity	21
2. Scierter.....	21
3. Loss Causation and Damages.....	21
B. Summary Judgment and <i>Daubert</i> Risks.....	22
C. Class Certification Risks	23
D. Trial and Appeal Risks	23
E. The Settlement Amount Compared to the Maximum Damages That Could Be Proved at Trial	24
IV. Plaintiff’s Compliance with the Court’s Preliminary Approval Order.....	25
V. Allocation of the Proceeds of the Settlement	27
VI. The Fee and Expense Application	29
A. The Fee Application	29
1. Plaintiff has Authorized and Supports the Fee and Expense Application.....	30
2. The Work Performed by Plaintiff’s Counsel.....	30
3. The Experience and Standing of Lead Counsel	32
4. The Standing and Caliber of Deloitte’s Counsel.....	33
5. The Risks of Litigation.....	34
6. The Reaction of the Class to the Fee Application	35
B. The Expense Application	35
VII. Conclusion.....	37

EXHIBIT LIST

Exhibit No.	Document
1	Declaration of James Foy in Support of (i) Lead Plaintiff's Motion for Final Approval of Class Action Settlement and Plan of Allocation; and (ii) Lead Counsel's Motion for an Award of Attorneys' Fees and Payment of Litigation Expenses
2	Declaration of Alexander P. Villanova Regarding Implementation of Notice
3	Declaration of Robert A. Meyer, Esq., in Support of Lead Plaintiff's Motion for Final Approval of Class Action Settlement
4	Declaration of Laura H. Posner in Support of Lead Counsel's Motion for an Award of Attorneys' Fees and Payment of Litigation Expenses, Filed on Behalf of Cohen Milstein Sellers & Toll, PLLC
5	Declaration of William P. Tinkler in Support of Lead Counsel's Motion for an Award of Attorneys' Fees and Payment of Litigation Expenses, Filed on Behalf of Tinkler Law Firm LLC
6	Declaration of Edward D. Sullivan in Support of Lead Counsel's Motion for an Award of Attorneys' Fees and Payment of Litigation Expenses, Filed on Behalf of Sullivan Law Firm, PC
7	Declaration of Daryl G. Hawkins in Support of Lead Counsel's Motion for an Award of Attorneys' Fees and Payment of Litigation Expenses, Filed on Behalf of the Law Office of Daryl G. Hawkins, LLC
8	Summary Table of Lodestar and Expenses
9	Summary Table of Plaintiff's Counsel's Expenses

DECLARATION

I, LAURA H. POSNER, declare as follows:

1. I am a partner in the law firm Cohen Milstein Sellers & Toll PLLC (“Cohen Milstein”). Cohen Milstein is the Court-appointed Lead Counsel for Lead Plaintiff International Brotherhood of Electrical Workers Local 98 Pension Fund (“Lead Plaintiff” or the “Fund”) and the Settlement Class in the above-captioned Action.¹ I have personal knowledge of the matters set forth herein based on my active participation in the prosecution and settlement of the Action.

2. This Declaration sets forth the background of the Action, the nature of the claims asserted, its procedural history, the legal services provided by Lead Counsel, and the negotiations that led to the proposed Settlement with Deloitte & Touche, LLP and Deloitte LLP (together, “Defendants” or “Deloitte”). This Declaration demonstrates why the Settlement and Plan of Allocation are fair, reasonable, and adequate and should be approved by the Court, and why the application for an award of attorneys’ fees and expenses, including an award to Lead Plaintiff, is reasonable and should likewise be approved by the Court.

3. I respectfully submit this Declaration in support of: (a) Lead Plaintiff’s Motion for Final Approval of Class Action Settlement and Plan of Allocation (the “Final Approval Motion”); and (b) Lead Counsel’s Motion for an Award of Attorneys’ Fees and Payment of Litigation Expenses. In support of these motions, Lead Plaintiff and Lead Counsel are also submitting the exhibits attached hereto, the Memorandum of Law in Support of Lead Plaintiff’s Motion for Final Approval of Class Action Settlement and Plan of Allocation (the “Settlement Memorandum”) and

¹ Unless otherwise noted, all capitalized terms not defined herein have the meanings ascribed to them in the Stipulation and Agreement of Settlement, dated October 10, 2025 (the “Stipulation”), previously filed with the Court (ECF No. 315-2). Citations to “Ex. ___” refer to exhibits to Approval the Declaration.

the Memorandum of Law in Support of Lead Counsel's Motion for Attorneys' Fees and Litigation Expenses (the "Fee Memorandum").

I. Introduction

4. The proposed Settlement before the Court provides for the resolution of all claims in the Action in exchange for a payment of \$34,000,000 in cash, plus interest, for the benefit of the Class. As detailed herein, the Settlement represents a very favorable result for the Class, because it confers a substantial, certain, and near-term recovery for Class members while avoiding the significant risks of continued litigation, including the risk that the Class could recover nothing or less than the Settlement Amount after years of additional litigation. Indeed, the \$34 million settlement represents between 13% to more than 200% of total likely recoverable damages under Lead Plaintiff's analysis. When combined with the settlement from *SCANA I*, the recovery reflects more than 25% of the maximum recoverable damages from all potential responsible parties, which far exceeds the typical recoveries in securities class actions.

5. The proposed Settlement is the result of extensive efforts by Lead Plaintiff and Plaintiff's Counsel over more than five years of litigation, which included, among other things:

- a. conducting an extensive factual investigation into the alleged fraud, including FOIA requests to the SEC and the South Carolina Attorney General, which resulted in the production of almost 35,000 documents, as well as extensive consultation with accounting, audit and loss causation experts;
- b. drafting a detailed 203-page amended complaint ("Complaint") based on Lead Counsel's extensive factual investigation;
- c. successfully opposing Deloitte's first motion to dismiss the Complaint, through extensive briefing and oral argument;
- d. negotiating a protective order; preparing and responding to extensive discovery requests, including requests for the production of documents and interrogatories; and serving document subpoenas on 19 non-parties;
- e. obtaining, reviewing, and analyzing almost 3 million pages of documents obtained from Deloitte and third parties, and preparing numerous memoranda,

- chronologies, and other work product concerning the relevant evidence to support the claims alleged;
- f. conducting extensive negotiations with Deloitte's counsel and counsel for third parties regarding their responses to discovery requests and subpoenas, as well as bringing multiple unresolved discovery disputes before the Court, including a motion to compel and for sanctions;
 - g. successfully opposing Deloitte's second motion to dismiss the Complaint, through extensive briefing and oral argument;
 - h. taking or defending 26 depositions, including 13 fact depositions and seven expert depositions;
 - i. successfully moving for class certification twice, including working with a financial economics expert who prepared three reports concerning the efficient market for SCANA common stock and class-wide damages; locating and producing documents in response to Deloitte's document requests; defending an additional six class related depositions, including four depositions of representatives of Lead Plaintiff, a representative of Lead Plaintiff's financial advisor, and Lead Plaintiff's expert;
 - j. opposing Deloitte's Rule 23(f) petition for an interlocutory appeal of the class certification decision of the U.S. Court of Appeals for the Fourth Circuit;
 - k. engaging in extensive expert discovery, which included working with experts who prepared 6 expert reports in the areas of accounting and auditing, loss causation and damages, and construction issues specific to the nuclear power industry;
 - l. opposing Deloitte's motion for summary judgment;
 - m. opposing Deloitte's two *Daubert* motions seeking to exclude opinions and testimony from all of Lead Plaintiff's proposed expert witnesses;
 - n. affirmatively moving for partial summary judgment;
 - o. participating in lengthy arm's-length settlement negotiations, including four formal full-day mediation sessions over the course of three years with Robert A. Meyer, Esq. of JAMS, which included the exchange of detailed mediation statements and presentations; and
 - p. drafting and negotiating a Term Sheet, the Stipulation setting out the terms of the Settlement, and related documentation.

6. As a result of these and other substantial efforts over the course of more than five years, Lead Plaintiff and Lead Counsel were well-informed of the strengths and weaknesses of the claims and defenses in the Action at the time they achieved the proposed Settlement.

7. Lead Plaintiff achieved the Settlement only after repeated arm's-length negotiations between the Parties, including four formal mediation sessions from 2022 to 2025, with experienced mediator Robert A. Meyer of JAMS. As described further below, the mediation process involved significant disputed issues and hard-fought, arm's length negotiations. In advance of the mediation sessions, the Parties prepared and exchanged detailed mediations statements and presentations, which involved discussion and analysis of the facts and applicable legal issues. The Parties only reached their agreement in principle to settle the Action for \$34 million at the conclusion of the fourth mediation session. The agreement to settle for that amount was based on a mediator's recommendation made by Mr. Meyer.

8. In addition, Lead Plaintiff is a sophisticated institutional investor that actively participated in the Action, closely supervised the work of Lead Counsel, and endorses the approval of the Settlement. *See* Ex. 1, Decl. of James Foy ("Lead Plaintiff Decl."), ¶¶ 5, 7–9.

9. As discussed in further detail below, the proposed Plan of Allocation, which was prepared with the assistance of Lead Plaintiff's damages expert, provides for the equitable distribution of the Net Settlement Fund to Class Members with validly submitted claims approved for payment by the Court on a *pro rata* basis.

10. For their efforts and success in achieving the Settlement, Lead Counsel requests attorneys' fees in the amount of 33.33% of the Settlement Fund and the payment of expenses reasonably incurred by Plaintiff's Counsel in the amount of \$6,013,402.86. The request is within the range of attorneys' fees that courts in this Circuit typically award in connection with

comparable settlements and is substantially less than the lodestar devoted to the case by Plaintiff's Counsel, representing a "negative" multiplier of approximately 0.60. Lead Counsel respectfully submits that the requested fee is fair and reasonable in light of the result achieved in the Action, the efforts of Plaintiff's Counsel, and the risks and complexity of the litigation.

II. History of the Action

A. Background

11. Deloitte is one of the "Big 4" international accounting firms in the United States, which offers audit and enterprise risk services. Deloitte served as SCANA's independent auditor for over 70 years and, in that role, was responsible for understanding SCANA's business, identifying and responding to risks of material misstatements, and obtaining sufficient, appropriate audit evidence in response to such risks so that it could provide a high level of assurance that SCANA's financial statements were in accordance with Generally Accepted Accounting Principles ("GAAP").

12. During the Class Period in this Action, SCANA was undergoing a multibillion-dollar project to build two nuclear power plants at its V.C. Summer Nuclear Power Station near Jenkinsville, South Carolina. The V.C. Summer Project ultimately failed, in what is seen as the largest financial fraud in South Carolina history. Lead Plaintiff alleged that Deloitte made materially false and misleading statements and omissions in its "clean" audit reports for SCANA's financial statements filed with the SEC in early 2016 and 2017.

B. Commencement of the Action and Appointment of Lead Plaintiff

13. On November 22, 2019, Samuel R. Floyd, III filed the initial complaint in this Action, alleging violations of the federal securities laws against Deloitte. ECF No. 1.

14. In accordance with the Private Securities Litigation Reform Act of 1995 ("PSLRA"), on January 24, 2020, the Fund moved for appointment as Lead Plaintiff. ECF No. 22.

On February 7, 2020, Mr. Floyd, who had filed his own competing motion for appointment, filed a notice of non-opposition to the Fund's motion. ECF No. 27.

15. On February 18, 2020, the Court entered an order which appointed: (i) the Fund as Lead Plaintiff, (ii) Cohen Milstein Sellers & Toll PLLC as Lead Counsel, and (iii) Tinkler Law Firm LLC as Liaison Counsel. ECF No. 37.

C. Investigation and Filing of the Complaint

16. Beginning prior to the Court's appointment and continuing through preparation of the Complaint, Lead Counsel undertook an extensive investigation into the alleged fraud and potential claims that could be asserted in the Action. This investigation included a detailed review and analysis of: (a) SCANA's public filings with the SEC, which included Deloitte's audit reports; (b) transcripts, press releases, news articles, and other public statements issued by or concerning SCANA; (c) research reports issued by financial analysts concerning SCANA; (d) transcripts of hearings before SCANA's regulators and select committees of the South Carolina Senate and House of Representatives; (e) documents produced to Lead Plaintiff through Freedom of Information Act ("FOIA") requests; (e) documents publicly available through the South Carolina Attorney General's office; (f) documents publicly available from related state and federal litigation, as well as regulatory proceedings; and (h) price and volume data for SCANA securities.

17. In preparation of the Complaint, Lead Counsel also consulted extensively with Lynn E. Turner, the former Chief Accountant for the SEC, about relevant audit and accounting standards and principles, their application to Deloitte's audits of SCANA, and evidence regarding whether Deloitte's audits complied with those standards or principles.

18. On May 19, 2020, Lead Plaintiff filed the Consolidated Complaint, ECF No. 44. The detailed, 203-page Complaint asserted claims against Deloitte under Section 10(b) of the

Securities Exchange Act of 1934 (the “Exchange Act”) and Rule 10b-5 promulgated thereunder. ECF No. 55.

19. Among other things, the Complaint alleged that Deloitte made materially false and misleading statements and omissions with respect to its 2015 and 2016 audits of SCANA’s effort to build two nuclear reactors at the V.C Summer nuclear generating station near Jenkinsville, South Carolina (the “Project”). The Complaint also alleged that, as SCANA’s outside independent auditor throughout the Class Period, Deloitte knew, or was reckless in not knowing, that (i) SCANA’s reported annual financial results for the fiscal years ended December 31, 2015 and December 31, 2016, which were disseminated to the investing public, were not presented in accordance with Generally Accepted Accounting Principles (“GAAP”); and (ii) its 2015 and 2016 audits of SCANA were not performed in accordance with Public Company Accounting Oversight Board Standards (“PCAOB”) and, therefore, each of Deloitte’s unqualified audit reports during the Class Period were materially false and misleading. The Complaint also alleged that the price of SCANA common stock was artificially inflated as a result of Deloitte’s allegedly false and misleading statements and omissions, and declined when the truth was revealed through a series of partial corrective disclosures.

D. Motions to Dismiss and Answer

20. Over the course of this Action, Deloitte filed two motions to dismiss the Complaint.

1. First Motion to Dismiss

21. On July 20, 2020, Deloitte filed its first motion to dismiss and brief in support. ECF Nos. 47. The motion included nearly 50 pages of briefing and was supported by multiple exhibits. In the motion, Deloitte argued, among other things, that:

- a. Lead Plaintiff did not allege an actionable misstatement or omission by Deloitte because its audit reports were statements opinion, not fact, and Lead Plaintiff did not adequately allege that those opinions were false;

- b. Lead Plaintiff did not allege a strong inference of scienter, because Lead Plaintiff did not sufficiently allege that Deloitte knew or recklessly disregarded that its audit reports were false or misleading and Lead Plaintiff alleged no motive for Deloitte to sign false or misleading audit reports;
- c. Lead Plaintiff failed to properly plead loss causation; and
- d. Plaintiff's claim was time-barred by the two-year statute of limitations applicable to Exchange Act claims.

22. On September 18, 2020, Lead Plaintiff filed a 50-page memorandum of law in opposition to Deloitte's motion to dismiss. ECF No. 53. Lead Plaintiff argued that the Complaint adequately alleged that Deloitte acted with scienter and detailed the reasons why Deloitte's clean audit reports were materially false and misleading.

23. On October 19, 2020, Deloitte filed a 21-page reply brief in support of its motion to dismiss. ECF No. 55.

24. On November 17, 2020, this Court held a hearing on Deloitte's motion to dismiss, which Judge Margaret B. Seymour orally denied in its entirety. ECF Nos. 57–59, 64. In connection with the motion to dismiss, the parties both submitted and presented detailed presentations to the Court for its consideration during oral argument.

2. Answer

25. On December 22, 2020, Deloitte filed its Answer to the Complaint. ECF No. 66. Among other things, Deloitte's Answer denied Lead Plaintiff's allegations of wrongdoing and asserted 24 affirmative defenses to the claims pled against it, including that: (a) "Deloitte's conduct was not outside the accepted standards of practice for auditors" and "Deloitte complied with all applicable professional standards," and (b) "Deloitte was the victim of fraud, deceit, misrepresentation, concealment, negligence and/or breach of contract practiced upon it by others, in that information was not provided to Deloitte, was misrepresented to Deloitte, and/or was concealed from

Deloitte while Deloitte was rendering professional services, and any recovery against Deloitte shall be barred or diminished as a result.” ECF No. 66 at 197–98.

3. Second Motion to Dismiss

26. On May 26, 2022, Deloitte filed a second, 14-page motion to dismiss for lack of jurisdiction claiming that Plaintiff lacked standing, arguing that the Fund’s representatives did not seek or obtain consent to participate in the Action under the terms of the Fund’s trust agreement, and that the Fund could not cure a lack of standing because the applicable statutes of limitations and repose had run. ECF No. 132.

27. On June 16, 2022, Plaintiff filed its 20-page opposition to Deloitte’s second motion to dismiss, arguing that the Fund has Article III standing, that Deloitte’s interpretation of the Trust Agreement was incorrect, and even if there was an issue with the Fund’s standing, it would easily be cured without implicating the statutes of limitations or repose. ECF No. 141.

28. On June 28, 2022, Deloitte filed a 15-page reply brief in support of its second motion to dismiss. ECF No. 142.

29. On August 12, 2022, the Action was reassigned to Judge Donald C. Coggins, Jr, ECF No. 151, who scheduled a March 16, 2023 hearing on Deloitte’s second motion to dismiss. ECF Nos. 157–58.

30. On March 10, 2023, Plaintiff filed a Notice of Supplemental Information and Authority. ECF No. 155. In the notice, Plaintiff stated that—while it disputed Deloitte’s claim that the Pension Fund’s Board of Trustees did not previously authorize the Pension Fund to participate in the Action by voting on a formal resolution—in an abundance of caution, the Board of Trustees had formally voted and approved a resolution authorizing Plaintiff’s continued participation as lead plaintiff in the Action. Plaintiff explained that this resolution is documented in meeting minutes that were later approved by the Board of Trustees at a subsequent meeting.

31. During the March 16 hearing, Judge Coggins ordered Plaintiff to file a declaration attesting to the minutes of the Board of Trustees meeting referenced in Plaintiff's March 10 Notice. ECF Nos. 157–58. Plaintiff filed that declaration on March 27, 2023. ECF No. 159. Deloitte then filed a response and an additional supplemental brief. ECF Nos. 160–61. Judge Coggins then directed Plaintiff to file a response which Plaintiff filed on April 24, 2023. ECF Nos. 162–63. Together, the Parties' briefs on Deloitte's second motion to dismiss totaled 76 pages.

32. Following oral argument, on August 7, 2023, the Court issued an order and opinion denying Deloitte's second motion to dismiss in its entirety, holding that Plaintiff had Article III, prudential, and statutory standing because it: (1) was injured as a result of the SCANA price decrease after the fraud was disclosed; (2) "advances its own interests as a first-party plaintiff that purchased SCANA securities during the class period and was damaged as a result of Deloitte's alleged wrongdoing"; and (3) has adequately alleged a claim under Section 10(b) and Rule 10b-5. ECF No. 169.

E. Motions for Class Certification and Rule 23(f)Appeal

33. Lead Plaintiff initially moved for class certification on April 30, 2021, and the parties fully briefed the motion by the end of October 2021. In connection with that motion, extensive class discovery was taken, including the production of thousands of pages of documents, three depositions and one expert report. Together, the briefing on the initial motion totaled 89 pages, along with 612 pages of exhibits, including a 34-page expert report. That motion was dismissed without prejudice on March 8, 2022, to allow for further class-related discovery.

34. In the meantime, extensive additional class-related discovery occurred, including three additional depositions of the Fund and its representatives.

35. Lead Plaintiff filed its second motion for class certification on January 15, 2024. On February 5, 2024, Deloitte filed its opposition to Lead Plaintiff's second class certification

motion, and on that same day, moved to exclude the damages-related opinions of Lead Plaintiff's expert, Dr. Cain. Together, the briefing on the second motion for class certification and Deloitte's motion to exclude totaled 150 pages, along with 1,382 pages of exhibits, including 105 pages of expert reports.

36. On November 12, 2024, the Court granted Lead Plaintiff's motion for class certification, denied Deloitte's motion to exclude Dr. Cain's damages opinions, and appointed Plaintiff as Class Representative, Cohen Milstein as Class Counsel, and Tinkler Law Firm as Liaison Counsel.

37. Two weeks later, on November 26, 2024, Deloitte filed a Rule 23(f) petition with the Fourth Circuit, seeking interlocutory review of the Court's class certification decision. Following briefing, the Fourth Circuit granted, in part, Deloitte's petition on February 13, 2025, and that appeal was pending at the time the Parties reached their agreement in principle to settle the Action.

F. Discovery

38. Discovery in the Action commenced in December 2020, following the Court's decision on Deloitte's motion to dismiss and Deloitte's filing of its Answer.

1. Document Discovery

39. Lead Plaintiff obtained and reviewed over 95,000 documents, totaling approximately 3 million pages, over the course of this Action.

40. Plaintiff served its first set of document requests on December 23, 2020, and received Deloitte's first set of document requests and interrogatories on February 10, 2021. Deloitte served its second set of document requests on April 28, 2021.

41. Lead Counsel also worked to prepare for, and follow up on, its initial conference with Deloitte under Federal Rule of Civil Procedure 26(f) and served Plaintiff's Initial Disclosure Statement on Deloitte. This included Lead Counsel's conferral with Plaintiff concerning, among

other things: (a) Plaintiff's document preservation processes; (b) the location of relevant documents and the identification of systems where those documents resided; and (c) individuals for inclusion in Plaintiff's Initial Disclosure Statement pursuant to Federal Rule of Civil Procedure 26(a).

42. Deloitte served its responses and objections to Plaintiff's first set of document requests on February 8, 2021, and produced an initial set of audit workpapers shortly thereafter. Over the course of more than a year, Lead Counsel engaged in numerous meet and confers with Deloitte's Counsel, and conducted extensive negotiations over the scope and adequacy of Deloitte's discovery responses, including relating to the search terms and date ranges to be used for the document collection. In response to Plaintiff's document requests, Deloitte produced over 217,000 documents, totaling over 2 million pages of documents.

43. Plaintiff also subpoenaed 19 nonparties, including (a) SCANA (now a subsidiary of Dominion Energy), (b) 11 former SCANA directors, (c) Bechtel Corporation, and (d) two law firms who provided relevant services to SCANA. In response to Plaintiff's subpoenas, these third parties produced more than 41,000 documents, totaling approximately 292,000 pages. In addition, Plaintiff obtained and Lead Counsel reviewed almost 35,000 documents (totaling approximately 530,000 pages) as a result of its FOIA requests.

44. Lead Counsel reviewed, analyzed, and coded all of the voluminous documents received. In reviewing the documents, attorneys were tasked with making several analytical determinations as to the documents' importance and relevance. Specifically, they determined whether the documents were "hot," "warm," or "cold" (*i.e.* not relevant). They also assessed which specific issues the documents concerned and determined the identities of Deloitte or SCANA employees or other potential deponents to whom the documents related so that the documents could be

retrieved when preparing for depositions. Lead Counsel structured the document review to include regular team meetings to discuss the documents of highest interest and other issues that arose during the document review. Through these meetings, Lead Counsel ensured that all attorneys involved in the review understood the developing nature of the evidence and focused its document review on the key issues in the Action. The documents discussed included those that were particularly relevant to Plaintiff's claims and that offered insight into other important aspects of the case, including Deloitte's defenses.

45. Deloitte also responded to Plaintiff's two sets of interrogatories and two sets of requests for admission, which it served on May 3 and 5, 2024, respectively.

46. With Lead Counsel's assistance, Plaintiff searched for and gathered documents in its files that were responsive to Deloitte's requests for production of documents, which documents were then reviewed by Lead Counsel. Deloitte's document requests included requests concerning Plaintiff's transactions in SCANA securities and any related communications, Plaintiff's involvement in the Action, and its engagement of Lead Counsel. Plaintiff also responded to three sets of interrogatories propounded by Deloitte, as well as two sets of requests for admission.

2. Discovery Disputes and Related Motions

47. Discovery in the Action was highly contested. Lead Counsel and Deloitte's Counsel exchanged numerous letters and emails and participated in numerous meet-and-confer sessions regarding, among other things, the scope of the documents produced, the adequacy of the search terms and date range of productions, and the adequacy of responses to discovery requests.

48. One particularly notable dispute concerned Deloitte's failure to produce documents concerning its provision of services to companies other than SCANA that were involved in the V.C. Summer Project, including Westinghouse Electric Company LLC, the chief designer and contractor for the project. After intensive negotiations on this issue were unsuccessful, Plaintiff

filed a 35-page motion to compel and for sanctions against Deloitte, which was accompanied by 34 exhibits that included evidence obtained through discovery, as well as correspondence between the parties. ECF No. 118. In the motion, Plaintiff argued that Deloitte should be sanctioned for violating the Court's February 23 scheduling order by withholding its document productions to the SEC and by concealing material evidence related to the services it provided to companies involved in the V.C. Summer Project.

49. Two days later, on April 22, 2022, Deloitte filed a motion for a protective order related to Plaintiff's notice of a Rule 30(b)(6) deposition of Deloitte that concerned its discovery conduct, as well as document requests concerning related litigation and regulatory investigations. ECF No. 119.

50. The Court originally scheduled a hearing on the two motions for June 1, 2022. ECF No. 126. But in light of Deloitte's second motion to dismiss, which was filed on May 26, 2022, Judge Seymour cancelled the scheduled hearing pending the Court's ruling on the jurisdictional issues raised in Deloitte's motion. ECF No. 134.

51. Following the Judge Coggins's August 7, 2023 order denying Deloitte's second motion to dismiss, the Court held a November 7, 2023 hearing on Plaintiff's motion to compel and for sanctions and Deloitte's motion for a protective order. ECF Nos. 179, 182. Judge Coggins denied the motion without prejudice and directed the parties to instead engage in a further, intensive discussion process for the next six weeks to try to resolve the dispute.

52. Over the following weeks, the parties conducted further negotiations as directed. Those negotiations culminated in Deloitte's agreement to produce tens of thousands pages of additional documents, which included crucial drafts of audit workpapers and other relevant documents that proved to be integral to Plaintiff's claims.

3. Depositions

53. Over the history of the Action, the Parties took 26 depositions, including 13 fact depositions, 7 expert depositions at the merits stage, and 6 depositions in connection with class certification, entering on the record a total of 347 exhibits.

54. First, in connection with Plaintiff's Motions for Class Certification, Deloitte deposed Plaintiff's market efficiency and damages expert, Dr. Matthew D. Cain, multiple representatives of Plaintiff, and Plaintiff's investment adviser that had been delegated to make the relevant transaction on Plaintiff's behalf in SCANA common stock during the Class Period.

55. Second, the Parties took numerous fact depositions. Plaintiff deposed ten Deloitte witnesses, including the senior and other members of the audit team responsible for Deloitte's audits of SCANA. In addition, Plaintiff deposed three former SCANA employees responsible for overseeing the V.C. Summer Project, including Carlette Walker, Kenneth Browne, and Abney "Skip" Smith. One of Plaintiff's depositions was of a senior member of Deloitte's audit team who currently resides and works in Canada. Taking that deposition required Plaintiff to request a letter rogatory from this Court, and then an order from a Canadian court, which required the retention of Canadian counsel. It also led to a dispute between the parties regarding how that deposition would proceed, which led to a Court conference on May 20, 2024. ECF No. 223.

56. Third, the parties took 7 merits expert depositions in addition to the expert deposition taken at the class certification. Specifically, Plaintiff deposed Deloitte's audit and accounting expert, its construction expert, its regulatory expert, and its loss causation, damages, and market efficiency expert. Deloitte deposed Dr. Cain a second time in connection with his merits report on loss causation and damages, as well as Plaintiff's audit and accounting expert and its nuclear power plant construction expert.

4. Expert Merits Discovery

57. The Parties also engaged in extensive merit expert discovery, which was particularly critical in this case because it involved highly technical issues related to both audit and accounting, as well as nuclear power plant construction. Between September 27, 2024 and January 30, 2025, the parties submitted ten expert reports and took seven expert depositions, not including the reports and depositions concerning class certification. Plaintiff's experts included:

- a. Dr. Matthew D. Cain, Plaintiff's financial economics expert, who has more than 24 years of experience in complex financial analysis applicable to his work in this case and who has been found to be an expert by multiple courts, including district courts in this Circuit;
- b. Lynn Turner, Plaintiff's audit and accounting expert, who has more than 45 years of business, regulatory, and academic experience, which includes five years in the Office of the Chief Accountant ("OCA") of the SEC, where he was the Chief Accountant of the SEC from July 1998 to August 2001. As Chief Accountant, he was the principal advisor to the SEC Chairman and Commission on auditing and financial reporting matters, which included the oversight and development of U.S. auditing, accounting, and disclosure standards; and
- c. Alberto Ferrer, a nuclear engineer who regularly serves as a consultant to utilities building mega-projects like the V.C. Summer Project, and as an independent expert to public service commissions, including by the Georgia Public Service Commission to review and evaluate the costs for the Vogtle nuclear construction project.

58. Deloitte served expert reports from Paul J. Hibbard, its regulatory expert; David J. Denis, its loss causation, damages, and market efficiency expert; J. Duross O'Bryan, its audit and accounting expert; and Mark Anderson, its construction expert.

G. Summary Judgment and *Daubert* Motions

59. On January 31, 2025, both Lead Plaintiff and Deloitte moved for summary judgment.

60. Deloitte moved for summary judgment as to falsity, scienter, and loss causation. ECF No. 259. Among other things, Deloitte argued that SCANA's financial statements were fairly

presented, so there was no materially false misstatement by Deloitte, Deloitte's audits could not be considered "no audit at all," and that Plaintiff could not prove loss causation because there was no correction of Deloitte's audit reports or SCANA's audited financial statements.

61. Deloitte also moved to exclude the: (1) Loss Causation & Damages Opinions of Matthew D. Cain, and (2) Opinions of Alberto Ferrer and Derivative Opinions of Lynn Turner.

62. Plaintiff moved for partial summary judgment as to falsity and scienter relating to Deloitte's statement that its 2016 audits complied with PCAOB standards, market efficiency, and Deloitte's sixteenth affirmative defense that it was "the victim of fraud, deceit, misrepresentation, concealment, negligence and/or breach of contract practiced upon it by others." ECF No. 261.

63. In connection with the Parties' respective summary judgment and *Daubert* motions, the Parties filed a total of 463 pages of briefing and statements of fact, and 426 exhibits. Briefing on the motions for summary judgment and *Daubert* motions was completed on April 4, 2025, and those motions were pending at the time the Parties reached the proposed Settlement.

H. Mediation Efforts and Settlement

64. Over the course of more than five years, the Parties have engaged in repeated and extensive settlement discussions and negotiations as the case has progressed, holding four formal mediation sessions under the auspices of Robert A. Meyer, Esq., a professional and experienced mediator with a background in securities actions against auditing firms. *See generally* Declaration of Robert A. Meyer, dated December 19, 2025, submitted herewith as Ex. 3 ("Mediator Decl.").

65. Lead Plaintiff and Deloitte first explored the possibility of a settlement in early 2022, approximately two years into this Action. On June 23, 2022, the Parties participated in a full-day mediation session before Mr. Meyer. In advance of that session, the Parties exchanged and submitted detailed mediation statements, which addressed both liability and damages issues. Over the course of that session, Mr. Meyer engaged in extensive discussions with the Parties and

their counsel to try to find common ground between the Parties' respective positions, but the session ended without any agreement being reached.

66. Just under a year later, the parties participated in a second mediation session before Mr. Meyer on April 12, 2023. In advance of that session, the Parties again prepared detailed mediation-related presentations. But that session also ended without any agreement being reached.

67. A year-and-a-half later, shortly after the Court certified the Class, the Parties attempted mediation for a third time on December 13, 2024, again participating in a full-day session with Mr. Meyer. In connection with the mediation, the Parties each submitted and exchanged mediation statements that focused on what had occurred since the Parties' last mediation. This third mediation session did not result in an agreement.

68. Finally, in late April 2025, after summary judgment briefing was submitted and the Fourth Circuit partially granted Deloitte's petition for an interlocutory appeal of the Court's order certifying the Class, the parties participated in a fourth mediation with Mr. Meyer. The attendees engaged in good-faith negotiations, and at the end of the mediation session, Mr. Meyer provided a mediator's proposal to resolve the entire Action.

69. On April 24, 2025, Mr. Meyer informed the parties that both Lead Plaintiff and Deloitte had accepted the mediator's proposal and thus reached an agreement-in-principle. The agreement-in-principle contemplated full releases of liability in return for a cash payment of \$34 million for the benefit of the Settlement Class (defined below), subject to the negotiation of the terms of a Stipulation of Settlement and approval by the Court.

70. After extensive negotiation, on June 17, 2025, the parties executed a Term Sheet memorializing their agreement, which set forth, among other things, the Parties' agreement to settle and release claims against Deloitte in return for a payment of \$34 million in cash.

71. On October 10, 2025, the Parties executed the Stipulation and Agreement of Settlement, setting forth the full terms of their agreement to settle. ECF No. 315-2.

I. Preliminary Approval

72. On October 17, 2025, Plaintiff filed a motion for preliminary approval of the Settlement, which included filing the Stipulation and related papers with the Court. ECF No. 315.

73. On November 18, 2025, the Court held a hearing on the motion for preliminary approval and then entered the Order Preliminarily Approving Settlement and Authorizing Dissemination of Notice of Settlement (ECF No. 321) (the “Preliminary Approval Order”) which, among other things: (a) preliminarily approved the Settlement; (b) approved the form of the Settlement Notice, Summary Settlement Notice, and Claim Form, and authorized notice to be given to Class Members through Plaintiff’s proposed methods; (c) established procedures and deadlines by which Class Members could participate in the Settlement or object to the Settlement, the proposed Plan of Allocation, and/or the motion for attorneys’ fee and expenses; and (d) set a schedule for the filing of opening papers and reply papers in support of the proposed Settlement, Plan of Allocation, and the Fee and Expense Application. The Preliminary Approval Order also scheduled the Settlement Fairness Hearing for February 26, 2026, at 10:00 a.m. to determine, among other things, whether the Settlement should be finally approved.

III. Risks of Continued Litigation

74. The settlement provides a certain and substantial benefit to the Class in the form of a \$34 million cash payment. Lead Plaintiff and Lead Counsel believe that the proposed Settlement is an excellent result for the Class.

75. Lead Plaintiff and Lead Counsel believe that the claims asserted against Deloitte have merit. They recognize, however, the substantial risks that the Class would have faced in

establishing each of the required each of main elements of its claim, including of falsity, scienter, loss causation, and damages.

76. Lead Plaintiff faced these risks in connection with the resolution of Deloitte's pending motion for summary judgment and *Daubert* motions (which, if granted, could significantly undermine Lead Plaintiff's ability to prove its claims at trial), as well as at trial itself. And, even if Lead Plaintiff prevailed at trial, Deloitte would likely file post-trial motions and appeals. Lead Plaintiff and Lead Counsel also recognized the significant delay and expenses that would necessarily be incurred to pursue its claims against Deloitte through the completion of the litigation, including trial, post-trial motions, and appeals.

A. Risks Concerning Liability

77. Courts recognize that securities litigation is "notoriously uncertain," *S.C. Nat'l Bank v. Stone*, 749 F. Supp. 1419, 1426 (D.S.C. 1990) (quoting *Lewis v. Newman*, 59 F.R.D. 525, 528 (S.D.N.Y. 1973)), and "difficult and complex by its nature," *Brown v. Charles Schwab & Co.*, No. 2:07-cv-03852-DCN, 2011 WL 13199227, at *3 (D.S.C. July 26, 2011) (citing *In re Suprema Specialties, Inc. Sec. Litig.*, No. 02-168 (WHW), 2008 WL 906254, at *11 (D.N.J. Mar. 31, 2008)).

78. Those difficulties and risks are even greater here. Indeed, courts regularly observe that while establishing liability in any securities fraud case is difficult, cases brought against auditors like this one add even greater "complexity to the legal and factual issues." *In re Regions Morgan Keegan Sec., Derivative, and ERISA Litig.*, No. 07-2784, 2016 WL 8290089, at *4 (W.D. Tenn. Aug. 2, 2016). Establishing falsity and scienter here would turn largely on expert testimony about auditing standards and practices, as well as expert testimony about nuclear construction projects. Proving liability at summary judgment or trial would thus necessarily require "a battle of experts," making continued litigation both riskier and significantly more expensive. *Id.*

1. Falsity

79. Lead Plaintiff and Lead Counsel recognize that, while they prevailed at the motion to dismiss stage, they may have been unable to convince a jury of Deloitte's liability. Among other things, Lead Plaintiff recognizes that there were significant challenges in proving that Deloitte's audit reports were materially false and misleading when made. Falsity of those audit reports turned on highly technical standards of auditing, as well as nuclear power plant construction, which often require the exercise of considerable judgment on the part of auditors. Deloitte would also continue to argue that these audit reports amounted to statements of opinion, not fact.

2. Scienter

80. Lead Plaintiff faced additional and significant challenges in proving that Deloitte made the alleged false statements with the intent to mislead investors or were severely reckless in disregarding the falsity of its audit reports. Deloitte would contend that the statements in its audit reports were made only after conducting considerable audit procedures, each of which required the exercise of professional judgment. Indeed, each of Deloitte's former or current employees that were deposed testified that they acted appropriately and in accordance with auditing standards. Further, despite the massive size of the fraud and extensive public and private litigation against SCANA and other companies involved in the V.C. Summer Project, which resulted in multiple criminal convictions of senior executives of SCANA and other companies, Deloitte was never subject to similar scrutiny. Thus, even if Lead Plaintiff established that Deloitte's audit reports were false, there would still be considerable risks to convincing a jury that Deloitte knew or recklessly disregarded that they were false.

3. Risks Concerning Loss Causation and Damages

81. Even if Lead Plaintiff established liability, there would be significant risks to establishing loss causation and damages. Deloitte would have vigorously persisted in arguing that

much (if not all) of the declines in SCANA’s stock prices were not attributable to risks allegedly concealed by Deloitte’s false and misleading statements and omissions.

82. Even if Lead Plaintiff overcame that hurdle, there were also considerable risks that the recoverable damages would be reduced substantially. First, Deloitte argued that the Class Period should be shortened by nearly five months to end on July 31, 2017, when SCANA announced the abandonment of the Project. The Court declined to reach that issue at class certification, concluding that it raised a factual dispute. ECF No. 241 at 19–21. If the factfinder agreed with Deloitte, the total recoverable damages would have been cut by more than 62%.

83. Second, Deloitte would also be entitled to invoke the “proportionate liability” provision of the PSLRA, which would reduce the total damages to correspond to the percentage of responsibility of Deloitte. *See* 15 U.S.C. § 78u-4(f). Given the prior litigation against SCANA and criminal convictions of two of its executives, Deloitte’s percentage of responsibility could likely be limited to only a small fraction of the total recoverable damages. For example, if the factfinder found Deloitte to be 10% responsible, the maximum recoverable damages would decline to even more to only \$33.4 million, less than the \$34 million settlement reached.

Class Period	Total Damages		Proportionate Liability Reduction					
			30%	25%	20%	15%	10%	5%
Full Class Period	\$891.40	Total	\$267.4	\$222.9	\$178.3	\$133.7	\$89.1	\$44.6
		Settlement %	12.71%	15.26%	19.07%	25.43%	38.14%	76.28%
Ending July 31, 2017	\$334	Total	\$100.2	\$83.5	\$66.8	\$50.1	\$33.4	\$16.7
		Settlement %	33.9%	40.7%	50.9%	67.9%	101.8%	203.6%

B. Summary Judgment and *Daubert* Risks

84. At the time of the Settlement, the Parties had fully briefed summary judgment and *Daubert* motions. If Deloitte prevailed on its summary judgment arguments, Lead Plaintiff might

have recovered nothing at all. Likewise, if Deloitte succeeded on some or all its *Daubert* motions, Lead Plaintiff would have been severely limited in its ability to prove its case to a jury at trial. In particular, if Deloitte succeeded in persuading the Court to preclude testimony from Lead Plaintiff's audit and accounting or construction experts, Lead Plaintiff would face substantial difficulty in proving that Deloitte's audits did not comply with auditing standards. And if Deloitte succeeded in obtaining the exclusion of testimony from Lead Plaintiff's damages expert, Lead Plaintiff would have faced substantial difficulties in proving loss causation for the corrective disclosures. In deciding to settle this Action, Lead Plaintiff carefully considered each of these risks.

C. Class Certification Risks

85. Lead Plaintiff and Lead Counsel recognize that, while they prevailed with Lead Plaintiff's second motion for class certification, Deloitte was successfully able to convince the Fourth Circuit to hear part of its appeal of the Court's class certification order. Further, in the Spring of 2025, the Fourth Circuit also granted a 23(f) petition in *In re The Boeing Company Securities Litigation*, No. 25-1492 (4th Cir.), on a related loss causation issue, thereby increasing Lead Plaintiff's risk on appeal. Even if that appeal resulted in a favorable outcome, it would have entailed many months, if not years, of further litigation.

D. Trial and Appeal Risks

86. To recover in this case, Lead Plaintiff would also need a jury verdict in its favor following trial. Lead Plaintiff recognized the distinct difficulties of doing so in this case. Deloitte would have aggressively challenged the falsity of each of its alleged misrepresentations, and Lead Plaintiff would have had to prove the elements of its claims largely through evidence presented by adverse witnesses who served on Deloitte's audit team. In addition, Lead Plaintiff faced the daunting task of explaining to a jury the intricacies and economics of both audit and accounting, as well as nuclear power plant construction, which are both complex and highly technical subject matters.

E. The Settlement Amount Compared to the Maximum Damages That Could Be Proved at Trial

87. The Settlement Amount—\$34 million in cash—represents a significant recovery for the Class. The Settlement is the fifth largest reported securities class action settlement reached against an auditor in the last decade. The recovery from Deloitte also reflects more than 15% of the total amount recovered for all SCANA investors, when combining this settlement with *SCANA I*, which exceeds the typical amount recovered from an auditing firm.²

88. The \$34 million Settlement is a particularly favorable result when it is considered in relation to the maximum amount of damages that could reasonably be established at trial, even if Lead Plaintiff prevailed on all liability issues, including falsity, scienter, and loss causation. Based on calculations by Lead Plaintiff's damages expert, the \$34 million settlement represents between 13% to more than 200% of total likely recoverable damages, when accounting for likely reductions for proportionate liability and a potentially shortened class period. When combined with the settlement from *SCANA I*, the amount recovered for SCANA investors also represents more than 25% of the maximum recoverable damages from all potential responsible parties, which far exceeds the typical recoveries in securities class actions.³

² See, e.g., *In re Mattel, Inc. Securities Litig.*, No. 2:19-cv-10860, ECF No. 143-1 (C.D. Cal. Nov. 24, 2021) (auditor settlement 12.24% of total recovered); *In re Aegean Marine Petroleum Network, Inc. Sec. Litig.*, 1:18-cv-04993, ECF Nos. 330-1, 351-3 (S.D.N.Y. Nov. 9, 2021) (auditor settlements 8.52% of total recovered); *In re Am. Realty Cap. Properties, Inc. Litig.*, 1:15-mc-0040, ECF No. 1272 (S.D.N.Y. Sept. 30, 2019) (auditor settlement 4.78% of total recovered).

³ See Larni T. Bulan & Eric Tam, *Securities Class Action Settlement 2024 Review & Analysis* 8, Cornerstone Research (2025), <https://www.cornerstone.com/wp-content/uploads/2025/03/Securities-Class-Action-Settlements-2024-Review-and-Analysis.pdf> (calculating the median settlement as a percentage of potential losses for 10(b) claim settlements between 2015 and 2024 as 6.9%); see, e.g., Order, *KBC Asset Mgmt. NV v. 3D Sys. Corp.*, No. 0:15-cv-02393-MGL (D.S.C. June 25, 2018), ECF No. 189 (approving settlement that was 9% of estimated damages); *Okla. Firefighters Pension & Ret. Sys. v. Lexmark Int'l, Inc.*, No. 17cv5543, 2021 WL 76328, at *3 (S.D.N.Y.

89. Given the meaningful litigation risks, and the immediacy and amount of the \$34 million recovery for the Class, Lead Plaintiff and Lead Counsel believe that the Settlement is fair, reasonable, and adequate, and is in the best interest of the Class.

IV. Lead Plaintiff's Compliance with the Court's Preliminary Approval Order

90. The Court's Preliminary Approval Order directed that the Notice of (I) Proposed Class Action Settlement; (II) Settlement Hearing; and (III) Motion for Attorneys' Fees and Litigation Expenses (the "Notice") and Proof of Claim and Release Form ("Claim Form") disseminated to Class Members as set forth in that Order. The Preliminary Approval Order set February 5, 2026 as the deadline for Class Members to submit objections to the Settlement, the Plan of Allocation, or the Fee and Expense Application, and scheduled the final Settlement Fairness Hearing for February 26, 2026.

91. In accordance with the Preliminary Approval Order, Lead Counsel instructed Epiq Systems ("Epiq") to begin disseminating copies of the Postcard Notice by mail and email to investors who (1) participated in the securities settlement against SCANA, *In re: SCANA Corporation Securities Litigation*, No. 3:17-cv-02616 ("SCANA I"); and (2) purchased SCANA's common stock during the Class Period, as well as to publish the Summary Settlement Notice in accordance with the Order. Each of the Settlement Notices contain, among other things, a description of the Action, the Settlement, the reasons for the Settlement, the proposed Plan of Allocation, and information about Class Members' rights to participate in the Settlement and object to the Settlement, the Plan of Allocation and/or the Fee and Expense Application. The Settlement Notices also inform Class Members of Lead Counsel's intent to apply for an award of attorneys' fees in an amount not

Jan. 7, 2021) (approving settlement that was 10% of the 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).

to exceed 33.33% of the Settlement Fund, and for Litigation Expenses in an amount not to exceed \$6,040,000.

92. The Declaration of Alexander Villanova Regarding Implementation of Notice (“Mailing Decl.”), attached hereto as Exhibit 2, states that over 59,000 Postcard Notices have been mailed to potential Settlement Class Members beginning on December 17, 2025, and that the Summary Notice was published in the national edition of *The Wall Street Journal* and once over the *PR Newswire* on January 2, 2026, in compliance with the provisions of the Preliminary Approval Order. Ex. 2, Mailing Decl. ¶¶ 4, 6, 8.

93. Contemporaneously with the mailing of the Postcard Notice, Epiq also created a case website at www.deloittescanasecuritieslitigation.com to provide Settlement Class Members and other interested parties with information concerning the Settlement and the important dates and deadlines in connection therewith, as well as access to downloadable copies of the Long-form Notice, Claim Form, Stipulation, and Preliminary Approval Order. *See id.* ¶ 9. The website also allows Class Members to submit their claims online if they wish to do so. *Id.* Lead Counsel and Epiq have regularly monitored the settlement website to ensure that it is operating correctly. Lead Counsel and Epiq will continue to monitor and to update the settlement website as the settlement process continues. For example, Lead Plaintiff’s papers in support of its motion for final approval of the Settlement and Lead Counsel’s papers in support of its motion for attorneys’ fees and Litigation Expenses will be made available on the case website after they are filed, and any orders entered by the Court in connection with those motions will also be posted. Lead Counsel have also published copies of the Long-form Notice and Claim Form to its firm website, www.cohenmilstein.com.

94. As noted above, the Court-ordered deadline for Settlement Class Members to request exclusion or file objections to the Settlement, the Plan of Allocation and/or the Fee and Expense Application is February 5, 2026. To date, no objections to the Settlement, Plan of Allocation or Fee and Expense Application have been received, and no requests for exclusion have been received. Lead Plaintiff and Lead Counsel will address any objections in its responsive papers to be filed with the Court on February 19, 2026.

V. Allocation of the Proceeds of the Settlement

95. Pursuant to the Preliminary Approval Order, and as set forth in the Long-form Notice, to be eligible for a payment from the Settlement, you must be a member of the Settlement Class and either (1) have had an eligible claim in the settlement against SCANA in *SCANA I*, or (2) timely complete and return the Claim Form with adequate supporting documentation post-marked or submitted electronically no later than April 16, 2026. As set forth in the Long-form Notice, the Net Settlement Fund—*i.e.*, the Settlement Amount after adjustment for (i) any Taxes; (ii) any Notice and Administration Costs; (iii) any Litigation Expenses awarded by the Court; (iv) any attorneys’ fees awarded by the Court; and (v) other Court-approved deductions—will be distributed among eligible Settlement Class Members who submit valid Claim Forms (“Authorized Claimants”), in accordance with a plan of allocation approved by the Court.

96. Lead Counsel developed the proposed Plan of Allocation for the Net Settlement Fund in consultation with Lead Plaintiff’s economic and damages expert. Lead Counsel believe that the Plan of Allocation provides a fair and reasonable method to equitably allocate the Net Settlement Fund among Settlement Class Members who suffered losses as result of the conduct alleged in the Complaint.

97. The Plan of Allocation is set forth in the Long-form Notice. *See* Ex. 2, Mailing Decl. at Ex. C ¶ 57–79. As described therein, calculations under the Plan of Allocation are not

intended to be estimates of, nor indicative of, the amounts that Settlement Class Members might have been able to recover at trial or estimates of the amounts that will be paid to Authorized Claimants pursuant to the Settlement. *Id.* ¶ 57. Instead, the calculations under the plan are a method to weigh the claims of Settlement Class Members against one another for the purposes of making pro rata allocations of the Net Settlement Fund.

98. In developing the Plan of Allocation, Lead Plaintiff's damages expert calculated the estimated amount of artificial inflation in the per share closing price of publicly traded SCANA common stock which allegedly was proximately caused by Deloitte's alleged materially false and misleading statements and omissions. *See id.* ¶ 58. In calculating the estimated artificial inflation, Lead Plaintiff's damages expert considered price changes in publicly traded SCANA common stock in reaction to certain public announcements allegedly revealing the truth concerning Deloitte's alleged misrepresentations and omissions, adjusting for price changes that were attributable to market or industry forces. *Id.* ¶ 59.

99. The Plan of Allocation calculates a "Recognized Loss Amount" or "Recognized Gain Amount" for each purchase or acquisition of publicly traded SCANA common stock during the Class Period that is listed in the Claim Form and for which adequate documentation is provided by a Claimant. *Id.* ¶ 63.

100. Under the Plan of Allocation, claimants' Recognized Loss Amounts will be netted against their Recognized Gain Amounts, if any, to determine the claimants' "Recognized Claims," and the Net Settlement Fund will be allocated pro rata to Authorized Claimants based on the relative size of their Recognized Claims. *Id.* ¶¶ 65, 74–75.

101. In sum, it is Lead Counsel's opinion that the Plan of Allocation was designed to fairly and rationally allocate the proceeds of the Net Settlement Fund among Settlement Class

Members based on the losses they suffered on transactions in SCANA common stock that were attributable to the conduct alleged in the Complaint.

102. As noted above, as of January 21, 2026, over 59,000 Postcard Notices have been mailed to potential Settlement Class Members. *See id.* ¶¶ 4, 6. To date, there have been no objections to the Plan of Allocation.

VI. The Fee and Expense Application

103. Lead Counsel are applying to the Court for an award of attorneys' fees of 33.33% of the Settlement Fund, including interest as earned on that portion of the Settlement Fund (the "Fee Application") on behalf of all Plaintiff's Counsel.⁴ Lead Counsel also request payment of Litigation Expenses that Plaintiff's Counsel incurred in connection with the prosecution of the Action and for reimbursement of Lead Plaintiff's costs in the combined amount of \$6,013,402.86.

104. The legal authorities supporting the requested fees and expenses are discussed in Lead Counsel's Fee Memorandum.⁵ As discussed in the Fee Memorandum, the 33.33% fee award is within the range of percentage fees typically awarded in comparable securities class actions in this Circuit and elsewhere, and is fair and reasonable in light of all the circumstances in this case, which include the results achieved, the time and effort required, the complexity of the subject matter, and the risks Lead Plaintiff faced.

A. The Fee Application

105. For the efforts of Plaintiff's Counsel on behalf of the Class, Lead Counsel are applying for a fee award to be paid from the Settlement Fund on a percentage basis. As discussed in

⁴ "Plaintiff's Counsel" are: (i) Lead Counsel Cohen Milstein, (ii) Liaison Counsel Tinkler Law Firm LLC; and (iii) Plaintiff's Additional Counsel Gordon Ball PLLC, Edward D. Sullivan Law Office, and Daryl G. Hawkins Law Office.

⁵ *See* Memorandum of Points and Authorities in Support of Lead Counsel's Motion for an Award of Attorneys' Fees and Payment of Litigation Expenses ("Fee Memorandum"), filed herewith.

the accompanying Fee Memorandum, the percentage method is the standard and appropriate method of fee recovery because it aligns the lawyers' interest in being paid a fair fee with the interests of the Class in achieving the maximum recovery in the shortest amount of time required under the circumstances. Use of the percentage method has been recognized as appropriate by the Supreme Court and Fourth Circuit for cases of this nature where an all-cash common fund has been recovered for a class.

1. Lead Plaintiff has Authorized and Supports the Fee and Expense Application

106. Lead Plaintiff International Brotherhood of Electrical Workers Local 98 Pension Fund is a sophisticated institutional investor that closely supervised and monitored the prosecution and settlement of the Action. *See* Ex. 1, Lead Plaintiff Decl. ¶¶ 5, 7–9. Lead Plaintiff has evaluated the Fee and Expense Application and fully supports the requests. *Id.* ¶¶ 17–19. Accordingly, Lead Plaintiff's endorsement of Lead Counsel's fee and expense request demonstrates its reasonableness and should be given weight in the Court's consideration of the fee award.

2. The Work Performed by Plaintiff's Counsel

107. The work undertaken by Plaintiff's Counsel in investigating and prosecuting this case and arriving at the Settlement in the face of substantial risks has been time-consuming and challenging. Plaintiff's Counsel devoted substantial time to the prosecution of the Action over more than five years with no compensation. The work that Plaintiff's Counsel performed in this Action included, among other things:

- a. conducting an extensive investigation into the alleged fraud, including FOIA requests that resulted in the production of almost 35,000 documents, as well as extensive consultation with accounting, audit and loss causation experts;
- b. drafting a detailed 203-page amended complaint based on this extensive factual investigation;

- c. successfully opposing Deloitte's first motion to dismiss the Complaint, through extensive briefing and oral argument;
- d. conducting extensive fact and expert discovery, including reviewing over three million pages of documents obtained from Deloitte and third parties, and taking or defending a total of 26 depositions, including 13 fact depositions, 7 expert depositions at the merits stage, and 6 depositions in connection with class certification;
- e. successfully opposing Deloitte's second motion to dismiss the Complaint, through extensive briefing and oral argument;
- f. successfully moving for class certification twice and briefing Deloitte's Rule 23(f) petition;
- g. working extensively with experts in the areas of audit and accounting, nuclear power plant construction, and loss causation, damages, and market efficiency;
- h. opposing Deloitte's motion for summary judgment and its two *Daubert* motions;
- i. affirmatively moving for partial summary judgment;
- j. participating in lengthy arm's-length settlement negotiations, including four mediation sessions, each of which included the preparation and exchange of detailed mediation statements or presentations; and
- k. drafting and negotiating a Term Sheet, the Stipulation setting out the terms of the Settlement, and related documentation.

108. Attached hereto as Exhibits 4, 5, 6, and 7 are Declarations from counsel in support of their portion of attorneys' fees and Litigation Expenses.⁶ Exhibit 8 contains a summary chart of the hours expended and lodestar amounts for each firm. Exhibit 9 contains a summary chart of each firm's Litigation Expenses. Included within each supporting Declaration are schedules summarizing the hours and lodestar of each firm from the inception of the case through the Preliminary

⁶ For reasons discussed in detail in Lead Counsel's Memorandum Points and Authorities in Support of Lead Counsel's Motion for an Award of Attorneys' Fees and Repayment of Litigation Expenses ("Fee Memo"), Lead Plaintiff has not provided a separate declaration from one of the Additional Counsel, Gordon Ball; however, he will receive a portion of any award pursuant to an agreement among Plaintiff's Counsel. Fee Memo at 7 n.7.

Approval Order and a summary of Litigation Expenses, by category. No time expended in preparing the application for fees and expenses has been included.

109. As set forth in Exhibit 8, Plaintiff's Counsel collectively expended a total of 28,164.5 hours in the prosecution of the Action from its inception through November 18, 2026 (the Preliminary Approval Order), for a lodestar of \$18,842,143.25. The requested fee of 33.33% of the Settlement Fund amounts to \$11,332,200 (plus interest accrued at the same rate as the Settlement Fund). The fee request therefore represents a "negative" or fractional multiplier of approximately 0.60 of Plaintiff's Counsel's lodestar. In other words, the requested fee represents only 60% of the value of Plaintiff's Counsel's time on the case at their normal hourly rates. As discussed in further detail in the Fee Memorandum, the requested multiplier is below the range of multipliers typically seen in comparable securities class actions and in other class actions involving significant contingency fee risk, in this Circuit and elsewhere

3. The Experience and Standing of Lead Counsel

110. As demonstrated by its firm resume, Cohen Milstein is regarded as one of the top plaintiff-side law firms in the country. *See* Ex. 4, Ex. C, Cohen Milstein Resume. In 2025, The *National Law Journal* named the firm Plaintiff Law Firm of the Year. Cohen Milstein's Securities Litigation & Investor Protection practice is ranked as among the nation's leading practices of its kind, including being named Securities Practice of the Year by *The National Law Journal* (2024) and *Law360* (2020, 2022, 2023). In addition, *Chambers USA*, *Legal 500*, and *Benchmark Litigation* consistently rank the firm among the top plaintiff-side securities litigation practices in the nation. Lead trial counsel for Cohen Milstein in this case, Laura Posner, has obtained 6 of the top 100 securities fraud class action settlements of all time, including the \$1 billion settlement in *In re Wells Fargo & Co. Securities Litigation*, No. 1:20-cv-04494-JLR-SN (S.D.N.Y.). Among other accolades, she was named New York Law Journal's Attorney of the Year in 2024.

111. Cohen Milstein has recovered billions of dollars for its public pension fund and Taft-Harley fund clients, and other institutional investor clients, including in some of the largest and most complex securities class actions in recent history. For example, as noted above, Cohen Milstein obtained a \$1 billion settlement for the class in *In re Wells Fargo & Co.*, which is the 17th largest securities class action settlement ever, the sixth largest in the last decade, the ninth largest ever in the Second Circuit, and the largest ever without a restatement or related actions by the SEC or U.S. Department of Justice.

112. Cohen Milstein also recovered more than \$2.5 billion for investors in a dozen mortgage-backed securities (“MBS”) class actions, including landmark settlements of \$500 million on behalf of institutional investor clients against not only Countrywide Financial Corporation (*Maine State Ret. Sys. v. Countrywide Fin. Corp.*, No. 2:10-CV-00302 (C.D. Cal.)), but also against Bear Stearns (*In re Bear Stearns Mortgage Pass-Through Litig.*, No. 1:08-cv-08093-LTS (S.D.N.Y.)). Other MBS settlements include: a \$275 million settlement in an MBS class action against the Royal Bank of Scotland (*New Jersey Carpenters Health Fund v. The Royal Bank of Scotland Grp., plc, et al.*, No. 1:08-cv-05310-DAB-HBP (S.D.N.Y.)); \$335 million in settlements in a class action against Residential Accredit Loans, Inc. and various investment banks (*New Jersey Carpenters Health Fund v. Residential Capital, L.L.C.*, No. 1:08-cv-08781 (KPF) (S.D.N.Y.)); a \$165 million settlement in a class action against various underwriters (*New Jersey Carpenters Health Fund v. NovaStar Mortgage Inc., et al.*, No. 08-cv-5310 (DAB) (S.D.N.Y.)); and a \$110 million settlement in a class action against Credit Suisse AG and its affiliates (*New Jersey Carpenters Health Fund v. DLJ Mortgage Capital, Inc., et al.*, No. 08-5653 (PAC) (S.D.N.Y.)).

4. The Standing and Caliber of Deloitte’s Counsel

113. Deloitte was represented in the Action by extremely able counsel from Milbank LLP and Moore & Van Allen, PLLC, who vigorously represented their clients in the Action. In

the face of this skillful and well-financed opposition, Lead Counsel were nonetheless able to develop a case that was sufficiently strong to persuade Deloitte and its counsel to settle the case on terms that are highly favorable to the Class.

5. The Risks of Litigation

114. As discussed above, Lead Counsel faced significant risks in pursuing this Litigation, and this was not a case where any recovery was assured. Those risks are relevant to the Court's evaluation of an award of attorneys' fees. Here, the risks assumed by Counsel, and the time and expenses incurred by Plaintiff's Counsel without any payment, were extensive.

115. From the outset, Lead Counsel understood that they were embarking on complex, expensive, challenging, and lengthy litigation with no guarantee of compensation for the investment of time, money, and effort the case would require. In undertaking that responsibility, Lead Counsel was obligated to assure—and did ensure—that sufficient resources of attorneys were dedicated to the prosecution of the Litigation and that funds were available to compensate staff and the considerable out-of-pocket costs a case such as this entails.

116. Because complex shareholder litigation generally proceeds for several years before reaching a conclusion, the financial burden on contingent-fee counsel is far greater than on a firm that is paid on an ongoing basis. Indeed, Plaintiff's Counsel have received no compensation during the course of this Action, yet they have incurred \$6,013,402.86 in expenses in prosecuting this Action for the benefit of SCANA investors.

117. Plaintiff's Counsel's persistent efforts in the face of significant risks and uncertainties have resulted in a significant and certain recovery for the Settlement Class. In light of this recovery and Plaintiff's Counsel's investment of time and resources over the course of the litigation, Lead Counsel believe the requested attorneys' fee is fair and reasonable and should be approved.

6. The Reaction of the Class to the Fee Application

118. As noted above, as of January 21, 2026, there have been no exclusion requests or objections to the settlement. Ex. 2, Mailing Decl. ¶¶ 13–14. This reaction supports that the fees and expenses are reasonable.

* * *

119. In sum, Lead Counsel accepted this case on a contingency basis, committed tens of millions of dollars in resources to it, and prosecuted it without any compensation or guarantee of success. Based on the favorable result obtained, the quality of the work performed, the risks of the Action, and the contingent nature of the representation, Lead Counsel respectfully submit that the requested fee is fair and reasonable.

B. The Expense Application

120. Plaintiff’s Counsel also seek payment of \$6,013,402.86 in Litigation Expenses that were reasonably incurred in connection with the prosecution of the Action (the “Expense Application”).

121. From the outset of the Action, Lead Counsel have been aware that they might not recover any of the expenses they incurred, and, further, if there were to be reimbursement of expenses, it would not occur until the Action was successfully resolved, often a period lasting several years. Lead Counsel also understood that, even assuming that the case was ultimately successful, reimbursement of expenses would not necessarily compensate them for the lost use of funds advanced by them to prosecute the Action. Consequently, Lead Counsel were motivated to, and did, take significant steps to minimize expenses whenever practicable without jeopardizing the vigorous and efficient prosecution of the case.

122. As set forth in Exhibit 8 hereto, Plaintiff’s Counsel have incurred a total of \$5,983,402.86 in litigation expenses in connection with the prosecution of the Action. These

expense items are billed separately by Plaintiff's Counsel, and such charges are not duplicated in Plaintiff's Counsel's hourly rates. A breakdown of Plaintiff's Counsel's Litigation Expenses by category is attached as Exhibit 9.

123. Of the total amount of expenses, \$5,495,274.14, or approximately 91%, was expended for the retention of experts and consultants. Lead Counsel consulted with well-qualified experts in financial economics concerning market efficiency, loss causation, and damages during its investigation and the preparation of the Complaint, in connection with the motion for class certification and during merits expert discovery, during the settlement negotiations with Deloitte, and in connection with the development of the proposed Plan of Allocation. In addition, Lead Counsel also worked extensively with well-qualified experts in audit and accounting and nuclear power plant construction, each of whom prepared an expert report and sat for deposition in the matter.

124. Discovery constitutes the second and third largest categories of expenses. Specifically, Lead Counsel incurred approximately \$231,756.38 in expenses associated with document management, or approximately 4% of the total expenses, and approximately \$112,504.33, or 2% of total expenses, for deposition-related expenses, including transcripts.

125. Another large component of the Litigation Expenses was for online legal and factual research, which included research necessary to prepare the Complaint, research the law pertaining to the claims asserted in the Action, oppose Deloitte's motion to dismiss and motion for summary judgment and to move for class certification and summary judgment. The charges for online research amounted to \$70,504.91, or approximately 1% of the total amount of expenses.

126. The other expenses for which Lead Counsel seek payment are the types of expenses that are necessarily incurred in litigation and routinely charged to clients billed by the hour. These

expenses include, among others, court fees, court reporting costs, travel costs, long-distance telephone charges, and postage and delivery expenses.

127. All of the Litigation Expenses incurred by Plaintiff's Counsel were reasonable and necessary to the successful litigation of the Action, and have been approved by Lead Plaintiff. *See* Ex. 1, Lead Plaintiff Decl. ¶¶ 17–19.

128. In addition, Lead Plaintiff reimbursement related directly to its representation of the Settlement Class, based on the time that employees of Lead Plaintiff dedicated to the Action, including being deposed and participating in settlement negotiations, and out-of-pocket travel expenses incurred. As set forth in the Lead Plaintiff Declaration, Lead Plaintiff seeks an award of \$30,000 based on the over 150 hours that its employees dedicated to the Action. *See id.* ¶ 16. Such payments are expressly authorized and anticipated by the PSLRA, as more fully discussed in the Fee Memorandum at 18–19.

129. The Notice informed Class Members that Lead Counsel would be seeking Litigation Expenses in an amount not to exceed \$6,040,000, including reimbursement to Lead Plaintiff directly related to its representation of the Settlement Class, as authorized by the PSLRA. The aggregate amount requested, \$6,013,42.86, which includes \$5,983,402.86 for litigation expenses incurred by Plaintiff's Counsel and \$30,000 in PSLRA reimbursement to the Lead Plaintiff, is below the amount that Class Members were advised could be sought. To date, no objection has been raised as to the maximum amount of expenses set forth in the Notice.

VII. Conclusion

130. For all the reasons stated above, Lead Plaintiff and Lead Counsel respectfully submit that the Settlement and the Plan of Allocation should be approved as fair, reasonable, and adequate. Lead Counsel further submit that the requested fee of 33.33% of the Settlement Fund should be approved as fair and reasonable, the request for payment of Plaintiff's Counsel's

litigation expenses in the amount of \$5,983,402.86 and Lead Plaintiff's service award in the amount of \$30,000 should be approved.

I declare, under penalty of perjury, that the foregoing is true and correct. Executed this 22nd day of January, 2026.

Dated: January 22, 2026

Respectfully submitted,



Laura H. Posner

CERTIFICATE OF SERVICE

I certify that on January 22, 2026, I electronically filed the foregoing with the Clerk of Court using the Court's CM/ECF system. A copy of this filing will be sent to the registered participants as identified on the Notice of Electronic Filing.

/s/ Laura H. Posner

Laura H. Posner