UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

HUMBERTO LOZADA and OKLAHOMA FIREFIGHTERS PENSION AND RETIREMENT SYSTEM Individually and on Behalf of All Others Similarly Situated, Plaintiffs, v. TASKUS, INC., BRYCE MADDOCK, JASPAR WEIR, BALAJI SEKAR, AMIT DIXIT, MUKESH MEHTA, SUSIR KUMAR, JACQUELINE D. RESES, and BCP FC AGGREGATOR L.P., Defendants.	Case No. 1:22-cv-01479-JPC-GS CLASS ACTION

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

TABLE OF CONTENTS

INTRODUCTION 1

I. PRELIMINARY APPROVAL AND NOTICE 3

II. THE PROPOSED SETTLEMENT WARRANTS FINAL APPROVAL 5

A. Legal Standard 5

B. The Proposed Settlement Is Fair, Reasonable, and Adequate 5

1. Plaintiffs and Plaintiffs' Counsel Have Adequately Represented the Class – Rule 23(e)(2)(A) 5

2. The Proposed Settlement Was Negotiated at Arm's Length After Extensive Discovery – Rule 23(e)(2)(B) 7

3. The Proposed Settlement Provides Adequate Relief – Rule 23(e)(2)(C) 7

a. The Costs, Risk, and Delay of Trial and Appeal – Rule 23(e)(2)(C)(i) 8

b. The Proposed Method for Distributing Relief Is Effective – Rule 23(e)(2)(C)(ii) 10

c. The Terms and Timing of Payment of Attorneys' Fees and Expenses are Reasonable – Rule 23(e)(2)(C)(iii) 11

d. Plaintiffs Have Identified All Agreements Made in Connection with the Proposed Settlement – Rule 23(e)(2)(C)(iv) 11

4. The Plan of Allocation Treats Class Members Equitably – Rule 23(e)(2)(D) 12

5. The Reaction of the Settlement Class to the Proposed Settlement 12

III. THE COURT SHOULD FINALLY CERTIFY THE SETTLEMENT CLASS 13

IV. THE PLAN OF ALLOCATION WARRANTS APPROVAL 13

CONCLUSION 15

TABLE OF AUTHORITIES

Cases

City of Detroit v. Grinnell Corp.,
495 F.2d 448 (2d Cir. 1974) 5

Hesse v. Godiva Chocolatier, Inc.,
No. 1:19-CV-0972-LAP, 2022 WL 22895466 (S.D.N.Y. Apr. 20, 2022) 5

In re Am. Bank Note Holographics, Inc. Sec. Litig.,
127 F. Supp. 2d 418 (S.D.N.Y. 2001) 13

In re Bear Stearns Companies, Inc. Sec., Derivative, & ERISA Litig.,
909 F. Supp. 2d 259 (S.D.N.Y. 2012) 13

In re China Sunergy Sec. Litig.,
No. 07 Civ. 7895 (DAB), 2011 WL 1899715 (S.D.N.Y. May 13, 2011)..... 8

In re Flag Telecom Holdings, Ltd. Sec. Litig.,
No. 02-cv-3400 (CM) (PED), 2010 WL 4537550 (S.D.N.Y. Nov. 8, 2010) 8

In re Lloyd's Am. Tr. Fund Litig.,
No. 96 Civ. 1262 (RWS), 2002 WL 31663577 (S.D.N.Y. Nov. 26, 2002)..... 13

In re Luckin Coffee Inc. Sec. Litig.,
No. 1:20-cv-01293-JPC, ECF 339 (S.D.N.Y. July 22, 2022) (Cronan, J.)..... 15

In re Painewebber Ltd. P'ships Litig.,
147 F.3d 132 (2d Cir. 1998) 5

In re Signet Jewelers Ltd. Sec. Litig.,
No. 1:16-cv-06728-CM-SDA, 2020 WL 419646 (S.D.N.Y. July 21, 2020)..... 6, 8, 12, 15

Lea v. Tal Educ. Grp.,
No. 18-CV-5480 (KHP), 2021 WL 5578665 (S.D.N.Y. Nov. 30, 2021) 5

Maley v. Del Glob. Techs. Corp.,
186 F. Supp. 2d 358 (S.D.N.Y. 2002) 10

Reyes v. Summit Health Mgmt., LLC,
No. 22-cv-9916 (VSB), 2024 WL 472841 (S.D.N.Y. Feb. 6, 2024)..... 7

Wal-Mart Stores, Inc. v. Visa U.S.A., Inc.,
396 F.3d 96 (2d Cir. 2005) 7

Statutes

15 U.S.C. § 77k(e) 14

15 U.S.C. § 78u-4(e) 14

Rules

Fed. R. Civ. P. 23 ..... *passim*

Other Authorities

Cornerstone Research, *Securities Class Action Settlements – 2024 Review and Analysis*, *available at* https://www.cornerstone.com/wp-content/uploads/2025/03/Securities-Class-Action-Settlements-2024-Review-and-Analysis.pdf. 2, 8

INTRODUCTION

Lead Plaintiff Humberto Lozada ("Lozada") and Named Plaintiff Oklahoma Firefighters Pension and Retirement System ("Oklahoma" and, together, "Plaintiffs") respectfully request that the Court grant final approval of the $17.5 million Settlement.[1] This is an outstanding result that provides the Settlement Class with a valuable, immediate recovery of as much as 65% of realistically recoverable damages, instead of the risk and uncertainty of years of further litigation.

The Court has granted preliminary approval of the proposed Settlement. Final approval is warranted because the Settlement is "fair, reasonable, and adequate" under Rule 23(e)(2).

First, Rule 23(e)(2)(A) and (B) are satisfied because Plaintiffs and Plaintiffs' Counsel "have adequately represented the class," and the proposed Settlement "was negotiated at arm's length" under the auspices of a respected mediator after protracted litigation. Plaintiffs carefully oversaw Plaintiffs' Counsel's work from inception and fully support the proposed Settlement.

Plaintiffs' Counsel have vigorously pursued this Litigation on behalf of the Settlement Class to achieve a substantial recovery. As detailed in the Fonti Declaration, Plaintiffs' Counsel devoted nearly three years of focused effort to this case, defeating in part Defendants' motion to dismiss, litigating Plaintiffs' motion for class certification, securing over 540,000 pages of documents, completing 16 depositions, and working to prepare opening expert reports. These vigorous efforts set the stage to obtain the best possible result for the Settlement Class.

The Settlement was achieved through contentious, arm's-length negotiations, including the submission of two rounds of mediation statements and exhibits, and a full-day mediation session

[1] Capitalized terms not defined herein have the meanings stated in the Stipulation of Settlement, dated May 27, 2025 (the "Stipulation") (ECF 187-1) and the Declaration of Joseph A. Fonti in Support of (I) Plaintiffs' Motion for Final Approval of Class Action Settlement and Approval of Plan of Allocation, and (II) Lead Counsel's Motion for Attorneys' Fees, Litigation Expenses, and Plaintiffs' Reasonable Costs and Expenses (the "Fonti Declaration" or "Fonti Decl."). "Ex._" refer to the exhibits to the Fonti Declaration. Citations and internal quotations are omitted and emphases are added unless otherwise noted.

with David Murphy of Phillips ADR. After that session, the parties were unable to reach agreement, and Mr. Murphy issued a recommendation to settle the case for $17.5 million in cash, which the parties later accepted.

Second, the proposed Settlement provides adequate relief and satisfies Rule 23(e)(2)(C), particularly given the "costs, risks, and delay of trial and appeal." Fed. R. Civ. P. 23(e)(2)(C)(i).

The Settlement recovers as much as 65% of realistically recoverable damages—more than ***seven times*** the 8.8% median recovery in cases alleging claims under both Sections 10(b) and 11.[2] This is an excellent result, particularly given the significant, and potentially dispositive, risks had litigation continued. Defendants vigorously contested liability at every turn, and there was no assurance that the Court or a jury would find that Defendants' public statements about TaskUs's "low attrition" and Glassdoor rating were false or misleading or find Defendants' scienter for the "low attrition" statements. Further, at summary judgment and trial, Plaintiffs would have to overcome Defendants' causation and damages arguments, which threatened to defeat the Exchange Act claims in full and to foreclose the vast majority, or all, damages under the Securities Act. In short, absent the Settlement, there was a real risk of recovering nothing.

And in all events, further litigation of this case through expert discovery, trial, and resolution of any appeals would have taken years. This further supports the reasonableness of the Settlement, which provides the Settlement Class with a prompt, certain, and substantial recovery.

Plaintiffs' and the Settlement Class's support of the Settlement also strongly favors final approval. Plaintiffs have significant financial stakes in this case and devoted significant time and effort to their roles as class representatives, including producing documents, testifying at

[2] *See* Cornerstone Research, *Securities Class Action Settlements – 2024 Review and Analysis*, at 8, *available at* https://www.cornerstone.com/wp-content/uploads/2025/03/Securities-Class-Action-Settlements-2024-Review-and-Analysis.pdf.

depositions, reviewing pleadings and motion papers, attending the mediation, and ultimately authorizing the Settlement. The reaction of the overall Settlement Class also favors final approval. No Settlement Class Members have sought exclusion and the deadline to do so has passed. Further, no Settlement Class Members have objected to the Settlement; the deadline to do so is September 25, 2025, and, if any objections are submitted, Plaintiffs will address them on reply.

The Court should also certify the proposed Settlement Class. The Court's Notice Order (ECF 191) conditionally certified the Settlement Class, and nothing since then has cast doubt on the propriety of class certification for settlement purposes.

The proposed Plan of Allocation, developed with expert assistance, should also be approved as fair, reasonable, and adequate. It provides for each Authorized Claimant to receive their *pro rata* share of the Net Settlement Fund based on the size of their Recognized Claim, thereby ensuring equitable treatment of Settlement Class Members under Rule 23(e)(2)(D).

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

I. PRELIMINARY APPROVAL AND NOTICE

Plaintiffs filed their unopposed motion seeking preliminary approval of the Settlement on February 24, 2025, including the proposed Notice, Summary Notice, Long-Form Notice, and Proof of Claim form. (ECF 176-77.) On May 20, 2025, Judge Stein directed the parties to implement certain modifications to the Settlement papers (ECF 184), which the parties submitted on May 27, 2025 (ECF 187).

On May 28, 2025, Judge Stein issued a Report and Recommendation that Judge Cronan preliminarily approve the Settlement. (ECF 188.) On June 13, 2025, Judge Cronan entered the Order Preliminarily Approving Settlement and Providing for Class Notice (ECF 191) (the "Notice Order").

Since June 13, 2025, Plaintiffs' Counsel has overseen the class notice program. Pursuant to the Notice Order, on July 7, 2025, the Court-appointed Claims Administrator, Epiq Class Action and Claims Solutions, Inc. ("Epiq"), began mailing Notices to potential Settlement Class Members and nominees. (Ex. 4 (Kimball Decl.) ¶¶3-5.) To date, 34,433 copies of the Notice have been distributed to potential Settlement Class Members, including through copies sent to nominees at their request, which were then sent by the nominees to potential Settlement Class Members. (*Id.* ¶¶9-11.) Indeed, more than 9,000 more copies of the notice have been distributed than Epiq's initial 25,000 copy estimate, (ECF 177 ¶13), demonstrating the notice program's effectiveness.

On July 3, 2025, Epiq also established a case-specific website, which provides copies of the Notice, Long-Form Notice, Proof of Claim form, and additional case documents and information, and activated (and has maintained) dedicated telephone lines and an email inbox to respond to potential Settlement Class Members' inquiries. (Ex. 4 (Kimball Decl.) ¶¶14-15, 20-21.)

Epiq also caused the Summary Notice to be published in *Investors' Business Daily*, transmitted via *PR Newswire*, and published by the Depository Trust Corporation ("DTC") on the DTC Legal Notice System ("LENS"), on July 7, 2025. (*Id.* ¶¶12-13.)

Pursuant to the Notice Order, the deadline for Settlement Class Members to seek exclusion from the Settlement Class was August 21, 2025. (*See* ECF 191 ¶12.) The deadline for Settlement Class Members to object to the Settlement is September 25, 2025. (*Id.* ¶13(a).) As of September 10, 2025, Epiq has not received any requests for exclusion from the Settlement Class, and Epiq has not received any objections (Ex. 4 (Kimball Decl.) ¶¶27, 29), and no objections have been provided to Lead Counsel or docketed with the Court (Fonti Decl. ¶79). Lead Counsel will file reply papers by October 9, 2025 to respond to any objections that may be received.

II. THE PROPOSED SETTLEMENT WARRANTS FINAL APPROVAL

A. Legal Standard

There is a "strong judicial policy in favor of settlements, particularly in the class action context." *In re Painewebber Ltd. P'ships Litig.*, 147 F.3d 132, 138 (2d Cir. 1998). Under Rule 23(e)(2), a proposed class settlement should be approved upon finding that it is "fair, reasonable, and adequate after considering 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).[3]

B. The Proposed Settlement Is Fair, Reasonable, and Adequate

1. Plaintiffs and Plaintiffs' Counsel Have Adequately Represented the Class – Rule 23(e)(2)(A)

Consistent with the Court's preliminary finding (ECF 191 ¶6), adequacy is satisfied.

First, Plaintiffs are adequate class representatives. Plaintiffs have actively supervised Plaintiffs' Counsel, fully participated in discovery and the mediation, and carefully evaluated and authorized the proposed Settlement on behalf of the Settlement Class. (Ex. 2 (Lozada Decl.)

[3] Prior to the 2018 amendments to Rule 23(e)(2), courts in this Circuit previously considered the factors from *City of Detroit v. Grinnell Corp.*, 495 F.2d 448, 463 (2d Cir. 1974). "The Advisory Committee Notes to the 2018 amendments to Rule 23 explain the goal of the amendments was 'not to displace' any of the *Grinnell* factors, 'but rather to focus the court and the lawyers on the core concerns of procedure and substance that should guide the decision whether to approve' the settlement." *Lea v. Tal Educ. Grp.*, No. 18-CV-5480 (KHP), 2021 WL 5578665, at *8 (S.D.N.Y. Nov. 30, 2021). Because the amended Rule 23(e)(2) factors essentially "subsume[]" the "*Grinnell* factors," *Hesse v. Godiva Chocolatier, Inc.*, No. 1:19-CV-0972-LAP, 2022 WL 22895466, at *6 (S.D.N.Y. Apr. 20, 2022), the following discussion refers only to the Rule 23(e)(2) factors.

¶¶5-10; Ex. 3 (Rankin Decl.) ¶¶7-12.) The Court has already noted the lack of any "conflict between Lozada's interests and the interests of other class members," acknowledging that his significant $300,000 loss "easily constitute[s] a sufficient interest in the outcome of this case to secure his vigorous advocacy on behalf of the class." (ECF 20 at 3.) Oklahoma is also adequate as a sophisticated institutional investor and experienced securities litigant that has recovered more than $277 million for investors in eleven prior securities class actions. (Ex. 3 (Rankin Decl.) ¶¶5-6.)

Second, Plaintiffs' adequacy is further supported by their retention and oversight of qualified and experienced counsel. The Court has recognized BFA's "extensive experience representing plaintiffs in class actions." (ECF 20 at 4.) The Fonti Declaration details Plaintiffs' Counsel's skilled and efficient work to achieve the best possible result in this complex case. (Fonti Decl. ¶¶5-62.) Over nearly three years, Plaintiffs' Counsel have vigorously prosecuted this action, investigating, drafting, and filing the initial and amended complaints; partially defeating Defendants' motion to dismiss; litigating class certification (including three depositions of two experts); securing extensive document discovery (consisting of more than 540,000 pages); participating in 13 fact depositions; engaging merits experts and preparing opening reports; and preparing for and successfully mediating the case. (*Id.*)

As a result of these efforts, Plaintiffs and Plaintiffs' Counsel "were well informed about the strengths and weaknesses of the case before reaching the agreement to settle." *In re Signet Jewelers Ltd. Sec. Litig.*, No. 1:16-cv-06728-CM-SDA, 2020 WL 4196468, at *3 (S.D.N.Y. July 21, 2020).

2. The Proposed Settlement Was Negotiated at Arm's Length After Extensive Discovery – Rule 23(e)(2)(B)

Rule 23(e)(2)(B) is satisfied because the proposed Settlement "was negotiated at arm's length." The Second Circuit has indicated that a "presumption of fairness, adequacy, and reasonableness may attach to a class settlement reached in arm's-length negotiations between experienced, capable counsel after meaningful discovery." *Wal-Mart Stores, Inc. v. Visa U.S.A., Inc.*, 396 F.3d 96, 116 (2d Cir. 2005).

Consistent with the Court's preliminary finding, the Settlement is "the result of informed, extensive arm's-length, and non-collusive negotiations between experienced counsel, including mediation under the direction of an experienced mediator, David Murphy." (ECF 191 ¶2.) The Settlement was negotiated at arm's length before Mr. Murphy, after the completion of substantial discovery, culminating in Mr. Murphy's mediator's recommendation to settle the case for $17.5 million. (*See* Ex. 1 (Murphy Decl.).) *See also Reyes v. Summit Health Mgmt., LLC*, No. 22-cv-9916 (VSB), 2024 WL 472841, at *3 (S.D.N.Y. Feb. 6, 2024) (completion of "seven months of discovery" and negotiations before "an experienced mediator" satisfied Rule 23(e)(2)(B)).

3. The Proposed Settlement Provides Adequate Relief – Rule 23(e)(2)(C)

As required by Rule 23(e)(2)(C), the Settlement provides adequate relief "taking into account: (i) the costs, risks, and delay of trial and appeal; (ii) the effectiveness of any proposed method of distributing relief to the class, including the method of processing class-member claims; (iii) the terms of any proposed award of attorneys' fees, including timing of payment; and (iv) any agreement required to be identified under Rule 23(e)(3)."

All of these factors are satisfied. The $17.5 million cash Settlement Amount recovers between 16.2% and 65% of Plaintiffs' estimated range of realistically recoverable damages of $27.3 million to $108.1 million. The $27.3 million damages estimate assumes that Defendants'

negative causation and loss causation arguments would limit both Securities Act and Exchange Act damages to 25% of the post-Spruce Report price decline. In that scenario, the Settlement would represent a 65% recovery—an exceptional result that is more than ***seven times*** the 8.8% median recovery in cases alleging claims under both Section 10(b) and Section 11 between 2015 and 2024.[4] The $108.1 million damages estimate assumes that Defendants' negative causation and loss causation arguments would constrain damages to (at most) the $5.02 per-share price decline in the wake of the Spruce Report.[5] In that scenario, the Settlement would recover 16.2% of realistically recoverable damages—nearly double the 8.8% median. Courts have approved securities class settlements that represented much smaller percentage recoveries. *See In re China Sunergy Sec. Litig.*, No. 07 Civ. 7895 (DAB), 2011 WL 1899715, at *5 (S.D.N.Y. May 13, 2011) (noting that "average settlement amounts in securities fraud class actions . . . over the past decade" "ranged from 3% to 7% of the class members' estimated losses").

a. The Costs, Risk, and Delay of Trial and Appeal – Rule 23(e)(2)(C)(i)

The substantial "costs, risks, and delay" of further litigation confirm that the Settlement is fair, reasonable, and adequate. Fed. R. Civ. P. 23(e)(2)(C)(i).

Merits Risks: As courts in this Circuit have recognized, securities litigation "is notably difficult and notoriously uncertain." *In re Flag Telecom Holdings, Ltd. Sec. Litig.*, No. 02-cv-3400 (CM) (PED), 2010 WL 4537550, at *15 (S.D.N.Y. Nov. 8, 2010); *Signet*, 2020 WL 4196468,

[4] *See* Cornerstone Research, *Securities Class Action Settlements – 2024 Review and Analysis*, at 8, available at https://www.cornerstone.com/wp-content/uploads/2025/03/Securities-Class-Action-Settlements-2024-Review-and-Analysis.pdf.

[5] Though the statutory formula for Section 11 damages would yield theoretical damages above $108.1 million, Defendants forcefully asserted a negative causation defense and argued that the unique facts of this case, including the facts related to the release of the Spruce Report, "render[ed] damages for the Securities Act claims to be zero." (ECF 166 at 5 of 14.) While Plaintiffs disputed the impact of negative causation, $108.1 million is Plaintiffs' highest estimate of realistically recoverable damages.

at *7 (noting "several significant risks" that "created serious doubt as to whether the Class would ultimately succeed at trial").

Here, Plaintiffs faced significant risks on the merits. Indeed, Defendants prevailed in obtaining the dismissal of certain alleged misstatements and claims at the pleading stage. And as to the statements and claims that survived, Defendants vigorously contested material falsity at every turn. With respect to the "low attrition" statement—the sole alleged misstatement that remained under the Exchange Act—Defendants argued that TaskUs did in fact experience low attrition and a better employee culture than other business process outsourcing ("BPO") companies. Defendants were also sure to argue at summary judgment and trial that the "low attrition" statement was an inactionable opinion. (*See* ECF 51 at 26 n.17.) As to statements about TaskUs's Glassdoor rating, Defendants argued that they did not require any TaskUs employees to submit Glassdoor reviews, much less positive ones. Although Plaintiffs had strong responses to such arguments, if Defendants had prevailed at summary judgment or trial on the absence of a material misstatement, the Class would have recovered nothing.

Plaintiffs also faced risks to proving scienter under the Exchange Act. Defendants vigorously disputed scienter, and would likely argue at summary judgment and trial that every TaskUs executive who was deposed categorically denied making any intentional false or misleading statements and insisted that the "low attrition" statement was true and that TaskUs did in fact have a better employee culture compared to its BPO peers.

Defendants' price impact arguments also posed risks to class certification. Specifically, Defendants argued that the Spruce Report did not reveal any new, material information based on Spruce Point's testimony and the asserted lack of analyst discussion of the alleged misstatement.

While Plaintiffs had strong responses, these arguments raised the risk that the Court would not certify an Exchange Act class.

Further, at summary judgment and trial, Defendants would have again argued that the Spruce Report cannot support loss causation or damages under the Exchange Act because it did not "correct" the "low attrition" statement, and because any subsequent price decline was due to confounding information. Defendants likely would have advanced similar arguments to support their statutory negative causation defense under the Securities Act, threatening to defeat the majority of—or even eliminate—Securities Act damages. These arguments posed significant risks to obtaining any recovery.

Risk of Delay: The proposed Settlement will provide prompt relief, avoiding the inherent delay in obtaining and enforcing a judgment. Had litigation continued, Plaintiffs would have needed to (i) complete the remaining fact depositions and expert discovery; (ii) achieve class certification; (iii) defeat Defendants' anticipated summary judgment motion; (iv) complete pre-trial work; (v) prevail at trial; (iv) resolve any post-trial motions; and (v) prevail on a lengthy appeal. This process would take years. Thus, while the delay of protracted litigation "would cause Class Members to wait years for any recovery, further reducing its value," the Settlement "at this juncture results in a substantial and tangible present recovery, without the attendant risk and delay of trial." *Maley v. Del Glob. Techs. Corp.*, 186 F. Supp. 2d 358, 362 (S.D.N.Y. 2002).

Accordingly, the costs, risks, and delay of further litigation weigh heavily in support of final approval of the Settlement.

b. The Proposed Method for Distributing Relief Is Effective – Rule 23(e)(2)(C)(ii)

The proposed Settlement provides an effective method of processing claims and distributing relief, satisfying Rule 23(e)(2)(C)(ii). As the Court preliminarily found, the Notice

satisfied the requirements of Rule 23 and "constitute[d] the best notice to Settlement Class Members practicable under the circumstances." (ECF 191 ¶7.) Epiq has overseen the distribution of 34,433 copies of the Notice to potential Settlement Class Members, caused the Summary Notice to be published in *Investors' Business Daily* and DTC's LENS and transmitted via *PR Newswire*, and maintains the Settlement Website and a dedicated email address and telephone number to provide further information about the Settlement and respond to inquiries. (Ex. 4 (Kimball Decl.) ¶¶11-13, 14-15, 20-21.)

The proposed method for distributing relief is also adequate. The claims administration process follows established procedures in securities class actions; Settlement Class Members must complete the Proof of Claim and provide their transaction information and documentation. Following the Court's approval of Epiq's recommendations to accept and reject claims, Epiq will distribute to Authorized Claimants their *pro rata* shares of the Net Settlement Fund calculated pursuant to the Plan of Allocation. If funds remain after the initial distribution, Epiq will conduct re-distributions until it is no longer cost-effective to do so, and any remaining balance will be contributed to a non-profit, charitable organization after Court approval.

c. The Terms and Timing of Payment of Attorneys' Fees and Expenses are Reasonable – Rule 23(e)(2)(C)(iii)

Satisfying Rule 23(e)(2)(C)(iii), the terms of the proposed awards of attorneys' fees, litigation expenses, and Plaintiffs' reasonable costs and expenses were disclosed in the Notice and are discussed in detail in Lead Counsel's separate motion filed herewith.

d. Plaintiffs Have Identified All Agreements Made in Connection with the Proposed Settlement – Rule 23(e)(2)(C)(iv)

Beyond the Stipulation itself, the only other "agreement required to be identified under Rule 23(e)(3)," Fed. R. Civ. P. 23(e)(2)(C)(iv), is the Supplemental Agreement, which was

previously identified in Plaintiffs' preliminary approval papers. (ECF 176 at 13.) The confidential Supplemental Agreement provides specified options to terminate the Settlement if Persons who otherwise would be Settlement Class Members choose to exclude themselves and purchased more than a threshold number of shares of TaskUs Class A common stock during the Class Period. (*See* ECF 187-1 ¶8.4.) "This type of agreement is a standard provision in securities class actions and has no negative impact on the fairness of the [s]ettlement." *Signet*, 2020 WL 4196468 at *13.

4. The Plan of Allocation Treats Class Members Equitably – Rule 23(e)(2)(D)

The proposed Settlement satisfies Rule 23(e)(2)(D) because it "treats class members equitably relative to each other" through the proposed Plan of Allocation—an objective and fair method of distributing relief, prepared with expert assistance, as discussed in Section IV below.

5. The Reaction of the Settlement Class to the Proposed Settlement

"The reaction of the class to a proposed settlement is another relevant factor." *Signet*, 2020 WL 4196468 at *5. As discussed above, to date, Epiq has overseen the distribution of 34,433 copies of the Notice to potential Settlement Class Members and their nominees, published the Summary Notice in *Investor's Business Daily* and DTC's LENS, and transmitted it over *PR Newswire*, maintained the Settlement Website with copies of the Notice and additional case documents and information, and operated dedicated telephone lines and an email inbox to respond to potential Settlement Class Members' inquiries. (Ex. 4 (Kimball Decl.) ¶¶11-13, 14-15, 20-21.) The Notice and Summary Notice informed potential Settlement Class Members of their rights to opt out or object, as well as the deadlines to do so. (ECF 187-3 at 2; ECF 187-4 at 5.)

The August 21, 2025 deadline to seek exclusion from the Settlement Class has now passed and no Settlement Class Members have sought exclusion. And while the September 25, 2025

deadline to object has not yet passed, to date, no Settlement Class Members have objected. Plaintiffs will address any objections in their reply papers due on October 9, 2025.

III. THE COURT SHOULD FINALLY CERTIFY THE SETTLEMENT CLASS

The Court preliminarily certified the Settlement Class based on preliminary findings that the Settlement Class satisfies all requirements of Rule 23(a) (numerosity, commonality, typicality, and adequacy) and Rule 23(b)(3) (predominance and superiority). (*See* ECF 191 ¶5.) The facts and circumstances supporting certification remain unchanged. Accordingly, Plaintiffs respectfully request that the Court finally certify the Settlement Class under Rules 23(a) and (b)(3), and finally appoint Plaintiffs as Settlement Class Representatives and Lead Counsel as Settlement Class Counsel for purposes of the Settlement. *See In re Bear Stearns Companies, Inc. Sec., Derivative, & ERISA Litig.*, 909 F. Supp. 2d 259, 264 (S.D.N.Y. 2012) (finally certifying settlement class where "there have been no material changes to alter the propriety of [the preliminary] findings regarding the Settlement Class").

IV. THE PLAN OF ALLOCATION WARRANTS APPROVAL

The proposed Plan of Allocation, like the Settlement itself, should be approved as fair, reasonable, and adequate. An "allocation formula need have only a reasonable, rational basis, particularly if recommended by experienced and competent class counsel." *In re Am. Bank Note Holographics, Inc. Sec. Litig.*, 127 F. Supp. 2d 418, 429-30 (S.D.N.Y. 2001). A reasonable plan may consider the relative strength and values of different categories of claims. *See In re Lloyd's Am. Tr. Fund Litig.*, No. 96 Civ. 1262 (RWS), 2002 WL 31663577 (S.D.N.Y. Nov. 26, 2002) ("Class action settlement benefits may be allocated by counsel in any reasonable or rational manner because allocation formulas . . . reflect the comparative strengths and values of different categories of the claim.").

Here, the Plan of Allocation was developed by Lead Counsel with expert assistance, and provides a method for the fair, equitable, and reasonable distribution of the Net Settlement Fund to Authorized Claimants based on estimates of their recognized losses from transactions in TaskUs Class A common stock during the Class Period. Specifically, the Plan of Allocation calculates a "Recognized Loss Amount" for each qualifying purchase or acquisition of TaskUs Class A common stock listed on the Proof of Claim for which the claimant provides adequate documentation.

A claimant's total "Recognized Loss Amount" may consist of both Exchange Act Recognized Loss Amounts and Securities Act Recognized Loss Amounts. Transactions in TaskUs Class A common stock during the Class Period may yield Exchange Act Recognized Loss Amounts, and the calculation takes into account when the claimant purchased and/or sold their shares and whether they continued to hold them through the 90-day look-back period after the end of the Class Period. *See* 15 U.S.C. § 78u-4(e).

TaskUs Class A common stock purchased in or traceable to TaskUs's Secondary Offering may result in a Securities Act Recognized Loss Amount. The calculation of the Securities Act Recognized Loss Amount generally reflects the Securities Act's statutory damages formula and depends on the amount paid for the shares (not to exceed their offering price), whether they were held after January 19, 2022, and their price or value at the time of suit or time of sale. *See* 15 U.S.C. § 77k(e).

A claimant's Recognized Claim will be the sum of their Recognized Loss Amounts. The Net Settlement Fund will be allocated to Authorized Claimants on a *pro rata* basis based on their Recognized Claims in proportion to all Recognized Claims.

The Plan of Allocation appropriately allocates the Net Settlement Fund based on the various claims asserted in this case and recognizes the different methods to calculate damages under the Securities Act and the Exchange Act. *Signet*, 2020 WL 4196468 at *14 (plan of allocation was "fair and reasonable method to allocate the Net Settlement Fund among Class Members"); *In re Luckin Coffee Inc. Sec. Litig.*, No. 1:20-cv-01293-JPC, ECF 339 (S.D.N.Y. July 22, 2022) (Cronan, J.) (approving plan of allocation providing for Exchange Act and Securities Act recognized loss amounts depending on whether securities were purchased in IPO or secondary offering); *id.* ECF 316-1 at 20-26 (plan of allocation).

CONCLUSION

Plaintiffs respectfully request that the Court grant final approval of the proposed Settlement and approve the Plan of Allocation.

Dated: September 10, 2025

Respectfully submitted,

/s/ Joseph A. Fonti

Joseph A. Fonti
Nancy A. Kulesa
Evan A. Kubota
Thayne Stoddard
BLEICHMAR FONTI & AULD LLP
300 Park Avenue, Suite 1301
New York, New York 10022
Telephone: (212) 789-1340
Facsimile: (212) 205-3960
jfonti@bfalaw.com
nkulesa@bfalaw.com
ekubota@bfalaw.com
tstoddard@bfalaw.com

Counsel for Lead Plaintiff Humberto Lozada and Named Plaintiff Oklahoma Firefighters Pension and Retirement System

John A. Kehoe
Michael K. Yarnoff
KEHOE LAW FIRM, P.C.
2001 Market Street, Suite 2500
Philadelphia, Pennsylvania 19103
Telephone: (212) 792-6676
jkehoe@kehoelawfirm.com
myarnoff@kehoelawfirm.com

Additional Counsel for Lead Plaintiff Humberto Lozada

CERTIFICATE OF WORD COUNT COMPLIANCE

I certify that this memorandum of law does not exceed 8,750 words and, thus, complies with Local Civil Rule 7.1(c) and Section 2.B of the Court's Individual Rules and Practice in Civil Cases, as revised on March 14, 2025. The total number of words contained in the foregoing brief, exclusive of the caption, table of contents, table of authorities, signature block, and this certificate, but including footnotes, is 4,373 words. In preparing this certificate, I have relied on the word count of the word-processing program used to prepare this brief.

Dated: September 10, 2025
New York, New York

/s/ *Joseph A. Fonti*
Joseph A. Fonti