

# Broadridge's Class Action Advocacy Model increases eligibility and recoveries across a class of investors, including a 140% increase in recovery to a Broadridge client.\*



## KEY TAKEAWAY 1

Errors can take many forms and happen more than anyone would like. Whether by the claimant, or Claims Administrator, the result is the same—investors lose money.

Performing customized recognized loss calculations is one tool that must be deployed in order to maximize recoveries.

## KEY TAKEAWAY 2

Dedicated experts are necessary to interpret and apply the Plan of Allocation in order to adequately respond to, and when necessary, challenge claim determinations.

Broadridge's team of experts has unmatched expertise, with 15 years each, on average, of class action administration experience.

## KEY TAKEAWAY 3

To ensure maximum recovery, you have to know your rights and be prepared and equipped to bring your argument to the attention of the court, if necessary. Broadridge's Client Advocacy model was designed with these challenges in mind.

\*Recognized loss amounts for impacted client accounts increased by 29% on average and up to 140% for individual claims.

## BUSINESS CHALLENGE

In 2022, Broadridge filed over 20,000 claims for its clients in a multimillion dollar securities litigation settlement overseen by a US Federal Court. The case concerned a spin-off and merger. Cases involving corporate actions introduce additional complexities and require expertise and vigilance to maximize recovery. In complex cases, errors are all but inevitable, and in this matter, the Court-appointed Claims Administrator ("Administrator") rejected over 450 claims that Broadridge filed. Our team of experts, however, valued those claims as having over \$4.5 million in qualified losses based on our team's interpretation of the Settlement Agreement, Court guidelines, and the Court-approved Plan of Allocation ("PoA"). Moreover, our team determined that the Administrator was incorrectly excluding certain spinoff and merger shares from First-in-First-Out ("FIFO") matching, thus leading to the rejection of these claims.

## SOLUTION

Broadridge's team of experts was able to identify the Administrator's error because its processes include performing independent recognized loss calculations for all of its clients' claims in all cases—thus uncovering and highlighting any errors. Most US Federal settlements allow for an appeal process, or right for judicial review, and Broadridge challenged the determination to reject these claims.

Initially, the Administrator reiterated its determination based off its interpretation of the PoA, which excluded the spinoff and merger shares from FIFO matching. Prior to officially requesting Court review of the Administrator's determinations, Broadridge's experts provided their own analysis of the PoA to the Administrator who then convened with class counsel and its economic damages experts. Ultimately, plaintiff's counsel and its experts agreed that Broadridge's interpretation was correct. Accordingly, the Administrator reversed course and revised its determinations for those individual claims that included accounts where merger and spinoff shares were excluded from FIFO matching, ultimately yielding more than \$4.5 million in additional recognized losses for several of Broadridge's clients, with most impacted accounts seeing a 29% average increase in their approved recognized loss value, and one client seeing a 140% increase.

Each year institutional investors have the opportunity to recover billions of dollars in securities and antitrust class action settlements. In order to maximize recoveries, Broadridge performs its own recognized loss calculations, which means its customers are not at the mercy of third party determinations regarding recovery, that may not always be correct.

**TO DISCUSS THIS CHALLENGE OR FOR MORE INFORMATION ABOUT BROADRIDGE'S ADVOCACY MODEL, PLEASE CONTACT US AT +1 855 252 3822**

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#### CORE BENEFITS

- **Broadridge maximized recoveries to its clients, as payment amounts will be increased due to \$4.5 million in additional recovery**
- **Clients with rejected claims now have eligible claims for payment**
- **Recognized losses increased as much as 140%**
- **Correct application of the court-approved Plan of Allocation benefited all class members**

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