EFiled: Feb 14 2025 04:54PM EST
Transaction ID 75645404
Case No. 2023-0509-LWW

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

IN RE TS INNOVATION ACQUISITIONS SPONSOR, LLC STOCKHOLDER LITIGATION	)))	CONSOLIDATED C.A. No. 2023-0509-LWW

PLAINTIFFS' OPENING BRIEF IN SUPPORT OF MOTION TO APPROVE THE SETTLEMENT AND PLAN OF ALLOCATION, CERTIFY THE CLASS, AND FOR AN AWARD OF ATTORNEYS' FEES AND EXPENSES, AND INCENTIVE AWARDS

GRANT & EISENHOFER P.A.
Christine M. Mackintosh (#5085)
Kelly L. Tucker (#6382)
Edward M. Lilly (#3967)
123 Justison Street, 7th Floor
Wilmington, DE 19801
(302) 622-7000
cmackintosh@gelaw.com
ktucker@gelaw.com
elilly@gelaw.com

Date: February 14, 2025

TABLE OF CONTENTS

Page

TABLE OF AUTHORITIES

Page(s)

Cases

Rules

Other Authorities

Plaintiffs Phanindra Kilari, Subash Subramanian, and Robert Garfield ("Plaintiffs"), by and through their undersigned attorneys, on behalf of themselves and the Class (defined herein) of TS Innovation Acquisitions Corp. ("TSIA" or the "Company") public stockholders, submit this Brief in Support of Their Motion to Approve the Settlement and Plan of Allocation, Certify the Class, and for an Award of Attorneys' Fees and Expenses and Incentive Awards (the "Motion") seeking: (i) final approval of the proposed settlement (the "Settlement") between (a) Plaintiffs and (b) Defendants Robert J. Speyer, Jerry I. Speyer, Paul A. Galiano, Jenny Wong, Joshua Kazam, Jennifer Rubio, Ned Segal, Michelangelo Volpi, TS Innovation Acquisitions Sponsor, L.L.C., Tishman Speyer Properties, L.P., and Tishman Speyer Properties, Inc. (collectively, "Defendants"), as set forth in the Stipulation and Agreement, Compromise, and Release dated December 2, 2024 (the "Stipulation"); (ii) approval of the proposed Plan of Allocation; (iii) certification of the Class for Settlement purposes, pursuant to Court of Chancery Rules 23(a), 23(b)(1), and 23(b)(2); (iv) an award of attorneys' fees and reimbursement of expenses; and (v) incentive awards.

Former TSIA stockholders were given notice of the Settlement in accordance with the scheduling order entered by the Court on December 19, 2024. To date, there have been no objections. A hearing is scheduled for March 27, 2025 for the Court to consider these matters.

PRELIMINARY STATEMENT

The Settlement provides a $29.75 million recovery for Class members to compensate them for the impairment of their right to make a fully informed decision about whether to redeem their TSIA shares or invest in Latch, Inc. ("New Latch" or "Latch"), the company emerging from TSIA's merger with Latch, Inc. ("Legacy Latch") (the "Merger"). The Settlement provides a meaningful recovery to stockholders and is a strong result in light of the significant risks presented by the still-undeveloped Delaware jurisprudence concerning issues relevant to this action.

The Settlement is the culmination of Plaintiffs' extensive litigation efforts—which included propounding document requests and interrogatories to Defendants, pursuing significant discovery efforts via nineteen third-party subpoenas over several months, obtaining and reviewing over 1.2 million pages of documents, and completing three of their scheduled thirteen depositions—and was negotiated at arm's-length under the guidance of a highly regarded mediator. The Settlement provides a $0.992 per share recovery, at the top end of the per-share recoveries in

similar SPAC settlements that this Court has approved,[1] and represents an exceptional 39.6% recovery of the Class' net cash per share damages. The Settlement is fair, reasonable, and adequate under any metric.

Further, Plaintiffs' proposed Plan of Allocation is reasonable and appropriate. Similar to the plan of allocation the Court approved in *Eos*, the Plan of Allocation is designed to equitably distribute the Settlement proceeds in accordance with the size of a Class Member's recognized loss. The Court should approve the Plan of Allocation.

As in the numerous other *Multiplan* settlements that have come before this Court, this action is also well-suited for class certification.[2] Holders of more than 29.9 million shares of TSIA stock chose to forego their redemption rights and invest

---

[1] *See, e.g., In re GeneDX De-SPAC Litigation*, C.A. No. 2023-0140-PAF (Del. Ch. Dec. 2, 2024) (TRANSCRIPT) ("*GeneDX*" or "*GeneDX* Tr.") (approving settlement that provided $0.47 per share); *Delman v. Riley,* C.A. No. 2023-0293-LWW (Del. Ch. Oct. 17, 2024) (ORDER and TRANSCRIPT) ("*Eos*" or "*Eos* Tr.") (approving settlement that provided approximately $0.99 per share); *In re Lordstown Motors Corp. S'holders Litig.,* C.A. No. 2021-1066-LWW (Del. Ch. Jun. 25, 2024) (TRANSCRIPT) ("*Lordstown*" or "*Lordstown* Tr.") (approving settlement that provided approximately $0.57 per share); *Yu v. RMG Sponsor, LLC*, C.A. No. 2021-0932-NAC (Del. Ch. Oct. 18, 2024) (TRANSCRIPT) ("*Romeo Power*") (approving settlement that provided approximately $0.52 per share); *In re Multiplan Corp. S'holders Litig., Consol.* C.A. No. 2021-0300-LWW (Del. Ch. Feb. 28, 2023) (TRANSCRIPT) ("*Multiplan*" or "*Multiplan* Tr.") (approving settlement that provided approximately $0.368 per share); *In re Finserv Acquisition Corp SPAC Litig.*, C.A. No. 2022-0755-PAF (Del. Ch. Oct. 10, 2024) (TRANSCRIPT) ("*Finserv*" or "*Finserv* Tr.") (approving settlement that provided approximately $0.38 per share).

[2] *See, e.g., In re Multiplan Corp. S'holders Litig.*, 2023 WL 2329706, at *2 (Del. Ch. Mar. 1, 2023) (certifying a non-opt-out class pursuant to Court of Chancery Rules 23(a), 23(b)(1), and 23(b)(2)); *Finserv* (same); *Romeo Power* (same).

in New Latch. Because these shares were likely held by thousands of class members, joinder of all Class members is impractical and the proposed Class meets Rule 23(a)(1)'s numerosity requirement. Defendants' actions in pursuing the unfair Merger and impairing stockholders' redemption decisions by issuing the misleading Proxy affected all outside stockholders in substantially the same manner, resulting in common questions of law and fact among the Class members. Plaintiffs and the Class were similarly affected by Defendants' actions and Plaintiffs face no unique defenses. Further, Plaintiffs have acted to fairly and adequately protect the Class, as shown by hiring experienced law firms, including law firms well known to this Court, and securing this positive settlement. Finally, as in the previous *Multiplan* settlements, the Class satisfies the requirements of both Rule 23(b)(1) and Rule 23(b)(2) due to the risk of inconsistent adjudications, that adjudications of some actions would likely be dispositive of the interests of other members of the Class, and that the Defendants acted in a manner that is generally applicable to the Class. Accordingly, Plaintiffs request this Court certify the Class.

Plaintiffs further submit that an all-in award of $7,000,000 for attorneys' fees and expenses (23.52% of the Settlement Consideration) is appropriate here. The Settlement marks the culmination of an extensive investigation and hard-fought litigation challenging Defendants' impairment of the Class's redemption rights. At the time the parties reached the Settlement, substantial fact discovery had been

completed. Document discovery had concluded, with Plaintiffs having obtained and reviewed more than 1.2 million pages of documents. Plaintiffs had deposed three witnesses and were on the precipice of deposing ten more. Plaintiffs had retained an expert and were poised to begin substantial work on preparing their expert report. Plaintiffs' counsel devoted 4,404.95 hours (with a lodestar value of $3,246,657.50) and had expended $241,463.00 in litigation expenses—all on a fully contingent basis. Plaintiffs respectfully submit that this Settlement falls near the top end of "meaningful litigation efforts" cases for which fees in the amount of 15% to 25% are typically awarded.

BACKGROUND

A. DEFENDANTS FORM TSIA

Defendant Robert Speyer—a long-time real estate development executive—invested in several property-related technology ("proptech") companies through TSPLP and other entities he controlled. In 2020, Speyer and TSPLP decided to form a SPAC to further their investments in the proptech sector.[3] To this end, Speyer—

[3] ¶ 38.

together with the Sponsor and other Controller Defendants[4]—incorporated TSIA on September 18, 2020 as a Delaware corporation.[5] TSIA was created to identify and invest in businesses related to TSPLP's global real estate business, with a specific focus on businesses that targeted technology related to real estate.[6]

Speyer was TSIA's Chairman and CEO. He appointed Defendants Galiano and Wong as TSIA's CFO and CIO, respectively, and appointed Defendants Kazam, Rubio, Segal, and Volpi to TSIA's remaining board seats (the "Board").[7] Although these Board members purportedly were independent, each had extensive financial ties to the Controller Defendants.[8]

Before they took TSIA public, the Controller Defendants caused TSIA to sell 8,625,000 Class B Founder Shares to the Sponsor at the nominal price of $35,000

---

[4] Robert Speyer, Jerry Speyer, Tishman Speyer Properties L.P. ("TSPLP"), Tishman Speyer Properties, Inc. ("TSPI"), and the TS Innovation Acquisitions Sponsor, L.L.C. ("Sponsor") are referred to collectively herein as the "Controller Defendants." All references herein to "Speyer" shall be to Robert Speyer unless otherwise specified. Capitalized terms not otherwise defined have the same meanings as in the Verified Consolidated Class Action Complaint, *In re TS Innovation Acquisitions Sponsor, L.L.C. Stockholder Litigation*, Consol. C.A. No. 2023-0509-LWW (Del. Ch. Aug. 8, 2024) (the "Complaint") (cited hereafter as "¶__."). Unless otherwise noted, "Trans. ID ___" refers to filings into the aforementioned case.

[5] ¶ 39.

[6] *Id.*

[7] ¶ 40.

[8] ¶¶ 26-29; Amended and Supplementary Responses & Objections to Plaintiffs' First Interrogatories, No. 32.

(or $0.003 per share)[9] and then caused the Sponsor to sell 30,000 Founder Shares to each of the four purportedly independent directors for just $90.00.[10] To further align their loyalties, Speyer put the same four purportedly independent directors on the board of TSIC, another SPAC he controlled.[11] Through TSIC's sponsor, Speyer transferred 36,000 TSIC founder shares to Kazam, Rubio, Segal, and Volpi for a nominal price.[12]

Under TSIA's charter, TSIA had to enter into a business combination within 24 months of the closing of its IPO—or liquidate and return funds held in trust to public stockholders.[13] Crucially, the value of the Founder Shares was entirely dependent on TSIA closing a deal. If TSIA did not close a deal within the required timeline, the Founder Shares would be worth *nothing*;[14] if TSIA closed a deal, they would potentially be worth tens of millions of dollars.[15]

---

[9] ¶ 43.

[10] ¶ 46.

[11] *Id.*

[12] *Id.*

[13] ¶ 42.

[14] ¶ 48.

[15] *See, e.g.*, ¶¶ 15-16 ("On the day the Merger closed, the Founder Shares alone were worth approximately $83 million[.]").

B. SPEYER TAKES TSIA PUBLIC

On November 13, 2020, TSIA completed its IPO, selling 30 million Public Units for $10.00 each and raising $300 million.[16] Concurrently with the IPO, the Sponsor purchased 5,333,334 million Private Placement Warrants for $8 million (or $1.50 per warrant).[17] Both the Founder Shares and the Private Placement Warrants would be worthless if TSIA did not complete a business combination within the time specified in its charter.[18] If a liquidation occurred, the Controller Defendants and Board members would lose the entirety of their investment.[19] Public stockholders, on the other hand, would receive a liquidating distribution from the trust of $10.00 per share plus interest.[20]

TSIA placed the funds raised in its IPO in a trust for the benefit of public stockholders.[21] If TSIA entered into a business combination, public stockholders would have the option to either redeem their shares for $10.00 each plus interest *or* to invest in the post-Merger company.[22]

---

[16] ¶ 41.

[17] ¶ 44.

[18] ¶¶ 4-5, 48.

[19] *Id.*

[20] ¶¶ 41-42, 104.

[21] ¶ 41.

[22] ¶ 42.

C. TSIA MERGES WITH LEGACY LATCH

Following TSIA's IPO, Speyer, Wong, and Galiano moved quickly to explore potential acquisition targets.[23] Although TSIA indicated that it had a list of approximately 200 potential SPAC acquisition targets, the Officer Defendants quickly zeroed in on Legacy Latch, a private company that produced electronic smart locks and access control systems and that provided an integrated electronic home management system for smart home technologies.[24]

Legacy Latch had long been on Speyer's radar. In 2018 and 2019, TSPLP invested $800,000 in Legacy Latch preferred stock through another TSPLP affiliate (which was also a TSIA affiliate)[25] in an offering that valued Legacy Latch at $454 million.[26] TSPLP was also familiar with Legacy Latch because it was a customer, and had installed over a million dollars' worth of Legacy Latch products in several of its properties in 2018 and 2019 alone.[27]

Over an eleven-day period between November 12 and November 23, 2020, TSIA representatives met with Legacy Latch representatives five times. None of the purportedly independent directors—Kazam, Rubio, Segal, or Volpi—were present.

---

[23] ¶ 50.

[24] ¶ 36.

[25] ¶ 51.

[26] *Id.*

[27] ¶ 52.

After this truncated diligence period, on November 23, 2020, TSIA submitted a term sheet for a proposed merger with Legacy Latch.[28] At this time, the Board had never met.[29] Instead, Officer Defendants Speyer, Wong, and Galiano performed all of the diligence.[30] After meeting only three times, the Board approved the Merger on January 24, 2021 at the Officer Defendants' behest.[31]

On March 10, 2021, TSIA issued the Proxy[32] to stockholders and a June 3, 2023 vote date was set.[33] The Proxy explained that TSIA's stockholders had the right to redeem their stock and receive their pro rata portion of the trust or to invest in the post-Merger company and set a June 1, 2021 deadline for this election decision.[34]

To ensure that TSIA's stockholders would approve the Merger and eschew their redemption rights, Defendants made a series of false and misleading statements

---

[28] ¶¶ 53, 60.

[29] ¶ 60.

[30] ¶¶ 60, 61, 68.

[31] ¶¶ 62, 72, 77.

[32] The Proxy was amended on March 30, 2021, May 3, 2021, May 10, 2021, and May 12, 2021. ¶ 81.

[33] ¶ 81.

[34] *Id.*

in the Proxy.[35] First, the Proxy falsely claimed that the net cash underlying TSIA's shares was $10.00 per share—when, in reality, it was less than $7.50 per share.[36]

Second, Defendants failed to disclose information that may have undermined the reliability of the Proxy Projections and misrepresented Legacy Latch's actual revenue expectations, creating a false and misleading impression of the Proxy Projections and improperly inflating Legacy Latch's value.[37]

Third, the Proxy failed to disclose material information concerning substantial infirmities in Legacy Latch's accounting and financial reporting, including that Legacy Latch had misrepresented nearly every "key business metric" listed in the Proxy.[38]

Armed with this materially false and misleading proxy, on June 3, 2021, TSIA stockholders approved the Merger, with few redemptions.[39] The Merger closed on June 4, 2021.[40]

---

[35] ¶¶ 7-10, 105-65.

[36] ¶ 113.

[37] ¶¶ 118-24.

[38] ¶¶ 8, 125-65.

[39] ¶ 82; Latch, Inc. Form 8-K at 4 (Jun. 4, 2021) (disclosing stockholders redeemed 5,961 shares).

[40] *Id.*

D. POST-MERGER DEVELOPMENTS REVEAL THE TRUTH ABOUT LATCH

On August 12, 2021, just a few months after the Merger, Latch reported a massive loss and only $9 million in second quarter revenue. With only $15.6 million in revenue earned in the first half of the year,[41] Legacy Latch appeared exceedingly unlikely to hit the $49 million revenue contained in the Proxy Projections.[42] Latch's share price fell 17% in response.[43]

On February 24, 2022, Latch reported $41.4 million in revenue for 2021, far less than the $49 million projected in the Proxy,[44] and lowered its revenue guidance for 2022 to $75-$100 million, far below the $173 million in the Proxy Projections. Latch's stock fell 25% in response.[45]

These disappointing earnings and lowered guidance were just the tip of the iceberg.[46] On August 10, 2022, Latch announced in a Form 12b-25 with the SEC it was in the midst of an internal investigation into its revenue recognition practices

---

[41] Latch, Inc. Form 8-K Ex. 99.1 at 2 (Aug. 12, 2021).

[42] ¶¶ 92, 93.

[43] *Id.*

[44] ¶ 93.

[45] ¶ 93; *Latch slashes 25% on guidance for Q1 and FY 2022 below guidance*, Manshi Mamtora, SEEKING ALPHA (Feb. 25, 2022) https://seekingalpha.com/news/3806132-latch-slashes-25-on-guidance-for-q1-and-fy-2022-below-consensus?source=content_type%3Areact%7Csection%3Asummary%7Csection_asset%3Anews_news%7Cfirst_level_url%3Asymbol%7Cbutton%3ATitle%7Clock_status%3ANo%7Cline%3A30.

[46] ¶ 94.

and would not be able to meet its filing deadline for its Form 10-Q for the second quarter of 2021.[47] On August 25, 2022, Latch announced that its financial statements from fiscal year 2021 and first quarter 2022 could no longer be relied upon due to "material errors and possible irregularities" relating to Latch's revenue recognition practices.[48] Latch's stock fell 12% following this announcement.

More bad news followed. On November 10, 2022, Latch disclosed that it would not be able to meet its filing deadline for the third quarter of 2021 and that its investigation had expanded to include Latch's financial statements from 2019 and 2020—statements from the time period supposedly covered by the Board's due diligence process.[49]

On November 16, 2022, Latch announced that it had received a delisting notice from Nasdaq for failing to comply with filing requirements.[50] Latch stock fell 8% following this announcement. On January 18, 2023, Latch disclosed that Nasdaq had notified it that its share price had failed for 30 consecutive trading days to close at a price of at least one dollar.[51] Latch stock fell 1.6% in response. On January 23,

---

[47] *Id.*

[48] *Id.*

[49] ¶ 95.

[50] *Id.*

[51] ¶ 96.

2023, Latch disclosed that its consolidated financial statements dating all the way back to 2019 could no longer be relied upon.[52]

Latch continued to fail to meet filing deadlines and was delisted by Nasdaq effective August 10, 2023. Latch's post-Merger performance was, in sum, disastrous. From June 1, 2021—the redemption deadline—until the filing of the Verified Consolidated Class Action Complaint, Latch's stock lost approximately 92% of its value.[53]

E. PLAINTIFFS INSPECT THE COMPANY'S INTERNAL DOCUMENTS, FILE SUIT, PROSECUTE THE ACTION, AND PURSUE DISCOVERY

On September 19, 2022, Plaintiff Garfield sent an inspection demand to Latch. In response, Latch produced 58 documents comprising 1,647 pages (the "220 Documents"). As a result of Plaintiff Garfield's review of the 220 Documents and publicly available information and interviews of former Latch employees conducted by Plaintiffs Kilari and Subramanian, Plaintiffs concluded that Defendants had breached their fiduciary duties by approving an unfair Merger and disseminating a materially false and misleading Proxy.

---

[52] ¶ 97.

[53] ¶ 99.

On August 8, 2023, Plaintiffs filed a Verified Consolidated Class Action Complaint (the "Complaint")[54] on behalf of themselves and other similarly situated former TSIA stockholders, asserting claims for breach of fiduciary duty and unjust enrichment. Plaintiffs alleged that Defendants breached their duties of loyalty by, *inter alia*, failing to disclose material information and/or making materially misleading statements in the Proxy concerning the Proxy Projections and nearly every key business metric of Legacy Latch.

On September 6, 2023, the Controller Defendants answered the Complaint.[55] On September 20, 2023, the Outside Director Defendants answered the Complaint.[56]

After Defendants filed their Answers, the parties engaged in extensive discovery. Plaintiffs propounded over fifty document requests to each Defendant and served nineteen subpoenas on third parties. More than 124,000 documents (spanning 1,278,602 pages) were produced in response to these extensive discovery requests. At the time the parties agreed to settle, Plaintiffs had taken three

---

[54] Plaintiff Kilari filed his initial complaint against Defendants on May 9, 2023 (*Kilari v. TS Innovation Acquisitions Sponsor, L.L.C.*, C.A. No. 2023-0509-LWW (the "Kilari Complaint")) (Trans. ID 69920842); Plaintiff Subramanian filed his initial complaint on May 10, 2023 (*Subramanian v. TS Innovation Acquisitions Sponsor, L.L.C.*, C.A. No. 2023-0514-LWW (the "Subramanian Complaint")) (Trans. ID 69988980); and Plaintiff Garfield filed his initial complaint on May 18, 2023. *Garfield v. Speyer*, C.A. No. 2023-0540-LWW (the "Garfield Complaint") (Trans. ID 70033397).

[55] Trans. ID 70784026.

[56] Trans. ID 70912194.

depositions, including depositions of (i) Defendant Galiano, TSIA's Chief Operating Officer and Chief Financial Officer; (ii) Defendant Wong, TSIA's Chief Investment Officer; and (iii) Defendant Jerry Speyer, one of the Sponsor's controllers. Further, Plaintiffs had noticed depositions of the Sponsor, TSPLP, and TSPI, and were in the process of scheduling depositions of Speyer and each of the four Director Defendants. Plaintiffs were also negotiating depositions of a Rule 30(b)(6) designee of Latch, Inc. and its co-founder and former CEO, Luke Schoenfelder. In addition, Plaintiffs had responded to discovery requests from Defendants, and were preparing for Plaintiffs' depositions.

F. THE PARTIES MEDIATE AND NEGOTIATE THE SETTLEMENT

On January 8, 2024, the Parties attended a full-day mediation before David M. Murphy of Phillips ADR Enterprises. The Parties were unable to reach a settlement and the Parties continued to aggressively pursue discovery.

On June 28, 2024, in the midst of depositions, the Parties reconvened for a second mediation before Mr. Murphy. The Parties again were unable to reach a settlement.

After the June 28 mediation, the Parties continued to negotiate a potential resolution, with Mr. Murphy's assistance, while continuing discovery and aggressively moving the case toward trial.

Following those arm's-length negotiations, on July 2, 2024, the Parties accepted a double-blind mediator's proposal to settle this action for $29,750,000. The Parties then negotiated the definitive terms of the Settlement, as set forth in the Stipulation, which was executed on December 2, 2024, and filed the same day. On December 19, 2024, the Court entered the proposed Scheduling Order and set a Settlement Hearing for March 27, 2025.

ARGUMENT

I. THE SETTLEMENT SHOULD BE APPROVED AS FAIR, REASONABLE, AND ADEQUATE

Delaware law favors the voluntary settlement of complex class actions,[57] reflecting the Court's belief that settlements "promote judicial economy" and that "litigants are generally in the best position to evaluate the strengths and weaknesses" of their respective cases.[58] In reviewing whether a settlement is fair, reasonable, and adequate, the Court analyzes the facts and circumstances underlying the claims and the possible defenses thereto to "determine whether the settlement falls within a range of results that a reasonable party in the position of the plaintiff, not under any compulsion to settle and with the benefit of the information then available,

---

[57] *See*, *e.g.*, *In re Resorts Int'l S'holders Litig. Appeals*, 570 A.2d 259, 265-66 (Del. 1990); *Rome v. Archer*, 197 A.2d 49, 53 (Del. 1964); *In re Activision Blizzard, Inc. S'holder Litig.*, 124 A.3d 1025, 1042 (Del. Ch. 2015); *In re Triarc Cos. Class & Derivative Litig.*, 791 A.2d 872, 876 (Del. Ch. 2001); *Ryan v. Gifford*, 2009 WL 18143, at *5 (Del. Ch. Jan. 2, 2009); *Kahn v. Sullivan*, 594 A.2d 48, 58 (Del. 1991).

[58] *Marie Raymond Revocable Tr. v. MAT Five LLC*, 980 A.2d 388, 402 (Del. Ch. 2008).

reasonably could accept."[59] The Court must "make an independent determination, through the exercise of its own business judgment, that the settlement is intrinsically fair and reasonable."[60] The Court may consider several factors when making this determination, including the:

> (i) probable validity of the claims; (ii) apparent difficulties in enforcing the claims through the courts; (iii) collectability of any judgment recovered; (iv) delay, expense, and trouble of litigation; (v) amount of compromise as compared with the amount of collectability of a judgment; and (vi) views of the parties involved.[61]

In making this determination, the Court need not "decide any of the issues on the merits[,]"[62] and ultimately must weigh "the value of all the claims being compromised against the value of the benefit to be conferred on the [c]lass by the settlement."[63]

For the reasons set forth herein, the Settlement should be approved. The Settlement was the product of hard-fought litigation—informed by Plaintiffs' review and analysis of more than 1.2 million pages of documents and the deposition testimony of three Defendants—and arm's-length negotiations conducted with the

---

[59] *Activision*, 124 A.3d at 1064 (quoting *Forsythe v. ESC Fund Mgmt. Co.* (U.S.), 2013 WL 458373, at *2 (Del. Ch. Feb. 6, 2013)).

[60] *Goodrich v. E. F. Hutton Group*, 681 A.2d 1039, 1045 (Del. 1996).

[61] *Activision*, 124 A.3d at 1063.

[62] *Polk v. Good*, 507 A.2d 531, 536 (Del. 1986).

[63] *Brinckerhoff v. Texas Eastern Prods. Pipeline Co., LLC*, 986 A.2d 370, 384 (Del. Ch. 2010) (quoting *In re MCA, Inc.*, 598 A.2d 687, 691 (Del. Ch. 1991)).

assistance of an experienced mediator. The Settlement provides substantial economic consideration to Class members who suffered actual financial losses and reflects Plaintiffs' well-informed judgment regarding the strength of the claims and defenses at issue, the potential damages award, and the benefits of a guaranteed recovery.

A. THE SETTLEMENT PROVIDES SUBSTANTIAL BENEFITS

The Settlement provides a $29.75 million cash recovery, which equates to a per-share recovery of $0.992 per share. This is an outstanding result, offering a higher per-share recovery than any other de-SPAC merger settlement approved by this Court[64] with the exception of *Sharecare*.[65] The strength of this settlement is underscored by the fact that Latch traded at high volume above the redemption price for over four months post-Merger[66]—a fact pattern that likely would have caused Plaintiffs difficulty in proving damages. Under similar circumstances in

---

[64] *See*, *e.g.*, *Multiplan* ($0.368 per share); *GeneDX* ($0.47 per share); *Eos* ($0.99 per share); *Lordstown* ($0.57 per share); *Romeo Power* ($0.52 per share); *Finserv* ($0.38 per share); *Siseles v. Lutnick*, C.A. No. 2023-1152-JTL (Del. Ch. Dec. 6, 2024) (TRANSCRIPT) ("*View*" or "*View* Tr.") ($0.32 per share); *Newbold v. McCaw*, C.A. No. 2022-0439-LWW (Del. Ch. July 30, 2024) (TRANSCRIPT) ("*AstraSpace*" or "*AstraSpace* Tr.") ($0.55 per share).

[65] *Paul Berger Revocable Tr. v. Falcon Equity Invs. LLC*, C.A. No. 2023-0820-JTL (Del Ch. Jan. 21, 2025) ("*Sharecare*" or "*Sharecare* Tr.") (TRANSCRIPT) (approving settlement that provided $1.10 per share).

[66] Between the Merger's close on June 4, 2021 and October 11, 2021, over 100 million Latch shares changed hands, and Latch's stock closed below $10.00 per share on only 4 days, August 13, August 16, August 17, and August 19.

QuantumScape, Vice Chancellor Laster expressed skepticism about whether it was "reasonably conceivable that the disclosure at the time of the de-SPAC merger could have led to harm for the class"[67] where the stock price traded above the redemption value for months after the de-SPAC merger and that such fact patterns make for a "weak case."[68]

The Settlement also provides a substantial benefit to the Class when compared with potential class damages. The Complaint alleges unfair price based on at least the net cash per share of approximately $7.50 per share. Using damages of approximately $2.50 per share based on the difference between the $10 per share redemption price and the $7.50 net cash per share underlying the TSIA shares, Class damages were approximately $74.9 million.[69] Plaintiffs believe that net cash per share damages were the most likely recovery if Plaintiffs succeeded at trial. The $29.75 million settlement provides a hefty 39.6% of Class' net cash per share damages. Of the fifteen post-*Americas Mining* settlements in deal cases where entire fairness would apply[70] that Vice Chancellor Laster examined as a percent of claimed

---

[67] *In re Kensington-Quantumscape De-SPAC Litig.*, C.A. No. 2022-0721-JTL, at 39 (Del. Ch. Feb. 21, 2024) (TRANSCRIPT) ("*QuantumScape*" or "*Quantumscape* Tr.").

[68] *Id*. at 61.

[69] 29,994,084 Class shares X $2.50 = $74,985,210.

[70] *In re Dell Techns., Inc. Class V S'holders Litig.*, 300 A.3d 679, 723-24 (Del. Ch. 2023) *as revised* (Aug. 21, 2023) ("*Dell I*") (analyzing other settlements as a percentage of maximum damages).

damages in *Dell I*, this Settlement ranks *fourth* and more than *double the median* of 16.5%.[71] This Settlement is an outstanding result, under any metric.

B. COMPARING THE BENEFITS OBTAINED TO THE LIKELIHOOD OF SUCCESS AT TRIAL SUPPORTS APPROVAL OF THE SETTLEMENT

Comparing the benefits provided by the Settlement to the challenges Plaintiffs would have faced should the litigation have continued supports approval. Plaintiffs brought claims for breaches of fiduciary duty and unjust enrichment against each of the Defendants. While Plaintiffs believe that the evidence for liability was strong, Plaintiffs may have faced challenges proving actual economic harm because, as discussed above, Latch's post-merger stock price exceeded the redemption price for

[71] *Id*.

#	Settlement	Transaction Value (in millions)	Settlement Value (in millions)	As % of Max Damages
1	GFI Group	$366.00	$10.75	176.23%
2	Delphi	$2,500.00	$49.00	89.00%
3	AVX	$1,030.00	$49.90	41.58%
4	Malone	$7,400.00	$110.00	38.19%
5	Starz	$4,400.00	$92.50	38.07%
6	Homefed	$156.00	$15.00	19.80%
7	CNX Gas	$605.88	$42.70	19.00%
8	Alon USA Energy	$407.00	$44.75	14.00%
9	Jefferies	$2,400.00	$70.00	10.70%
10	Akcea	$446.50	$12.50	9.53%
11	***Dell Class V***	***$23,900.00***	***$1,000.00***	***9.34%***
12	Amtrust	$1,040.00	$40.00	9.20%
13	Pivotal	$1,430.00	$42.50	9.00%
14	Venoco	$363.00	$19.00	5.30%
15	Straight Path	$2,450.00	$12.50	1.13%
	Mean (Ex. Dell)	$1,785.31	$43.65	34.34%
	Median (Ex. Dell)	$1,035.00	$42.60	16.50%

nearly four months. Notably, in *Hennessy*, this Court acknowledged that "a finding of unfair price (not to mention damages) may prove unobtainable [when a de-SPAC entity's] stock price . . . traded around $10 per share for months."[72] Weighing the Settlement against these palpable risks further supports approval.

C. THE PLAN OF ALLOCATION IS REASONABLE AND APPROPRIATE

The Settlement allocates the $29.75 million recovery—plus any interest that accrues after being deposited in the Escrow Account and minus the payment of administrative costs, attorneys' fees and expenses, and any taxes and tax expenses—to the Class. The Plan of Allocation provides for an equitable recovery that will allow Class members who held onto their shares and those who sold their shares for less than the redemption amount to recover a portion of any actual economic damages they suffered. It also provides for a nominal recovery applicable to all Class Members.

The Plan of Allocation mirrors the plan this Court approved previously in *Romeo Power*[73] and *View*.[74] For Class Members who sold their shares between the

---

[72] *In re Hennessy Capital Acquisition Corp. IV S'holder Litig.*, 318 A.3d 306, 322 (Del. Ch. 2024).

[73] *Romeo Power* (approving Plan of Allocation described in Notice of Pendency and Proposed Settlement of Stockholder Class Action, Settlement Hearing, and Right to Appear, pp. 11-13, (Del. Ch. Jun. 17, 2024) (Trans. ID 73416695).

[74] *View* (approving Plan of Allocation described in Notice of Pendency and Proposed Settlement of Stockholder Class Action, Settlement Hearing, and Right to Appear, pp. 11-13, (Del. Ch. Aug. 22, 2024) (Trans. ID 74119511).

redemption deadline and the last business day before Plaintiffs and Defendants entered into the Settlement (November 29, 2024) for less than the $10 per share redemption price, the equitable per share portion of each Class Member's recognized claims shall be calculated as the difference between $10 and the price at which the Class Member sold her or his share(s). For Class Members who held their shares as of the last business day before Plaintiffs and Defendants entered into the Settlement, the equitable per share recovery of the Class Member's recognized claim shall be calculated as the difference between the $10 per share redemption price and $0.17, the closing price of Latch stock on November 29, 2024. Finally, a nominal amount of $0.10 per share for each share held on the redemption deadline shall be added to each Class Member's recognized claim. The net settlement fund will then be distributed to Class Members on a pro rata basis based on the relative size of their total recognized claims, calculated by dividing each Class Member's total recognized claims by the total of all Class Members' recognized claims and multiplying by the net settlement fund amount.[75]

As contemplated by Rule 23(f)(6), the Plan of Allocation provides that "residual settlement funds be redistributed to identified class members" unless

[75] *See* Stipulation and Agreement of Settlement, Compromise, and Release, Trans. ID 75103023, Ex. E at 3 ("Defendants shall not have a reversionary interest in the Net Settlement Fund.").

"redistribution is uneconomic."[76] In such cases, the funds will be transferred "to the Combined Campaign for Justice."[77]

The distribution methodology contemplated by the plan of allocation is "fair, reasonable, and adequate."[78] Therefore, the Plan of Allocation should be approved.

D. THE SETTLEMENT IS THE RESULT OF HARD-FOUGHT, ARMS'-LENGTH NEGOTIATIONS BETWEEN EXPERIENCED COUNSEL BEFORE AN EXPERIENCED AND WELL-RESPECTED MEDIATOR

When evaluating the fairness of a settlement, Delaware courts also scrutinize the negotiations that led up to the settlement and heavily favor settlements that resulted from arm's-length negotiations.[79] Here, the parties arrived at the Settlement only after months of negotiations, including two mediation sessions and further negotiations conducted under the guidance of an experienced mediator. The Settlement was agreed to only with the benefit of substantial discovery, including Plaintiffs' review and analysis of more than 1.2 million pages of documents

---

[76] Trans. ID 75103023, Ex. B, at 13; Del. Ct. Ch. R. 23(f)(6).

[77] Trans. ID 75103023, Ex. B, at 13; *see also In re PLX Tech. Inc. S'holders Litig.*, 2022 WL 1227170, at *2-3 (Del. Ch. Apr. 25, 2022) (modifying proposed order to provide for funds that would be uneconomic to redistribute to class members to be distributed to the Delaware Combined Campaign for Justice).

[78] *Schultz v. Ginsburg*, 965 A.2d 661, 667 (Del. 2009), *overruled on other grounds by Urdan v. WR Cap. Partners, LLC*, 244 A.3d 668 (Del. 2020).

[79] *See Ryan*, 2009 WL 18143, at *5 (noting that the settlement there was "fair, reasonable, and adequate[]" when reached after "vigorous arms-length negotiations following meaningful discovery").

produced by Defendants and numerous third parties and the deposition testimony of three Defendants.

E. COUNSEL'S EXPERIENCE AND OPINION WEIGH IN FAVOR OF SETTLEMENT APPROVAL

The Court also considers the opinion of experienced counsel in evaluating a settlement.[80] Counsel here include attorneys at Grant & Eisenhofer P.A., Bragar Eagel & Squire, P.C., and Fishman Haygood, L.L.P., plaintiffs' firms that have substantial experience in negotiating settlements of complex derivative and class actions, as well as lengthy track records of advocacy in this Court, including in de-SPAC merger redemption rights cases that have survived motions pursuant to Court of Chancery Rule 12 and have proceeded far into discovery.[81] Counsel believes that the Settlement is fair and in the best interests of the Class. Counsel's opinion is

---

[80] *See Polk*, 507 A.2d at 536 (stating that the Court considers "the views of the parties involved[]" in determining "the overall reasonableness of the settlement").

[81] Stipulation and Agreement of Settlement, Compromise, and Release, *In re Gores Holdings IV, Inc. S'holder Litig.*, Consol C.A. No. 2023-0284-LWW (Del. Ch. Feb. 7, 2025) (reviewed and analyzed over 77,000 documents; took one deposition); *May v. Gores Guggenheim Sponsor LLC*, C.A. No. 2023-0863-LWW (Del. Ch) (obtained and reviewing 49,000 documents to date, and pursuing additional documents, discovery); *Delman v. GigAcquisitions3, LLC*, 288 A.3d 692 (Del. Ch. 2023) (denying motion to dismiss); *Laidlaw v. GigAcquisitions2, LLC*, 2023 WL 2292488 (Del. Ch. Mar. 1, 2023) (denying motion to dismiss); *In re XL Fleet (Pivotal) Stockholder Litig.*, Consol. C.A. No. 2021-0808-KJSM (Del. Ch. June 9, 2023) (TRANSCRIPT) (denying motion to dismiss; subsequently took three depositions; reviewed and analyzed over 145,000 documents comprising over 1.1 million pages); *In re Momentus, Inc. Stockholders Litig.*, Consol. C.A. 2022-1023-PAF (Del. Ch. May 29, 2024) (TRANSCRIPT) (denying motion to dismiss; discovery is ongoing); *Offringa v. dMY Sponsor II, LLC*, C.A. No. 2023-0929-LWW (Del. Ch. July 30, 2024) (TRANSCRIPT) (denying motion to dismiss; discovery is ongoing).

shaped not only by their depth of experience, but by their deep knowledge of this case following pre-suit investigation and substantial discovery. Counsel's opinion further weighs in favor of approving the Settlement.

II. THE CLASS SHOULD BE CERTIFIED PURSUANT TO COURT OF CHANCERY RULES 23(A), 23(B)(1), AND 23(B)(2)

Plaintiffs move the Court for certification of a non-opt-out Class for settlement purposes only pursuant to Rules 23(a), 23(b)(1), and 23(b)(2) (the "Class"), consisting of:

> All record and beneficial holders of shares of Eligible Shares, whether held as separate shares of Common Stock or as part of Public Units, who held such shares between the close of business on May 11, 2021 (the "Record Date") and June 4, 2021 (the "Closing"), that were not submitted for redemption in connection with the Merger.

The Class does not include any of the following:

> i. (a) Defendants; (b) members of the immediate family of any Individual Defendant; (c) any person who was a manager or managing member of any TS Defendant during the Class Period, and any members of their immediate family; (d) any parent, subsidiary, or affiliate of a TS Defendant; (e) any entity in which any Defendant or any other excluded person or entity has, or had during the Class Period, a controlling interest; and (f) the legal representatives, agents, affiliates, heirs, estates, successors, or assigns of any such excluded persons or entities; and
>
> ii. (a) the Company; and (b) any person who was an officer or director of the Company during the Class Period, and any members of their immediate family.

Plaintiffs respectfully submit that each requirement is satisfied here and that, consequently, class certification is appropriate.

A. THE CLASS SATISFIES RULE 23(A)

For a class to be certified, "(1) the class [must be] so numerous that joinder of all members is impracticable, (2) there [must be] questions of law or fact common to the class, (3) the claims or defenses of the representative parties [must be] typical of the claims or defenses of the class, and (4) the representative parties [must] fairly and adequately protect the interests of the class."[82]

1. The Class Is So Numerous That Joinder Of All Members Is Not Practical

The numerosity requirement of Rule 23(a)(1) may be satisfied by "numbers in the proposed class in excess of forty, and particularly in excess of one hundred[.]"[83] "The test is not whether joinder of all the putative class members would be impossible, but whether joinder would be practical."[84] As of the Redemption Deadline, June 1, 2021, there were 29,994,084 non-redeemed shares of Common Stock outstanding. Joinder of the likely thousands of holders of millions of shares is not practical, and numerosity is satisfied.

2. Questions Of Law Are Common To Class Members

Commonality is "met where the question of law linking the class members is substantially related to the resolution of the litigation even though the individuals

---

[82] Del. Ct. Ch. R. 23.

[83] *Marie Raymond Revocable Tr.*, 980 A.2d at 400 (quoting Del. Ct. Ch. R. 23).

[84] *Id*. (internal citations omitted).

are not identically situated."[85] Here, common questions of law include whether Defendants: (i) breached their fiduciary duties by impairing stockholder redemption rights; (ii) failed to disclose material information and/or made materially misleading statements in the Proxy in connection with Merger; (iii) undertook an unfair Merger process at an unfair price; (iv) unjustly enriched themselves by securing unique financial benefits to the detriment of public stockholders; and (v) injured Plaintiffs and Class members through their conduct. This Court has certified classes in analogous circumstances.[86]

3. Plaintiffs' Claims Are Typical Of The Class

"The test of typicality is that the legal and factual position of the class representative must not be markedly different from that of the members of the class[]" and "focuses on whether the class representative claim (or defense) fairly presents the issues on behalf of the represented class."[87] Plaintiffs are similarly situated to the other unaffiliated non-redeemers of Common Stock and their claims

---

[85] *Leon N. Weiner & Assocs., Inc. v. Krapf*, 584 A.2d 1220, 1225 (Del. 1991) (citations and internal quotation marks omitted).

[86] *See*, *e.g.*, *In re Multiplan Corp. Stockholders Litig.*, 2023 WL 2329706, *2 (Del. Ch. Mar. 1, 2023) (certifying a "non-opt-out class pursuant to Court of Chancery Rules 23(a), 23(b)(1), and 23(b)(2)[]").

[87] *Weiner & Assocs.*, 584 A.2d at 1225-26 (citations and internal quotation marks omitted).

"arise[] from the same event or course of conduct that gives rise to the claims . . . of other class members and [are] based on the same legal theory."[88]

4. The Class's Interests Are Fairly And Adequately Protected

There is no divergence of interest between Plaintiffs and absent Class members. Moreover, the recovery achieved through this litigation demonstrates that Plaintiffs' interests were aligned with those of absent class members and is likewise indicative of the competence and effectiveness of Plaintiffs' Counsel.[89]

B. THE CLASS SATISFIES RULE 23(B)(1) AND 23(B)(2)

Rule 23 enumerates when certification is appropriate.[90] Consistent with longstanding Delaware corporate law practice, the Stipulation binds the parties to seek certification of a non-opt out settlement class pursuant to Rules 23(b)(1) and 23(b)(2).

The proposed Class satisfies Rule 23(b)(1). All Class members are unaffiliated holders of TSIA common stock who suffered the same harm as a result of Defendants' conduct. The definition of the Class expressly excludes Defendants. The relief afforded through the Settlement would impact all stockholders equally,

---

[88] *Id*. at 1226 (citation omitted).

[89] *See Haverhill Ret. Sys. v. Kerley*, C.A. No. 11149-VCL, at 20-21 (Del. Ch. Sept. 28, 2017) (TRANSCRIPT) ("*Haverhill*" or "*Haverhill* Tr.") ("Given that I am approving the settlement as fair and adequate, it follows that I necessarily believe that the class representatives, as well as the derivative action representatives, provided adequate representation in this matter.").

[90] Del. Ct. Ch. R. 23(b)(1)-(2).

and approval of the Settlement would protect all absent Class members' interests in uniform fashion.[91]

The Class also satisfies Rule 23(b)(2). Defendants' actions impacted Class members in uniform fashion, and the Settlement would afford final relief with respect to the Class as a whole.[92]

C. THE REMAINING REQUIREMENTS OF RULE 23 ARE SATISFIED

Rule 23(e) provides that "a class action shall not be dismissed or compromised without the approval of the Court, and notice by mail, publication or otherwise of the proposed dismissal or compromise shall be given to all members of the class in such manner as the Court directs."[93] Notice was provided to all absent Class members, pursuant to the process set forth in the Scheduling Order.

Pursuant to Rule 23(aa), each of the Plaintiffs has sworn that they have not received, been promised, or offered and will not accept any form of compensation, directly or indirectly, for prosecuting or serving as a representative party in this Action except for: (i) such damages or other relief as the Court may award them as

---

[91] *See Haverhill* Tr. at 21 ("The class is appropriately certified pursuant to Rule 23(b)(1) as a non-opt-out class, because had this action been prosecuted separately by individual class members, there would have been a risk of inconsistent or varying results, and effectively, adjudication with respect to one would have been dispositive of everyone's interests.").

[92] *Nottingham Partners v. Dana*, 564 A.2d 1089, 1096-97 (Del. 1989) (affirming class certification where primary relief in settlement was declaratory, injunctive, and rescissory and thus afforded "similar equitable relief with respect to the class as a whole").

[93] Del. Ct. Ch. R. 23(e).

a member of the Class; (ii) such fees, costs, or other payments as the Court expressly approves; or (iii) reimbursement, paid by each of the Plaintiffs' attorneys, of actual and reasonable out-of-pocket expenditures incurred directly in connection with the prosecution of the Action.[94]

* * *

For the foregoing reasons, Plaintiffs respectfully submit that the Court should certify the Class.

III. THE FEE AND EXPENSE AWARD SHOULD BE GRANTED

The amount of a fee award is committed to the sound discretion of the Court.[95] "When awarding fees for a common benefit, the court 'must make an independent determination of reasonableness on behalf of the common fund's beneficiaries[.]'"[96] "[This] task is not cursory."[97] "The overarching goal is to right-size fee awards to the benefit achieved." [98] At the same time, it has also been said that fee awards

---

[94] Affidavits of Robert Garfield, Phanindra Kilari, and Subash Subramanian in Support of Proposed Settlement and Application for Attorneys' Fees and Expenses at ¶ 5 (filed herewith).

[95] *Americas Mining Corp. v. Theriault*, 51 A.3d 1213, 1255 (Del. 2012) (citing *Johnson v. Arbitrium (Cayman Islands) Handels AG*, 720 A.2d 542, 547 (Del. 1998)).

[96] *Tornetta v. Musk,* 326 A.3d 1203, 1236 (Del. Ch. 2024) (citing *Goodrich*, 681 A.3d at 1045).

[97] *In re Dell Techns., Inc. Class V S'holders Litig.*, 326 A.3d 686, 691 (Del. 2024) ("*Dell II*").

[98] *Tornetta,* 326 A.3d at 1236.

should reflect the goal of "maximiz[ing] future plaintiffs' incentives to bring meritorious cases and to litigate them efficiently."[99]

This Court considers fee applications under the well-known factors established in *Sugarland Industries v. Thomas*.[100] Under the *Sugarland* factors, the Court considers: (i) the amount of time and effort applied to the case by counsel for the plaintiff; (ii) the relative complexities of the litigation; (iii) the standing and ability of counsel; (iv) the contingent nature of the litigation; (v) the stage at which the litigation ended; (vi) whether the plaintiff can rightly receive all the credit for the benefit conferred or only a portion thereof; and (vii) the size of the benefit conferred.[101]

Of these factors, "the first factor – the results achieved – is paramount."[102] "The other factors are secondary."[103] "As part of the first factor, the court must also

---

[99] *Seinfeld v. Coker*, 847 A.2d 330, 338 (Del. Ch. 2000); *see also In re Topps Co. S'holders Litig.*, 924 A.2d 951, 962 n.39 (Del. Ch. 2007) ("Nor can stockholder-plaintiffs believe that their lawyers will not receive appropriate remuneration in this court for achieving an important benefit for the corporation or a class of stockholders.").

[100] 420 A. 2d 142 (Del. 1980).

[101] *Id.* at 149-50. *See also Dell II*, 326 A.3d at 698.

[102] *Dell II,* 326 A.3d at 698; *Tornetta* 326 A.3d at 1230 (quoting *Olson v. EV3, Inc.*, 2011 WL 704409, at *8 (Del. Ch. Feb. 21, 2011) ("In determining the size of an award of attorneys' fees, courts assign the greatest weight to the benefit achieved in light of the nature of the claims and the likelihood of success on the merits.") (internal quotation marks omitted).

[103] *Tornetta* 326 A.3d at 1236.

consider the causal relationship between 'what counsel accomplished through the litigation and the ultimate result.'"[104]

As Chancellor McCormick recently summarized in *Tornetta*[105]:

> The Delaware Supreme Court has eschewed any "formulaic" or "mechanical approach" under *Sugarland*, emphasizing that this court enjoys broad discretion when awarding fees."[106] The overarching goal is to right-size fee awards to the benefit achieved. By doing so, the court provides incentives for "counsel to accept challenging cases" despite "the risk of recovering nothing in the end," while simultaneously avoiding awards that 'exceed their value as an incentive to take representative cases and turn into a windfall.'"[107]

Plaintiffs' counsel were the driving force for the benefit created in this case. There were no government regulatory enforcement proceedings, SEC consent decrees or other acknowledgement of wrongdoing by Defendants, nor had there been any meaningful proceedings in the related securities class actions.

Plaintiffs believe that they maximized their litigation leverage by resuming settlement negotiations while the parties were actively conducting and concluding

---

[104] *Id.* at 1236 (citing *Dell II*, 326 A.3d at 698; *Dell I*, 300 A.3d at 692) ("The causal dimension is critical, because Delaware public policy calls for compensating counsel for the beneficial results they produced. Counsel cannot take credit for results they did not produce, so a court must consider whether the plaintiff can rightly receive all the credit for the benefit conferred or only a portion thereof." (cleaned up)).

[105] *Tornetta* 326 A.3d at 1236.

[106] *Id*. (citing *Dell II*, 326 A.3d at 698) (eschewing a "formulaic approach to fee requests" and affirming "the discretion of the Court of Chancery" to award fees); *see also Kaung v. Cole Nat'l Corp*., 884 A.2d 500, 506 (Del. 2005) (trial court has "broad" discretion in fixing the amount of attorneys' fees under *Sugarland*).

[107] *Dell II*, 326 A. 3d at 702-03.

the depositions of TSIA senior officers and directors (Defendants Jenny Wong, Paul Galiano and Jerry Speyer), and had scheduled or were in the process of scheduling ten additional depositions that were planned for the following three weeks, including third party of depositions of advisors and accountants.

Plaintiffs respectfully request an all-in Fee and Expense Award of $7,000,000, or 23.52% of the Settlement Fund. After accounting for expenses of $241,463.00, the percentage attributable to attorneys' fees is 22.7% on a net basis. Plaintiffs respectfully submit that the request is reasonable under all of the circumstances, and strongly supported by the *Sugarland* factors and applicable precedent.

A. COUNSEL ACHIEVED A SUBSTANTIAL MONETARY BENEFIT

As set forth above, the benefits achieved through litigation are accorded the greatest weight in determining an appropriate fee award.[108] This Court recognizes that "the dollar amount of the [settlement payment]" is at the "heart of the *Sugarland* analysis."[109] The monetary benefit achieved in this action is concrete and substantial: a $29.75 million cash payment.

---

[108] *Seinfeld*, 847 A.2d at 336; *Ams. Mining*, 51 A.3d at 1254; *In re Cox Radio, Inc. S'holders Litig.*, 2010 WL 1806616, at *20 (Del. Ch. May 6, 2010) ("the size of the benefit being of paramount importance"); *Franklin Balance Sheet Inv. Fund v. Crowley*, 2007 WL 2495018, at *8 (Del. Ch. Aug. 30, 2017) ("courts assign the greatest weight to the benefit achieved by the litigation").

[109] *Seinfeld*, 847 A.2d at 336.

"When the benefit is quantifiable," as here, "*Sugarland* calls for an award of attorneys' fees based upon a percentage of the benefit."[110] "Under this method, the 'common fund' is itself the measure of success."[111] "The wealth proposition for plaintiffs' counsel is simple: If you want more for yourself, get more for those whom you represent."[112]

The $0.992 per share settlement is one of the highest settlements in SPAC related litigation in this Court and it may provide the highest percentage recovery for stockholders who held their shares until the settlement date once post-merger sales are considered.[113]

B. THE STAGE OF CASE METHOD SUPPORTS THE REQUESTED FEE

Under *Americas Mining*, fees between 15% and 25% are appropriate for mid-stage settlements like this.[114]

---

[110] *Dell I*, 326 A.3d at 692 (citing *Ams. Mining*, 51 A.3d at 1259).

[111] *Id*. at 692-93 (citing *Ams. Mining*, 51 A.3d at 1259).

[112] *Id*. at 693 (citing *In re Orchard Enters. Inc. S'holder Litig*., 2014 WL 4181912 at 8* (Del. Ch. Aug. 22, 2014)).

[113] *See*, *e.g.*, *GeneDX* (approving settlement that provided $0.47 per share); *Eos* (approving settlement that provided approximately $0.99 per share); *Lordstown* (approving settlement that provided approximately $0.57 per share); *Romeo Power* (approving settlement that provided approximately $0.52 per share); *Multiplan* (approving settlement that provided approximately $0.368 per share); *Finserv* (approving settlement that provided approximately $0.38 per share); *View* (approving settlement that provided approximately $0.32 per share).

[114] *Id.*

The Settlement in this case was the result of considerable litigation and negotiation efforts. Here, before filing their complaints, Plaintiffs conducted a Section 220 investigation and obtained additional non-public information from multiple former Latch employees. Plaintiffs marshalled the information gathered via their pre-filing investigation and prepared a comprehensive, consolidated complaint. Faced with Plaintiffs' formidable allegations, Defendants answered rather than attempting to secure dismissal.

After Defendants answered, Plaintiffs moved aggressively into discovery in preparation for a March 2025 trial. The Settlement was reached on July 2, 2024, only one month before the close of fact discovery.

Plaintiffs respectfully submit that a fee towards the top end of the *Americas Mining* scale is appropriate here. Plaintiffs' counsel obtained and reviewed more than 1.2 million pages of documents, had taken three depositions, and were on the precipice of taking ten more when the parties reached the Settlement. Further, Plaintiffs had retained experts and were moving aggressively towards trial. Plaintiffs respectfully submit that the requested 23.53% all-in fee award is reasonable and appropriate given this Court's precedent involving comparable litigation activity.

Plaintiffs' fee request is in line with the percentage fees awarded in numerous cases where no depositions were taken[115] and far fewer documents were reviewed.[116]

C. THE SECONDARY FACTORS SUPPORT THE REQUESTED FEE AND EXPENSE AWARD

The contingent nature of the representation is the "second most important factor considered by this Court" in awarding attorneys' fees.[117] "It is the 'public policy of Delaware to reward risk-taking in the interests of [stock]holders.'"[118] Delaware courts have repeatedly recognized that an attorney may be entitled to a much larger fee when the compensation is contingent rather than paid on an hourly or contractual basis.[119]

---

[115] *See, e.g., In re Tangoe, Inc. S'holder Litig.*, 2020 WL 507523 (Del. Ch. Jan. 29, 2020) (ORDER AND FINAL JUDGMENT); and 2020 WL 136813 (Del. Ch. Jan. 9, 2020) (SETTLEMENT BRIEF) (approving 22.6% fee; plaintiffs filed a complaint incorporating §220 documents, reviewed approximately 250,000 pages of documents, took no depositions, and engaged in some motion practice); *GeneDX* Tr. at 44 (approving 19.5% fee; no depositions, and engaged in some motion practice); *Lordstown* Tr. at 45 (approving 22.5% fee; no depositions and some motion practice); *Multiplan* Tr. at 48-51 (approving 20% fee; no depositions and some motion practice).

[116] *See, e.g., Tangoe*, 2020 WL 136813 (approximately 250,000 pages of documents reviewed); *GeneDX* Tr. at 11 (over 100,000 pages reviewed); *Lordstown* Tr. at 35 (over 360,000 pages reviewed); *Multiplan* Tr. at 13 (approximately 734,000 pages reviewed).

[117] *Dow Jones & Co. v. Shields,* 1992 WL 44907, at *2 (Del. Ch. Jan. 10, 1992) *as revised* (Mar. 4, 1992).

[118] *Dell I*, 300 A.3d at 726 (quoting *Plains Res. Inc.*, 2005 WL 332811, at *6 (Del. Ch. Feb. 4, 2005)); *Activision*, 124 A.3d at 1073.

[119] *Chrysler Corp. v. Dann*, 223 A.2d 384, 389-90 (Del. 1966); *accord Ryan*, 2009 WL 18143 at *13.

As *Hennessey* illustrates, there is no guarantee of success in SPAC related litigation, and counsel here took on the risk of a well-financed and experienced group of defendants and counsel. Tishman-Speyer is a sophisticated and experienced multinational real estate investment firm, with a respected reputation in the marketplace. There was no assurance that Plaintiffs could establish that its executives engaged in any wrongdoing regarding the Proxy disclosures or that Plaintiffs could prove damages given TSIA's post-Merger trading. Thus, from inception, "[c]ounsel faced…the realistic possibility that [they] would receive nothing for their time and effort."[120]

The complexity of the litigation also supports approval of the attorneys' fees. All else equal, litigation that is challenging and complex supports a higher fee award."[121] This case was challenging and complex. Plaintiffs believed that the proper standard of review in the case was "entire fairness," but Defendants challenged that position, arguing that business judgment rule standard should apply. There was no assurance that Plaintiffs would prevail on this issue. Although Plaintiffs were guardedly optimistic about their chances of prevailing at trial, Plaintiffs are well aware of the risks even in an entire fairness trial. As this Court noted in *Dell I*, in the years since *Americas Mining*, "there have been at least ten

[120] *Orchard*, 2014 WL 4181912, at *9.

[121] *Activision*, 124 A.3d at 1072.

post-trial decision in entire fairness cases where the defendants prevailed, plus three more where the court awarded only nominal damages[.]"[122] Moreover, even if Plaintiffs were to win at trial, they would have faced "significant risk on appeal" given the reality that, in the six post-*Americas Mining* appeals from post-trial damages awards in which representative plaintiffs obtained cash recoveries and defendants challenged the liability determination that the Supreme Court has heard, "[t]he high court affirmed the first two and reversed the next four."[123]

The "standing and ability of counsel involved" also favors granting the requested fee.[124] G&E, FH and BES have litigated cases in this Court and around the country and have demonstrated a willingness to aggressively litigate cases including bringing cases to trial. Counsel's track record gave it the credibility necessary to extract the favorable result that it did. Further, Defendants are represented by experienced counsel from the country's finest law firms—Sullivan & Cromwell LLP, DLA Piper LLP, Abrams & Bayliss, LLP and Richards, Layton & Finger, PA.—underscoring the high bar Plaintiffs would have faced to prevail at trial.

---

[122] *Dell I*, 300 A.3d at 709-10 (internal citations omitted).

[123] *Id*. at 710.

[124] *See Ams. Mining*, 51 A.3d at 1254.

"The time and effort expended by counsel serves [as] a cross-check on the reasonableness of a fee award. This factor has two separate but related components: (i) time and (ii) effort."[125] "'[M]ore important than hours is 'effort, as in what Plaintiffs' counsel actually did.'"[126]

Plaintiffs' counsel's effort, for all the reasons explained above, was substantial. The time invested was also substantial. Plaintiffs' counsel and support staff devoted a total of 4,404.95 hours to this litigation, with a total lodestar of $3,246,657.50 at their currently applicable hourly rates as set forth in the chart below.[127]

Firm	Hours	Lodestar	Expenses
Grant & Eisenhofer, P.A.	2,421.30	$1,509,547.50	$156,822.65
Fishman Haygood, LLP	825.40	$512,060.00	$40,453.68
Bragar Eagel & Squire, P.C.	1,036.25	$986,400.00	$39,943.57
deLeeuw Law LLC	217.20	$162,900.00	$4,243.10
Greenwich Legal Associates, LLC	122.00	$75,750.00	$0
TOTALS	4,404.95	$3,246,657.50	$241,463.00

[125] *In re Sauer-Danfoss Inc. S'holders Litig.*, 65 A.3d 1116, 1138 (Del. Ch. 2011) (internal citations omitted).

[126] *Ams. Mining*, 51 A.3d at 1258 (citing *In re Del Monte Foods Co. S'holders Litig.*, 2011 WL 2535256, at *13 (Del. Ch. June 27, 2011) (citation omitted)).

[127] *See* Affidavits of Christine M. Mackintosh, Kaja S. Elmer, Lawrence P. Eagel, P. Bradford deLeeuw, and Michele S. Carino (filed herewith).

Plaintiffs' counsel incurred total expenses of $241,463.00. After subtracting Plaintiffs' counsel's expenses, the net requested fee award is $3,000,194.50 plus interest at the same rate as the Settlement Fund. The effective hourly rate of the net fee award is $682.23 per hour. This rate is reasonable in comparison to the non-contingent hourly rates of experienced and qualified counsel who practice before this Court,[128] and is significantly lower than the effective hourly rates approved by this Court in comparable cases.[129]

For all of the above reasons, the fee request is reasonable.

---

[128] *See Franklin*, 2007 WL 2495018, at *14 ("As a 'backstop check,' this Court also considers whether a contemplated fee award translates into an exorbitant hourly rate." (internal citations omitted)). *See generally* Dan Roe, *As Billing Rates Skyrocket, Historic Fee Leaders Find Company at $2,000 Per Hour*, AMERICAN LAWYER (July 28, 2022), https://www.law.com/americanlawyer/2022/07/28/as-bankruptcy-rates-skyrocket-historic-fee-leaders-find-company-at-2000-per-hour/; Roy Strom, *Big Law Rates Topping $2,000 Leave Value 'In Eye of Beholder'*, BLOOMBERG LAW (June 9, 2022), https://news.bloomberglaw.com/business-and-practice/big-law-rates-topping-2-000-leave-value-in-eye-of-beholder.

[129] *See In re Versum Materials, Inc. S'holder Litig.*, C.A. No. 2019-0206-JTL, at 82-83 (Del. Ch. July 16, 2020) (TRANSCRIPT) (awarding fee that represented over $10,000 per hour), *aff'd*, 248 A.3d 105 (Del. 2021); *Activision*, 124 A.3d at 1077 (awarding fee that represented $9,685 per hour); *City of Miami Gen. Emps.' Ret. Trust v. Foley*, C.A. No. 2020-0650-KSJM, at 55-56 (Del. Ch. Jun. 21, 2022) (TRANSCRIPT) (approving $8,748 effective hourly rate as "within the realm of hourly rates approved by this court when a plaintiff obtains a substantial benefit"); *In re Medley Cap. Corp. S'holders Litig.*, Consol. C.A. No. 2019-0100-KSJM, at 67-68 (Del. Ch. Nov. 19, 2019) (TRANSCRIPT) (finding a $5,989 hourly rate would not be "beyond the bounds of reasonableness" and noting that a 6x or 7x multiplier "is well within the range that this Court has awarded over the years").

IV. THE INCENTIVE AWARDS SHOULD BE GRANTED

Finally, Plaintiffs further request that the Court approve the payment of a $7,500 incentive award to each Lead Plaintiff, to be paid out of the Fee and Expense Award as compensation for the benefit obtained for the class in this matter. This Court has recognized that it may be appropriate to award an incentive fee to the class representative, where justified by the factors identified in *Raider v. Sunderland*: (i)°the time, effort, and expertise expended by the class representative, and (ii) the benefit to the class.[130] Public policy favors such an award in appropriate circumstances. "Compensating the lead plaintiff for efforts expended is not only a rescissory measure returning certain lead plaintiffs to their position before the case was initiated, but an incentive to proceed with costly litigation (especially costly for an actively participating plaintiff) with uncertain outcomes."[131] In "the current environment" a stockholder who files plenary litigation faces "the very real possibility of having their computer and other electronic devices imaged and

[130] 2006 WL 75310, at *1 (Del. Ch. Jan. 4, 2006) *as revised* (Jan. 5, 2006).

[131] *Id*. at *1 (internal citations omitted).

searched, sitting for a deposition—perhaps more than one if they also institute 220 litigation—and then perhaps testify at trial."[132]

After retaining counsel to interview former Latch employees and obtaining books and records, Plaintiffs verified and filed a consolidated Complaint, searched for and produced documents, reviewed and verified detailed interrogatory responses, participated in all aspects of the litigation, and were in the process of preparing to be deposed. These efforts provided a significant benefit to TSIA's stockholders as set forth above. The requested award is "reasonable and will be paid out of Counsel's fee, so [it will] not harm the class."[133] Moreover, the requested incentive award is modest and in line with this Court's precedent.[134]

---

[132] *Verma v. Costolo*, C.A. No. 2018-0509-PAF, at 52-53 (Del. Ch. July 27, 2021) (TRANSCRIPT); *see also Voigt v. Metcalf*, C.A. No. 2018-0828-JTL, at 44-45 (Del. Ch. Feb. 2, 2022) (TRANSCRIPT) ("I will tell you, if you told me that I was going to have to image all my devices, produce a bunch of documents, spend a day with you-all, and then have a full-day deposition where any one of the excellent defense lawyers on this team was going to go into all my potentially tangentially related decisions that might touch on something about my ability to act in a fiduciary capacity or be in this litigation, I wouldn't do it for $5,000.").

[133] *See Orchard*, 2014 WL 4181912, at *13.

[134] *See In re Galenabiopharma, Inc.*, 2018 WL 3023811 (Del. Ch. June 15, 2018) (awarding plaintiff $5,000 incentive award); *Orchard*, 2014 WL 4181912, at *1, *7, *13 (awarding $12,500 to lead plaintiffs); *Forsythe v. ESC Fund Management Co. (U.S.), Inc.,* 2012 WL 1655538, at *1, *8 (Del. Ch. May 9, 2012) (awarding total of $62,500 to three plaintiffs in derivative action).

CONCLUSION

Plaintiffs respectfully request that the Court approve the Settlement and Plan of Allocation, certify the Class, and grant the Fee and Expenses Award and incentive awards.

February 14, 2025

GRANT & EISENHOFER, P.A.

/s/ Christine M. Mackintosh
Christine M. Mackintosh (#5085)
Kelly L. Tucker (#6382)
Edward M. Lilly (#3967)
123 S. Justison St., 7th Floor
Wilmington, DE 19801
(302) 622-7000
cmackintosh@gelaw.com
ktucker@gelaw.com
elilly@gelaw.com

DELEEUW LAW LLC

/s/ P. Bradford deLeeuw
P. Bradford deLeeuw (#3569)
1301 Walnut Green Road
Wilmington, DE 19807
(302) 274-2180
brad@deleeuwlaw.com

WORDS: 6,956/14,000

Of Counsel:

BRAGAR EAGEL & SQUIRE, P.C.
Lawrence Eagel
J. Brandon Walker
Marion C. Passmore
810 Seventh Avenue, Suite 620
New York, NY 10019
(212) 308-5888
eagel@bespc.com
walker@bespc.com
passmore@bespc.com

FISHMAN HAYGOOD, L.L.P.
Brent B. Barriere
Jason W. Burge
Kaja S. Elmer
201 St. Charles Avenue, 46th Floor
New Orleans, LA 70170
(504) 586-5252
bbarriere@fishmanhaygood.com
jburge@fishmanhaygood.com
kelmer@fishmanhaygood.com