

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF GEORGIA
ROME DIVISION**

PUBLIC EMPLOYEES' RETIREMENT
SYSTEM OF MISSISSIPPI, individually
and on behalf of all others similarly
situated,

Plaintiff,

v.

MOHAWK INDUSTRIES, INC. and
JEFFREY S. LORBERBAUM,

Defendants.

Civ. A. No. 4:20-cv-00005-VMC

**REPLY MEMORANDUM OF LAW
IN FURTHER SUPPORT OF (I) LEAD PLAINTIFF'S MOTION
FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT
AND PLAN OF ALLOCATION AND (II) LEAD COUNSEL'S
MOTION FOR ATTORNEYS' FEES AND LITIGATION EXPENSES**

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Lead Plaintiff Public Employees' Retirement System of Mississippi ("MissPERS" or "Lead Plaintiff"), on behalf of itself and the other members of the certified Class, and Lead Counsel respectfully submit this memorandum of law in further support of (i) Lead Plaintiff's motion for final approval of the proposed Settlement and approval of the proposed Plan of Allocation, and (ii) Lead Counsel's motion for an award of attorneys' fees and Litigation Expenses.

PRELIMINARY STATEMENT

The proposed Settlement resolves this litigation in exchange for a cash payment of \$60,000,000. If approved, the Settlement would be the fifth largest securities class action recovery in Georgia's history. As detailed in Lead Plaintiff's and Lead Counsel's opening papers (ECF Nos. 129-131), the Settlement is the product of nearly three years of hard-fought litigation and extensive arm's-length settlement negotiations that involved a mediation process overseen by a former federal judge, who is an experienced class action mediator. Prior to reaching a resolution, Lead Counsel conducted an extensive investigation and discovery, which included a review of nearly one million pages of documents produced by Defendants and third parties, eighteen document subpoenas, and seventeen depositions.

The reaction of the Class to the proposed Settlement confirms that it is an excellent result for Class Members. Following an extensive Court-approved notice program—which included the mailing of more than 221,000 copies of the Notice to potential Class Members and nominees—not a single Class Member objected to the Settlement, the Plan of Allocation, or Lead Counsel’s motion for an award of attorneys’ fees and expenses. The absence of any objection by institutional investors—which held approximately 82% of the shares of Mohawk common stock outstanding during the Class Period—is additional evidence of the fairness and reasonableness of the proposed Settlement, the Plan of Allocation, and the fee and expense request.

ARGUMENT

I. NOT A SINGLE CLASS MEMBER OBJECTED TO THE SETTLEMENT, PLAN OF ALLOCATION, OR FEE AND EXPENSE REIMBURSEMENT REQUEST

In accordance with the Court’s February 3, 2023 Order Granting Plaintiff’s Motion to Preliminarily Approve Settlement (the “Preliminary Approval Order”) (ECF No. 122), Lead Counsel and the Court-approved Claims Administrator, JND, embarked upon an extensive notice program. The notice program included, among other things: (i) mailing 221,683 copies of the Court-approved Notice and Claim Form to potential Class Members and nominees; (ii) publishing the Court-

approved summary notice in the *Wall Street Journal* and transmitting the summary notice over the *PR Newswire*; and (iii) hosting a website (www.MohawkIndustriesSecuritiesLitigation) that included the Notice, Claim Form, and relevant court filings. *See* Supplemental Declaration of Luiggy Segura, attached hereto as Exhibit 1; *see also* ECF No. 131-3. In addition, pursuant to the Stipulation, Defendants issued notice pursuant to the Class Action Fairness Act, 28 U.S.C. § 1711, *et seq.* *See* ECF No. 133.

The Court-approved Notice provided Class Members with a detailed description of the terms of the proposed Settlement, Plan of Allocation, and request for attorneys' fee and expenses. The Notice also explained to Class Members their right to object to the proposed Settlement, Plan of Allocation, or request for attorneys' fee and expenses. The Notice program satisfied the requirements of the PSLRA and was consistent with notice programs approved by courts in this District and around the country. *See, e.g.,* Order Preliminarily Approving Settlement and Authorizing Dissemination of Notice of Settlement at 6-7, *In re Equifax Inc. Sec. Litig.*, No. 1:17-cv-03463-TWT (N.D. Ga. Feb. 25, 2020), ECF No. 163; Final Judgment at 5-6, *In re Equifax Inc. Sec. Litig.*, No. 1:17- CV03463-TWT (N.D. Ga. July 1, 2020), ECF No. 182 (approving comparable notice plan); *In re Piedmont Off. Realty Tr. Inc. Sec. Litig.*, Civ. A. No. 1:07-cv-02660-CAP,

2013 WL 12205681, at *2-3 (N.D. Ga. Jan. 2, 2013); *In re Piedmont Off. Realty Tr. Inc. Sec. Litig.*, Civ. A. No. 1:07-cv-02660-CAP, 2013 WL 12205636, at *3 (N.D. Ga. Apr. 18, 2013) (same).

Lead Plaintiff and Lead Counsel are pleased to report that not a single Class Member submitted an objection to any aspect of the Settlement, Plan of Allocation, or request for attorneys' fee and expenses.¹

II. THE REACTION OF THE CLASS SUPPORTS APPROVAL OF THE SETTLEMENT, THE PLAN OF ALLOCATION, AND THE REQUESTED ATTORNEYS' FEES AND LITIGATION EXPENSES

The absence of any objections to the proposed Settlement supports a finding that the Settlement is fair, reasonable, and adequate. *See, e.g., In re Arby's Rest. Grp., Inc. Data Sec. Litig.*, Case No. 1:17-cv-1035-WMR, 2019 WL 2720818, at *1 (N.D. Ga. June 6, 2019) ("The lack of objection is a strong indicator that . . . the settlement agreement . . . [is] reasonable and fair."); *In re NetBank, Inc. Sec. Litig.*, Civ. A. No. 1:07-cv-2298-TCB, 2011 WL 13176646, at *5 (N.D. Ga. Nov. 9, 2011) ("The absence of any objection to the settlement here further supports final approval."); *Access Now, Inc. v. Claire Stores, Inc.*, No. 00-14017-CIV., 2002 WL

¹ Additionally, only two "opt-outs" were received, beyond those submitted by investors who previously filed individual actions before the announcement of the Settlement.

1162422, at *7 (S.D. Fla. May 7, 2002) (“The fact that no objections have been filed strongly favors approval of the settlement.”).

Likewise, the lack of any objections from Class Members supports approval of the Plan of Allocation. *See, e.g., In re Veeco Instruments Inc. Sec. Litig.*, No. 05 MDL 01695(CM), 2007 WL 4115809, at *14 (S.D.N.Y. Nov. 7, 2007) (“not one class member has objected to the Plan of Allocation which was fully explained in the Notice of Settlement sent to all Class Members. This favorable reaction of the Class supports approval of the Plan of Allocation.”); *In re Lucent Techs. Inc., Sec. Litig.*, 307 F. Supp. 2d 633, 649 (D.N.J. 2004) (finding that the “favorable reaction of the Class supports approval of the proposed Plan of Allocation” where there were no objections).

Finally, “[t]he lack of objections to the attorneys’ fee and expense award is evidence that the requested fee is fair.” *In re Food Serv. Equip. Hardware Antitrust Litig.*, Case File 1:10-cv-1849-WSD, 2011 WL 13175440, at *4 (N.D. Ga. Dec. 28, 2011); *see also Columbus Drywall & Insulation, Inc. v. Masco Corp.*, Civ. A. File No. 1:04-cv-3066-JEC, 2012 WL 12540344, at *7 (N.D. Ga. Oct. 26, 2012) (“the absence of any objection by class members” supported the requested “award of attorney fees equal to one-third of the settlement fund”); *Pinto v. Princess Cruises Lines, Ltd.*, 513 F. Supp. 2d 1334, 1343 (S.D. Fla. 2007) (“That this sizeable class

did not give rise to a single objection on the fees request further justifies the full award.”).

The absence of any objection is particularly noteworthy in this case because the vast majority of Mohawk’s stock was owned by institutional investors—who are generally sophisticated and possess the resources to submit an objection. *See In re Rite Aid Corp. Sec. Litig.*, 396 F.3d 294, 305 (3d Cir. 2005) (the fact that “a significant number of investors in the class were ‘sophisticated’ institutional investors that had considerable financial incentive to object had they believed the requested fees were excessive” and did not do so, supported approval of the fee request) (citation omitted); *In re Bisys Sec. Litig.*, No. 04 Civ. 3840 (JSR), 2007 WL 2049726, at *1 (S.D.N.Y. July 16, 2007) (lack of objections from institutional investors supported the approval of fee request because “the class included numerous institutional investors who presumably had the means, the motive, and the sophistication to raise objections if they thought the [requested] fee was excessive”).

CONCLUSION

For these reasons and those set forth in the opening papers, the proposed Settlement, Plan of Allocation, and request for attorneys’ fees and expenses should be approved.

Copies of the (i) proposed Judgment; (ii) proposed Order approving the Plan of Allocation; and (iii) proposed Order awarding attorneys' fees and Litigation Expenses are attached hereto as Exhibits 2, 3, and 4, respectively.

Dated: May 24, 2023

Respectfully submitted,

/s/ John C. Browne

John C. Browne

(admitted *pro hac vice*)

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RULE 7.1(D) CERTIFICATION

The undersigned counsel certifies that this document has been prepared in Times New Roman, 14-point font in compliance with Local Rule 5.1(C).

/s/ John C. Browne
John C. Browne

CERTIFICATE OF SERVICE

I hereby certify that on May 24, 2023, I filed the foregoing REPLY MEMORANDUM OF LAW IN FURTHER SUPPORT OF (I) LEAD PLAINTIFF'S MOTION FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT AND PLAN OF ALLOCATION AND (II) LEAD COUNSEL'S MOTION FOR ATTORNEYS' FEES AND LITIGATION EXPENSES using the Court's CM/ECF system, which will automatically send notification to counsel of record.

/s/ John C. Browne

John C. Browne (admitted *pro hac vice*)

EXHIBIT 1

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF GEORGIA
ROME DIVISION**

PUBLIC EMPLOYEES' RETIREMENT
SYSTEM OF MISSISSIPPI, individually
and on behalf of all others similarly
situated,

Plaintiff,

v.

MOHAWK INDUSTRIES, INC. and
JEFFREY S. LORBERBAUM,

Defendants.

Civ. A. No. 4:20-cv-00005-VMC

**SUPPLEMENTAL DECLARATION OF LUIGGY SEGURA REGARDING:
(A) MAILING OF THE NOTICE AND CLAIM FORM;
AND (B) REPORT ON REQUESTS FOR EXCLUSION**

I, LUIGGY SEGURA, declare as follows:

1. I am the Vice President of Securities Class Actions at JND Legal Administration (“JND”). Pursuant to the Court’s February 3, 2023 Order (ECF No. 122) (the “Preliminary Approval Order”), JND was appointed to supervise and administer the notice procedure as well as the processing of claims in connection with the Settlement of the above-captioned action (the “Action”).¹ I submit this declaration as an update since my earlier declaration dated April 26,

¹ Unless otherwise defined herein, all capitalized terms have the meanings set forth in the Stipulation and Agreement of Settlement dated January 13, 2023 (ECF No. 119-1) (the “Stipulation”).

2023. *See* ECF No. 131-3. I am over 21 years of age and am not a party to the Action. I have personal knowledge of the facts stated in this declaration and, if called as a witness, could and would testify competently thereto.

CONTINUED MAILING OF THE NOTICE PACKET

2. Since my April 26, 2023 declaration, JND has continued to disseminate copies of the Notice and Claim Form (together, the “Notice Packet”) in response to additional requests from potential Class Members and nominees. As of the date of this declaration, JND has mailed a total of 221,683 Notice Packets to potential Class Members and nominees.

TELEPHONE HELPLINE AND WEBSITE

3. JND continues to maintain the toll-free telephone helpline (1-877-415-0648) and interactive voice response system to accommodate inquiries from Class Members. JND also continues to maintain the dedicated website (“Settlement Website”) for the Settlement (www.MohawkIndustriesSecuritiesLitigation.com) in order to assist Class Members. On April 27, 2023, JND posted to the Settlement Website copies of the papers filed in support of Plaintiffs’ Motion for Final Approval of Class Action Settlement and Plan of Allocation (ECF No. 129) and Lead Counsel’s Motion for Attorneys’ Fees and Litigation Expenses (ECF No. 130). JND will continue to maintain and, as appropriate, update the Settlement Website and toll-free telephone helpline until the conclusion of this administration.

STATUS CALLS AND INVOICES

4. Lead Counsel continues to conduct weekly status calls with JND to receive updates on the notice program and settlement administration. Lead Counsel has also received, and will continue to receive, monthly invoices from JND detailing the fees and expenses incurred by JND in connection with this administration.

**REPORT ON OBJECTIONS AND REQUESTS FOR
EXCLUSION RECEIVED**

5. JND has not received any objections to the Settlement, Plan of Allocation, or Lead Counsel's request for an award of attorneys' fee and expenses.

6. Pursuant to the Preliminary Approval Order and as set forth in the Notice, Class Members who wished to be excluded from the Class were required to request exclusion no later than May 10, 2023. As of the date of this declaration, JND has received ten requests for exclusion from the Class. Exhibit A attached hereto list the names of the persons and entities who have requested exclusion from the Class and their city and state.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed this 24th day of May 2023, at New Hyde Park, New York.



LUIGGY SEGURA

Exhibit A**List of Persons and Entities Requesting Exclusion from the Class**

Exclusion Request	Name	City, State
Request #1	Maverick Fund, Ltd.	New York, NY
	Maverick USA, L.P.	New York, NY
	Maverick Fund II, Ltd.	New York, NY
	Maverick Long Fund, Ltd.	New York, NY
	Maverick Long Enhanced Fund, Ltd.	New York, NY
	Sprugos Investments IX, L.L.C.	Chevy Chase, MD
Request #2	Corvex Master Fund LP	New York, NY
	Corvex Select Equity Master Fund LP	New York, NY
Request #3	Blackwell Partners LLC – Series A	Durham, NC
Request #4	Hound Partners Offshore Fund, LP	New York, NY
	Hound Partners Long Master, LP	New York, NY
	Hound Partners Concentrated Master, LP	New York, NY
Request #5	Stifel Nicolaus Custodian for Robert Barash IRA	West Palm Beach, FL
	Robert Barash TOD Account	West Palm Beach, FL
Request #6	Soroban Opportunities Master Fund LP	New York, NY
Request #7	Incline Global Master LP	New York, NY
	Incline Global ELS LP	New York, NY
	Incline Global Long Only Fund LP	New York, NY
Request #8	The Fir Tree Value Master Fund, L.P.	New York, NY
Request #9	Valinor Capital Partners, L.P.	Medford, MA
	Valinor Capital Partners Offshore Master Fund, L.P.	Medford, MA
Request #10	Edna R. Shuey	Las Vegas, NV

EXHIBIT 2

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF GEORGIA
ROME DIVISION**

PUBLIC EMPLOYEES' RETIREMENT
SYSTEM OF MISSISSIPPI, individually
and on behalf of all others similarly
situated,

Plaintiff,

v.

MOHAWK INDUSTRIES, INC. and
JEFFREY S. LORBERBAUM,

Defendants.

Civ. A. No. 4:20-cv-00005-VMC

[PROPOSED] JUDGMENT APPROVING CLASS ACTION SETTLEMENT

WHEREAS, a consolidated securities class action is pending in this Court entitled *Public Employees' Retirement System of Mississippi v. Mohawk Industries, Inc., et al.*, Civil Action No. 4:20-cv-00005-VMC (the "Action");

WHEREAS, on November 28, 2022, the Court issued an Order certifying a class consisting of all persons or entities who purchased or otherwise acquired publicly traded common stock of Mohawk Industries, Inc. ("Mohawk") during the period from April 28, 2017 through July 25, 2019, inclusive (the "Class Period"), and who were damaged thereby (the "Class");¹

¹ Excluded from the Class are: (i) Defendants; (ii) the Officers and directors of Mohawk at all relevant times; (iii) members of the Officers' or directors' Immediate Families and their legal representatives, heirs, agents, affiliates, successors, or

WHEREAS, (a) lead plaintiff Public Employees' Retirement System of Mississippi ("Lead Plaintiff"), on behalf of itself and the Class; and (b) defendants Mohawk and Jeffrey S. Lorberbaum (together, "Defendants") have entered into a Stipulation and Agreement of Settlement dated January 13, 2023 (the "Stipulation"), that provides for a complete dismissal with prejudice of the claims asserted in the Action on the terms and conditions set forth in the Stipulation, subject to the approval of the Court (the "Settlement");

WHEREAS, unless otherwise defined in this Judgment, the capitalized terms herein shall have the same meaning as they have in the Stipulation;

WHEREAS, by Order dated February 3, 2023 (the "Preliminary Approval Order"), this Court: (a) found, pursuant to Rule 23(e)(1)(B), that it would likely be able to approve the Settlement as fair, reasonable, and adequate under Rule 23(e)(2); (b) ordered that notice of the proposed Settlement be provided to potential Class Members; (c) provided Class Members with the opportunity either to exclude themselves from the Class or to object to the proposed Settlement; and (d) scheduled a hearing regarding final approval of the Settlement;

WHEREAS, due and adequate notice has been given to the Class;

assigns; (iv) Defendants' liability insurance carriers, and any affiliates or subsidiaries thereof; and (v) any entity in which Defendants or their Immediate Families have or had a controlling interest. Also excluded from the Class are the persons and entities listed on Exhibit 1 hereto, who or which are excluded from the Class pursuant to request.

WHEREAS, the Court conducted a hearing on May 31, 2023 (the “Settlement Hearing”), to consider, among other things, (a) whether the terms and conditions of the Settlement are fair, reasonable, and adequate to the Class, and should therefore be approved; and (b) whether a judgment should be entered dismissing the Action with prejudice as against the Defendants; and

WHEREAS, the Court having reviewed and considered the Stipulation, all papers filed and proceedings held herein in connection with the Settlement, all oral and written comments received regarding the Settlement, and the record in the Action, and good cause appearing therefor;

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED:

1. **Jurisdiction** – The Court has jurisdiction over the subject matter of the Action, and all matters relating to the Settlement, as well as personal jurisdiction over the Parties and each of the Class Members.
2. **Incorporation of Settlement Documents** – This Judgment incorporates and makes a part hereof: (a) the Stipulation filed with the Court on January 20, 2023; and (b) the Notice and the Summary Notice, both of which were filed with the Court on April 26, 2023.
3. **Notice** – The Court finds that the dissemination of the Notice and the publication of the Summary Notice: (a) were implemented in accordance with the Preliminary Approval Order; (b) constituted the best notice practicable under the

circumstances; (c) constituted notice that was reasonably calculated, under the circumstances, to apprise Class Members of (i) the pendency of the Action; (ii) the effect of the proposed Settlement (including the Releases to be provided thereunder); (iii) Lead Counsel's motion for an award of attorneys' fees and Litigation Expenses; (iv) their right to object to any aspect of the Settlement, the Plan of Allocation, and/or Lead Counsel's motion for an award of attorneys' fees and Litigation Expenses; (v) their right to exclude themselves from the Class; and (vi) their right to appear at the Settlement Hearing; (d) constituted due, adequate, and sufficient notice to all persons and entities entitled to receive notice of the proposed Settlement; and (e) satisfied the requirements of Rule 23 of the Federal Rules of Civil Procedure, the United States Constitution (including the Due Process Clause), the Private Securities Litigation Reform Act of 1995, 15 U.S.C. § 78u-4, *et seq.*, as amended, and all other applicable laws and rules.

4. **Final Settlement Approval and Dismissal of Claims** – Pursuant to, and in accordance with, Rule 23(e)(2) of the Federal Rules of Civil Procedure, this Court hereby fully and finally approves the Settlement set forth in the Stipulation in all respects (including, without limitation, the amount of the Settlement, the Releases provided under the Stipulation, and the dismissal with prejudice of the claims asserted against Defendants in the Action), and finds that the Settlement is, in all respects, fair, reasonable and adequate to the Class. Specifically, the Court finds

that (a) Lead Plaintiff and Lead Counsel have adequately represented the Class; (b) the Settlement was negotiated by the Parties at arm's length; (c) the relief provided under the Settlement is adequate taking into account the costs, risks, and delay of trial and appeal, the proposed means of distributing the Settlement Fund to the Class; and the proposed attorneys' fee award; and (d) the Settlement treats members of the Class equitably relative to each other. The Parties are directed to implement, perform, and consummate the Settlement in accordance with the terms and provisions contained in the Stipulation.

5. The Action and all claims asserted against Defendants in the Action by Lead Plaintiff and the other Class Members are hereby dismissed with prejudice as to all Defendants. The Parties shall bear their own costs and expenses, except as otherwise expressly provided in the Stipulation.

6. **Binding Effect** – The terms of the Stipulation and of this Judgment shall be forever binding on Defendants, Lead Plaintiff, and all other Class Members (regardless of whether any individual Class Member submits a Claim Form or seeks or obtains a distribution from the Net Settlement Fund), as well as their respective successors and assigns. The persons and entities listed on Exhibit 1 hereto are excluded from the Class pursuant to request and are not bound by the terms of the Stipulation or this Judgment.

7. **Releases** – The Releases set forth in paragraphs 4 and 5 of the Stipulation, together with the definitions contained in paragraph 1 of the Stipulation relating thereto, are expressly incorporated herein in all respects. The Releases are effective as of the Effective Date. Accordingly, this Court orders that:

(a) Without further action by anyone, and subject to paragraph 8 below, upon the Effective Date of the Settlement, Lead Plaintiff and each of the other Class Members, on behalf of themselves, and their respective heirs, executors, administrators, predecessors, successors, and assigns in their capacities as such, shall be deemed to have, and by operation of law and of this Judgment shall have, fully, finally, and forever compromised, settled, released, resolved, relinquished, waived, and discharged any or all of the Released Plaintiff's Claims against Defendants and the other Defendants' Releasees, and shall forever be barred and enjoined from prosecuting any or all of the Released Plaintiff's Claims against any of the Defendants' Releasees.

(b) Without further action by anyone, and subject to paragraph 8 below, upon the Effective Date of the Settlement, Defendants, on behalf of themselves, and their respective heirs, executors, administrators, predecessors, successors, and assigns in their capacities as such, shall be deemed to have, and by operation of law and of this Judgment shall have, fully, finally, and forever compromised, settled, released, resolved, relinquished, waived, and discharged any

or all of the Released Defendants' Claims against Lead Plaintiff and the other Plaintiff's Releasees, and shall forever be barred and enjoined from prosecuting any or all of the Released Defendants' Claims against any of the Plaintiff's Releasees.

8. Notwithstanding paragraphs 7(a) – (b) above, nothing in this Judgment shall bar any action by any of the Parties to enforce or effectuate the terms of the Stipulation or this Judgment.

9. **Rule 11 Findings** – The Court finds and concludes that the Parties and their respective counsel have complied in all respects with the requirements of Rule 11 of the Federal Rules of Civil Procedure in connection with the institution, prosecution, defense, and settlement of the Action.

10. **No Admissions** – Neither this Judgment, the Stipulation (whether or not consummated), including the exhibits thereto and the Plan of Allocation contained therein (or any other plan of allocation that may be approved by the Court), the negotiations leading to the execution of the Stipulation, nor any proceedings taken pursuant to or in connection with the Stipulation and/or approval of the Settlement (including any arguments proffered in connection therewith): (a) shall be offered against any of the Defendants' Releasees as evidence of, or construed as, or deemed to be evidence of any presumption, concession, or admission by any of the Defendants' Releasees with respect to the truth of any fact alleged by Lead Plaintiff or the validity of any claim that was or could have been asserted or the deficiency of

any defense that has been or could have been asserted in this Action or in any other litigation, or of any liability, negligence, fault, or other wrongdoing of any kind of any of the Defendants' Releasees, or in any way referred to for any other reason as against any of the Defendants' Releasees, in any arbitration proceeding or other civil, criminal, or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of the Stipulation; (b) shall be offered against any of the Plaintiff's Releasees as evidence of, or construed as, or deemed to be evidence of any presumption, concession, or admission by any of the Plaintiff's Releasees that any of their claims are without merit, that any of the Defendants' Releasees had meritorious defenses, or that damages recoverable under the Complaint would not have exceeded the Settlement Amount, or with respect to any liability, negligence, fault, or wrongdoing of any kind, or in any way referred to for any other reason as against any of the Plaintiff's Releasees, in any arbitration proceeding or other civil, criminal, or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of the Stipulation; or (c) shall be construed against any of the Releasees as an admission, concession, or presumption that the consideration to be given under the Stipulation represents the amount which could be or would have been recovered after trial; *provided, however,* that the Parties and the Releasees and their respective counsel may refer to

this Judgment and the Stipulation to effectuate the protections from liability granted hereunder and thereunder or otherwise to enforce the terms of the Settlement.

11. **Retention of Jurisdiction** – Without affecting the finality of this Judgment in any way, this Court retains continuing and exclusive jurisdiction over: (a) the Parties for purposes of the administration, interpretation, implementation, and enforcement of the Settlement; (b) the disposition of the Settlement Fund; (c) any motion for an award of attorneys’ fees and/or Litigation Expenses by Lead Counsel in the Action that will be paid from the Settlement Fund; (d) any motion to approve the Plan of Allocation; (e) any motion to approve the Class Distribution Order; and (f) the Class Members for all matters relating to the Action.

12. Separate orders shall be entered regarding approval of a plan of allocation and the motion of Lead Counsel for an award of attorneys’ fees and Litigation Expenses. Such orders shall in no way affect or delay the finality of this Judgment and shall not affect or delay the Effective Date of the Settlement.

13. **Modification of the Agreement of Settlement** – Without further approval from the Court, Lead Plaintiff and Defendants are hereby authorized to agree to and adopt such amendments or modifications of the Stipulation or any exhibits attached thereto to effectuate the Settlement that: (a) are not materially inconsistent with this Judgment; and (b) do not materially limit the rights of Class Members in connection with the Settlement. Without further order of the Court,

Lead Plaintiff and Defendants may agree to reasonable extensions of time to carry out any provisions of the Settlement.

14. **Termination of Settlement** – If the Settlement is terminated as provided in the Stipulation or the Effective Date of the Settlement otherwise fails to occur, this Judgment shall be vacated, rendered null and void, and be of no further force and effect, except as otherwise provided by the Stipulation, and this Judgment shall be without prejudice to the rights of Lead Plaintiff, the other Class Members, and Defendants, and Lead Plaintiff and Defendants shall revert to their respective positions in the Action as of immediately prior to the Parties’ agreement in principle on December 13, 2022, as provided in the Stipulation.

15. **Entry of Final Judgment** – There is no just reason to delay the entry of this Judgment as a final judgment in this Action. Accordingly, the Clerk of the Court is expressly directed to immediately enter this final judgment in this Action.

SO ORDERED this _____ day of _____ 2023.

The Honorable Victoria M. Calvert
United States District Judge

Exhibit 1**List of Persons and Entities Excluded from the Class Pursuant to Request**

Exclusion Request	Name	City, State
Request #1	Maverick Fund, Ltd.	New York, NY
	Maverick USA, L.P.	New York, NY
	Maverick Fund II, Ltd.	New York, NY
	Maverick Long Fund, Ltd.	New York, NY
	Maverick Long Enhanced Fund, Ltd.	New York, NY
	Sprugos Investments IX, L.L.C.	Chevy Chase, MD
Request #2	Corvex Master Fund LP	New York, NY
	Corvex Select Equity Master Fund LP	New York, NY
Request #3	Blackwell Partners LLC – Series A	Durham, NC
Request #4	Hound Partners Offshore Fund, LP	New York, NY
	Hound Partners Long Master, LP	New York, NY
	Hound Partners Concentrated Master, LP	New York, NY
Request #5	Stifel Nicolaus Custodian for Robert Barash IRA	West Palm Beach, FL
	Robert Barash TOD Account	West Palm Beach, FL
Request #6	Soroban Opportunities Master Fund LP	New York, NY
Request #7	Incline Global Master LP	New York, NY
	Incline Global ELS LP	New York, NY
	Incline Global Long Only Fund LP	New York, NY
Request #8	The Fir Tree Value Master Fund, L.P.	New York, NY
Request #9	Valinor Capital Partners, L.P.	Medford, MA
	Valinor Capital Partners Offshore Master Fund, L.P.	Medford, MA
Request #10	Edna R. Shuey	Las Vegas, NV

EXHIBIT 3

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF GEORGIA
ROME DIVISION**

PUBLIC EMPLOYEES' RETIREMENT
SYSTEM OF MISSISSIPPI, individually
and on behalf of all others similarly
situated,

Plaintiff,

v.

MOHAWK INDUSTRIES, INC. and
JEFFREY S. LORBERBAUM,

Defendants.

Civ. A. No. 4:20-cv-00005-VMC

**[PROPOSED] ORDER APPROVING
PLAN OF ALLOCATION OF NET SETTLEMENT FUND**

This matter came on for hearing on May 31, 2023 (the "Settlement Hearing") on Lead Plaintiff's motion to determine whether the proposed plan of allocation of the Net Settlement Fund ("Plan of Allocation") created by the Settlement achieved in the above-captioned class action (the "Action") should be approved. The Court having considered all matters submitted to it at the Settlement Hearing and otherwise; and it appearing that notice of the Settlement Hearing substantially in the form approved by the Court was mailed to all Class Members who or which could be identified with reasonable effort, and that a summary notice of the Settlement Hearing substantially in the form approved by the Court was published in the *Wall Street Journal* and was transmitted over the *PR Newswire* pursuant to the specifications of the Court; and the

Court having considered and determined the fairness and reasonableness of the proposed Plan of Allocation;

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

1. This Order incorporates by reference the definitions in the Stipulation and Agreement of Settlement dated January 13, 2023 (the “Stipulation”) and all capitalized terms not otherwise defined in this Order shall have the same meaning as they have in the Stipulation.

2. The Court has jurisdiction to enter this Order and over the subject matter of the Action and all parties to the Action, including all Class Members.

3. Notice of Lead Plaintiff’s motion for approval of the proposed Plan of Allocation was given to all Class Members who could be identified with reasonable effort. The form and method of notifying the Class of the motion for approval of the proposed Plan of Allocation satisfied the requirements of Rule 23 of the Federal Rules of Civil Procedure, the United States Constitution (including the Due Process Clause), the Private Securities Litigation Reform Act of 1995, 15 U.S.C. § 78u-4, *et seq.*, as amended, and all other applicable laws and rules; constituted the best notice practicable under the circumstances; and constituted due and sufficient notice to all persons and entities entitled thereto.

4. Over 221,000 copies of the Notice, which included the proposed Plan of Allocation, were mailed to potential Class Members and nominees, and there were no objections to the Plan of Allocation.

5. The Court hereby finds and concludes that the formula for the calculation of the Claims of Claimants as set forth in the Plan of Allocation mailed to Class Members provides a fair and reasonable basis upon which to allocate the proceeds of the Net Settlement Fund among Class Members with due consideration having been given to administrative convenience and necessity.

6. The Court hereby finds and concludes that the Plan of Allocation is, in all respects, fair and reasonable to the Class. Accordingly, the Court hereby approves the Plan of Allocation proposed by Lead Plaintiff.

7. There is no just reason for delay in the entry of this Order, and immediate entry by the Clerk of the Court is expressly directed.

SO ORDERED this _____ day of _____, 2023.

The Honorable Victoria M. Calvert
United States District Judge

EXHIBIT 4

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF GEORGIA
ROME DIVISION**

PUBLIC EMPLOYEES' RETIREMENT
SYSTEM OF MISSISSIPPI, individually
and on behalf of all others similarly
situated,

Plaintiff,

v.

MOHAWK INDUSTRIES, INC. and
JEFFREY S. LORBERBAUM,

Defendants.

Civ. A. No. 4:20-cv-00005-VMC

**[PROPOSED] ORDER AWARDING
ATTORNEYS' FEES AND LITIGATION EXPENSES**

This matter came on for hearing on May 31, 2023 (the "Settlement Hearing") on Lead Counsel's motion for an award of attorneys' fees and Litigation Expenses in the above-captioned class action (the "Action"). The Court having considered all matters submitted to it at the Settlement Hearing and otherwise; and it appearing that notice of the Settlement Hearing substantially in the form approved by the Court was mailed to all Class Members who or which could be identified with reasonable effort, and that a summary notice of the Settlement Hearing substantially in the form approved by the Court was published in the *Wall Street Journal* and was transmitted over the *PR Newswire* pursuant to the specifications of the Court; and the Court

having considered and determined the fairness and reasonableness of the attorneys' fees and Litigation Expenses requested;

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

1. This Order incorporates by reference the definitions in the Stipulation and Agreement of Settlement dated January 13, 2023 (the "Stipulation") and all capitalized terms not otherwise defined in this Order shall have the same meaning as they have in the Stipulation.

2. The Court has jurisdiction to enter this Order and over the subject matter of the Action and all parties to the Action, including all Class Members.

3. Notice of Lead Counsel's motion for an award of attorneys' fees and Litigation Expenses was given to all Class Members who could be identified with reasonable effort. The form and method of notifying the Class of the motion for an award of attorneys' fees and Litigation Expenses satisfied the requirements of Rule 23 of the Federal Rules of Civil Procedure, the United States Constitution (including the Due Process Clause), the Private Securities Litigation Reform Act of 1995, 15 U.S.C. § 78u-4, *et seq.*, as amended, and all other applicable laws and rules; constituted the best notice practicable under the circumstances; and constituted due and sufficient notice to all persons and entities entitled thereto.

4. Plaintiff's Counsel are hereby awarded attorneys' fees in the amount of 25% of the Settlement Fund, net of total Court-awarded Litigation Expenses, which

sum the Court finds to be fair and reasonable. Plaintiff's Counsel are also hereby awarded \$691,551.66 in payment of Litigation Expenses to be paid from the Settlement Fund, which sum the Court finds to be fair and reasonable. Lead Counsel shall allocate the attorneys' fees awarded amongst Plaintiff's Counsel in a manner which it, in good faith, believes reflects the contributions of such counsel to the institution, prosecution, and settlement of the Action.

5. In making this award of attorneys' fees and payment of Litigation Expenses to be paid from the Settlement Fund, the Court has considered and found that:

(a) The Settlement has created a fund of \$60,000,000 in cash that has been funded into escrow pursuant to the terms of the Stipulation, and that numerous Class Members who submit acceptable Claim Forms will benefit from the Settlement that occurred because of the efforts of Plaintiff's Counsel;

(b) The fee sought has been reviewed and approved as reasonable by Lead Plaintiff, which is a sophisticated institutional investor that closely supervised, monitored, and actively participated in the prosecution and settlement of the Action;

(c) Over 221,000 copies of the Notice were mailed to potential Class Members and nominees stating that Lead Counsel would apply for an award of attorneys' fees in an amount not to exceed 25% of the Settlement Fund and for

payment of Litigation Expenses in an amount not to exceed \$1,000,000, and there were no objections to the requested attorneys' fees and expenses;

(d) Plaintiff's Counsel conducted the litigation and achieved the Settlement with skill, perseverance, and diligent advocacy;

(e) The Action raised a number of complex issues and involved substantial risks;

(f) If Lead Counsel had not achieved the Settlement there would remain a significant risk that Lead Plaintiff and the other Class Members may have recovered significantly less, or nothing at all, from Defendants;

(g) Plaintiff's Counsel devoted over 27,900 hours to the Action, with a lodestar value of approximately \$14,605,900, to achieve the Settlement;

(h) Plaintiff's Counsel at all times litigated this Action on a fully contingent basis to achieve the Settlement; and

(i) The amount of attorneys' fees awarded and expenses to be paid from the Settlement Fund are fair and reasonable and consistent with awards in similar cases.

6. The Court further finds that the above-stated award of Litigation Expenses (*supra* paragraph 4) to be paid from the Settlement Fund to Plaintiff's Counsel in payment of Litigation Expenses is fair and reasonable, and that the

Litigation Expenses are reasonable in amount, and were incurred for costs and expenses that were of a type customarily reimbursed in cases of this type.

7. Lead Plaintiff Public Employees' Retirement System of Mississippi is hereby awarded \$32,450.00 from the Settlement Fund as reimbursement for its reasonable costs and expenses directly related to its representation of the Class.

8. Any appeal or any challenge affecting this Court's approval regarding any attorneys' fees and expense application shall in no way disturb or affect the finality of the Judgment.

9. Exclusive jurisdiction is hereby retained over the Parties and the Class Members for all matters relating to this Action, including the administration, interpretation, effectuation, or enforcement of the Stipulation and this Order.

10. In the event that the Settlement is terminated or the Effective Date of the Settlement otherwise fails to occur, this Order shall be rendered null and void to the extent provided by the Stipulation.

11. There is no just reason for delay in the entry of this Order, and immediate entry by the Clerk of the Court is expressly directed.

SO ORDERED this _____ day of _____, 2023.

The Honorable Victoria M. Calvert
United States District Judge