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**UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY**

CITY OF SOUTHFIELD FIRE AND  
POLICE RETIREMENT SYSTEM,  
Individually and on Behalf of All Others  
Similarly Situated,

Plaintiff,

v.

HAYWARD HOLDINGS, INC.,  
KEVIN HOLLERAN, EIFION  
JONES, CCMP CAPITAL  
ADVISORS, LP, CCMP CAPITAL  
INVESTORS III, L.P., CCMP  
CAPITAL INVESTORS III  
(EMPLOYEE), L.P., CCMP CAPITAL  
ASSOCIATES III, L.P., CCMP  
CAPITAL ASSOCIATES III GP,  
LLC, CCMP CAPITAL, LP, CCMP  
CAPITAL GP, LLC, MSD AQUA  
PARTNERS, LLC, MSD PARTNERS,  
L.P., MSD PARTNERS (GP), LLC,  
MARK MCFADDEN, GREG

Civil Action No. 2:23-cv-04146

Hon. William J. Martini

**DECLARATION OF MAX R.  
SCHWARTZ IN SUPPORT OF  
MOTIONS FOR (1) FINAL  
APPROVAL OF CLASS  
ACTION SETTLEMENT AND  
PLAN OF ALLOCATION AND  
(2) AWARD OF ATTORNEYS'  
FEES, PAYMENT OF  
LITIGATION EXPENSES, AND  
AWARD TO LEAD PLAINTIFF**

**Oral Argument Requested**

**Motion Day: July 28, 2026, 12:00  
p.m.**

BRENNEMAN, TIMOTHY WALSH,  
CHRISTOPHER BERTRAND, and  
KEVIN BROWN

Defendants.

Pursuant to 28 U.S.C. §1746, I, Max R. Schwartz, declare as follows:

1. I am a partner at the law firm of Scott+Scott Attorneys at Law LLP (“Scott+Scott”). This Court appointed Scott+Scott as Lead Counsel in this Action. This Declaration is based upon my personal knowledge and experience, and if called on to do so, I could and would testify competently thereto.

2. I submit this declaration in support of Lead Plaintiff’s Motion for Final Approval of Class Action Settlement and Plan of Allocation, pursuant to Rule 23(e) of the Federal Rules of Civil Procedure. The Court preliminarily approved the Settlement by its Order Granting Preliminary Approval to the Class Action Settlement (“the Preliminary Approval Order”) (ECF No. 129) on March 2, 2026. The Settlement will resolve all claims asserted in this Action on behalf of the Settlement Class, which is defined as “persons or entities that purchased or otherwise acquired Hayward Holdings, Inc. (‘Hayward’) common stock between October 27, 2021 and July 28, 2022, inclusive.”<sup>1</sup>

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<sup>1</sup> Excluded from the Settlement Class are Defendants; their respective successors and assigns; the past and current executive officers and directors of Defendants; the members of the immediate families of the Individual Defendants; and the legal representatives, heirs, successors, or assigns of any excluded person, and any entity in which any of the above excluded persons have or had a direct or controlling ownership interest, and the legal representatives, heirs, successors-in-interest or assigns of any such excluded persons or entities. Also excluded will be any person or entity that validly requests exclusion from the Settlement Class.

3. This declaration is also submitted in support of approval of Lead Counsel's Motion for an Award of Attorneys' Fees and Expenses and an Award to Lead Plaintiff Pursuant to 15 U.S.C. §77z-1(a)(4).

4. For the reasons set forth below and in the accompanying memoranda,<sup>2</sup> Lead Plaintiff and Plaintiff's Counsel respectfully submit that: (i) the terms of the Settlement are fair, reasonable and adequate in all respects and should be approved by the Court; (ii) the proposed Plan of Allocation is fair and reasonable and should be approved by the Court; and (iii) the request for attorneys' fees, expenses, and an award to Lead Plaintiff is supported by the facts and the law and should be granted in all respects.<sup>3</sup>

## **I. THE RECOVERY ACHIEVED**

5. The Settlement provides a significant, all-cash recovery of nineteen million, eight hundred fifty thousand dollars (\$19,850,000.00) to resolve the Action against Defendants, as stated in the Stipulation. The Settlement is the result of vigorously contested litigation and was reached only after an arm's-length mediation

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<sup>2</sup> In conjunction with this Declaration, Lead Plaintiff and Plaintiff's Counsel are also submitting (i) the Memorandum of Law in Support of the Motion for Final Approval of Class Action Settlement and Plan of Allocation (the "Settlement Memorandum") and (ii) the Memorandum of Law in Support of the Motion for an Award of Attorneys' Fees and Expenses and an Award to Plaintiffs Pursuant to 15 U.S.C. §77z-1(a)(4) (the "Fee Memorandum").

<sup>3</sup> All capitalized terms not otherwise defined herein have the same meaning as those set forth in the Stipulation of Settlement (the "Stipulation"), dated January 23, 2026 (ECF No. 128-2).

process conducted under the auspices of an experienced mediator, Miles N. Ruthberg, Esq., of Phillips ADR Enterprises.

6. Before agreeing to the Settlement, Plaintiff's Counsel diligently and extensively prosecuted the Action by. To develop the claims, Plaintiff's Counsel among other things, (i) conducted a thorough investigation of potential claims against Defendants; (ii) reviewed and analyzed Hayward's filings with the United States Securities and Exchange Commission ("SEC"); (iii) identified and reviewed copies of Hayward's press releases and statements made to investors on conference calls and at investor conferences; (iv) collected and analyzed Wall Street analyst reports and other publicly available news media reports about Hayward and the industry within which it operated; (v) collected and analyzed additional investigative materials, which included (*inter alia*) identifying and contacting former Hayward employees; and (vi) researched the applicable law with respect to the claims of Lead Plaintiff and the Settlement Class against Defendants and the potential defenses thereto. Plaintiff's Counsel thereby developed substantive allegations of fraud and allegations that the financial institutions that are the majority owners of Hayward are liable as control persons. There were no parallel enforcement actions or prosecutions by the Securities and Exchange Commission or the Department of Justice that benefited Plaintiff's Counsel or reduced the work required to achieve the Settlement.

7. In addition to the foregoing investigative work which was used to prepare and file two detailed, amended complaints in the Action, Plaintiff's Counsel thoroughly briefed and opposed two rounds of motions to dismiss filed by Defendants. Each round of briefing involved drafting responses to three separate motions to dismiss, since the Hayward Defendants, CCMP Defendants, and MSD Defendants each filed their own motion, for a total of six motions to dismiss in all. Plaintiff's Counsel vigorously opposed all six motions and ultimately succeeded both in keeping Lead Plaintiff's core claims intact and in retaining the CCMP and MSD Defendants as defendants in the Action.

8. Plaintiff's Counsel's work continued after the Court granted in part and denied in part the motions to dismiss filed by Defendants on June 4, 2025 (ECF No. 107), and the Court thereafter ordered the parties to mediate on June 24, 2025 (ECF No. 112).

9. This work included negotiating reciprocal productions in advance of mediation, with Hayward producing 419 documents totaling 3,758 pages and Lead Plaintiff producing 18 documents totaling 62 pages. While not voluminous, the documents produced by Hayward went to the core of Lead Plaintiff's claims, including critical data from the Company that allowed Plaintiff's Counsel to evaluate the falsity, materiality, and scienter of statements Defendants made regarding channel inventory and demand for Hayward's products—and it was just this

discovery that Plaintiff's Counsel would have focused on in full discovery. Lead Plaintiff also produced its trading records, which Defendants requested.

10. Plaintiff's Counsel reviewed Defendants' production and analyzed the data they provided at length, with that review forming the basis of comprehensive briefs and other materials Lead Plaintiff submitted in connection with the mediation. Defendants' documents were also a strong focus of their mediation papers, and of issues raised by the mediator at two full-day mediations in New York City.

11. Additionally, Plaintiff's Counsel retained and consulted with an experienced expert in the areas of causation and damages, relying on the expert throughout both days of mediation. The mediation thus focused on the topics that would have been addressed at summary judgment—the evidence of fraud and of damages. Accordingly, by the time the Settlement was reached, Plaintiff's Counsel had developed a solid understanding of the strengths and weaknesses of the Action.

12. Although the Parties were able to reach a successful settlement-in-principle after the second in-person mediation session, Plaintiff's Counsel spent additional time over the following months negotiating all of the final terms of the Settlement of Stipulation and related exhibits, and in working with their retained damages expert to develop the terms of a fair, reasonable and appropriate Plan of Allocation (which included having to deal with the additional complexities arising from certain of the Defendants' sales of hundreds of millions of dollars of Hayward

stock during the Class Period). Additionally, Plaintiff's Counsel has prepared the Preliminary Approval and Final Approval papers.

13. As summarized below, Plaintiffs obtained this substantial \$19.85 million recovery for the Settlement Class despite the significant risks inherent in complex securities class actions generally, and the significant case-specific risks in prosecuting the Action here. The extensive pre-complaint investigation, legal research, production and review of mediation discovery, and the Parties' mediation and settlement negotiations informed Lead Plaintiff and Plaintiff's Counsel that, while they believed that they had a meritorious basis for pursuing the Actions against Defendants, continuing to pursue litigation would necessarily involve significant risk. Indeed, this Court's June 4, 2025 ruling on Defendants' Motion to Dismiss the Second Amended Complaint (the "MTD Order") highlighted in particular the risks related to proving scienter, which the MTD Order found were adequately pled but "a close call." MTD Order at 23. Thus Lead Plaintiff and Plaintiff's Counsel respectfully submit that there could be no assurance that they would overcome Defendants' arguments at class certification, summary judgment, trial, and inevitable appeals.

14. The \$19.85 million Settlement is a strong result for the Settlement Class when compared to comparable cases (as discussed in the Memorandum of Law in Support of Motion for Final Approval of Class Action Settlement and Plan of

Allocation (the “Final Approval Memorandum”), at §III.B), and represents a meaningful “bird in the hand” when weighed against the risks of a much smaller recovery—or no recovery at all. As set forth in the accompanying Declaration of Michael Kramer in Support of Motions for (1) Final Approval of Class Action Settlement and Plan of Allocation and (2) Award of Attorneys’ Fees, Payment of Litigation Expenses, and Award to Lead Plaintiff for Its Costs and Expenses (the “Lead Plaintiff Declaration,” attached hereto as Exhibit 4), Lead Plaintiff also supports the Settlement. Further, the Settlement will benefit thousands of investors. Hayward’s common stock traded publicly on the New York Stock Exchange throughout the Class Period (October 27, 2021 through July 28, 2022), with approximately 216 million shares outstanding and significant daily trading volume.

15. For all of the reasons set forth herein, I respectfully submit that the terms of Settlement (as well as the Plan of Allocation) are “fair, reasonable and adequate” in all respects and should be approved.

16. Based on the work performed and results achieved, I also respectfully submit that Plaintiff’s Counsel’s work merits a 33 and 1/3% percentage-based attorneys’ fee award after deducting litigation expenses and the maximum estimated notice and claims administration costs from the Settlement Fund, and that Lead Plaintiff should be granted a modest \$10,000 award for its work on behalf of the Class.

## II. SUMMARY OF THE CLAIMS ASSERTED

17. Lead Plaintiff alleges that Defendants violated the Securities Exchange Act of 1934 by making materially false and misleading statements in Hayward's public filings and on earnings calls.

18. Specifically, Lead Plaintiff alleges that Hayward, a pool manufacturing supply company that sells most of its product through distributors, suffered poor demand for its products because distributors had more inventory than they needed. These conditions allegedly existed prior to and throughout the Class Period, which ran from October 27, 2021 through July 28, 2022, inclusive. Lead Plaintiff alleged that, throughout the Class Period, Defendants made materially false and misleading statements denying that channel inventory levels were elevated and demand for Hayward's products was depressed. In addition, Lead Plaintiff alleged other categories of misrepresentations related to: Hayward's use of discounts and pull ahead orders; customers' canceled and returned orders; Hayward's own excess inventory; and Hayward's guidance for fiscal year 2022.

19. As a direct and proximate cause of Defendants' alleged material misrepresentations and omissions, Lead Plaintiff alleged that the Settlement Class suffered damages by acquiring stock during the Class Period at artificially inflated prices. That artificial inflation allegedly dissipated over time via a series of partial corrective disclosures on the following dates: (i) on January 24, 2022, when

Hayward released underwhelming 4Q-2021 results that indicated slowing demand, and which caused the price of Hayward's common stock to drop 14.2% over two trading days; (ii) on April 28, 2022, when Hayward again released disappointing results for 1Q-2022 that further reflected slowing demand, and which caused the price of Hayward's common stock to drop 4.27% over a single trading day; (iii) on May 2, 2022, when Hayward issued a registration statement for the sale of substantial amounts of its stock by the private equity firms that owned Hayward, which caused the price of Hayward's common stock to drop 11.67% over a single trading day; and (iv) on July 28, 2022, with Defendants' final disclosure that demand for Hayward's products was stalling as the channel continued to hold substantial inventory, which caused the price of Hayward's common stock to drop 18.23% over a single trading day.

### **III. PROCEDURAL HISTORY OF THE ACTION**

#### **A. Events Leading up to the Mediation**

20. On August 2, 2023, City of Southfield Fire and Police Retirement System filed a class action complaint in the United States District Court for the District of New Jersey against Hayward Holdings, Inc. ("Hayward") and certain of its officers and directors, alleging violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 and Rule 10b-5 promulgated thereunder. ECF No.

1. A related action was filed by Erie County Employees' Retirement System on September 28, 2023. *See* ECF No. 23-1 at 3.

21. On October 2, 2023, Fulton County Employees' Retirement System moved in the instant action for consolidation of the two cases and appointment as Lead Plaintiff.

22. On December 19, 2023, the Court consolidated the two cases and appointed Fulton County Employees' Retirement System as Lead Plaintiff, Scott+Scott Attorneys at Law LLP as Lead Counsel, and Cohn Lifland Pearlman Herrmann & Knopf LLP as Liaison Counsel. ECF No. 30.

23. On March 4, 2024, Lead Plaintiff filed the Consolidated Class Action Complaint, asserting Section 10(b) claims against Hayward and its CEO and CFO. ECF No. 41. The Complaint also asserted control person claims under Section 20(a) against CCMP Capital Advisors, LP ("CCMP") and MSD Partners, L.P. ("MSD"). *Id.* Each of these defendants is a financial institution which held a substantial amount of Hayward's shares, and which held positions on Hayward's Board of Directors. Lead Plaintiff brought claims against CCMP and MSD in their capacity as control persons of Hayward under Section 20(a) of the Exchange Act.

24. Defendants moved to dismiss all claims on May 3, 2024, filing three separate motions; a motion to dismiss was filed by each of (i) the Hayward Defendants, (ii) CCMP, and (iii) MSD. ECF Nos. 66-68. Lead Plaintiff filed

oppositions to these motions on July 2, 2024. ECF Nos. 80-81. Defendants filed reply briefs on August 15, 2024. ECF Nos. 85-87. After full briefing, the Court granted Defendants' motions on October 2, 2024, but permitted Lead Plaintiff to file an amended complaint (except as to §10(b) claims against CCMP and MSD). ECF No. 89.

25. On November 1, 2024, Lead Plaintiff filed the Consolidated Amended Class Action Complaint ("CAC"). The CAC reasserted the false and misleading statements against the Hayward Defendants under §10(b). It also reasserted §20(a) claims against CCMP and MSD, including adding supporting allegations for that claim and a number of related CCMP and MSD entities and directors as defendants. ECF No. 91.

26. Defendants again moved to dismiss all claims on December 18, 2024, again filing three separate motions to dismiss: a motion to dismiss was filed by each of (i) the Hayward Defendants, (ii) the CCMP Defendants, and (iii) the MSD Defendants. ECF No. 95-97. Lead Plaintiff filed oppositions to each motion (ECF Nos. 100-101), and Defendants filed replies (ECF Nos. 102-104).

27. On June 4, 2025, the Court issued an Opinion and Order denying in part and granting in part Defendants' motions to dismiss. ECF Nos. 107-108. The Court denied Defendants' motions as to the Section 10(b) claims based on statements made during the Class Period "denying elevated channel inventory, weak channel demand,

and slowing sales.” It also denied Defendant’s motions on the Section 20(a) control person claims against Hayward’s CEO and CFO; the CCMP and MSD entities; and members of Hayward’s Board appointed by CCMP and MSD. ECF No. 107 at 12-14, 23, 25-26. The Court granted defendants’ motions and dismissed the claims based on forward-looking statements, statements about order cancellations, returns, and Hayward’s own inventory, risk disclosures, and statements the Court deemed non-actionable puffery. *Id.* at 10-12, 14-17.

**B. Mediation and Discovery Leading to the Settlement**

28. On June 4, 2025, following the Court’s MTD ruling, the Court ordered the parties to mediate. ECF No. 112.

29. On July 8, 2025, the parties informed the Court that they had selected Miles Ruthberg, Esq., a nationally recognized mediator with extensive experience in securities litigation. ECF No. 115. On July 9, 2025, the Court stayed the case pending the outcome of the mediation. ECF No. 116.

30. To advance the negotiations and lead to a more robust discussion of the Parties’ claims and defenses at the mediation, Lead Plaintiff and Hayward agreed to exchange discovery prior to the mediation. After both sides requested categories of documents and negotiated the scope of discovery, they each produced documents. Hayward produced multiple categories of reports prepared during the Class Period addressing orders, sales, shipments, and channel inventory, as well as presentations

documenting meetings of Hayward's sales team, materials delivered to the Board, and relevant insurance policies. These documents—and in particular the reports—went to the core of Lead Plaintiff's claims. The internal channel inventory reports showed how distributors' level of Hayward products changed over time, and the insight that Defendants had in real time into those numbers. In a similar vein, the detailed reports on orders, sales, and shipments showed the demand or lack thereof for Hayward's products, and Defendants' understanding thereof. The production also confirmed which Defendants had access to the various data, reports and documents they produced. That information and those documents were the primary data points that Lead Plaintiff would have sought in full discovery, and they allowed Lead Plaintiff to conduct a fulsome exploration of the strength of its claims. For its part, Lead Plaintiff produced documents relating to its transactions in Hayward stock. These productions ensured both sides had access to the key information necessary to evaluate the core claims and defenses in the matter.

31. The parties provided initial mediation statements to the mediator, and exchanged them with one another, on October 2, 2025. Both sides also provided rebuttal materials to the mediator, which they later exchanged. The parties then participated in a full-day mediation session on October 9, 2025, conducted by Mr. Ruthberg. Preparation for the mediation involved an exhaustive review of the parties' document productions, preparation of mediation materials summarizing the

data in those productions, and expert analysis of each side's loss causation and damages arguments.

32. When that session did not result in a resolution, the parties continued their negotiations and participated in a second full-day mediation session on November 6, 2025, again with Mr. Ruthberg's assistance. Prior to this second full day of mediation, the parties engaged in additional factual analysis, document review, preparation of presentations, opening and rebuttal briefs, and preparation of additional materials to respond to each other's and the mediator's merits and damages arguments. The second mediation went late into the night, and negotiations continued thereafter.

33. Following additional negotiations after the second session, the parties reached an agreement in principle to settle the case. All of the foregoing efforts, and Mr. Ruthberg's assistance, ensured that Lead Plaintiff and Plaintiff's Counsel were fully informed of the merits of the claims and defenses when they engaged in settlement negotiations and agreed to the Settlement.

34. On November 20, 2025, the parties reported to the Court that they had reached a settlement (ECF No. 122), and the Court granted the parties' request to stay all pending deadlines while they prepared the Settlement documentation for submission to the Court. ECF Nos. 123, 125.

35. On January 23, 2026, Lead Plaintiff filed its unopposed motion for preliminary approval of the settlement, together with relevant supporting papers (including the Stipulation). ECF No. 128.

36. On March 2, 2026, the Court entered the Preliminary Approval Order, and set July 28, 2026 as the date for the final Settlement Fairness Hearing. ECF No. 129.

**IV. NOTICE OF THE SETTLEMENT AND SETTLEMENT FAIRNESS HEARING HAS BEEN PROVIDED TO SETTLEMENT CLASS MEMBERS IN CONFORMITY WITH THE COURT'S PRELIMINARY APPROVAL ORDER**

37. On March 20, 2026, in accordance with the Preliminary Approval Order, the Court-appointed claims administrator A.B. Data, Ltd. (“A.B. Data”) (ECF No. 129) began mailing the Notice of Proposed Settlement of Class Action (“Notice”) and the Proof of Claim and Release form (“Claim Form” and, together with the Notice, the “Notice Packet”) to potential Settlement Class Members and nominees.<sup>4</sup> *See* Declaration of Ann Cavanaugh Regarding Notice Dissemination, Publication, and Requests for Exclusion Received to Date (“Cavanaugh Decl.”) ¶¶5-9, attached as Exhibit 1 hereto.

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<sup>4</sup> The Notice Date fell on a Saturday. Plaintiff’s Counsel and the Claims Administrator used the Saturday Notice Date for purposes of calculating subsequent deadlines, but mailed the Notices the Friday prior (March 20, 2026) to avoid undue delay.

38. On March 30, 2026, pursuant to the Preliminary Approval Order, A.B. Data also caused the Summary Notice to be published in *PR Newswire*. *Id.* at ¶12.

39. By March 19, 2026, A.B. Data activated a public access website for the Action, ([www.HAYWSecuritiesLitigation.com](http://www.HAYWSecuritiesLitigation.com)), publishing significant documents online, including the Notice Packet, Stipulation, and Complaint. *Id.* at ¶14.

40. As of May 6, 2026, more than 19,000 Claim Packages have been mailed or emailed by A.B. Data to potential Settlement Class Members and their nominees. Cavanaugh Decl., ¶11. Additionally, one institution has reported to A.B. Data that they anticipated sending electronic copies of Claim Packages to nearly 5,000 potential Settlement Class Members. *Id.*

41. The Court-approved Notice explains the terms of the Settlement, including that the Net Settlement Fund will be distributed to eligible Settlement Class Members who submit a valid and timely Proof of Claim, pursuant to the proposed Plan of Allocation included in the Notice and subject to Court approval. *See generally*, Cavanaugh Decl., at Ex. A. Further, the Notice informed Settlement Class Members of the nature of the Action, the reasons for settling the Action, and the maximum attorneys' fees and expenses that would be sought. *Id.* The Notice further details: (i) the procedure and deadline for objecting to the Settlement, the Plan of Allocation, or the request for attorneys' fees and expenses; (ii) the procedure

and deadline for requesting exclusion from the Settlement Class; and (iii) the date, time, and location of the Settlement Fairness Hearing. *Id.*

42. Lead Plaintiff, Plaintiff's Counsel, and A.B. Data have accordingly complied with all the deadlines specified in the Preliminary Approval Order.

43. Pursuant to the Preliminary Approval Order (and as explained in the Notice), Settlement Class Members who wish to opt out of the Settlement Class must do so no later than May 20, 2026. *Id.*, ¶15; *id.*, Ex A at 2. Any objections to the Settlement, the Plan of Allocation, or the Request for Attorneys' Fees and Expenses must be made no later than May 20, 2026.

44. To date, neither Plaintiff's Counsel nor A.B. Data have received any requests for exclusion. *Id.*, ¶16. Nor have any objections been filed or received. *Id.*, ¶17. If any objections are received, Plaintiff's Counsel will respond to them in a reply brief, which is due on July 21, 2026.

## **V. THE SETTLEMENT IS A FAVORABLE RESULT FOR THE CLASS IN LIGHT OF THE RISKS OF CONTINUING LITIGATION**

45. Based upon Plaintiff's Counsel's investigation, coupled with our review and understanding of the claims alleged in the Actions, I believe Lead Plaintiff's claims have merit. Nonetheless, Lead Plaintiff and Plaintiff's Counsel appreciate the significant risks of continued litigation, with all Defendants vigorously denying any liability.

46. Among the most significant litigation risks informing Lead Plaintiff's decision to settle the Action were the risks of obtaining an unfavorable ruling at summary judgment, at trial or on appeal. Defendants' motion to dismiss briefing on the two complaints (and their arguments during the mediation) provided Lead Plaintiff with a preview of the arguments against liability and the affirmative defenses that Defendants would undoubtedly have raised at summary judgment and trial. Defendants were prepared to forcefully dispute that they made any material misrepresentations or omissions, arguing that the statements at issue were not false or misleading based on the facts that existed at the time, and that they were under no duty to make additional disclosures about channel inventory or demand for Hayward's products during the Class Period. For example, Defendants argued that they disclosed improvement in channel inventory, and that their statements about demand for Hayward's products remaining strong were accurate despite the growth in channel inventory, as demonstrated by continued growth in Hayward's net sales.

47. Further, Defendants would have strenuously argued that they lacked scienter with respect to Lead Plaintiff's claims. In this case, the Court noted that its determination that scienter was adequately pled was "a close call" (MTD Order at 23), and scienter can present challenges at trial.

48. In addition, Defendants also raised various causation-related defenses, which threatened to significantly reduce recoverable damages. Defendants would

have argued that the partial disclosures of the truth alleged in the CAC did not actually provide new corrective information to the market. And Defendants would have argued (and been able to adduce at least some evidence in discovery) that at least some further material portion of investor losses was attributable not to any misstatements or fraud, but to, unrelated information negatively impacting Hayward's stock price—e.g., inflationary headwinds, a reduction in European sales due to the Ukraine war's impact on consumer sentiment, poor weather in seasonal markets, and distributors' decision to reduce safety stock.

49. While Plaintiff's Counsel believe that they had meritorious responses to such arguments, as the Court's MTD Order and discussions at mediation made clear, Defendants also had credible arguments to advance with respect to each of these liability and damages issues. Continued litigation through class certification, summary judgment, expert discovery, and trial would have posed even greater risks with no guarantee of recovery. To the extent that any recovery greater than the proposed Settlement was achieved, it would thus only be after a significant delay. The Settlement, by contrast, offers a substantial \$19.85 million recovery now, rather than the highly uncertain prospect of further litigation over many years.

50. In addition, the \$19.85 million Settlement Amount is well above average. According to Cornerstone Research, in 2025, the median settlement for class actions involving securities fraud claims was \$16 million, making the proposed

Settlement here is approximately 20% larger. Laarni T. Bulan & Laura E. Simmons, *Securities Class Action Settlements: 2025 Review and Analysis* (Cornerstone Research 2026) (excluding settlements that only involve strict liability claims under the Securities Act of 1933). Also, the median settlement of class actions involving securities fraud claims recovered 6.5% of estimated damages in 2025, whereas the proposed Settlement recovered approximately 8% of the best-case damages here, also about 20% larger than the median recovery. *Id.* The recovery here was an even larger percentage of Defendants' damages estimate and what the Class may have been able to recover at trial.

## **VI. THE PLAN OF ALLOCATION**

51. Pursuant to the Preliminary Approval Order (ECF No. 129 at ¶11), and as set forth in the Notice, all eligible Settlement Class Members who wish to participate in the distribution of the Net Settlement Fund<sup>5</sup> must submit a valid Proof of Claim, with all required supporting information and documentation, to the Court-approved Claims Administrator submitted no later than June 19, 2026.

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<sup>5</sup> The Net Settlement Fund is the Settlement Fund less any Taxes and Tax Expenses, Notice and Administration Costs, and Litigation Fees and Expenses awarded by the Court.

52. If approved by the Court, the proposed Plan of Allocation set forth in the Notice and on the settlement website will govern how the Net Settlement Fund will be distributed among Authorized Claimants.<sup>6</sup>

53. The Plan of Allocation is designed to equitably distribute the Settlement proceeds among Settlement Class Members who were allegedly injured by Defendants' alleged misrepresentations and omissions, and who submit valid Claim Forms that are approved for payment. The Plan of Allocation provides for the calculation of a "Recognized Loss Amount" for each properly documented purchase or acquisition of Hayward common stock during the Class Period. A claimant's total Recognized Loss Amount will depend on, among other things, when they purchased and/or sold Hayward common stock during the Class Period in relation to the disclosure dates alleged in the Action, whether and how long they held or sold Hayward common stock, and the value of the Hayward common stock when the shares were held or sold.

54. The Recognized Loss Amount formula is tied to Lead Plaintiff's theories of liability and damages. *See generally* ECF No. 128-2. In developing the Plan of Allocation, Lead Plaintiff's damages expert considered, consistent with Lead

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<sup>6</sup> As defined in the Stipulation, an "Authorized Claimant" means a Settlement Class Member who submits a valid Claim to the Claims Administrator that is accepted for payment from the Net Settlement Fund. ECF No. 128-2, Schwartz Decl. Ex. 1, at 2.

Plaintiff's damages theories under the Securities Exchange Act, the amount of artificial inflation allegedly present in Hayward common stock throughout the Class Period that was purportedly caused by the alleged misstatements and/or omissions.

*Id.* An inflation table was created and is included in the Plan of Allocation and will be utilized by the Claims Administrator in calculating Recognized Loss Amounts for claimants. The Claims Administrator will calculate claimants' Recognized Loss Amounts using the transactional information provided by claimants in their claim forms. The Claims Administrator will then determine each eligible claimant's pro rata share of the Net Settlement Fund based upon each claimant's total "Recognized Claim" compared to the aggregate Recognized Claims of all eligible claimants. In sum, the proposed Plan of Allocation, developed in consultation with Plaintiffs' consulting expert, is designed to fairly and rationally allocate the Net Settlement Fund among Authorized Claimants.

55. No objections to the Plan of Allocation have been filed to date.

56. Accordingly, Plaintiff's Counsel respectfully submits that the proposed Plan of Allocation is fair and reasonable and should be approved.

## **VII. PLAINTIFF'S COUNSEL'S APPLICATION FOR ATTORNEYS' FEES AND LITIGATION EXPENSES IS FAIR AND REASONABLE**

57. Based on the time expended on behalf of the Settlement Class, the favorable result achieved in the face of considerable litigation risk, and the fully contingent nature of their representation, I also respectfully submit that Plaintiff's

Counsel's request for an award of attorneys' fees equal to 33 and 1/3% of the Settlement Fund after deducting litigation expenses (\$210,670.38) and the maximum estimated claims and administration costs (\$205,000),<sup>7</sup> is fair and reasonable, and should be approved. Settlement Class Members were notified of Plaintiff's Counsel's requests for attorneys' fees and litigation expenses in the Notice, which stated, "Plaintiff's Counsel will apply for an attorneys' fee award in the amount of up to 33 and 1/3% of the Settlement Fund, plus payment of litigation expenses incurred in connection with the Action in an amount not to exceed \$270,000." Plaintiff's Counsel's actual requests are less than the maximum amounts stated in the Notice.

58. The work that Plaintiff's Counsel performed to secure the recovery for the Class includes:

- (a) conducting an extensive pre-filing investigation, which involved collecting and reviewing hundreds of SEC filings, press releases, analyst reports and other publicly available documents regarding Hayward and the industry within which

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<sup>7</sup> As detailed in the accompanying Cavanaugh Declaration (Ex. 1, at ¶18), the Claims Administrator has expended approximately \$130,000 to date on notice and administration costs. It estimates that the total notice and administration costs will be between \$175,000 and \$205,000. Thus, before seeking a percentage of the fee award from the Settlement Fund, Plaintiff's Counsel is deducting the Claims Administrator's maximum cost estimate, *i.e.* \$205,000, from the Settlement Fund (and also litigation expenses).

- it operates—as well as identifying, locating and interviewing former Hayward employees;
- (b) preparing the consolidated complaint, and the consolidated amended complaint;
  - (c) fully briefing six motions to dismiss across multiple defendants, and researched all applicable law;
  - (d) seeking, reviewing and analyzing substantial discovery in connection with the mediation;
  - (e) working with a damages expert on causation and damages questions in connection with the mediation;
  - (f) engaging in a thorough mediation process, which included preparing multiple detailed mediation statements and presentations, and participating in two full-day mediation sessions;
  - (g) negotiating and drafting a binding MOU, as well as the comprehensive Stipulation of Settlement and all related exhibits;
  - (h) working with the damages expert to develop a fair and appropriate Plan of Allocation; and

- (i) securing preliminary settlement approval, complying with the Preliminary Approval Order, and seeking final approval

59. Across the many tasks Plaintiff’s Counsel undertook in this complex, multi-party securities action, they expended approximately 6,646.4 hours, with a lodestar value of \$6,567,710.50. The requested fee, of \$6,478,109.87, represents a lodestar multiplier of 0.986. This does not include any time spent on this fee and expense application. Moreover, if the Settlement is approved, Plaintiff’s Counsel will continue to work on supervising the Claims Administrator throughout the claims and distribution process. At all times, Plaintiff’s Counsel conducted their work with skill and efficiency, conserving resources and avoiding unnecessary duplication of efforts. In so doing, Plaintiff’s Counsel made a significant commitment of time, personnel, and out-of-pocket expenses while taking on substantial risk of non-recovery.

60. As set forth in the accompanying declarations of Daryl F. Scott (Ex. 2 hereto) and Mathew F. Gately (Ex. 3 hereto), the following table shows the hours and lodestar invested by Scott+Scott Attorneys at Law LLP and Cohn Lifland Pearlman Herrmann & Knopf LLP.

<b>Firm</b>	<b>Total Hours</b>	<b>Total Lodestar</b>
Scott+Scott Attorneys at Law LLP	6,492.9	\$6,446,068.50
Cohn Lifland Pearlman Herrmann & Knopf LLP	153.5	\$121,642.00
<b>TOTAL</b>	<b>6,646.4</b>	<b>\$6,567,710.50</b>

61. The strong recovery here resulted from and demonstrates the skill and efficiency of Plaintiff's Counsel, who have long and successful track records in securities class actions throughout the country as set forth in the accompanying Scott (Ex. 2) and Gately (Ex. 3) Declarations. As discussed above, this case had substantial challenges, including multiple rounds of motion to dismiss briefing, three groups of Defendants who each sought dismissal on different grounds, scienter allegations that the Court considered a close call, and an extensive mediation process in which Defendants and the Mediator repeatedly tested the evidence of falsity and loss causation Lead Plaintiff developed. Further, Defendants were represented by highly capable and experienced defense counsel who vigorously opposed Lead Plaintiff and Plaintiff's Counsel at every step. Nevertheless, through the efforts of Plaintiff's Counsel, all Defendants remained in the case, Hayward produced key documents and data, and the Class received an excellent, above-average recovery.

62. Had the Court granted Defendants' motions to dismiss a second time, Plaintiff's Counsel would have recovered nothing on behalf of the class after years of expensive, risky work. Even with the denial of those motions, Plaintiff's Counsel also would have recovered nothing if going forward it failed to win class certification, summary judgment, or trial.

63. Plaintiff’s Counsel also respectfully request that this Court approve payment of \$210,670.38 in litigation expenses that Plaintiff’s Counsel reasonably and necessarily incurred in connection with this Action.

64. The following table summarizes the litigation expenses advanced by Scott+Scott Attorneys at Law LLP and Cohn Lifland Pearlman Herrmann & Knopf LLP, which are detailed in the accompanying declarations of Daryl F. Scott (Ex. 2 hereto) and Mathew F. Gately (Ex. 3 hereto). These expenses were reasonably and necessarily incurred in prosecuting and resolving this Action and are all of the type routinely charged to clients in non-contingency matters.

<b>Category</b>	<b>Scott+Scott Attorneys at Law LLP</b>	<b>Cohn Lifland Pearlman Herrmann &amp; Knopf LLP</b>
Mediators	\$68,025.00	--
Court Fees	\$2,015.63	--
Document Management/ Storage	\$4,165.44	--
Experts	\$89,180.00	--
Online Research	\$21,619.29	\$161.83
Photocopies	\$5,087.00	--
Process Service	\$392.10	--
Travel	\$19,993.44	--
Delivery Services/ Messengers	--	\$30.65
<b>TOTAL BY FIRM</b>	<b>\$210,477.90</b>	<b>\$192.48</b>
<b>GRAND TOTAL</b>	<b>\$210,670.38</b>	

### **VIII. LEAD PLAINTIFF'S REQUEST FOR AN AWARD FOR ITS WORK ON BEHALF OF THE CLASS**

65. The Notice also informed Settlement Class Members that Lead Plaintiff would “seek a service award of up to \$10,000 for its efforts in representing the Settlement Class.” Cavanaugh Decl., at Ex. A at 11.

66. As set forth in the Lead Plaintiff Declaration, Lead Plaintiff spent time reviewing pleadings, reading other litigation and mediation materials, communicating with counsel, evaluating the settlement negotiations, and producing documents. *See generally* Ex. 4. I can also attest to my client’s willingness to step forward here to participate in the Action.

67. Lead Plaintiff requests an award of \$10,000 for the time and effort it spent on this matter. For the reasons set forth in the accompanying Fee Memorandum, we respectfully submit that the requested \$10,000 award is modest, and fully merited based on Lead Plaintiff’s work here for the benefit of thousands of Settlement Class members. I also note that no objections to this \$10,000 award request have been submitted.

### **IX. CONCLUSION**

68. For all the reasons detailed above, I respectfully request that the Court (a) approve the Stipulation, Plan of Allocation, and Notice program, and enter the Parties’ agreed form of Final Judgment and Dismissal; (b) approve in full Plaintiff’s

Counsel's request for attorneys' fees and expenses; and (c) award Lead Plaintiff \$10,000 pursuant to 15 U.S.C. §77z-1(a)(4).

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct. Executed May 6, 2026 in New York City, New York.

  
MAX R. SCHWARTZ