

NOTICE OF CLASS ACTION SETTLEMENT
in
INTERARCH PROFIT SHARING LITIGATION
McCann v. Hill et al, Case No. 20-cv-6435 (D.N.J.)

Please read this notice carefully and completely.
If you are a member of the Class, the settlement will affect your legal rights.
A federal court has authorized this notice.
This is not a solicitation from a lawyer.
You have not been sued.

The parties to this class action have reached a proposed settlement and the Court has preliminarily approved the Settlement. The Settlement provides for a payment to Class Members who were entitled under the Plan to immediate payment (either participants or beneficiaries entitled to an immediate payment) based on the amount of their losses in the InterArch, Inc. Profit Sharing Plan (“Plan”).

This notice summarizes the Settlement and informs you of your rights under the Settlement. The complete Settlement Agreement, and other information about this lawsuit, are available at www.InterArchsettlement.com or by contacting Class Counsel listed below.

Your settlement payment will be allocated to your Plan account and then distributed to you through the Plan. You can elect a direct rollover of your settlement payment to an IRA or another eligible retirement plan or receive a distribution (less applicable income tax withholding).

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS
OPTION #1: CHOOSE A DISTRIBUTION If you are a Class Member who is either (1) a participant or (2) a beneficiary entitled to an immediate payment under the Plan, then you are entitled to choose the form of distribution. To provide tax favored treatment, your payment will first be transferred to the Plan. You may elect to take a rollover or receive a distribution of your account from the Plan in accordance with the terms of the Plan. If you do not provide other instructions, the monies will be transferred to an IRA and invested in a money market account at Millennium Trust Company.
OPTION #2: SUBMIT A CHALLENGE TO THE DATA. If you believe that the data about your Plan account is incorrect OR you believe that you are a Class Member but did not receive personalized notice sent to you, you can submit information explaining why the data needs to be corrected or why you are a Class Member. You need to submit this challenge by July 4, 2022, to the address listed below.
OPTION #3: OBJECT. If you are not satisfied with the terms of the proposed Settlement, then you or your attorney may inform the Court by sending a letter or written statement by July 4, 2022 at the address below.
YOU ARE ABLE TO CHOOSE MORE THAN ONE OPTION: If you object or challenge data, you may still request a distribution.

BASIC INFORMATION

Why did I get this Notice?

You received this Notice because the Court ordered that notice be provided to Class Members as defined by the Court. You were identified from InterArch, Inc.'s records as a member of the Class. The purpose of this Notice is to provide you with information about the Settlement and your rights, including your right to object to the Settlement before the Court decides whether to approve the Settlement.

Who is a Member of the Class?

The Court certified the Class as follows:

All participants in the InterArch, Inc. Profit Sharing Plan at any time between March 6, 2018 to the present (except those who terminated without vesting) and the beneficiaries of any such participants.

Excluded from the Class are (1) Defendants, (2) any fiduciaries of the Plan, who are alleged to have engaged in prohibited transactions or breaches of fiduciary duties, or who had decision-making or administrative authority relating to the administration, investment allocation, modification, funding, or interpretation of the Plan, (3) any beneficiaries of the foregoing as well as any members of their immediate families and (4) any of their successors, executors, or assigns.

What is this case about?

The lawsuit is a class action brought by Plaintiff Jonathan McCann on behalf of the participants and beneficiaries in the Plan alleging breaches of fiduciary duties and other violations of the Employee Retirement Income Security Act of 1974 ("ERISA") regarding the investment of the assets of the Plan. ERISA is the federal law that regulates and sets minimum standards for the administration of most retirement and health plans in the private sector, including the Plan. It imposes fiduciary duties on persons responsible for the management or administration of a plan and on persons who exercise any control or authority over plan assets. ERISA requires that plan fiduciaries act prudently and solely in the interests of plan participants and also that the fiduciaries invest assets of a retirement plan in diversified assets.

The lawsuit alleges that Defendants Shirley Hill and Vernon Hill invested the overwhelming majority of the assets of the Plan in two companies that in which the Hills had a personal financial interest – Metro Bank and Republic Bank. The Complaint alleges that these investment decisions were not only imprudent and undiversified, but they provided improper benefits to the Hills and caused significant losses to the Plan and its participants (i.e., InterArch employees). The Complaint also alleges that when these investments declined significantly, Defendants misrepresented the causes of the Plan's losses and failed to properly respond to questions and provide information that Defendants were obligated to answer under ERISA. In addition, the Complaint alleges that InterArch failed to provide certain documents that Plaintiff McCann had requested and that InterArch was obligated to provide under ERISA. A complete description of the claims is

contained in the Complaint, which along with other important documents is available on the following website: www.InterArchsettlement.com.

Defendants deny any wrongdoing or liability and maintain the assets of the Plan were properly invested and contend that these investments resulted in significant gains for the Plan participants during the majority of the time that they were invested. Defendants contended that these gains, in turn, created a greater imbalance of Plan assets resulting in an overall decline when the market turned. Among other defenses, Defendants alleged that a number of the participants had signed agreements that released their claims in this litigation, would prevent the claims from being certified on behalf of a class and even if Plaintiff could recover on behalf of Plan (without a certified Class) would prevent these participants from recovering or receiving any money even if Plaintiff's claims were ultimately successful on the merits.

The Court has not ruled on the merits in this case.

THE PROPOSED SETTLEMENT

What Are the Terms of The Settlement Agreement?

The Settlement requires Defendants to pay \$950,000 (the "Settlement Amount") to resolve all the claims of the Class against Defendants arising from the Defendants' alleged failures to properly invest Plan assets. After deduction of any Court-approved attorneys' fees and costs and any Court-approved service award to the Class Representative, the Net Settlement Amount (defined below) will be distributed to the Class pursuant to a Court-approved distribution formula called the "plan of allocation."

The Settlement Agreement also requires Defendants to pay Jonathan McCann \$5,000 to settle his individual claim that InterArch failed to provide him documents that he was entitled to request and did request under ERISA.

What Will Be My Share of the Settlement and How Do I Receive It?

The "Net Settlement Amount" —the Class Settlement Amount minus Court-approved attorneys' fees and expenses—will be divided among Class Members according to a plan of allocation that is subject to Court approval. Class Counsel's proposed Plan of Allocation, which the Court has preliminarily approved, provides that the Net Settlement Amount will be divided among Class Members based on the losses to the participant's Plan account. In summary, the Plan of Allocation compares the actual investment of the monies in the participant's Plan account to an alternative prudent investment between March 6, 2018 (or the date that the participant entered the Plan) and the earlier of the date when the participant's monies in the Plan were distributed or June 25, 2020. The alternative prudent investment uses an investment of 60% of assets in the S&P 500 index and 40% in a AAA corporate bonds which is commonly considered to be a prudent, diversified and appropriate investment for retirement plans. After those returns and loses are calculated, each account's losses are compared to the aggregate losses of all participants and each Class Member who is entitled to a payment (generally a participant unless a beneficiary is in payment status) to establish that account's Unadjusted Loss. For those participants who signed the Release Agreement around May 2021, the Unadjusted Loss is then reduced by 75% to reflect the additional risk of non-recovery because that participant agreed to release his or her claims against Defendants

raised in Complaint. Additionally, each participant will have his or her loss reduced by the amount of the restorative payment Defendants made to the participant's Plan account on or after June 25, 2020. The resulting figure is the participant's Adjusted Loss. The Adjusted Loss for each account is then compared to the aggregate Adjusted Loss for all accounts of Class Members to establish the pro rata share of the Net Settlement Fund. To the extent that any account's estimated payment would be less than \$50, a minimum payment of \$50 will be paid as part of the settlement to those Class Members who are entitled to immediate payment (either a participant or a beneficiary entitled to immediate payment). The estimated settlement payment is reflected on the attachment. This estimate may differ somewhat from the final payment, but is Class Counsel's best estimate of the expected payment under this Plan of Allocation. The full Plan of Allocation as preliminarily approved by the Court can be found at www.InterArchsettlement.com.

If you believe your Plan account balance as of the date when you received the last distribution of your Plan Account was different than the number listed on your individualized addendum to this Notice, or that you qualify as a Class Member (but didn't receive a personalized notice), you can submit supporting documents to the Settlement Administrator at the address below.

After the Court's order granting final approval becomes non-appealable, the Net Settlement Amount will be transferred to the Plan. Along with this Notice, you will receive an Election Distribution Packet. If you do not receive an Election Distribution Packet, you may access it at www.InterArchsettlement.com. The Plan Administrator will distribute or rollover your settlement payment based on your election. In the event that you fail to make an election and your settlement proceeds cannot be distributed to you, the Plan administrator will establish an IRA for your benefit at Millennium Trust Company and will transfer your settlement proceeds to the IRA. There will be no charge for you to receive the proceeds from this Settlement.

What Do I Give Up As a Result of the Settlement?

In exchange for the settlement payment, the Class, as participants or beneficiaries in the Plan, will release (i.e. give up) any and all claims against Defendants and related persons and entities arising out of their duties, responsibilities, acts, or omissions in connection with the alleged improper investment of Plan assets alleged in the Complaint or other claims arising from the same factual basis. The full terms of the Settlement, including the release, are available at www.InterArchsettlement.com. If the Settlement is finally approved, the Court will enter an order dismissing with prejudice all claims against the Defendants and preventing any Class Members from suing Defendants in the future on the released claims.

Defendants have agreed to release any claims challenging the correctness of any distribution or allocation in any of the Class Member's Plan accounts. In other words, Defendants cannot later claim that they contributed too much to your Plan Account in the past or that they distributed too much out of your Plan Account.

Can the Settlement be Terminated?

The Settlement may be terminated on several grounds, including if (1) the Court does not approve the terms of the Settlement, (2) the Court does not certify the Class defined above, (3) the Court materially alters the proposed Plan of Allocation or (4) the Department of Labor seeks to oppose this Settlement. If any of these occurs and one of the Parties exercises his/her right to withdraw,

the lawsuit will proceed as if the Settlement had not existed. The Settlement will not be final until after the Court has granted final approval of the settlement and any appeals have been resolved or the time that all appeals has ended. The earliest that the Settlement will be final is 30 days after the Final Approval Hearing, but it may be later than that depending on how long after the Court enters the order and judgment or whether someone files an appeal.

When Can I Get my Money from the Settlement?

No payments can be made to Class Members until after Final Approval has been entered, the time for appeals have expired and certain administrative tasks have taken place. The time for payments can be as soon as 30 days after the Final Approval Hearing but could take several months after Final Approval. The Settlement Administrator will update the website when there are updates. Calls and emails to Class Counsel (or the Settlement Administrator) only slows down the progress of distribution. Your patience is appreciated.

Why Did the Parties Reach This Settlement?

In deciding to settle the lawsuit, Class Counsel reviewed relevant documents and retained experts to analyze the potential monetary remedy in the case. Class Counsel also considered the strength of the claims and defenses and arguments by Defendants, the expense, length and likely delay of further litigation, the risks arising from the existence of unresolved questions of law and fact, and the risk of whether all claims would proceed on behalf of the Class.

If the parties had not reached a settlement, the Court may not have certified a Class and/or could have found in favor of Defendants and if Defendants had prevailed on certain of their defenses, then the Class could have recovered nothing. Even if Plaintiff succeeded on his claims, the Court could have found that any losses that Defendants caused were less than the amount paid in this Settlement. Additionally, there was a significant risk that participants who signed releases would receive nothing as a result of those releases, so that Plaintiff might recover on his claims but those participants would receive nothing. Of course, if Plaintiff prevailed, Defendants may have been liable for more than the Settlement Amount.

In 2020 and 2021, the parties agreed to participate and did participate in several mediations with a Magistrate Judge. The Settlement was reached as a result of those mediation sessions. The Settlement is a compromise of disputed claims. Defendants disputed the claims in the lawsuit and asserted various defenses. All parties determined that given the uncertainty and risks inherent in litigation, it is best to settle the case on the terms set forth in the Settlement Agreement.

This is only a summary of the Settlement. For its complete terms, you can view information about the case and the Settlement at www.InterArchsettlement.com, or review the Settlement Agreement on file with the Clerk of the Court. You may also contact Class Counsel at the contact information provided below.

Who Are the Lawyers Representing the Class?

The Court has appointed the following lawyers at the following firms as counsel for the Class. Both of the lawyers have significant experience representing employees/participants in ERISA litigation:

R. Joseph Barton BLOCK & LEVITON LLP 1735 20th Street NW Washington, DC 20009 Telephone: (202) 734-7046 InterArchlawsuit@blockesq.com	Adam Harrison Garner THE GARNER FIRM, LTD. 1617 John F. Kennedy Blvd, Suite 550 Philadelphia, PA 19103 (215) 645-5955 (Tel) (215) 645-5960 (Fax) adam@garnerltd.com
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How Will the Lawyers be Paid?

Class Counsel have worked on this case for more than a year and have not yet been paid for their time. In prosecuting this case on behalf of the Class, Class Counsel investigated the facts, interviewed witnesses, attended court hearings, reviewed documents produced in discovery, prepared legal pleadings, and participated in a mediation session and subsequent negotiations. To date, Class Counsel have expended over 490 hours in this case and have advanced over \$2,900 in out-of-pocket expenses on behalf of the Class. Class Counsel will apply to the Court for an award of fees, not to exceed 33.333% of the Settlement Amount. Class Counsel will also seek reimbursement of their actual costs and expenses, not to exceed \$10,000. The motion for attorneys’ fees and costs and any motion for a service award will be posted on the Settlement website at www.InterArchsettlement.com.

Any Class Member who objects to the request by Class Counsel for payment of these attorneys’ fees and costs or the request for a class representative payment may state that objection in writing and may appear at the hearing, as set forth below. If you submit a written objection, you are not required to appear at the hearing.

THE COURT’S FAIRNESS HEARING

When Will the Court Hold the Fairness Hearing?

On August 16, 2022, 2021, at 10:00 a.m. Eastern Time, Judge Hillman will hold a hearing in his courtroom at the Mitchell H. Cohen Building & U.S. Courthouse, 4th & Cooper Streets, Room 1050, Camden, NJ 08101. The time and date of the hearing may change. It is also possible that this hearing may be held remotely. Any updated information including dial-in or video conference instructions will be posted on the website.

At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate, whether and in what amount to award Class Counsel with attorneys’ fees and reimbursement of expenses and the request for a service award. If there are objections, the Court will consider them. After the hearing, the Court will decide whether to approve the Settlement, and award attorneys’ fees, expenses. We do not know how long these decisions will take.

The time and date of this hearing may change, so please check www.InterArchsettlement.com prior to the date of the hearing if you plan to attend. You should also contact Class Counsel if you intend to attend the hearing.

Do I Have to Attend or Can I Attend the Fairness Hearing?

You do not have to attend the hearing. Class Counsel will present the Settlement to the Court and answer any questions the Court may have. If you file a written objection, you do *not* have to attend the hearing in order for it to be considered by the Court.

You may come to the hearing at your own expense. You may also arrange for your own separate counsel to attend on your behalf (and at your own expense). You may also ask the Court for permission to speak at the hearing. To ensure that the Court will allow you to speak, you should send a “Notice of Intention to Appear at Fairness Hearing in “*McCann v. Hill, et al.*, Case No. 20-cv-6435” to the Clerk of the Court at the addresses above, in advance of the hearing. Be sure to include your name, address, telephone number, and signature.

HOW TO PROCEED

How Do I Tell the Court What I Think About the Settlement?

Any Class member can comment on the Settlement or tell the Court that you do not agree with the Settlement or some part of it, including the motion for attorneys’ fees and expenses.

Any written objections must be sent to Class Counsel at the addresses listed above and must be postmarked no later than July 4, 2022, and sent the Court at this address:

Office of the Clerk
Mitchell H. Cohen Building & U.S. Courthouse,
4th & Cooper Streets Room 1050,
Camden, NJ 08101

Be sure to refer to *McCann v. Hill, et al.*, Case No. 20-cv-6435. Include your full name, address, telephone number, signature, and a full explanation of all the reasons you object to the Settlement, including any supporting papers and arguments. You or your attorney must sign the written objection. Do not send your objection to Defendants.

If you have no objection to the Settlement, or the request for attorneys’ fees, then you do not need to send any papers with the Court.

Can I Opt Out of the Class?

No. You do not have the right to exclude yourself from the Class or the benefits of the Settlement. The Lawsuit was certified as a mandatory (“non-opt-out”) class action. As a Class Member, you will be bound by any judgments or orders that are entered in the Lawsuit for all claims that were or could have been asserted in the Lawsuit or are otherwise included in the release under the Settlement. Although you cannot opt out of the Settlement, you can object to the Settlement as described above.

GETTING MORE INFORMATION

How Do I Get More Information or Update My Address?

This Notice contains a summary of relevant court papers. Complete copies of public pleadings, Court rulings and other filings are available for review and copying at the Clerk's office. The address is Mitchell H. Cohen Building & U.S. Courthouse, 4th & Cooper Streets Room 1050, Camden, NJ 08101. Information is also available at www.InterArchsettlement.com, or by writing to the Settlement Administrator at the following address or telephone number:

**InterArch Litigation Settlement
c/o Settlement Administrator
P.O. Box 59479
Philadelphia, PA 19102-9479
866-742-4955**

Any questions you may have about this Notice or Settlement should be raised with your own attorney or advisor, and/or directed to Class Counsel.

If you want to make sure that the Settlement Administrator has your correct contact information, please complete the form below.

**PLEASE DO NOT CALL THE COURT, INTERARCH, OR DEFENDANTS' COUNSEL WITH
QUESTIONS REGARDING THIS NOTICE OR THE LAWSUIT.**

INTERARCH PROFIT SHARING LITIGATION
Updated Class Member Contact Information Form

Name: _____

Address: _____

City: _____ **State:** _____ **Zip:** _____

Email: _____@_____._____

Telephone: (____) _____ - _____ Mobile Landline

(____) _____ - _____ Mobile Landline

Return this Form To:
InterArch Litigation Settlement
c/o Settlement Administrator
P.O. Box 59479
Philadelphia, PA 19102-9479