

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

In re U. S. Steel Consolidated Cases

Civil Action No. 17-579

Judge Cathy Bissoon

**DECLARATION OF SHANNON L. HOPKINS IN SUPPORT OF
PLAINTIFFS' UNOPPOSED MOTION FOR PRELIMINARY APPROVAL OF
PROPOSED CLASS ACTION SETTLEMENT**

SHANNON L. HOPKINS, under penalty of perjury, declares and certifies as follows:

1. I am a member of the bars of the states of Connecticut, Massachusetts, and New York and am admitted *pro hac vice* to practice before this Court in this matter. I am a partner at the law firm of Levi & Korsinsky, LLP, lead counsel for Plaintiffs and the proposed Settlement Class in the above-captioned action. I have personal knowledge of the matters stated herein and, if called upon, I could and would competently testify thereto.

2. I make this Declaration based on my personal knowledge in support of Plaintiffs' Unopposed Motion for Preliminary Approval of Proposed Class Action Settlement.

3. Attached are true and correct copies of the following exhibits:

Exhibit 1: Stipulation and Agreement of Settlement, together with the following: Appendix 1 – List of persons and entities who requested exclusion pursuant to the Class Notice; Exhibit A – [Proposed] Order Preliminarily Approving Settlement and Providing for Notice; Exhibit A-1 – Notice of Proposed Settlement, Final Approval Hearing and Motion for Attorneys' Fees and Reimbursement of Litigation Expenses; Exhibit A-2 – Proof of Claim and Release Form; Exhibit A-3 – Summary Notice of Proposed Settlement, Final Approval Hearing, and Motion for Attorneys' Fees and Reimbursement of Litigation Expenses; and Exhibit B – [Proposed] Final Judgment and Order of Dismissal With Prejudice; and

Exhibit 2: Laarni T. Bulan and Laura E. Simmons, *Securities Class Action Settlements: 2021 Review and Analysis* (Cornerstone Research 2022).

In accordance with 28 U.S.C. §1746, I hereby declare under penalty of perjury that the foregoing is true and correct.

DATED: May 20, 2022

/s/ Shannon L. Hopkins
Shannon L. Hopkins

Exhibit 1

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

In re U. S. Steel Consolidated Cases

Civil Action No. 17-579

Judge Cathy Bissoon

STIPULATION AND AGREEMENT OF SETTLEMENT

This Stipulation and Agreement of Settlement, dated as of May 20, 2022 (the “Stipulation”), is made and entered into by and between the following Settling Parties, by and through their counsel of record in the Action: (i) Lead Plaintiff Christakis Vrakas and Plaintiff Leeann Reed (“Plaintiffs”), on behalf of themselves and the other members of the Settlement Class (as defined in paragraph 1.36 below), which, as described below, also includes: (a) Henry Bieryla, (b) Roy Cetlin, Individually, as Assignee of Maud Cetlin and Cassandra Cetlin, as Successor-in-Interest to Ceroy Inc., and on behalf of 2230439 Ontario Ltd., and (c) Oklahoma Firefighters Pension and Retirement System; and defendant United States Steel Corporation (“U. S. Steel” or the “Company”), and Defendants Mario Longhi, David B. Burritt, and Dan Lesnak (collectively, the “Individual Defendants” and, together with U. S. Steel, the “U. S. Steel Defendants” or the “Settling Defendants,” and together with Plaintiffs, the “Settling Parties”). Subject to the approval of the Court, the Stipulation is intended to fully, finally, and forever resolve, discharge, settle, and dismiss with prejudice the Action and the Released Claims (including Unknown Claims) upon and subject to the terms and conditions set forth herein. All terms with initial capitalization shall have the meanings ascribed to them in Section IV.1 (“Definitions”) below.

I. THE ACTION

Beginning on May 3, 2017, several class action complaints were filed in the Western District of Pennsylvania against the U. S. Steel Defendants asserting violations of the federal securities laws, including: *Ortiz, et. al., v. United States Steel Corp., et. al.*, No. 2:17-00579 (the “Action”), and *Payne, et. al., v. United States Steel Corp., et. al.*, No. 2:17-cv-660 (the “Payne Action”).

Pursuant to the Private Securities Litigation Reform Act of 1995, as amended, 15 U.S.C. § 78u-4(a)(3)(B), on July 3, 2017, five motions seeking appointment as lead plaintiff were filed.

By Order dated August 16, 2017, the Court: (i) consolidated the *Payne* Action and any other subsequently-filed related cases into the Action; (ii) appointed Christakis Vrakas as Lead Plaintiff; and (iii) approved Levi & Korsinsky, LLP as Lead Counsel and O’Kelly Ernst & Joyce, LLC as liaison counsel for the proposed class.

On October 2, 2017, Lead Plaintiff and two additional plaintiffs, Leeann Reed and Robert Myer, filed an Amended Class Action Complaint for Violations of the Federal Securities Laws against the U. S. Steel Defendants, as well as the underwriters of U. S. Steel’s August 2016 secondary offering: J.P. Morgan Securities LLC, Goldman Sachs & Co., Barclays Capital Inc., Wells Fargo Securities, LLC, Credit Suisse Securities (USA), LLC, Morgan Stanley & Co. LLC, Merrill Lynch, Pierce Fenner & Smith, Incorporated, PNC Capital Markets LLC, Scotia Capital (USA) Inc., Citizens Capital Markets, Inc., Suntrust Robinson Humphrey, Inc., BNY Mellon Capital Markets, LLC, Citigroup Capital Markets, Inc., Commerz Markets LLC, The Huntington Investment Company, SG Americas Securities LLC, The Williams Capital Group L.P., and ING Financial Markets LLC (collectively, the “Underwriter Defendants” and, with the U. S. Steel Defendants, the “Defendants”). On October 17, 2017, Lead Plaintiff, Mrs. Reed, and Mr. Myer filed an Errata that included revisions to their Amended Class Action Complaint for Violations of the Federal Securities Laws (ECF No. 65, the “Amended Complaint”).

The Amended Complaint asserted the following claims:

- Count I For Violations of Section 10(b) of the Exchange Act and Rule 10b-5, alleging violations of Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) and Rule 10b-5(b) promulgated thereunder against U. S. Steel and the Individual Defendants;
- Count II For Violations of Section 20(a) of the Exchange Act, alleging violations of Section 20(a) of the Exchange Act against U. S. Steel and the Individual Defendants;

- Count III For Violations of Section 11 of the Securities Act, alleging violations of Section 11 of the Securities Act of 1933 (“Securities Act”) against U. S. Steel, the Individual Defendants, and the Underwriter Defendants; and
- Count IV For Violations of Section 15 of the Securities Act, alleging violations of Section 15 of the Securities Act against the Individual Defendants.

The Amended Complaint alleged these claims on behalf of themselves and all persons other than Defendants who purchased or otherwise acquired U. S. Steel securities between January 27, 2016 and April 25, 2017, inclusive (the “Class Period”), or otherwise acquired shares pursuant to and/or traceable to the August 15, 2016 Secondary Public Offering (“SPO” or “Secondary Public Offering”), and were damaged as a result.

On December 14, 2017, the U. S. Steel and Underwriter Defendants each separately moved to dismiss the Amended Complaint. Plaintiffs and Mr. Myer filed an omnibus brief in opposition to the U. S. Steel and Underwriter Defendants’ motions to dismiss on February 12, 2018, and Defendants filed an omnibus reply brief in further support of their motions to dismiss on March 14, 2018.

On September 29, 2018, the Court granted in part and denied in part the U. S. Steel and Underwriter Defendants’ motions to dismiss.

In the same September 29, 2018 Order, the Court also ordered Plaintiffs and Mr. Myer to file a second amended complaint, if any, on or before October 30, 2018, indicating that there would be no further opportunities to amend their claims.

Plaintiffs and Mr. Myer moved for reconsideration of the Court’s Order on October 26, 2018, which motion the Court denied on November 5, 2018.

Plaintiffs and Mr. Myer did not file a second amended complaint, and on November 5, 2018, the Court dismissed with prejudice those theories of liability that had been dismissed in the Court’s September 29, 2018 Order.

The U. S. Steel and Underwriter Defendants each separately answered the Amended Complaint on November 15, 2018.

The Court thereafter held a Case Management Conference on January 17, 2019 and issued a Case Management Order on January 23, 2019 setting discovery and briefing deadlines for Plaintiffs' forthcoming class certification motion and staying all other discovery and proceedings pending a decision on Plaintiffs' class certification motion. The Court also entered an order referring the case to mediation.

On February 14, 2019, Plaintiffs and Mr. Myer filed an unopposed Motion to Withdraw as Attorney and Substitute New Attorney to replace O'Kelly Ernst & Joyce, LLC with Vincent Coppola of Pribanic & Pribanic as Liaison Counsel. The Court granted this motion on February 15, 2019.

Mr. Myer voluntarily dismissed with prejudice all of his claims in the Action on March 4, 2019, and the Court entered an order effectuating the dismissal the same day and terminating Mr. Myer as a party in the case.

On March 15, 2019, Plaintiff Leeann Reed voluntarily dismissed with prejudice all claims brought pursuant to the Securities Act asserted in the Amended Complaint. On March 18, 2019, the Court entered an order dismissing all Securities Act claims in this Action.

Plaintiffs moved to add Oklahoma Firefighters Pension and Retirement System as a named plaintiff on April 19, 2019.

Also on April 19, 2019, Plaintiffs moved for class certification seeking to certify a class defined as:

All persons or entities who purchased or otherwise acquired United States Steel Corporation common stock and options during the period from January 27, 2016 through April 25, 2017, inclusive, and were injured thereby. Excluded from the Class are: (i) Defendants; (ii) the Individual Defendants' immediate family

members; (iii) any person who was an Officer or director of the Company during the Class Period; (iv) any firm, trust, corporation, or other entity in which a Defendant has or had a controlling interest; (v) the legal representatives, affiliates, heirs, successors in-interest, or assigns of any such excluded person or entity.

On April 23, 2019, the Court denied Plaintiffs' motion to add Oklahoma Firefighters Pension and Retirement System as a named plaintiff. On April 24, 2019, three putative class action complaints were filed by Lead Counsel (as defined below) in the Western District of Pennsylvania against the U. S. Steel Defendants asserting violations of the federal securities laws involving similar legal and factual issues and common defendants to the Action: *Bieryla v. United States Steel Corporation, et al.*, No. 2:19-cv-468 (the "Bieryla Action"), *Cetlin, et al. v. United States Steel Corporation, et al.*, No. 2:19-cv-469 (the "Cetlin Action"), and *Oklahoma Firefighters' Pension and Retirement System, et al. v. United States Steel Corporation, et al.*, No. 2:19-cv-469 (the "OFPRS Action").

On April 30, 2019, the Court consolidated the *Bieryla*, *Cetlin*, and *OFPRS* Actions into the Action.

On May 15, 2019, pursuant to the Court's Case Management Order, the Settling Parties participated in a mediation session with Ret. United States District Judge Layn R. Phillips of Phillips ADR Enterprises LLC. The Settling Parties were unable to reach a settlement at that time.

On June 18, 2019, the U. S. Steel Defendants filed an opposition to Plaintiffs' class certification motion. Plaintiffs filed a reply brief in further support of class certification on July 18, 2019.

On July 25, 2019, the U. S. Steel Defendants moved to strike the rebuttal expert report of Plaintiffs' expert, Dr. Michael L. Hartzmark. Plaintiffs opposed the U. S. Steel Defendants' motion on August 5, 2019.

On December 31, 2019, the Court: (i) granted Plaintiffs' Motion for Class Certification and appointed Plaintiffs as class representatives and Levi & Korsinsky, LLP as class counsel; and (ii) granted in part and denied in part the U. S. Steel Defendants' Motion to Strike the Expert Rebuttal Report of Michael L. Hartzmark, Ph.D.

On January 13, 2020, the U. S. Steel Defendants petitioned the Third Circuit Court of Appeals pursuant to Federal Rule of Civil Procedure 23(f) to review the Court's class certification order (Case No. 20-8003 (3d Cir.)). After full briefing, the Third Circuit denied the U. S. Steel Defendants' petition on April 1, 2020.

Following a telephonic status conference on February 25, 2020, the Court issued a Case Management Order setting deadlines for fact and expert discovery and for a post-discovery status conference after the close of all discovery.

On April 24, 2020, due to the Coronavirus pandemic, the Court granted in part and denied in part the U. S. Steel Defendants' unopposed Motion to Amend Case Management Order, adjusting all case management dates by sixty days.

On May 28, 2020, the Court granted Plaintiffs' Unopposed Motion for Approval of Dissemination of Class Notice ("Class Notice"). Pursuant to the Court's order, the Claims Administrator disseminated 217,694 Class Notices to potential class members notifying them, among other things, that the class had been certified. The Class Notice also provided potential class members with the opportunity to request exclusion from the class, explained that right, and set forth the deadline and procedures for doing so. The deadline for requesting exclusion pursuant to the Class Notice was August 25, 2020. Attached hereto as Appendix 1 is a list of persons and entities who requested exclusion pursuant to the Class Notice, which requests were received by the Claims Administrator.

On July 28, 2020 and August 18, 2020, the Court held telephonic conferences regarding certain discovery disputes between the Settling Parties. The Court issued an Order on August 19, 2020 reflecting the Court's rulings during the conference and instructing the Settling Parties to file motions to compel as to any remaining issues by August 25, 2020.

On August 25, 2020, the U. S. Steel Defendants filed a motion to compel discovery, which they later withdrew on August 31, 2020.

Also on August 25, 2020, Plaintiffs moved to compel production of certain discovery. That motion was opposed by the U. S. Steel Defendants on August 28, 2020. Additional briefing concerning Plaintiffs' motion to compel was filed by the Settling Parties on October 2, 2020 pursuant to Court Order dated September 30, 2020.

The Settling Parties filed a joint motion to amend the Case Management Order on November 20, 2020.

On December 7, 2020, in response to the Court's Order of November 24, 2020, the Settling Parties submitted competing proposed orders to resolve all remaining discovery disputes.

On December 15, 2020, the Court entered Plaintiffs' proposed order.

On December 30, 2020, the Court issued an Amended Case Management Order setting certain deadlines relating to fact and expert discovery and scheduling a Post-Discovery Status Conference for September 21, 2021.

On April 6, 2021, Plaintiffs moved for sanctions.

On April 19, 2021, the Settling Parties participated in a mediation session with Robert Meyer, Esq. of JAMS. The Settling Parties were unable to reach a settlement at that time.

Defendants opposed Plaintiffs' motion for sanctions on April 20, 2021. On April 21, 2021, the Court denied Plaintiffs' motion for sanctions.

On August 26, 2021, after the close of fact discovery, the Settling Parties participated in a further mediation session with Robert Meyer, Esq. of JAMS. The Settling Parties were unable to reach a settlement at that time.

On September 16, 2021, pursuant to the Amended Case Management Order, the Settling Parties submitted confidential position letters and a joint proposed term sheet to Judge Bissoon.

On September 21, 2021, the Court held a Settlement Conference. The Settling Parties were unable to reach a settlement at that time. The Court set a briefing schedule for the U. S. Steel Defendants' Motion for Class Decertification.

Subsequent to the Settlement Conference, the Settling Parties continued to meet and confer regarding potential resolution of the action.

On October 21, 2021, the U. S. Steel Defendants filed their Motion for Class Decertification, which Plaintiffs opposed on December 3, 2021. Thereafter, the U. S. Steel Defendants sought and received permission to file a Reply in Further Support of Class Decertification, which they filed on December 13, 2021.

On February 15, 2022, the Settling Parties participated in a mediation session with David Murphy, Esq. of Phillips ADR Enterprises LLC. The Settling Parties were unable to reach a settlement at that time but continued arm's length negotiations and discussions with Mr. Murphy, over the following ten days.

On February 25, 2022, Mr. Murphy issued a double-blind mediator's proposal, which both sides accepted later that day.

On February 28, 2022, the Settling Parties executed a Term Sheet memorializing the Settling Parties' agreement to settle and release all claims asserted in the Action in return for a

cash payment of \$40,000,000 on behalf of the Settling Defendants for the benefit of the Settlement Class.

This Stipulation (together with the exhibits hereto) reflects the final and binding agreement between the Settling Parties.

II. THE U. S. STEEL DEFENDANTS' DENIALS OF WRONGDOING AND LIABILITY

This Stipulation constitutes a compromise of matters that are in dispute between the Settling Parties. The Settling Defendants are entering into this Stipulation solely to eliminate the uncertainty, burden, and expense of further protracted litigation. Each of the Settling Defendants has denied and continues to deny each and all of the claims, contentions, and allegations made in the Action, and this Stipulation shall in no event be construed or deemed to be evidence of or an admission or concession on the part of any of the Settling Defendants with respect to any claim or allegation of any fault or liability or wrongdoing or damage whatsoever, or any infirmity in the defenses that the Settling Defendants have, or could have, asserted. The Settling Defendants expressly deny that Plaintiffs have asserted any valid claims as to any of them, and expressly deny any and all allegations of fault, liability, wrongdoing or damages whatsoever. This Stipulation shall in no way and in no event be construed as or deemed to be an admission or concession of any fault, liability, wrongdoing, or damage whatsoever.

III. CLAIMS OF LEAD PLAINTIFF AND BENEFITS OF SETTLEMENT

Lead Counsel has conducted a thorough investigation relating to the claims and the underlying events and transactions alleged in the Action. Specifically, the investigation included, *inter alia*: (i) detailed reviews of U. S. Steel's public filings, annual reports, press releases, and other publicly available information concerning the Company; (ii) review of analysts' reports and articles relating to U. S. Steel and the steel industry; (iii) numerous interviews with many former

U. S. Steel employees; (iv) research of the applicable law with respect to the claims asserted in the Amended Complaint and defenses thereto, class certification, and discovery matters; (v) extensive consultation with, and analysis by, damages, loss causation, and industry consultants; (vi) review and analysis of over 2.5 million pages of documents, over 2.3 million produced by the U. S. Steel Defendants and over 230,000 produced by third parties pursuant to over 40 subpoenas served by Plaintiffs and over 10 subpoenas served by the U. S. Steel Defendants; (vii) review of documents produced in connection with Plaintiffs' FOIA requests; (viii) review of other related actions against U. S. Steel; (ix) taking 25 depositions of fact witnesses, including a seven-part deposition of U. S. Steel pursuant to Federal Rule of Civil Procedure 30(b)(6), as well attending and defending 9 depositions of fact witnesses taken by the U. S. Steel Defendants of, among others, Plaintiffs' confidential witnesses and Lead Plaintiff's securities broker; (x) review of the U. S. Steel Defendants' responses to 35 interrogatories served by Plaintiffs; (xi) review and analysis of testifying experts' opinions, including reports and testimony proffered by 6 experts retained by Plaintiffs, and 6 experts retained by the U. S. Steel Defendants; and (xii) briefing numerous motions, including motions to dismiss, class certification and decertification, and discovery motions.

Plaintiffs believe that the claims asserted in the Action have merit and that the evidence developed to date supports the claims asserted. However, Plaintiffs and Lead Counsel recognize and acknowledge the expense and length of continued proceedings necessary to prosecute the Action against the U. S. Steel Defendants through trial and any appeals. Plaintiffs and Lead Counsel have also taken into account the uncertain outcome and the risk of any litigation, especially in complex actions such as the Action, as well as the difficulties and delays inherent in such litigation. Lead Counsel is also mindful of the inherent problems of proof and the possible

defenses to the claims alleged in the Action. Based on their evaluation, Plaintiffs and Lead Counsel believe that the Settlement set forth in this Stipulation confers a meaningful benefit on the Settlement Class, is fair, reasonable, and adequate, and is in the best interests of Plaintiffs and the other members of the Settlement Class.

IV. TERMS OF STIPULATION AND AGREEMENT OF SETTLEMENT

NOW THEREFORE, it is hereby STIPULATED AND AGREED, by and among Plaintiffs (for themselves and the other members of the Settlement Class) and the U. S. Steel Defendants, by and through their respective attorneys of record, being fully authorized to enter into this Stipulation, and subject to the approval of the Court pursuant to Rule 23(e) of the Federal Rules of Civil Procedure, that, in consideration of the benefits flowing to the Settling Parties from the Settlement, all Plaintiffs' Released Claims as against the U. S. Steel Defendant Releasees and all U. S. Steel Defendants' Released Claims against the Plaintiff Releasees shall be settled and released, upon and subject to the terms and conditions as follows:

1. Definitions

As used in this Stipulation and any exhibits hereto and made a part hereof, the following terms shall have the meanings specified below. In the event of any inconsistency between any definition set forth below and any definition set forth in this document or in any other document related to the Settlement, the definition set forth below shall control.

1.1 "Action" means the above-captioned consolidated class action (*a/k/a Vrakas, et al. v. United States Steel Corporation, et al.*, No. 17-579 (W.D. Pa.)), as described in Section I, above.

1.2 "Amended Complaint" means the operative Amended Class Action Complaint for Violations of the Federal Securities Laws, filed as an Errata on October 17, 2017 (ECF No. 65).

1.3 "Authorized Claimant" means any Settlement Class Member who has submitted a timely and valid Claim to the Claims Administrator (in accordance with the requirements

established by the Court), whose claim for recovery has been approved for payment from the Net Settlement Fund pursuant to the terms of this Stipulation, and who is entitled to a distribution from the Net Settlement Fund pursuant to the Plan of Allocation or any order of the Court.

1.4 “Claim” means a completed and executed Claim Form that has been submitted to the Claims Administrator in accordance with the instructions on the Claim Form.

1.5 “Claim Form” means the Proof of Claim and Release Form (substantially in the form attached hereto as Exhibit A-2) that a Claimant or putative Settlement Class Member must complete and timely submit to the Claims Administrator if that Claimant or putative Settlement Class Member seeks to be eligible to share in a distribution of the Net Settlement Fund.

1.6 “Claimant” means a Person who has submitted a Claim to the Claims Administrator seeking to be eligible to share in the proceeds of the Net Settlement Fund.

1.7 “Claims Administrator” means A.B. Data, Ltd., the claims administrator selected by Lead Counsel, subject to approval by the Court, to provide all notices approved by the Court to potential Settlement Class Members and to administer the Settlement.

1.8 “Court” means the United States District Court for the Western District of Pennsylvania.

1.9 “Defendants” means the U. S. Steel Defendants and the Underwriter Defendants.

1.10 “Distribution Order” means an order entered by the Court authorizing and directing that the Net Settlement Fund be distributed, in whole or in part, to Authorized Claimants.

1.11 “Effective Date” means the first date by which all of the events and conditions specified in ¶11.1 of this Stipulation have been met and have occurred or been waived.

1.12 “Escrow Agent” means Lead Counsel.

1.13 “Excluded Claims” means: (i) the claims asserted on behalf of U. S. Steel in the derivative actions pending as of the date of this Stipulation against certain current or former directors or officers of U. S. Steel, namely: (a) *In re United States Steel Corporation Derivative Litigation*, No. 2:17-cv-01005 (U.S.D.C. W.D. Pa.) (consolidating *Summerville v. Burritt, et al.*, No. 2:17-cv-01005 (U.S.D.C. W.D. Pa.), *Gochmour v. Burritt, et al.*, No. 2:17-cv-01092 (U.S.D.C. W.D. Pa.), and *Central Laborers’ Pension Fund v Burritt, et al.*, No. 2:17-cv-01279 (U.S.D.C. W.D. Pa.)); (b) *Heath v. Longhi, et al.*, No. GD-17-12861 (Court of Common Pleas of Allegheny County, PA) (consolidated with *Buzanowski v. Longhi, et al.*, No. GD-19-6573 (Court of Common Pleas of Allegheny County, PA)); and (c) *Hoskins v. Longhi, et al.*, C.A. No. 2019-0602-JRS (Del. Ch.); or (ii) any claims of any Person who or which: (a) are listed in Appendix 1 to this Stipulation who or which requested exclusion from the Settlement Class in connection with the Class Notice; and (b) submits a request for exclusion in accordance with the requirements set forth in the Notice that is accepted by the Court as valid.

1.14 “Final” means, with respect to any order of Court, including, without limitation, the Judgment, that such order or Judgment represents a final and binding determination of all issues within its scope and is not subject to further review on appeal or otherwise. Without limitation, an order or Judgment becomes “Final” when: (i) no appeal has been filed and the prescribed time for filing or noticing any appeal under the Federal Rules of Appellate Procedure, *e.g.*, thirty (30) days after entry of the order or Judgment has expired; or (ii) an appeal has been filed and either: (a) the appeal has been dismissed and the prescribed time, if any, for commencing any further appeal has expired, or (b) the order or Judgment has been affirmed in all material respects and the prescribed time, if any, for commencing any further appeal has expired. For purposes of this definition of “Final,” an “appeal” includes any motion to alter or amend under Rules 52(b) or 59(e) of the

Federal Rules of Civil Procedure, any appeal as of right, discretionary appeal, interlocutory appeal, petition for writ of *certiorari*, or other proceeding involving writs of *certiorari* or mandamus, and any other similar proceedings. Any appeal or other proceeding seeking subsequent judicial review pertaining solely to an order or the part of an order issued with respect to: (i) the Plan of Allocation, or (ii) the application for attorneys' fees and Litigation Expenses pursuant to ¶7.1 through ¶7.6 herein shall not in any way delay or preclude the Judgment from becoming Final.

1.15 "Final Approval Hearing" means the hearing set by the Court under Rule 23(e) of the Federal Rules of Civil Procedure to consider final approval of the Settlement.

1.16 "Individual Defendant" means each of Mario Longhi, David B. Burritt, and Dan Lesnak.

1.17 "Judgment" means the final judgment, substantially in the form attached hereto as Exhibit B, to be entered by the Court approving the Settlement.

1.18 "Lead Counsel" means the law firm of Levi & Korsinsky, LLP.

1.19 "Lead Plaintiff" means Christakis Vrakas.

1.20 "Liaison Counsel" means Pribanic & Pribanic.

1.21 "Litigation Expenses" means the reasonable costs and expenses incurred by Lead Counsel and Liaison Counsel in connection with commencing, prosecuting, and settling the Action, for which Lead Counsel intends to apply to the Court for reimbursement from the Settlement Fund.

1.22 "Net Settlement Fund" means the Settlement Fund less: (i) any Taxes; (ii) any Notice and Administration Costs; (iii) any Litigation Expenses awarded by the Court; (iv) any attorneys' fees awarded by the Court; (v) any award to pay the costs and expenses of Plaintiffs awarded by the Court; and (vi) other costs, expenses, or amounts as may be approved by the Court.

1.23 “Notice” means the Notice of Proposed Settlement, Final Approval Hearing, and Motion for Attorneys’ Fees and Reimbursement of Litigation Expenses (substantially in the form attached hereto as Exhibit A-1), which is to be provided to the Settlement Class Members.

1.24 “Notice and Administration Costs” means the costs, fees, and expenses that are incurred or have been already incurred by the Claims Administrator in connection with: (i) providing notice to the Settlement Class (including the costs, fees, and expenses incurred in connection with the Notice); and (ii) administering the Settlement, including but not limited to the Claims process, as well as the costs, fees, and expenses incurred in connection with the Settlement Fund Account.

1.25 “Officer” means any officers of U. S. Steel, as that term is defined in Securities Exchange Act Rule 16(a)-1(f).

1.26 “Person” means an individual, corporation, limited liability company, professional corporation, partnership, domestic partnership, limited partnership, limited liability partnership, marital community, association, joint stock company, joint venture and joint venturer, estate, legal representative, trust or trustee, unincorporated association, government or any political subdivision or agency thereof, or any other business or legal entity.

1.27 “Plaintiff Releasees” means: (i) Plaintiffs, their attorneys, and all other Settlement Class Members; (ii) the current and former parents, officers, directors, affiliates, subsidiaries, successors, predecessors, assigns, assignees, and immediate family members of each of the foregoing in (i); and (iii) for each and every Person listed in part (i), their respective past, present, and future heirs, executors, administrators, predecessors, successors, assigns, employees, agents, affiliates, analysts, assignees, associates, attorneys, auditors, co-insurers, commercial bank lenders, consultants, controlling shareholders, directors, divisions, domestic partners, employers,

expert consultants, financial advisors, general or limited partners, general or limited partnerships, insurers, investment advisors, investment bankers, investment banks, joint ventures and joint venturers, managers, managing directors, marital communities, members, officers, parents, personal or legal representatives, principals, reinsurers, shareholders, spouses, stockholders, subsidiaries (foreign or domestic), trustees, underwriters, and retained professionals, in their respective capacities as such.

1.28 “Plaintiffs” means Christakis Vrakas and Leeann Reed.

1.29 “Plaintiffs’ Released Claims” means all claims (including “Unknown Claims”, as defined in ¶1.46, below), debts, disputes, demands, rights, actions or causes of action, liabilities, damages, losses, obligations, sums of money due, judgments, suits, amounts, matters, issues and charges of any kind whatsoever (including, but not limited to, any claims for interest, attorneys’ fees, expert or consulting fees, and any other costs, expenses, amounts, or liabilities whatsoever), whether fixed or contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity, matured or unmatured, foreseen or unforeseen, whether individual or class in nature, whether arising under federal or state statutory or common law or any other law, rule, or regulation, whether foreign or domestic, that Plaintiffs or any other member of the Settlement Class: (1) asserted in any of the complaints filed in the Action; or (2) could have asserted in the Action or in any other action or in any other forum that arise out of, are based upon, are related to, or are in consequence of any of the facts, allegations, transactions, matters, events, disclosures, non-disclosures, occurrences, representations, statements, acts or omissions or failures to act that were involved, set forth, or referred to in any of the complaints filed in the Action and that relate to the purchase, acquisition, holding, sale, or disposal of U. S. Steel common stock or options during the Settlement Class Period, or that otherwise would have been barred by res judicata had the Action been fully

litigated to a final judgment. Plaintiffs' Released Claims does not include any Excluded Claims or any claims relating to the enforcement of the Settlement.

1.30 "Plan of Allocation" means the proposed plan of allocation of the Net Settlement Fund set forth in the Notice, or such other plan of allocation as the Court shall approve, whereby the Net Settlement Fund shall be distributed to Authorized Claimants.

1.31 "Preliminary Approval Order" means the order (substantially in the form attached hereto as Exhibit A) to be entered by the Court preliminarily approving the Settlement and directing that Notice be provided to the Settlement Class.

1.32 "Released Claims" means all the U. S. Steel Defendants' Released Claims and all Plaintiffs' Released Claims.

1.33 "Released Persons" means all Plaintiff Releasees and the U. S. Steel Defendant Releasees.

1.34 "Settlement" means this Stipulation and Agreement of Settlement and the settlement contained herein.

1.35 "Settlement Amount" means the total principal amount of forty million dollars (\$40,000,000) in cash. Defendants shall not be liable for any additional sums beyond that amount for any reason (including, but not limited to, interest, attorneys' fees, administration costs, notice costs, expenses, or any costs of any kind incurred by Plaintiffs, Mr. Myer, Mr. Bieryla, Mr. Cetlin, Oklahoma Firefighters Pension and Retirement System, or any of their counsel in connection with the resolution of the Action).

1.36 "Settlement Class" means: All persons or entities who purchased or otherwise acquired United States Steel Corporation common stock and options during the period from January 27, 2016 through April 25, 2017, inclusive, and were injured thereby. Excluded from the

Settlement Class are: (1) the U. S. Steel Defendants; (2) the Individual Defendants' immediate family members; (3) any person who was an Officer or director of the Company during the Settlement Class Period; (4) any firm, trust, corporation, or other entity in which a U. S. Steel Defendant has or had a controlling interest; and (5) the legal representatives, affiliates, heirs, successors in interest, or assigns of any such excluded person or entity. Also excluded from the Settlement Class are: (i) the Persons and entities listed in Appendix 1 to this Stipulation who requested exclusion from the Settlement Class in connection with the Class Notice; and (ii) any Persons who submit valid and timely requests for exclusion from the Settlement Class in accordance with the requirements set forth in the Notice. The U. S. Steel Defendants stipulate, for settlement purposes only, to the appointment of Plaintiffs as the Class Representatives, and to the appointment of Lead Counsel Levi & Korsinsky, LLP as Class Counsel.

1.37 "Settlement Class Member" or "Member of the Settlement Class" means a Person who or which is a member of the Settlement Class.

1.38 "Settlement Class Period" means the period from January 27, 2016 through April 25, 2017, inclusive.

1.39 "Settlement Fund" means the Settlement Amount plus any interest earned thereon.

1.40 "Settlement Fund Account" means the interest-bearing escrow account maintained by and at Signature Bank, N.A., wherein the Settlement Amount shall be deposited and held for the benefit of the Settlement Class pursuant to this Stipulation and subject to the jurisdiction of the Court. Neither the U. S. Steel Defendants nor their counsel shall have any role in or responsibility for the management or investment of the Settlement Fund Account.

1.41 "Settling Parties" means, collectively: (i) the U. S. Steel Defendants; and (ii) Plaintiffs on behalf of themselves and the Settlement Class Members, including: (a) Henry

Bieryla, (b) Roy Cetlin, Individually, as Assignee of Maud Cetlin and Cassandra Cetlin, as Successor-in-Interest to Ceroy Inc., and on behalf of 2230439 Ontario Ltd., and (c) Oklahoma Firefighters Pension and Retirement System.

1.42 “Stipulation” means this Stipulation and Agreement of Settlement.

1.43 “Summary Notice” means the Summary Notice of Proposed Settlement, Final Approval Hearing, and Motion for Attorneys’ Fees and Reimbursement of Litigation Expenses (substantially in the form attached hereto as Exhibit A-3) to be published as set forth in the Preliminary Approval Order.

1.44 “Taxes” means: (i) all federal, state, and/or local taxes of any kind (including estimated taxes, interest, or penalties) on any income earned by the Settlement Fund; (ii) the reasonable expenses and costs incurred by Lead Counsel in connection with determining the amount of, and paying, any taxes owed by the Settlement Fund (including, without limitation, reasonable expenses of tax attorneys and accountants); and (iii) all taxes imposed on payments by the Settlement Fund, including withholding taxes.

1.45 “Term Sheet” means the Term Sheet to Settle Class Action executed by the Settling Parties on February 28, 2022.

1.46 “Unknown Claims” means, collectively, any and all of Plaintiffs’ Released Claims that the Plaintiffs or any other Settlement Class Member does not know or suspect to exist in his, her, or its favor at the time of the release of the U. S. Steel Defendant Releasees, and any of the U. S. Steel Defendants’ Released Claims that any U. S. Steel Defendant does not know or suspect to exist in his or its favor at the time of the release of the Plaintiff Releasees, even if such claim, if known by him, her, or it, might have affected his, her, or its decision to enter into this Settlement or might have affected his, her, or its decision not to object to this Settlement or not exclude

himself, herself, or itself from the Settlement Class. Unknown Claims include, without limitation, those Released Claims in which some or all of the facts composing the claim may be unsuspected, undisclosed, concealed, or hidden. With respect to any and all Released Claims, the Settling Parties stipulate and agree that, upon the Effective Date, Plaintiffs and the U. S. Steel Defendants shall expressly waive and relinquish, and each Settlement Class Member and the U. S. Steel Defendant Releasees shall be deemed to have and by operation of law and of the Judgment shall have expressly waived and relinquished, to the fullest extent permitted by law, any and all provisions, rights and benefits conferred by California Civil Code §1542, which provides:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

Plaintiffs and the U. S. Steel Defendants further expressly waive and relinquish, and each Settlement Class Member and each U. S. Steel Defendant Releasee, or any of them, shall be deemed to have and by operation of law and of the Judgment shall have expressly waived and relinquished, to the fullest extent permitted by law, any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law or of international or foreign law, that is similar, comparable, or equivalent in effect to California Civil Code §1542. It is understood that Plaintiffs and the U. S. Steel Defendants and each Settlement Class Member and each U. S. Steel Defendant Releasee, or any of them, may hereafter discover facts in addition to or different from those that he, she, or it now knows or believes to be true with respect to the subject matter of the Released Claims, but, upon the Effective Date, they shall expressly fully, finally, and forever discharge, settle, and release, any and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, that now exist or heretofore have existed, upon any theory of law or

equity now existing or coming into existence in the future, including, but not limited to, conduct that is negligent, grossly negligent, reckless, deliberately reckless or intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. Plaintiffs and the U. S. Steel Defendants acknowledge, and the Settlement Class Members by operation of law and of the Judgment shall be deemed to have acknowledged, that the foregoing waivers of Released Claims that are Unknown Claims, including the provisions, rights and benefits of §1542 of the California Civil Code (and the inclusion of “Unknown Claims” in the definition of Released Claims) was separately bargained for and is a material element of the Settlement.

1.47 “Underwriter Defendants” means J.P. Morgan Securities LLC, Goldman Sachs & Co., Barclays Capital Inc., Wells Fargo Securities, LLC, Credit Suisse Securities (USA), Morgan Stanley & Co. LLC, Merrill Lynch, Pierce Fenner & Smith, Incorporated, PNC Capital Markets LLC, Scotia Capital (USA) Inc., Citizens Capital Markets, Inc., Suntrust Robinson Humphrey, Inc., BNY Mellon Capital Markets, LLC, Citigroup Capital Markets, Inc., Commerz Markets LLC, The Huntington Investment Company, SG Americas Securities LLC, The Williams Capital Group L.P., and ING Financial Markets LLC, all of whom previously were dismissed with prejudice from the Action on March 18, 2019.

1.48 “U. S. Steel Defendants” means U. S. Steel, Mario Longhi, David B. Burrirt, and Dan Lesnak.

1.49 “U. S. Steel Defendants’ Counsel” means the law firm of Jones Day.

1.50 “U. S. Steel Defendant Releasees” means: (i) the U. S. Steel Defendants, (ii) the present and former parents, subsidiaries, divisions, and affiliates of U. S. Steel, (iii) the present and former employees, officers, and directors of each of them, (iv) the present and former

attorneys, accountants, insurers, and agents of each of them, and (v) the predecessors, heirs, successors, and assigns of each of them.

1.51 “U. S. Steel Defendants’ Released Claims” means that, upon the Settlement becoming effective, the U. S. Steel Defendants will release as against all Plaintiff Releasees, as defined above, in the Action, and their respective attorneys, and all other Settlement Class Members, all claims, demands, rights, liabilities, suits, debts, obligations, and causes of action of every nature and description, whether known or unknown, that could have been asserted in this Action or could in the future be asserted in any forum, whether arising under federal, state, common or foreign law, by the U. S. Steel Defendants against Plaintiffs that arise out of or relate in any way to the institution, prosecution, or settlement of the claims asserted in the Action, except for claims relating to the enforcement of the Settlement.

2. Certification of Settlement Class and Preliminary Approval of Settlement

2.1 Solely for purposes of the Settlement and for no other purposes, the Settling Parties stipulate and agree to: (i) the certification of a Settlement Class (as defined in ¶1.36 herein), pursuant to Rules 23(a) and (b)(3) of the Federal Rules of Civil Procedure; (ii) the appointment of Plaintiffs as the class representatives for the Settlement Class; and (iii) the appointment of Lead Counsel as counsel to the Settlement Class pursuant to Rule 23(g) of the Federal Rules of Civil Procedure.

2.2 The certification of the Settlement Class shall be binding only with respect to the Settlement of the Action and only if the Judgment contemplated by this Stipulation becomes Final and the Effective Date occurs. Nothing in this Stipulation shall serve in any fashion, either directly or indirectly, as evidence of or support for certification of a class other than for settlement purposes, and the Settling Parties intend that the provisions herein concerning certification of the Settlement Class shall have no effect whatsoever in the event the Settlement does not become

Final. The U. S. Steel Defendants expressly reserve the right to contest class certification in the event the Settlement is terminated or the Effective Date does not occur for any other reason.

2.3 Within ten (10) business days following the execution of this Stipulation, Plaintiffs will move for preliminary approval of the Settlement, certification of the Settlement Class for settlement purposes only, and the scheduling of a hearing for consideration of final approval of the Settlement, which motion shall be unopposed by the U. S. Steel Defendants. Concurrently with the motion for preliminary approval, Plaintiffs shall apply to the Court for, and the U. S. Steel Defendants shall agree to, entry of the Preliminary Approval Order, substantially in the form attached hereto as Exhibit A.

3. Releases and Bar Order

3.1 The obligations incurred pursuant to this Stipulation shall be in consideration of: (1) the full and final disposition of the Action; and (2) the release of any and all Released Claims (including Unknown Claims) provided for herein.

3.2 Upon the Effective Date, Plaintiffs and each of the other Settlement 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 the Judgment shall have, fully, finally, and forever released, relinquished, and discharged all Plaintiffs' Released Claims (including Unknown Claims) against the U. S. Steel Defendant Releasees, whether or not such Settlement Class Member executes and delivers the Claim Form or shares in the Net Settlement Fund.

3.3 Upon the Effective Date, Plaintiffs and each of the other Settlement Class Members, and any Person acting through or on behalf of Plaintiffs or any Settlement Class Member, and their respective heirs, executors, administrators, predecessors, successors, and assigns, in their capacities as such, will be forever barred and enjoined from commencing,

instituting, prosecuting, or continuing to prosecute any action or other proceeding in any court of law or equity, arbitration tribunal, or administrative forum, asserting any of Plaintiffs' Released Claims (including Unknown Claims) against any of the U. S. Steel Defendant Releasees, whether or not such Plaintiff or Settlement Class Member executes and delivers the Claim Form or shares in the Net Settlement Fund.

3.4 The Claim Form to be executed by Claimants shall release all Plaintiffs' Released Claims (including Unknown Claims) against all the U. S. Steel Defendant Releasees and shall be substantially in the form attached hereto as Exhibit A-2.

3.5 Upon the Effective Date, each of the U. S. Steel Defendants shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released, relinquished, and discharged all the U. S. Steel Defendants' Released Claims (including Unknown Claims) against the Plaintiffs, each and all of the Settlement Class Members, and the Plaintiff Releasees.

3.6 The U. S. Steel Defendants and any Person acting through or on behalf of them, and their respective heirs, executors, administrators, predecessors, successors, and assigns, in their capacities as such, will be forever barred and enjoined from commencing, instituting, prosecuting, or continuing to prosecute any action or other proceeding in any court of law or equity, arbitration tribunal, or administrative forum, asserting any of the U. S. Steel Defendants' Released Claims (including Unknown Claims) against any of the Plaintiff Releasees.

3.7 Notwithstanding ¶3.3 and ¶3.6 above, nothing in the Judgment shall bar any action by any of the Settling Parties to enforce or effectuate the terms of this Stipulation or the Judgment.

4. The Settlement Consideration

4.1 As full consideration for the Settlement, U. S. Steel, on behalf of all U. S. Steel Defendants, shall pay or cause to be paid the Settlement Fund (\$40 million) in cash to be funded

by U. S. Steel's Directors and Officers ("D&O") insurance carriers. The \$40 million in cash shall be deposited into the Settlement Fund Account no later than the latter of fifteen (15) business days after: (i) entry of the Preliminary Approval Order; or (ii) receipt by pertinent U. S. Steel's D&O insurance carriers of each of: (a) a copy of the Preliminary Approval Order as entered by the Court (which shall be transmitted to them by U. S. Steel Defendants' Counsel within no more than one business day of receipt), (b) a completed W-9 for the Settlement Fund Account, and (c) wire and check mailing instructions for payment to the Settlement Fund Account, including contact information at Signature Bank, N.A. with whom wire instructions may be verbally verified. As of the time that the Settlement Amount is deposited into the Settlement Fund Account, the U. S. Steel Defendants and the U. S. Steel Defendants' D&O insurance carriers shall no longer have any interest in the Settlement Fund Account except for a contingent interest in the event that the condition subsequent of the occurrence of the Effective Date of the Settlement does not occur. It is expressly understood and acknowledged that none of the U. S. Steel Defendants are funding any portion of the Settlement Amount and that the Settlement Fund will at no time be considered to be property of the estate of any defendant pursuant to 11 U.S.C. § 541.

4.2 Under no circumstances will the U. S. Steel Defendant Releasees have any obligation to make any payments other than those set forth in Section 4.1.

4.3 The interest earned on the Settlement Fund pursuant to ¶5.4 below shall be for the benefit of the Settlement Class if the Settlement becomes Final. If the Settlement does not become Final and the Settlement is terminated, the interest earned on the Settlement Fund shall be returned to the U. S. Steel Defendants' D&O insurance carriers and ¶12.3(iii) below shall govern.

4.4 This is not a claims-made settlement; there will be no reversion of settlement funds to the U. S. Steel Defendants, the U. S. Steel Defendants' D&O insurance carriers, or any other

Person who or which funded the Settlement Amount if the Settlement becomes final. Upon the occurrence of the Effective Date (as set forth in ¶11.1 herein), neither the U. S. Steel Defendants nor their insurance carriers shall have any right to the return of the Settlement Fund or any portion thereof irrespective of the number of Claims filed, the collective amount of losses of Authorized Claimants, or the percentage of recovery of losses or the amounts to be paid to Authorized Claimants from the Net Settlement Fund. If any portion of the Net Settlement Fund remains following distribution pursuant to the Plan of Allocation and is of such an amount that in the discretion of Lead Counsel it is not cost effective or efficient to redistribute the amount to the Settlement Class, then such remaining funds, after payment of any further Notice and Administration Costs and Taxes, shall be donated to a non-profit charitable organization unaffiliated with Defendants, Plaintiffs, or Lead Counsel, selected by Plaintiffs and subject to Court approval.

5. Administration and Use of Settlement Fund

5.1 The Escrow Agent shall administer the Settlement Fund subject to the jurisdiction of the Court. The Escrow Agent shall not disburse the Settlement Fund except: (i) as provided in this Stipulation; (ii) as provided in the Plan of Allocation; (iii) by an order of the Court; or (iv) with the prior written agreement of the U. S. Steel Defendants' Counsel.

5.2 The Settlement Fund shall be used to pay: (i) Taxes; (ii) Notice and Administration Costs pursuant to ¶5.5 herein and as otherwise approved by the Court; (iii) attorneys' fees awarded by the Court; (iv) Litigation Expenses awarded by the Court; (v) any award to pay the costs and expenses of Plaintiffs awarded by the Court; and (vi) any other costs, expenses, or amounts as may be approved by the Court. The balance remaining in the Settlement Fund (the "Net Settlement Fund") shall be distributed to Authorized Claimants as provided in a Plan of Allocation proposed by Plaintiffs subject to Court approval.

5.3 Except as provided herein or pursuant to orders of the Court, the Net Settlement Fund shall remain in the Settlement Fund Account prior to the Effective Date. All funds held by the Escrow Agent shall be deemed to be in the custody of the Court and shall remain subject to the jurisdiction of the Court until such time as the funds shall be distributed or returned pursuant to the terms of this Stipulation and/or further order of the Court.

5.4 Any funds held in the Settlement Fund Account shall be held in an interest-bearing account insured by the FDIC or money market mutual funds composed of investments secured by the full faith and credit of the United States Government or fully insured by the United States Government. All risks related to the investment of the Settlement Fund shall be borne by the Settlement Fund and not by any of the U. S. Steel Defendant Releasees.

5.5 Before the Effective Date, Lead Counsel may use up to \$350,000 of the Settlement Fund to pay Notice and Administration Costs reasonably, necessarily, and actually incurred. Such costs and expenses shall include, without limitation, the actual costs of publication, printing, and mailing the Class Notice, Notice, and Claim Form; reimbursements to nominee owners for forwarding the Class Notice, Notice, and Claim Form to their beneficial owners; the administrative expenses actually incurred and fees reasonably charged by the Claims Administrator in connection with searching for Settlement Class Members and providing notice and processing the submitted Claims; and the reasonable fees, if any, of the Escrow Agent. In the event the Settlement is terminated pursuant to the terms of this Stipulation, all Notice and Administration Costs properly paid or incurred, including any related fees, up to \$350,000, shall not be returned or repaid to the U. S. Steel Defendants, the U. S. Steel Defendants' D&O insurance carriers, or any other Person or entity who or which funded the Settlement Amount.

6. Taxes

6.1 The Settling Parties agree that the Settlement Fund is intended to be a Qualified Settlement Fund within the meaning of Treasury Regulation §1.468B-1. Lead Counsel, as administrator of the Settlement Fund within the meaning of Treasury Regulation §1.468B-2(k)(3), shall be solely responsible for filing or causing to be filed all informational and other tax returns as may be necessary or appropriate (including, without limitation, the returns described in Treasury Regulation §1.468B-2(k)) for the Settlement Fund. Such returns shall be consistent with this paragraph and in all events shall reflect that all taxes on the income earned on the Settlement Fund shall be paid out of the Settlement Fund as provided by ¶6.2 below. Lead Counsel shall also be solely responsible for causing payment to be made from the Settlement Fund of any Taxes owed with respect to the Settlement Fund. The U. S. Steel Defendants shall not have any liability or responsibility for any such taxes. Upon written request, the U. S. Steel Defendants will provide promptly to Lead Counsel the statement described in Treasury Regulation §1.468B-3(e). Lead Counsel, as administrator of the Settlement Fund within the meaning of Treasury Regulation §1.468B-2(k)(3), shall timely make such elections as are necessary or advisable to carry out this paragraph, including, as necessary, making a “relation back election,” as described in Treasury Regulation §1.468B-1(j), to cause the Qualified Settlement Fund to come into existence at the earliest allowable date, and shall take or cause to be taken all actions as may be necessary or appropriate in connection therewith. It shall be the responsibility of Lead Counsel to prepare and deliver timely and properly the necessary documentation for signature by all necessary parties, and thereafter to cause the appropriate filings to occur.

6.2 All Taxes shall be paid out of the Settlement Fund and shall be timely paid by the Escrow Agent pursuant to the terms herein, and without further order of the Court. Any tax returns prepared for the Settlement Fund (as well as the election set forth therein) shall be consistent with

the previous paragraph and in all events shall reflect that all Taxes (including any interest or penalties) on the income earned by the Settlement Fund shall be paid out of the Settlement Fund as provided herein. Further, Taxes and all related expenses shall be treated as, and considered to be, a cost of administration of the Settlement Fund, and the Escrow Agent shall be obligated (notwithstanding anything herein to the contrary) to withhold from distribution to Authorized Claimants any funds necessary to pay such amounts, including the establishment of adequate reserves for any Taxes (as well as any amounts that may be required to be withheld under Treas. Reg. §1.468B-2(1)(2)).

6.3 In all events, neither the U. S. Steel Defendants, the U. S. Steel Defendants' Counsel, nor any other of the U. S. Steel Defendant Releasees, shall have any responsibility for or liability whatsoever with respect to the Taxes or the filing of any tax returns or other documents with the Internal Revenue Service or any state or local taxing authority in connection with the Settlement Fund nor shall they be responsible for or be liable for any reporting requirements related thereto. The Settlement Fund shall indemnify and hold all the U. S. Steel Defendants, the U. S. Steel Defendants' Counsel, and any other of the U. S. Steel Defendant Releasees harmless for any Taxes and related expenses of any kind whatsoever on the Settlement Fund after its deposit into the Settlement Fund Account (including, without limitation, taxes payable by reason of any such indemnification). The U. S. Steel Defendants shall notify the Escrow Agent promptly if the U. S. Steel Defendants receive any notice of any claim for Taxes relating to the Settlement Fund.

6.4 For avoidance of doubt, no opinion or advice concerning the tax consequences of the proposed Settlement to individual Settlement Class Members is being given or will be given by the Settling Parties or their counsel; nor is any representation or warranty in this regard made by virtue of this Stipulation. Each Settlement Class Member's tax obligations, and the

determination thereof, are the sole responsibility of the Settlement Class Member, and it is understood that the tax consequences may vary depending on the particular circumstances of each individual Settlement Class Member.

7. Attorneys' Fees and Litigation Expenses

7.1 Lead Counsel will apply to the Court for an award of attorneys' fees to Lead Counsel and Liaison Counsel. Lead Counsel also will apply to the Court for reimbursement of Litigation Expenses. Lead Counsel may also seek an award to pay the costs and expenses of Plaintiffs in connection with the prosecution of this Action. Lead Counsel's application for an award of attorneys' fees, Litigation Expenses, and/or costs and expenses of Plaintiffs is not the subject of any agreement between the Settling Parties other than what is set forth in this Stipulation.

7.2 Any attorneys' fees, Litigation Expenses, and any award to pay the costs and expenses of Plaintiffs that are awarded by the Court shall be paid to Lead Counsel from the Settlement Fund Account, as ordered, immediately upon final approval of the Settlement by the Court and after the Court executes an order awarding such fees, expenses, and award, and Lead Counsel will distribute any award to pay the costs and expenses of Plaintiffs. The U. S. Steel Defendant Releasees shall have no responsibility for the payment of attorneys' fees or Litigation Expenses, and/or any award to pay the costs of expenses of Plaintiffs beyond the obligations of the U. S. Steel Defendants to pay the Settlement Amount as set forth in ¶4.1 above.

7.3 The payment described in ¶4.1 will be made subject to Lead Counsel's obligation to make appropriate refunds or repayments to the Settlement Fund, plus accrued interest at the same net rate as is earned by the Settlement Fund, if the Settlement is terminated pursuant to the terms of this Stipulation or if, as a result of any appeal or further proceedings on remand, or successful collateral attack, the award of attorneys' fees, and/or Litigation Expenses, and/or any

award to pay the costs and expenses of Plaintiffs is reduced or reversed and such order reducing or reversing the award has become Final.

7.4 If the Settlement is terminated for any reason, or if, as a result of any appeal or further proceedings on remand or successful collateral attack, the award of attorneys' fees and/or Litigation Expenses and/or any award to pay the costs and expenses of Plaintiffs is reduced or reversed, then, no later than ten (10) business days after receiving from the U. S. Steel Defendants' Counsel or from a court of appropriate jurisdiction notice of the termination of the Settlement or notice of any reduction or reversal of the award of attorneys' fees and/or Litigation Expenses and/or an award to pay the costs and expenses of Plaintiffs, Lead Counsel shall refund to the Settlement Fund all attorneys' fees and Litigation Expenses and any award to pay the costs and expenses of Plaintiffs previously paid to them from the Settlement Fund in an amount consistent with the reversal or reduction, plus interest earned thereon at the same net rate as is earned by the Settlement Fund. Lead Counsel agree to incorporate their obligation under the preceding sentence into any proposed order awarding attorneys' fees and Litigation Expenses filed with the Court.

7.5 Any order or proceeding relating to Lead Counsel's application for an award of attorneys' fees and/or Litigation Expenses and/or any award to pay the costs and expenses of Plaintiffs is not a necessary term of this Stipulation and is not a condition of this Stipulation and shall not operate to terminate the Settlement or affect the finality or binding nature of the Settlement; Lead Counsel's application for an award of attorneys' fees and/or Litigation Expenses and/or any award to pay the costs and expenses of Plaintiffs shall be treated by the Court separately from the fairness, reasonableness, and adequacy of the Settlement Agreement and the Settlement. Whatever amount is awarded by the Court is within the sole discretion of the Court, and if the

award is less than the amount sought by Lead Counsel, this will not be a basis for either party to seek to cancel or terminate the Stipulation or the Settlement.

7.6 The U. S. Steel Defendants agree to take no position on Lead Counsel's request for attorneys' fees and/or Litigation Expenses and/or any award to pay the costs and expenses of Plaintiffs and shall have no responsibility for, and no liability whatsoever with respect to, any payment of any type or nature whatsoever, including attorneys' fees and/or Litigation Expenses and/or any award to pay the costs and expenses of Plaintiffs, to Plaintiffs or Lead Counsel and/or any other person or entity who may assert some claim thereto, of any award of attorneys' fees or Litigation Expenses that the Court may make in the Action.

8. Claims Administration

8.1 As part of the Preliminary Approval Order, Plaintiffs shall seek appointment of the Claims Administrator. The Claims Administrator shall administer the process of soliciting, receiving, reviewing, and approving or denying claims. The Claims Administrator shall discharge its duties under Lead Counsel's supervision and subject to the jurisdiction of the Court. Lead Counsel shall be responsible for supervising the administration of the Settlement and disbursement of the Net Settlement Fund. Except as otherwise expressly provided herein, no U. S. Steel Defendant Releasee shall have any involvement in, responsibility for, or liability or obligation whatsoever with respect to the selection of the Claims Administrator; the Plan of Allocation; the administration of the Settlement; the management, disposition, investment, distribution, allocation or disbursement of the Settlement Fund or the Net Settlement Fund; the determination, acceptance, rejection, administration, calculation, or payment of claims; the payment or withholding of Taxes; any nonperformance of the Claims Administrator; or any losses incurred in connection with any such matters. No Person shall have any claim against the U. S. Steel Defendant Releasees or the U. S. Steel Defendants' Counsel arising from or relating to any of the foregoing, and Plaintiffs,

Lead Counsel and each Settlement Class Member hereby fully, finally, and forever releases, relinquishes, and discharges the U. S. Steel Defendant Releasees and U. S. Steel Defendants' Counsel from any and all such liability.

8.2 Lead Counsel shall cause the Claims Administrator to mail the Notice and Claim Form to those Settlement Class Members who may be identified through reasonable effort. Lead Counsel acknowledges that, for purposes of identifying and providing notice to the Settlement Class, U. S. Steel previously has provided to Lead Counsel a list of registered shareholders (consisting of common shareholder names and addresses during the Settlement Class Period), in electronic form. Lead Counsel will cause to be published the Summary Notice pursuant to the terms of the Preliminary Approval Order or whatever other form or manner might be ordered by the Court.

8.3 The Claims Administrator shall receive Claims and administer them according to the Plan of Allocation, as proposed by Plaintiffs and approved by the Court, or according to such other plan of allocation as the Court approves. The proposed Plan of Allocation is set forth in the Notice attached hereto as Exhibit A-1.

8.4 No funds from the Net Settlement Fund shall be distributed to Authorized Claimants until after the Effective Date. The allocation of the Net Settlement Fund among Authorized Claimants is a matter separate and apart from the proposed Settlement between the U. S. Steel Defendants and Plaintiffs, and any decision by the Court concerning the Plan of Allocation, or such other plan of allocation as the Court approves, shall not affect the validity or finality of the proposed Settlement. The Plan of Allocation proposed in the Notice is not a necessary term of this Stipulation, and it is not a condition of this Stipulation that any particular plan of allocation be approved by the Court. Plaintiffs and Lead Counsel may not cancel or

terminate the Stipulation or the Settlement based on this Court's or any appellate court's ruling with respect to the Plan of Allocation or any plan of allocation in this Action. In the event of any modification or rejection of the terms of any Plan of Allocation or the Stipulation with respect to attorneys' fees or Litigation Expenses or any award to pay the costs and expenses of Plaintiffs, the U. S. Steel Defendant Releasees shall be entitled to all benefits of the Settlement and the U. S. Steel Defendant Releasees shall not, under any circumstances, be called upon to contribute additional funds to the Settlement Fund.

8.5 All Persons who fall within the definition of Settlement Class Member (and who: (i) have not requested exclusion from the Settlement Class in connection with the Class Notice (*see* Appendix 1); and (ii) do not exclude themselves by submitting a valid request for exclusion in accordance with the requirements set forth in the Notice) shall be subject to and bound by the provisions of this Stipulation, the releases contained herein and the Judgment with respect to all of Plaintiffs' Released Claims (including Unknown Claims), and will be permanently barred and enjoined from bringing any action against any and all of the U. S. Steel Defendant Releasees concerning any and all of the Plaintiffs' Released Claims (including Unknown Claims) as set forth in ¶3.3 herein regardless of whether such Persons seek or obtain by any means, including, without limitation, by submitting a Claim or any similar documentation, any distribution from the Settlement Fund or the Net Settlement Fund.

8.6 All Claims must be submitted by the date set by the Court in the Preliminary Approval Order and specified in the Notice unless such deadline is extended by Order of the Court. A Claim shall be deemed to be submitted when posted, if received with a postmark indicated on the envelope and if mailed by first-class mail or other delivery service and addressed in accordance with the instructions thereon. Any Settlement Class Member who fails to submit a timely Claim,

or who timely submits a Claim that is rejected, shall be forever barred from receiving any distribution from the Net Settlement Fund or payment pursuant to this Stipulation (unless, by Order of the Court, certain late-submitted claims are accepted), but shall in all other respects be subject to and bound by all of the terms and provisions of this Stipulation and the Settlement, including the terms of the Judgment and the releases provided for in the Judgment and herein, and will be permanently barred and enjoined from bringing any action, claim, or other proceeding of any kind against any of the U. S. Steel Defendant Releasees concerning any of Plaintiffs' Released Claims (including any Unknown Claim) as set forth in ¶3.3 herein.

8.7 Each Claimant shall be deemed to have submitted to the jurisdiction of the Court with respect to the Claimant's Claim, including, but not limited to, the releases provided for herein and in the Judgment, and the Claim will be subject to investigation and discovery under the Federal Rules of Civil Procedure, provided that such investigation and discovery shall be limited to that Claimant's status as a Settlement Class Member and the validity and amount of the Claimant's Claim. No discovery shall be allowed on the merits of this Action or this Settlement in connection with the processing of Claims.

8.8 Lead Counsel will apply to the Court, with reasonable advance notice to the U. S. Steel Defendants, for a Distribution Order: (i) approving the Claims Administrator's administrative determinations concerning the acceptance and rejection of the Claims submitted; (ii) approving payment of any outstanding administration fees and expenses associated with the administration of the Settlement from the Settlement Fund Account; and (iii) if the Effective Date has occurred, directing payment of the Net Settlement Fund to Authorized Claimants from the Settlement Fund Account.

8.9 Payment pursuant to the Distribution Order shall be final and conclusive against any and all Settlement Class Members. All Settlement Class Members whose Claims are not approved by the Court shall be barred from participating in distributions from the Net Settlement Fund, but otherwise shall be subject to and bound by all of the terms of this Stipulation and the Settlement, including the terms of the Judgment to be entered in this Action and the releases provided for in the Judgment and herein, and will be permanently barred and enjoined from bringing any action, claim or other proceeding of any kind against any of the U. S. Steel Defendant Releasees concerning any of Plaintiffs' Released Claims (including any Unknown Claim) as set forth in ¶3.3 herein.

8.10 No Person shall have any claim against Plaintiffs, Lead Counsel, Liaison Counsel, the Claims Administrator, or any other agent designated by Lead Counsel, or the U. S. Steel Defendants and/or the U. S. Steel Defendants' Counsel, arising from distributions made substantially in accordance with the Stipulation, the plan of allocation approved by the Court, or any order of the Court.

8.11 All proceedings with respect to the administration, processing, and determination of Claims and the determination of all controversies relating thereto, including disputed questions of law and fact with respect to the validity of Claims, shall be subject to the jurisdiction of the Court. All Settlement Class Members and Settling Parties expressly waive trial by jury (to the extent any such right may exist) and any right of appeal or review with respect to such determination.

9. Requests for Exclusion

9.1 Putative Settlement Class Members requesting exclusion from the Settlement Class in accordance with the requirements set forth in the Notice shall be requested to provide the following information to the Claims Administrator in the manner described in the Notice: (i) name;

(ii) address; (iii) telephone number; (iv) number of shares of U. S. Steel common stock or options purchased or otherwise acquired during the Settlement Class Period; (v) the date of each such purchase or acquisition and the price or other consideration paid; (vi) the date of each sale or other disposition of any share of U. S. Steel common stock or options during the Settlement Class Period and the price or other consideration received; (vii) the number of shares of U. S. Steel common stock or options held immediately before the commencement of the Settlement Class Period; and (viii) a statement that the person or entity wishes to be excluded from the Settlement Class. Any request for exclusion must also be signed by the person or entity requesting exclusion.

9.2 All Persons who: (i) requested exclusion from the Settlement Class in connection with the Class Notice as listed in Appendix 1 to this Stipulation; and (ii) submit valid and timely requests for exclusion in the manner set forth in the Notice shall have no rights under the Stipulation, shall not share in the distribution of the Net Settlement Fund, and shall not be bound by the Stipulation or any final judgment. Unless otherwise ordered by the Court, any Settlement Class Member who did not submit a timely written request for exclusion in connection with the Class Notice and who does not submit a timely written request for exclusion as provided by this section shall be bound by the terms of this Stipulation and final Judgment. The deadline for submitting requests for exclusion in the manner set forth in the Notice shall be set by the Court but shall be no later than twenty-eight (28) calendar days prior to the Final Approval Hearing, or as the Court may otherwise direct. Exclusion requests may not be submitted by email, unless otherwise ordered by the Court.

9.3 Copies of all requests for exclusion in the manner set forth in the Notice received by Lead Counsel or the Claims Administrator, together with copies of all written revocations of

requests for exclusion, shall be delivered to the U. S. Steel Defendants' Counsel within three (3) business days of receipt.

10. Terms of the Judgment

10.1 If the Settlement contemplated by this Stipulation is approved by the Court, Lead Counsel and the U. S. Steel Defendants' Counsel shall request that the Court enter a Judgment, substantially in the form attached hereto as Exhibit B.

11. The Effective Date

11.1 The Effective Date of this Stipulation shall be conditioned on the occurrence of all of the following events:

(i) The full execution of this Stipulation, and such other documents as may be required to obtain final Court approval of this Stipulation in a form satisfactory to the Settling Parties;

(ii) The Court's entry of the Preliminary Approval Order, substantially in the form attached hereto as Exhibit A;

(iii) No Settling Party having given notice of its election to terminate this Stipulation and the Settlement pursuant to ¶12.1 or ¶12.2 herein, and the time for doing so having expired;

(iv) The Court's approval of the Settlement substantially as described herein, following notice to the Settlement Class and a hearing, as prescribed by Rule 23 of the Federal Rules of Civil Procedure;

(v) The Court's entry of the Judgment, substantially in the form attached hereto as Exhibit B; and

(vi) The Judgment becoming Final (as defined in ¶1.14 herein).

11.2 Upon the occurrence of all of the events referenced in ¶11.1 herein, any and all remaining interest or right of the U. S. Steel Defendants or their insurance carriers in or to the

Settlement Fund shall be absolutely and forever extinguished and the Releases herein shall be automatically effective and no further action need be taken by such parties.

12. Waiver or Termination

12.1 No Settling Party shall have any obligation whatsoever to proceed under any terms other than substantially in the form provided and agreed to herein. If the Court: (i) enters an order expressly declining to enter the Preliminary Approval Order in any material respect without reasonable leave to amend; (ii) refuses to approve this Stipulation or any material part of it without reasonable leave to amend; (iii) declines to enter the Judgment in any material respect or enters judgment in a form materially different from Exhibit B attached hereto; and/or (iv) enters the Judgment and appellate review is sought and, on review, the Judgment is vacated, modified, or reversed in any material respect, representing a Final decision on the matter, the U. S. Steel Defendants and Plaintiffs each shall have the right to terminate the Settlement and this Stipulation within ten (10) days from the date of receipt of such ruling by providing written notice to the other of an election to do so. However, any decision with respect to an application for attorneys' fees or Litigation Expenses or any award to pay the costs and expenses of Plaintiffs, or with respect to any Plan of Allocation, shall not be considered material to the Settlement and shall not be grounds for termination.

12.2 If, as specified in a separate supplemental agreement between Plaintiffs and the U. S. Steel Defendants (the "Supplemental Agreement"), the timely requests for exclusion by Persons who would otherwise be Settlement Class Members, but who, in accordance with the provisions of the Notice, timely and validly request exclusion from the Settlement Class, exceeds the threshold(s) specified in the Supplemental Agreement, U. S. Steel shall have, in its sole and absolute discretion, the option to terminate this Settlement in accordance with the procedures set forth in the Supplemental Agreement. For purposes of the Supplemental Agreement, any request

for exclusion in accordance with the provisions of this Notice that results in the exclusion of the Settlement Class Member from the Settlement Class, by order of the Court or otherwise, shall be treated as timely and valid. The Supplemental Agreement, which is being executed concurrently herewith, shall not be filed with the Court and its terms shall not be disclosed in any other manner (other than the statements herein and in the Notice, to the extent necessary, or as otherwise provided in the Supplemental Agreement) unless and until the Court otherwise directs or a dispute arises between Plaintiffs and the U. S. Steel Defendants concerning its interpretation or application, in which event the Settling Parties shall submit the Supplemental Agreement to the Court *in camera* and request that the Court afford it confidential treatment.

12.3 Except as otherwise provided herein or ordered by the Court, in the event the Settlement is terminated, then:

(i) the Settlement and the relevant portions of this Stipulation shall be canceled and terminated;

(ii) the Settling Parties shall be deemed to have reverted to their respective status in this Action as of February 25, 2022, with all of their respective claims and defenses preserved as they existed on that date;

(iii) except as otherwise expressly provided in this Stipulation, the terms of this Stipulation shall be null and void and shall have no further force or effect, and neither the existence nor the terms of this Stipulation (nor any negotiations preceding this Stipulation nor any acts performed pursuant to, or in furtherance of, this Stipulation) shall be used in this Action or in any other proceeding for any purpose (other than to enforce the terms remaining in effect, if any);

(a) within ten (10) business days after written notification of termination is provided pursuant to ¶12.1 or ¶12.2, the Settlement Fund, less any Taxes paid or that have accrued

and will be payable at some later date with respect to such income, and less reasonable Notice and Administration Costs already incurred that either have been actually and properly paid or are due and owing pursuant to ¶5.5 herein, shall be returned to the U. S. Steel Defendants' D&O insurance carriers in accordance with their respective payments into the Settlement Fund, the instructions regarding same to be communicated to the Escrow Agent in writing by U. S. Steel Defendants' Counsel;

(iv) at the request of the U. S. Steel Defendants' Counsel, the Escrow Agent or its designee shall apply for any tax refund owed on the Settlement Fund and return the proceeds to the U. S. Steel Defendants' D&O insurance carriers within ten (10) business days of receipt of such proceeds, after deduction of any fees or expenses reasonably and actually incurred in connection with such application(s) for refund, pursuant to written direction from U. S. Steel; and

(v) any judgment or order entered by the Court in accordance with the terms of this Stipulation shall be treated as vacated, *nunc pro tunc*.

13. No Admission of Wrongdoing

13.1 The Settlement compromises claims that are contested and shall not be deemed an admission by any Settling Party as to the merits of any claim or defense. Plaintiffs acknowledge that the U. S. Steel Defendants have denied and continue to deny the existence of any liability and have denied and continue to deny that they have committed or engaged in any violation of law or wrongdoing whatsoever.

13.2 Whether or not the Settlement is approved by the Court, and whether or not the Settlement is consummated, the facts and terms of this Stipulation (including exhibits) and all negotiations, discussions, drafts, and proceedings in connection with the Settlement, and any act performed or document signed in connection with the Settlement, including the Term Sheet:

(i) shall not be offered, received, or admitted against any of the U. S. Steel Defendant Releasees as evidence of, or construed or used as, or deemed to be evidence of any presumption, concession, or admission by any of the U. S. Steel Defendant Releasees: (a) of the truth of any fact; (b) of the validity of any of Plaintiffs' Released Claims or any claim that was asserted in any of the complaints in this Action, or that could have been or might have been asserted against any of the U. S. Steel Defendant Releasees in this Action or in any litigation in this or any other court, administrative agency, arbitration forum, or other tribunal; (c) of any liability, negligence, gross negligence, recklessness, deliberate recklessness, fault, or other wrongdoing of any kind of any of the U. S. Steel Defendant Releasees to any other Person; (d) of any liability, fault, misrepresentation, or omission with respect to any statement or written document approved or made by any of the U. S. Steel Defendant Releasees; or (e) of any infirmity in the defenses that have been or could have been asserted in this Action;

(ii) shall not be offered, received, or admitted against any of the U. S. Steel Defendant Releasees or Plaintiff Releasees, as evidence of a presumption, concession, or admission with respect to any liability, negligence, fault, or wrongdoing of any kind, or in any way referred to for any other reason or purpose as against any of the Released Persons, in any other civil, criminal or administrative action or proceeding in any court, administrative agency or other tribunal (including, without limitation, any formal or informal investigation or inquiry by the U.S. Securities and Exchange Commission or any other state or federal governmental or regulatory agency), other than such proceedings as may be necessary to enforce the terms of the Settlement or effectuate the provisions of this Stipulation; provided, however, that if this Stipulation is approved by the Court, any Person may: (a) refer to this Stipulation and the Settlement as necessary to secure the liability protections granted them hereunder; and/or (b) file this Stipulation and/or

the Judgment in any action for any purpose, including, without limitation, in order to support a defense or counterclaim based on principles of *res judicata*, collateral estoppel, release and discharge, good faith settlement, judgment bar or reduction, or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim;

(iii) shall not be offered or construed as evidence that a class should or should not be certified in the Action if the Settlement is not consummated;

(iv) shall not be construed against any of the U. S. Steel Defendant Releasees or Plaintiff Releasees as an admission, concession, or presumption that the consideration to be given hereunder represents the amount that could be or would have been recovered after trial; and

(v) shall not be construed against Plaintiffs, Lead Counsel or any other Settlement Class Member(s) as an admission, concession, or presumption that any of their claims are without merit or that damages recoverable under the Amended Complaint would not have exceeded the amount of the Settlement Fund.

14. Miscellaneous Provisions

14.1 All of the following exhibits attached hereto are material and integral parts of this Stipulation and are hereby incorporated by reference as though fully set forth herein: proposed Preliminary Approval Order, Notice, Claim Form, Summary Notice, and proposed Judgment.

14.2 No later than ten (10) calendar days following the filing of this Stipulation with the Court (the “CAFA Notice Date”), the U. S. Steel Defendants shall cause notice to be provided to United States federal and state officials if and to the extent required by the Class Action Fairness Act, 28 U.S.C. §1715 *et seq.* (“CAFA”), and shall confirm with Lead Counsel via email that such service was made. The U. S. Steel Defendants are solely responsible for the costs of the CAFA notice and administering the CAFA notice. At least seven (7) calendar days before the Final Approval Hearing, the U. S. Steel Defendants shall cause to be served on Lead Counsel and filed

with the Court proof, by affidavit or declaration, regarding compliance with the notice requirements of CAFA.

14.3 U. S. Steel warrants that, as to the payments made by or on behalf of it, at the time of such payment made pursuant to ¶4.1 herein, it was not insolvent within the meaning of and/or for the purposes of the United States Bankruptcy Code, including §§101 and 547 thereof. This representation is made by U. S. Steel and not by the U. S. Steel Defendants' Counsel.

14.4 The Settling Parties intend this Settlement to be a final and complete resolution of all of Plaintiffs' Released Claims against all the U. S. Steel Defendant Releasees, and all the U. S. Steel Defendants' Released Claims against all Plaintiff Releasees.

14.5 Except as otherwise provided herein, each Settling Party shall bear its own costs.

14.6 Plaintiffs and the U. S. Steel Defendants, and their respective attorneys, agree not to assert in any forum that this Action was brought by Plaintiffs or Lead Counsel, or defended by the U. S. Steel Defendants or the U. S. Steel Defendants' Counsel, in bad faith or without a reasonable basis. For the purpose of the Court's findings and conclusions pursuant to Section 21D(c)(1) of the Exchange Act, as amended by the PSLRA, 15 U.S.C. §78u-4(c)(1), and Section 27(c)(1) of the Securities Act, as amended by the PSLRA, 15 U.S.C. §77z-1(c)(1), Plaintiffs and the U. S. Steel Defendants shall assert no claims of any violation of Rule 11 of the Federal Rules of Civil Procedure relating to the prosecution, defense, or settlement of this Action and have included this statement in the proposed final judgment to reflect that the Action was filed and all actions taken in respect thereof were taken in good faith and this Action is being settled voluntarily after consultation with competent legal counsel with the assistance of an independent professional mediator.

14.7 The Settling Parties agree that the amount paid and the other terms of this Settlement were negotiated at arm's length and in good faith, including in connection with a mediation conducted by a professional mediator, and reflect a settlement that was reached voluntarily after consultation with experienced legal counsel.

14.8 Whether or not the Stipulation is approved by the Court or the Effective Date occurs, the Settling Parties and their counsel shall use their best efforts to keep all negotiations, discussions, acts performed, agreements, drafts, documents signed, and proceedings in connection with the Stipulation confidential.

14.9 This Stipulation, including the exhibits attached to this Stipulation and the Supplemental Agreement referred to in ¶12.2 herein, may not be modified or amended, nor may any of its provisions be waived, except by a writing signed by or on behalf of all Settling Parties hereto or their successors-in-interest.

14.10 Any condition in this Stipulation may be waived by the party entitled to enforce the condition in a writing signed by that party or its counsel. The waiver by any party of any breach of this Stipulation by any other party shall not be deemed a waiver of the breach by any other party, or a waiver of any other prior or subsequent breach of this Stipulation by that party or any other party. Without further order of the Court, the Settling Parties may agree to reasonable extensions of time to carry out any of the provisions of this Stipulation.

14.11 The headings herein are used for the purpose of convenience only and are not meant to have any legal effect upon the construction or interpretation of any part of this Stipulation.

14.12 The administration and consummation of this Settlement as embodied in this Stipulation shall be under the authority of the Court, and the Court shall retain jurisdiction for the purpose of, *inter alia*, entering orders providing for the implementation and enforcement of the

terms of this Stipulation, including, without limitation, the releases provided for herein, and any awards of attorneys' fees and Litigation Expenses to Lead Counsel or any award to pay the costs and expenses of Plaintiffs.

14.13 The Settling Parties submit to the jurisdiction of the Court for purposes of implementing and enforcing the Settlement embodied in the Stipulation.

14.14 This Stipulation, its attached exhibits and the Supplemental Agreement constitute the entire agreement among the Settling Parties concerning this Settlement, and no representations, warranties, or inducements have been made by or to any Settling Party concerning this Stipulation, its attached exhibits, or the Supplemental Agreement other than those contained and memorialized in such documents. This Stipulation and the Supplemental Agreement supersede any and all prior statements, representations, promises or other agreements, written or oral, with respect to the subject matter of this Stipulation and the Supplemental Agreement.

14.15 It is understood by the Settling Parties that, except for the matters expressly represented herein, the facts or law with respect to which this Stipulation is entered into may turn out to be other than or different from the facts and law now known to each Settling Party or believed by such party to be true; each party therefore expressly assumes the risk of the facts or law turning out to be so different, and agrees that this Stipulation shall be in all respects effective and not subject to termination by reason of any such different facts or law.

14.16 This Stipulation may be executed in one or more original, e-mailed, and/or faxed counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument. Counsel for each of the Settling Parties will maintain their own respective original signature pages. No Settling Party shall raise the use of email to deliver or transmit a signature as

a defense to the formation or enforceability of this Stipulation, and each Settling Party forever waives any such defense. A complete set of executed counterparts shall be filed with the Court.

14.17 This Stipulation shall be binding upon, and inure to the benefit of, the heirs, successors, and assigns of the Settling Parties, the U. S. Steel Defendant Releasees, and Plaintiff Releasees, including any corporation or other entity into or with which any Settling Party, U. S. Steel Defendant Releasee, or Plaintiff Releasee merges, consolidates, or reorganizes.

14.18 Pending approval of the Court of the Stipulation and its attached exhibits, all proceedings in the Action shall be stayed.

14.19 All agreements made and orders entered during the course of the Action relating to the confidentiality of information shall survive this Settlement.

14.20 The construction, interpretation, operation, effect, and validity of this Stipulation, the exhibits attached hereto, and the Supplemental Agreement, and all documents necessary to effectuate them, shall be governed by the laws of the State of Pennsylvania without regard to conflicts of laws, except to the extent that federal law requires that federal law govern.

14.21 Any action arising under or to enforce this Stipulation or any portion thereof shall be commenced and maintained only in this Court.

14.22 This Stipulation and/or any term(s) hereof shall not be construed more strictly against one Settling Party than another merely by virtue of the fact that it, or any part of it, may have been prepared by counsel for one of the Settling Parties, it being recognized that it is the result of arm's-length negotiations among the Settling Parties and all Settling Parties have contributed substantially and materially to the preparation of this Stipulation.

14.23 All counsel and any other Person executing this Stipulation and any of the exhibits attached hereto, or the Supplemental Agreement or any related Settlement documents, warrant and

represent that they have the full authority to do so and that they have the authority to take appropriate action required or permitted to be taken pursuant to the Stipulation to effectuate its terms.

14.24 Lead Counsel and the U. S. Steel Defendants' Counsel agree to cooperate fully in seeking Court approval of the Preliminary Approval Order and the Settlement, and to use reasonable efforts to promptly agree upon and execute all such other documentation as may be reasonably required to obtain final approval by the Court of the Settlement. Lead Counsel and the U. S. Steel Defendants' Counsel agree to cooperate to the extent reasonably necessary to effectuate, implement, and accomplish all of the terms and conditions of this Stipulation.

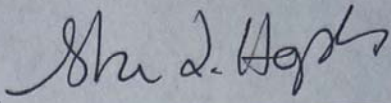
14.25 If any party is required to give notice to the other parties under this Stipulation, such notice shall be in writing and shall be deemed to have been duly given upon receipt by hand delivery, electronic mail, or facsimile transmission. Notice shall be provided to the counsel indicated on the signature block below. Notice shall be provided as follows:

If to Vrakas or Lead Counsel:	Levi & Korsinsky, LLP Attn: Shannon L. Hopkins 1111 Summer Street, Suite 403 Stamford, CT 06901 Telephone: (203) 992-4523 Email: shopkins@zlk.com
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If to the Defendants:	Jones Day Attn: Geoffrey J. Ritts 901 Lakeside Avenue Cleveland, OH 44114 Telephone: (216) 586-3939 Email: gjritts@jonesday.com
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IN WITNESS WHEREOF, the Settling Parties hereto have caused this Stipulation to be executed by their duly authorized attorneys, dated May 20, 2022.

LEVI & KORSINSKY, LLP

By: 
Shannon L. Hopkins

Gregory M. Potrepka
1111 Summer Street, Suite 304
Stamford, CT 06901
Telephone: (203) 992-4523
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Telephone: (212) 363-7500
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*Lead Counsel for Plaintiffs Christakis Vrakas and
Leeann Reed and Lead Counsel for the Class*

-and-

Vincent Coppola, Esquire
Penn. Attorney #50181
513 Court Place
Pittsburgh, PA 15219

Liaison Counsel for Plaintiffs and the Class

JONES DAY

By: 
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*Counsel for Defendants United States Steel
Corporation, Mario Longhi, David Burritt, and
Daniel Lesnak*

[EXHIBIT A – PRELIMINARY APPROVAL ORDER]

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

In re U. S. Steel Consolidated Cases

Civil Action No. 17-579

Judge Cathy Bissoon

**[PROPOSED] ORDER PRELIMINARILY APPROVING
SETTLEMENT AND PROVIDING FOR NOTICE**

WHEREAS a consolidated class action is pending before the Court entitled *In re U. S. Steel Consolidated Cases*, Civil Action No. 17-579 (the “Action”);

WHEREAS, (i) Lead Plaintiff Christakis Vrakas and Plaintiff Leeann Reed (“Plaintiffs”), on behalf of themselves and the other members of the Settlement Class, and (ii) defendants United States Steel Corporation (“U. S. Steel” or the “Company”), Mario Longhi, David B. Burritt, and Dan Lesnak (collectively, the “Individual Defendants” and, together with U. S. Steel, the “U. S. Steel Defendants” or the “Settling Defendants,” and together with Plaintiffs, the “Settling Parties”), have determined to settle all claims asserted in the Action with prejudice on the terms and conditions set forth in the Stipulation and Agreement of Settlement dated May 20, 2022 (the “Stipulation”), subject to approval of this Court (the “Settlement”).

WHEREAS, Plaintiffs having filed Plaintiffs’ Unopposed Motion for Preliminary Approval of Proposed Class Action Settlement (the “Preliminary Approval Motion”), pursuant to Rule 23(e) of the Federal Rules of Civil Procedure, seeking an order preliminarily approving the Settlement of this Action, in accordance with the Stipulation, which, together with the exhibits

annexed thereto, set forth the terms and conditions for a proposed Settlement of the Action and for dismissal of the Action with prejudice upon the terms and conditions set forth therein;

WHEREAS, the Court has read and considered (a) the Preliminary Approval Motion, and the papers filed and arguments made in connection therewith; and (b) the Stipulation and the exhibits attached thereto; and

WHEREAS, all defined terms contained herein shall have the same meanings as set forth in the Stipulation;¹

NOW, THEREFORE, IT IS HEREBY ORDERED:

1. For purposes of effectuating the proposed Settlement only, the Court certifies a Settlement Class defined as: All persons or entities who purchased or otherwise acquired United States Steel Corporation common stock and options during the period from January 27, 2016 through April 25, 2017, inclusive, and were injured thereby. Excluded from the Settlement Class are: (1) the U. S. Steel Defendants; (2) the Individual Defendants' immediate family members; (3) any person who was an Officer or director of the Company during the Class Period; (4) any firm, trust, corporation, or other entity in which a U. S. Steel Defendant has or had a controlling interest; (5) the legal representatives, affiliates, heirs, successors in interest, or assigns of any such excluded person or entity. Also excluded from the Settlement Class are: (i) the Persons and entities listed in Appendix 1 to the Stipulation who requested exclusion from the Settlement Class in connection with the Class Notice; and (ii) all Persons who submit valid and timely requests for exclusion from the Settlement Class in connection with the Notice.

¹ All capitalized terms not otherwise defined herein are defined in the Stipulation. Certain capitalized terms are also defined in the Notice of Proposed Settlement, Final Approval Hearing, and Motion For Attorneys' Fees and Reimbursement of Litigation Expenses (the "Notice"). To the extent there is any conflict between the definitions of capitalized terms in the Notice and the Stipulation, the definition in the Stipulation controls.

2. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, the Court hereby appoints Plaintiffs, Christakis Vrakas and Leeann Reed, as “Class Representatives.”

3. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, Lead Counsel, Levi & Korsinsky, LLP, is appointed as “Class Counsel” and is authorized to act on behalf of the Class Representatives and other Settlement Class Members, with respect to all acts or consents required by or that may be given pursuant to the Stipulation, including all acts that are reasonably necessary to consummate the Settlement.

4. The Court finds that certification of the Settlement Class for settlement purposes only is appropriate because:

a. The Settlement Class is so numerous that joinder of all members is impracticable, satisfying the requirements of Rule 23(a)(1);

b. There are questions of law or fact common to the Settlement Class, satisfying the requirement of Rule 23(a)(2);

c. The claims of Plaintiffs are typical of the claims of the Settlement Class, satisfying the requirement of Rule 23(a)(3);

d. The Class Representatives will fairly and adequately protect the interests of the Settlement Class, satisfying the requirement of Rule 23(a)(4); and

e. Questions of law and fact common to the Settlement Class Members predominate over questions affecting only individual members and a class action is superior to other methods available for the fair and efficient adjudication of the controversy, satisfying the requirements of Rule 23(b)(3).

5. The Court does hereby preliminarily approve the Settlement as embodied in the Stipulation, subject to further consideration at the Final Approval Hearing described below, as fair, reasonable, and adequate to the Settlement Class.

6. A hearing (the “Final Approval Hearing”) shall be held before this Court on _____, 2022, at _____ .m., either via telephonic or video conference, or at the Joseph F. Weis, Jr. U.S. Courthouse, Courtroom 3A, 3rd Floor, 700 Grant Street Pittsburgh, PA 15219, to determine whether the proposed Settlement of the Action on the terms and conditions provided for in the Stipulation is fair, just, reasonable, and adequate to the Settlement Class and should be approved by the Court; whether a Judgment substantially in the form attached as Exhibit B to the Stipulation should be entered dismissing the Action with prejudice against the U. S. Steel Defendants; whether the proposed Plan of Allocation is fair and reasonable and should be approved; to determine whether the motion by Lead Counsel for an award of attorneys’ fees and Litigation Expenses to Lead Counsel and Liaison Counsel and costs and expenses of Plaintiffs should be approved; and to consider any other matters that may properly be brought before the Court in connection with the Settlement.

7. The Court approves, as to form and content, the Notice of Pendency of Proposed Settlement, Final Approval Hearing, and Motion for Attorneys’ Fees and Reimbursement of Litigation Expenses (the “Notice”); the Proof of Claim and Release Form (the “Claim Form”); and Summary Notice of Proposed Settlement, Final Approval Hearing, and Motion for Attorneys’ Fees and Reimbursement of Litigation Expenses (“Summary Notice”) for publication annexed as Exhibits A-1, A-2 and A-3 hereto and finds that the mailing and distribution of the Notice and publishing of the Summary Notice substantially in the manner and form set forth in ¶8 of this Order: (i) is the best notice practicable under the circumstances; (ii) constitutes notice that is

reasonably calculated, under the circumstances, to apprise Settlement Class Members of the pendency of the Action, of the effect of the proposed Settlement (including the Releases to be provided thereunder), of Lead Counsel's motion for an award of attorneys' fees, reimbursement of Litigation Expenses, and costs and expenses of Plaintiffs, of their right to object to the Settlement, the Plan of Allocation, and/or Lead Counsel's motion for an award of attorneys' fees, reimbursement of Litigation Expenses, and costs and expenses of Plaintiffs, of their right to exclude themselves from the Settlement Class, and of their right to appear at the Settlement Hearing; (iii) constitutes due, adequate, and sufficient notice to all Persons entitled to receive notice of the proposed settlement; and (iv) satisfies the requirements of Rule 23 of the Federal Rules of Civil Procedure, 15 U.S.C. § 78u-4(a)(7), the United States Constitution (including the Due Process Clause), and all other applicable laws and rules. The date and time of the Final Approval Hearing shall be included in the Notice and Summary Notice before they are mailed and published, respectively.

8. The firm of A.B. Data, Ltd. ("Claims Administrator") was previously retained by Lead Counsel to supervise and administer the distribution of the Class Notice and receive and process requests for exclusion from the Settlement Class. The Claims Administrator is hereby appointed to supervise and administer the notice procedure in connection the proposed Settlement as well as the processing of claims as more fully set forth below:

a. Not later than fifteen (15) business days after entry of this order (the "Notice Date"), the Claims Administrator shall cause a copy of the Notice and the Claim Form, substantially in the forms annexed as Exhibits A-1 and A-2 hereto, to be mailed by first-class mail to all Settlement Class Members who can be identified with reasonable effort;

b. No later than the Notice Date, the Claims Administrator shall cause copies of the Notice and the Claim Form to be posted on a website to be developed for the Settlement, from which copies of the Notice and Claim Form can be downloaded;

c. No later than ten (10) calendar days after the Notice Date, the Summary Notice, substantially in the form annexed as Exhibits A-3 hereto, shall be published once in *Investor's Business Daily* and once over a national newswire service; and

d. At least seven (7) calendar days prior to the Final Approval Hearing, Lead Counsel shall cause to be served on the U. S. Steel Defendants' Counsel and filed with the Court proof, by affidavit or declaration, of such mailing and publishing.

9. The U. S. Steel Defendants shall complete service on the appropriate federal and state government officials of all notices required under the Class Action Fairness Act, 28 U.S.C. §1715 et seq. ("CAFA"), no later than ten (10) calendar days following the filing of the Stipulation with the Court. At least seven (7) calendar days before the Final Approval Hearing, the U. S. Steel Defendants shall cause to be served on Lead Counsel and filed with the Court proof, by affidavit or declaration, regarding compliance with the notice requirements of CAFA.

10. Nominees who purchased or otherwise acquired U. S. Steel common stock or options for the beneficial ownership of Settlement Class Members during the Settlement Class Period shall send the Notice and the Claim Form to all such beneficial owners within ten (10) days after receipt thereof, or send a list of the names and addresses of such beneficial owners to the Claims Administrator within ten (10) days of receipt thereof, in which event the Claims Administrator shall promptly mail the Notice and Claim Form to such beneficial owners. Such holders of record shall be reimbursed from the Settlement Fund, upon receipt by the Claims Administrator of proper documentation, for the reasonable expense of providing Notice to

beneficial owners who are Settlement Class Members out of the Settlement Fund, which expenses would not have been incurred except for the sending of such Notice, subject to further order of this Court with respect to any dispute concerning such reimbursement.

11. All Settlement Class Members who: (i) did not request exclusion from the Settlement Class in connection with the Class Notice (listed in Appendix 1 to the Stipulation); and/or (ii) do not exclude themselves by the deadline set forth below shall be bound by all determinations and judgments in the Action concerning the Settlement.

12. All Settlement Class Members who wish to participate in the Settlement and to be eligible to receive a distribution from the Net Settlement Fund shall complete and submit Claim Forms in accordance with the instructions contained therein. Unless the Court orders otherwise, all Claim Forms must be postmarked no later than ninety (90) calendar days from the Notice Date. Any Settlement Class Member who does not submit a Claim Form within the time provided for shall be barred from sharing in the distribution of the proceeds of the Settlement Fund, unless otherwise ordered by the Court. Notwithstanding the foregoing, Lead Counsel shall have discretion to accept late-submitted Claims for processing by the Claims Administrator so long as the distribution of the Settlement Fund is not materially delayed thereby. By submitting a Claim, a Person shall be deemed to have submitted to the jurisdiction of the Court with respect to his, her, or its Claim and the subject matter of the Settlement.

13. Any Settlement Class Member that does not timely and validly submit a Claim Form or whose Claim is not otherwise approved by the Court: (a) shall be deemed to have waived his, her, or its right to share in the Net Settlement Fund; (b) shall be forever barred from participating in any distributions therefor; (c) shall be bound by the provisions of the Stipulation and the Settlement and all proceedings, determinations, orders, and judgments in the Action

relating thereto, including, without limitation, the Judgment, and the Releases provided for therein, whether favorable or unfavorable to the Settlement Class; and (d) will be barred from commencing, instituting, prosecuting, or continuing to prosecute any action or other proceeding in any court of law or equity, arbitration tribunal, or administrative forum, asserting any of Plaintiffs' Released Claims (including Unknown Claims) against any of the U. S. Steel Defendant Releasees, as more fully described in the Stipulation and Notice.

14. Any Settlement Class Member may enter an appearance in the Action, at their own expense, individually or through counsel of their own choice, in which case such counsel must file with the Clerk of the Court a notice of such appearance. If they do not enter an appearance, they will be represented by Lead Counsel.

15. Any Person falling within the definition of the Settlement Class may, upon request, be excluded from the Settlement Class. Any such Person must submit to the Claims Administrator a request for exclusion ("Request for Exclusion"), in the manner set forth in the Notice no later than twenty-eight (28) calendar days prior to the Final Approval Hearing. A Request for Exclusion must: (a) state the name, address, and telephone number of the Person requesting exclusion; (b) identify the number of shares of U. S. Steel common stock or options purchased or otherwise acquired during the Settlement Class Period; (c) identify the date of each such purchase or acquisition and the price or other consideration paid; (d) identify the date of each sale or other disposition of any share of U. S. Steel common stock or options during the Settlement Class Period and the price or other consideration received; (e) identify the number of shares of U. S. Steel common stock or options held immediately before the commencement of the Settlement Class Period; (f) contain a statement that the Person wishes to be excluded from the Settlement Class; and (g) be signed by the Person requesting exclusion. A Request for Exclusion shall not be

effective unless it provides all the required information and is received within the time stated above, or is otherwise accepted by the Court in a manner and with timing not inconsistent with the right of the U. S. Steel Defendants to terminate the Settlement pursuant to the Stipulation. Copies of all requests for exclusion received by Lead Counsel or the Claims Administrator, together with copies of all written revocations of requests for exclusion, shall be delivered to the U. S. Steel Defendants' Counsel within three (3) business days of receipt.

16. All Persons who submit valid and timely Requests for Exclusion in the manner set forth in ¶15 shall have no rights under the Stipulation, shall not share in the distribution of the Net Settlement Fund, and shall not be bound by the Stipulation or the Judgment entered in the Action.

17. Any Settlement Class Member that does not timely and validly request exclusion from the Settlement Class in the manner stated in this Order: (a) shall be deemed to have waived his, her, or its right to be excluded from the Settlement Class; (b) shall be forever barred from requesting exclusion from the Settlement Class in this or any other proceeding; (c) shall be bound by the provisions of the Stipulation and Settlement and all proceedings, determinations, orders, and judgments in the Action, including, but not limited to, the Judgment, and the Releases provided for therein, whether favorable or unfavorable to the Settlement Class; and (d) will be barred from commencing, instituting, prosecuting, or continuing to prosecute any action or other proceeding in any court of law or equity, arbitration tribunal, or administrative forum, asserting any of Plaintiffs' Released Claims (including Unknown Claims) against any of the U. S. Steel Defendant Releasees, as more fully described in the Stipulation and Notice.

18. Any Settlement Class Member that does not request exclusion from the Settlement Class may file a written objection to the proposed Settlement as set forth in the Stipulation, the proposed Plan of Allocation, and/or Lead Counsel's motion for an award of attorneys' fees and

reimbursement of Litigation Expenses and any award for the costs and expenses of Plaintiffs if he, she, or it has any cause why the proposed Settlement as set forth in the Stipulation, the proposed Plan of Allocation, and/or Lead Counsel's motion for an award of attorneys' fees and reimbursement of Litigation Expenses and any award for the costs and expenses of Plaintiffs should not be approved. Such objection must be filed in writing not later than twenty-eight (28) days prior to the Final Approval Hearing with the Clerk of the Court, Joseph F. Weis, Jr. U.S. Courthouse, 700 Grant Street Pittsburgh, PA 15219, and copies of such papers also must be served in writing or via email not later than twenty-eight (28) calendar days prior to the date scheduled herein for the Final Approval Hearing on both: (i) Shannon L. Hopkins, Levi & Korsinsky, LLP, 1111 Summer Street, Suite 304, Stamford, CT 06901, Email: sh Hopkins@zlk.com, Lead Counsel for Plaintiffs and the Settlement Class; and (ii) Geoffrey J. Ritts, Jones Day, 901 Lakeside Avenue, Cleveland, OH 44114, Email: gjritts@jonesday.com, U. S. Steel Defendants' Counsel. Lead Counsel and U. S. Steel Defendants' Counsel shall promptly furnish each other with copies of any and all objections that come into their possession. As set forth in the Notice, any objection must: (a) clearly identify the case name and number, *In re U. S. Steel Consolidated Cases*, Civil Action No. 17-579; (b) include the full name, address and phone number of the objecting Settlement Class Member; (c) include a list of all of the Settlement Class Member's Settlement Class Period transactions in U. S. Steel common stock and/or stock options; and (d) include a written statement of all grounds for the objection.

19. Any objector who wishes to appear in person at the Final Approval Hearing must submit to the Court with his, hers, or its objection a Notice of Intention to Appear. If the objector intends to appear at the Final Approval Hearing through counsel, the objection must also state the identity of all attorneys who will appear at the Final Approval Hearing on the objector's behalf

and those counsel must submit a Notice of Intention to Appear with the objection. Any Settlement Class Member who does not make his, her, or its objection in the manner provided shall be deemed to have waived such objection and shall forever be foreclosed from making any objection in this or any other proceeding to the fairness or adequacy of the proposed Settlement as set forth in the Stipulation, to the Plan of Allocation, to the award of attorneys' fees and reimbursement of Litigation Expenses to Lead Counsel, or to any award for the costs and expenses of Plaintiffs, unless otherwise ordered by the Court.

20. All funds held by the Escrow Agent shall be deemed and considered to be in *custodia legis* of the Court, and shall remain subject to the jurisdiction of the Court, until such time as such funds shall be distributed pursuant to the Stipulation and/or further order(s) of the Court.

21. Lead Counsel shall be entitled to withdraw up to \$350,000 from the Settlement Fund pursuant to ¶5.5 of the Stipulation to pay reasonable Notice and Administration Costs upon the execution of this Order, subject to final approval of said expenses at the Final Approval Hearing and the other provisions of the Stipulation.

22. Lead Counsel is authorized and directed to prepare any tax returns and any other tax reporting form for or in respect to the Settlement Fund, to pay from the Settlement Fund any Taxes owed with respect to the Settlement Fund, and to otherwise perform all obligations with respect to Taxes and any reporting or filings in respect thereof without further order of the Court in a manner consistent with the provisions of the Stipulation.

23. All papers in support of final approval of the Settlement, the Plan of Allocation, and any motion by Lead Counsel for attorneys' fees, reimbursement of their Litigation Expenses and an award for the costs and expenses of Plaintiffs shall be filed and served forty-two (42) days

before the date of the Final Approval Hearing. Additionally, any reply brief(s) shall be filed and served fourteen (14) days before the date of the Final Approval Hearing.

24. The U. S. Steel Defendants and their counsel shall have no responsibility for the Plan of Allocation or any motion for attorneys' fees or reimbursement of Litigation Expenses submitted by Lead Counsel or for an award for the costs and expenses of Plaintiffs, and such matters will be considered separately from the fairness, reasonableness, and adequacy of the Settlement.

25. At or after the Final Approval Hearing, the Court shall determine whether the Plan of Allocation proposed by Lead Counsel and any motion for attorneys' fees or reimbursement of Litigation Expenses or application for an award for the costs and expenses of Plaintiffs shall be approved.

26. All reasonable expenses incurred in identifying and notifying Settlement Class Members, as well as administering the Settlement Fund, shall be paid as set forth in the Stipulation. In the event the Settlement is not approved by the Court, or otherwise fails to become effective, neither the Plaintiffs nor Lead Counsel shall have any obligation to repay any amounts properly paid or incurred pursuant to ¶5.5 of the Stipulation up to \$350,000.

27. Neither this Order, the facts and terms of the Stipulation (including exhibits) and all negotiations, discussions, drafts, and proceedings in connection with the Settlement, or any act performed or document signed in connection with the Settlement, including the Term Sheet: (i) shall be offered, received, or admitted against any of the U. S. Steel Defendant Releasees as evidence of, or construed or used as, or deemed to be evidence of any presumption, concession, or admission by any of the U. S. Steel Defendant Releasees: (a) of the truth of any fact; (b) of the validity of any of Plaintiffs' Released Claims or any claim that was asserted in any of the

complaints in this Action, or that could have been or might have been asserted against any of the U. S. Steel Defendant Releasees in this Action or in any litigation in this or any other court, administrative agency, arbitration forum, or other tribunal; (c) of any liability, negligence, gross negligence, recklessness, deliberate recklessness, fault, or other wrongdoing of any kind of any of the U. S. Steel Defendant Releasees to any other Person; (d) of any liability, fault, misrepresentation, or omission with respect to any statement or written document approved or made by any of the U. S. Steel Defendant Releasees; or (e) of any infirmity in the defenses that have been or could have been asserted in this Action; (ii) shall be offered, received, or admitted against any of the U. S. Steel Defendant Releasees or Plaintiff Releasees, as evidence of a presumption, concession, or admission with respect to any liability, negligence, fault, or wrongdoing of any kind, or in any way referred to for any other reason or purpose as against any of the Released Persons, in any other civil, criminal or administrative action or proceeding in any court, administrative agency or other tribunal (including, without limitation, any formal or informal investigation or inquiry by the U.S. Securities and Exchange Commission or any other state or federal governmental or regulatory agency), other than such proceedings as may be necessary to enforce the terms of the Settlement or effectuate the provisions of this Stipulation; provided, however, that if this Stipulation is approved by the Court, any Person may: (a) refer to this Stipulation and the Settlement as necessary to secure the liability protections granted them hereunder; and/or (b) file this Stipulation and/or the Judgment in any action for any purpose, including, without limitation, in order to support a defense or counterclaim based on principles of *res judicata*, collateral estoppel, release and discharge, good faith settlement, judgment bar or reduction, or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim; (iii) shall be offered or construed as evidence that a class should or should not be

certified in the Action if the Settlement is not consummated; (iv) shall be construed against any of the U. S. Steel Defendant Releasees or Plaintiff Releasees as an admission, concession, or presumption that the consideration to be given hereunder represents the amount that could be or would have been recovered after trial; or (v) shall be construed against Plaintiffs, Lead Counsel, or any other Settlement Class Member(s) as an admission, concession, or presumption that any of their claims are without merit or that damages recoverable under the Amended Complaint would not have exceeded the amount of the Settlement Fund; *provided, however*, that if the Stipulation is approved by the Court, the Settling Parties and the Releasees and their respective counsel may refer to it to effectuate the protections from liability granted thereunder or otherwise to enforce the terms of the Settlement.

28. If the Settlement is terminated as provided in the Stipulation, the Settlement is not approved, or the Effective Date of the Settlement otherwise fails to occur, this Order shall be vacated, rendered null and void, and be of no further force and effect, except as otherwise provided by the Stipulation, and this Order shall be without prejudice to the rights of Plaintiffs, the other Settlement Class Members, and the U. S. Steel Defendants, and the Settling Parties shall be deemed to have reverted to their respective status in this Action as of February 25, 2022, with all of their respective claims and defenses preserved as they existed on that date, as provided in the Stipulation.

29. Pending final determination of whether the Settlement should be approved, the Court stays all proceedings in the Action other than proceedings necessary to carry out or enforce the terms and conditions of the Stipulation. Pending final determination of whether the Settlement should be approved, the Court bars and enjoins Plaintiffs and all other members of the Settlement Class and anyone who acts or purports to act on their behalf from bringing any action, claim, or

other proceeding of any kind against any of the U. S. Steel Defendant Releasees concerning any of Plaintiffs' Released Claims (including any Unknown Claim).

30. The Court reserves the right to adjourn the date of the Final Approval Hearing without further notice to the Settlement Class Members, and retains jurisdiction to consider all further motions arising out of or connected with the proposed Settlement. The Court may approve the Settlement, with such modifications as may be agreed to by the Settling Parties, if appropriate, without further notice to the Settlement Class and may enter the Judgment regardless of whether it has approved the Plan of Allocation and/or Lead Counsel's motion for attorneys' fees, Litigation Expenses, and/or costs and expenses of Plaintiffs.

IT IS SO ORDERED

Date: _____

THE HONORABLE CATHY BISSOON
UNITED STATES DISTRICT COURT
JUDGE

[EXHIBIT A-1 – NOTICE]

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

In re U. S. Steel Consolidated Cases

Civil Action No. 17-579

Judge Cathy Bissoon

NOTICE OF PROPOSED SETTLEMENT, FINAL APPROVAL HEARING, AND MOTION FOR
ATTORNEYS' FEES AND REIMBURSEMENT OF LITIGATION EXPENSES

IF YOU PURCHASED OR OTHERWISE ACQUIRED UNITED STATES STEEL CORPORATION COMMON STOCK OR OPTIONS ON UNITED STATES STEEL COMMON STOCK DURING THE PERIOD BEGINNING JANUARY 27, 2016 THROUGH APRIL 25, 2017, INCLUSIVE, AND WERE INJURED THEREBY, YOU MAY BE ENTITLED TO PAYMENT FROM A CLASS ACTION SETTLEMENT.

*A Federal Court authorized this notice. This is not a solicitation from a lawyer.
This is not a notice that you have been sued.*

This notice summarizes the proposed Settlement.¹ For the precise terms and conditions of the Settlement, please see the Stipulation by downloading it from www.ussteellitigation.com, by contacting Lead Counsel at the addresses and phone numbers listed below, by accessing the Court docket in this case, for a fee, through the Court's Public Access to Court Electronic Records (PACER) system at <https://ecf.pawd.uscourts.gov>, or by visiting the Courtroom Deputy for the United States District Court for the Western District of Pennsylvania, Joseph F. Weis, Jr. U.S. Courthouse 700 Grant Street Pittsburgh, PA 15219, between 8:30 a.m. and 4:30 p.m., Monday through Friday, excluding Court holidays.

¹ All capitalized terms used in this Notice are defined in the Stipulation and Agreement of Settlement, dated May 20, 2022 (the "Stipulation"), available for download at www.ussteellitigation.com. For convenience, certain capitalized terms are also defined in this Notice. To the extent there is any conflict between the definitions of capitalized terms in this Notice and the Stipulation, the definition in the Stipulation controls.

Questions? Call 877-868-2084 (Toll free) or Visit www.ussteellitigation.com

PLEASE DO NOT TELEPHONE THE COURT, THE COURT CLERK'S OFFICE, THE U. S. STEEL DEFENDANTS, OR THE U. S. STEEL DEFENDANTS' COUNSEL TO INQUIRE ABOUT THIS SETTLEMENT OR THE CLAIM PROCESS.

Overview of the Settlement

The Settlement of this class action lawsuit (the "Action") will provide \$40 million in cash (the "Settlement Amount"), plus interest, as provided for in the Stipulation to pay claims from investors who purchased or otherwise acquired United States Steel Corporation ("U. S. Steel" or the "Company") common stock and options between January 27, 2016 and April 25, 2017, inclusive (the "Settlement Class Period"), and suffered losses. Depending on the number of eligible shares purchased by investors who elect to participate in the Settlement and when those shares were purchased and sold, the average distribution is estimated to be \$0.31 per damaged share purchased in the Settlement Class Period, before deduction of Court-approved fees and expenses described below. The per-share amount assumes all eligible Settlement Class Members submit a valid and timely Proof of Claim and Release form ("Claim Form"). If fewer than all Settlement Class Members submit timely and valid Claim Forms, which is likely, the distributions per share will be higher.

The Settlement, which is subject to Court approval, resolves this Action – a class action brought in federal court by Court-appointed Lead Plaintiff Christakis Vrakas and Plaintiff Leeann Reed ("Plaintiffs"), on behalf of themselves and others who purchased or otherwise acquired U. S. Steel common stock and options during the Settlement Class Period, over whether U. S. Steel and Mario Longhi, David B. Burritt, and Dan Lesnak (the "Individual Defendants") (U. S. Steel and the Individual Defendants are collectively referred to as the "U. S. Steel Defendants") misled investors about whether U. S. Steel was implementing a Reliability Centered Maintenance ("RCM") program, claimed beneficial consequences of RCM, the nature and severity of certain alleged unplanned outages, and U. S. Steel's capacity to meet demand. The Settlement avoids costs and risks from continuing the Action: it pays money to investors like you, and it releases the U. S. Steel Defendants from liability.

If the Settlement is approved by the Court, the Court-appointed lawyers for investors, Levi & Korsinsky, LLP, will ask the Court for an award of attorneys' fees of no more than one-third (33 and 1/3%) of the Settlement Fund and Litigation Expenses of up to \$3,300,000 incurred in investigating the facts, litigating the case and negotiating the Settlement. Plaintiffs will also apply for reimbursement of reasonable costs and expenses incurred directly related to their representation of the Settlement Class, pursuant to the Private Securities Litigation Reform Act of 1995, not to exceed \$80,000 in the aggregate. The attorneys' fees, Litigation Expenses, and costs and expenses reasonably incurred by Plaintiffs, if approved, will come out of the \$40 million Settlement Fund, and are estimated to be an average of \$0.13 per damaged share purchased in the Settlement Class Period.

Plaintiffs alleged claims under the Securities and Exchange Act of 1934 ("Exchange Act") and the Securities Act of 1933 ("Securities Act"). The Court sustained Plaintiffs' claims as they related to alleged misstatements concerning U. S. Steel's investments in, and implementation of, RCM, certain stated benefits achieved from the RCM program, the nature and severity of alleged unplanned outages, and U. S. Steel's capacity to meet market demand. The Sections 11 and 15 Securities Act claims were voluntarily dismissed prior to the Settling Parties entry into the Stipulation.

The U. S. Steel Defendants deny all liability and believe they would win the case at trial. Plaintiffs and the U. S. Steel Defendants do not agree on the average amount of damages per share that would be recoverable if the

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Plaintiffs were to have prevailed on each claim alleged. The issues on which the Settling Parties disagree include, among other things: (1) the extent to which the various matters that Plaintiffs allege were materially false or misleading influenced (if at all) the trading price of U. S. Steel common stock at various times during the Settlement Class Period; (2) the extent to which the various allegedly adverse material facts which were omitted influenced (if at all) the trading price of U. S. Steel common stock at various times during the Settlement Class Period; (3) whether the alleged misstatements were false or misleading; (4) whether any of the U. S. Steel Defendants acted with the wrongful intent alleged by Plaintiffs; and (5) whether, even if liability could be proven, total damages would be more than \$0 per damaged share.

If you are a Settlement Class Member (as the term is defined below), your legal rights are affected by the Settlement, regardless of whether you act or do not act. **Read this notice carefully.**

Your Legal Rights and Options	
You can:	That Means:
Submit a Claim Form Postmarked by _____	You can show that you are a Settlement Class Member and can get payment from the Settlement. If the proposed Settlement is finally approved by the Court, you may share in the proceeds if your claim is received, timely, and valid and you meet the other requirements of the Plan of Allocation described on pages __ to __ below. This is the only way to get a payment. You will be bound by the Judgment and release described below if you do not exclude yourself from the Settlement Class regardless of whether you submit a claim.
Exclude Yourself by Submitting a Written Request for Exclusion Postmarked by _____	You can ask to be excluded from the Settlement Class. If excluded, you will get no payment from the Settlement Fund and will not be part of the Settlement Class, and will not be bound by any Judgment. This is the only option that allows you to ever be part of any other separate lawsuit, including your own lawsuit, against any of the U. S. Steel Defendants concerning any of Plaintiffs' Released Claims.
Object by Submitting A Written Objection Postmarked by _____	If you remain part of the Settlement Class but have an objection to the Settlement, or some part of it, or the requested attorneys' fees or expenses, you can write to the Court to explain why. You cannot object to the Settlement, or some part of it, or the requested attorneys' fees or expenses unless you are a Settlement Class Member and do not exclude yourself from the Settlement Class.
Go to a Hearing on _____	If you remain part of the Settlement Class, you can write to the Court and ask to speak at the Final Approval Hearing on _____ when the Court considers the fairness of the Settlement and the request for attorneys' fees, reimbursement of Litigation Expenses of Lead Counsel, and the request for reimbursement of reasonable costs and expenses incurred by Plaintiffs directly related to their representation of the Settlement Class.
Do Nothing	You will get no payment and give up your rights to sue the U. S. Steel Defendants about the claims that are resolved by this Settlement. You will be bound by any judgments or orders entered by the Court in the Action.

These rights and options – **and the deadlines to exercise them** – are explained in this Notice.

While the Court in charge of this case has given preliminary approval to the Settlement, it still must decide whether to give final approval of the Settlement (subject to any appeals) as fair, reasonable, and adequate.

WHAT THIS NOTICE CONTAINS

BASIC INFORMATION

1. Why did I get this Notice package?
2. What is this Action about?
3. What is a class action?
4. Why is there a Settlement?

WHO IS INCLUDED IN THE SETTLEMENT?

5. How do I know if I am a Settlement Class Member?
6. Are there any exceptions to being included as a Settlement Class Member?
7. I am still not sure if I'm included.

THE SETTLEMENT BENEFITS

8. What does the Settlement provide?
9. How much will my payment be?
10. How can I get a payment?
11. When would I get my payment?
12. What am I giving up to get a payment or stay in the Settlement Class?

EXCLUDING YOURSELF FROM THE SETTLEMENT

13. How do I get out of the Settlement?

THE LAWYERS REPRESENTING YOU

14. Do I have a lawyer in this case?
15. How will the lawyers be paid?

OBJECTING TO THE SETTLEMENT

16. How do I tell the Court that I do not like the Settlement?
17. What's the difference between objecting and being excluded from the Settlement Class?

THE COURT'S FINAL APPROVAL HEARING

18. When and where will the Court decide whether to approve the Settlement?
19. Do I have to come to the Final Approval Hearing?

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20. May I speak at the Final Approval Hearing?

IF YOU DO NOTHING

21. What happens if I do nothing at all?

GETTING MORE INFORMATION

22. Are there more details about the Settlement?

SPECIAL NOTICE TO NOMINEES

23. Special Notice to Banks, Trustees, Brokerage Firms, or Other Nominees.

UNDERSTANDING YOUR PAYMENT - THE PLAN OF ALLOCATION

- A. Introduction to the Plan of Allocation
- B. Calculation of Recognized Loss Amounts
 - 1. Recognized Loss Amount for U. S. Steel Common Stock
 - 2. Recognized Loss Amount for U. S. Steel Call Options
- C. Additional Provisions of the Plan of Allocation

BASIC INFORMATION

1. Why did I get this Notice package?

You or someone in your family may have purchased or otherwise acquired U. S. Steel common stock or options of U. S. Steel during the period between January 27, 2016 and April 25, 2017, inclusive.

The Court caused this Notice to be sent to you because you have a right to know about a proposed Settlement of a class action lawsuit, a hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement, and about all of your options, before the Court decides whether to approve the Settlement. If the Court approves the Settlement and after any objections or appeals are resolved, a Claims Administrator appointed by the Court will make the payments that the Settlement allows.

This Notice explains this Action, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them. It is not an expression of any opinion by the Court with respect to the truth of the allegations of the litigation or the merits of the claims or defenses asserted.

The Court in charge of the case is the United States District Court for the Western District of Pennsylvania, and the case is known as *In re U. S. Steel Consolidated Cases*, Civil Action No. 17-579. The Honorable Cathy Bissoon is the Judge in charge of this class action. The person(s) who sued are called the "Plaintiffs." The company being sued, United States Steel Corporation, and the persons who are being sued, certain of U. S. Steel's current and former executives, Mario Longhi, David B. Burritt, and Dan Lesnak, are called the "U. S. Steel Defendants."

Questions? Call 877-868-2084 (Toll free) or Visit www.ussteellitigation.com

2. What is this Action about?

In the Action, Plaintiffs allege that the U. S. Steel Defendants unlawfully inflated U. S. Steel's stock price by misleading investors that U. S. Steel was investing in and implementing a proactive maintenance program (RCM), was achieving sustainable benefits from RCM, and that U. S. Steel had capacity to meet demand when steel market conditions improved. Plaintiffs allege that the misleading nature of the U. S. Steel Defendants' statements remained hidden until a disclosure on April 25, 2017 revealing, *inter alia*, that the U. S. Steel had not been implementing or achieving sustainable benefits from RCM, that ongoing unplanned outages at U. S. Steel's flat-rolled plants were more severe than publicly represented, and that U. S. Steel did not have the capacity to meet demand at a time when market conditions for steel were improving. Plaintiffs further allege that the Settlement Class suffered damages when the truth regarding these matters was publicly disclosed.

Beginning on May 3, 2017, several class action complaints were filed in the Western District of Pennsylvania against the U. S. Steel Defendants asserting violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 and Rule 10b-5 promulgated thereunder.

On August 16, 2017, the Court appointed Christakis Vrakas as Lead Plaintiff. Lead Plaintiff filed an amended complaint (the "Amended Complaint") on October 2, 2017, adding Leeann Reed and Robert Myer as additional plaintiffs, and Dan Lesnak, U. S. Steel's then-General Manager of Investor Relations, and the underwriters in the Company's August 15, 2016 secondary public offering as additional defendants. The Amended Complaint also asserted additional claims under Sections 11 and 15 of the Securities Act of 1933.

Defendants moved to dismiss Plaintiffs' Amended Complaint. The Court denied in part and granted in part Defendants' Motion to Dismiss on September 29, 2018.

On November 15, 2018, Defendants filed their answers to the Amended Complaint, denying all claims and wrongdoing asserted, as well as any liability arising out of the conduct alleged in the Amended Complaint. The Defendants also asserted several affirmative defenses to the claims made in the Amended Complaint.

On March 4, 2019, with Court approval, plaintiff Robert Myer voluntarily withdrew as a plaintiff from the Action. On March 15, 2019, with Court approval, plaintiff Leeann Reed voluntarily dismissed her Section 11 and 15 claims against the defendants, and the underwriters were dismissed from the Action.

On April 19, 2019, Plaintiffs moved for class certification seeking to certify a class defined as: All persons or entities who purchased or otherwise acquired United States Steel Corporation common stock and options during the period from January 27, 2016 through April 25, 2017, inclusive, and were injured thereby. Excluded from the Class are: (i) Defendants; (ii) the Individual Defendants' immediate family members; (iii) any person who was an Officer or director of the Company during the Class Period; (iv) any firm, trust, corporation, or other entity in which a Defendant has or had a controlling interest; (v) the legal representatives, affiliates, heirs, successors in-interest, or assigns of any such excluded person or entity.

On May 15, 2019, pursuant to the Court's Case Management Order, the Settling Parties participated in a mediation session with Retired United States District Judge Layn R. Phillips of Phillips ADR Enterprises LLC. The Settling Parties were unable to reach a settlement.

By order dated December 31, 2019, the Court certified the Class, as defined above, appointed Christakis Vrakas and Leeann Reed as the Class Representatives and Levi & Korsinsky, LLP as Class Counsel. Certification of the Class

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means that the Action is legally recognized as a Class Action pursuant to Rule 23 of the Federal Rules of Civil Procedure.

On May 28, 2020, the Court granted Plaintiffs' unopposed Motion for Approval of Dissemination of Class Notice. Pursuant to the Court's order, the Claims Administrator disseminated 217,694 notices to potential class members notifying them, among other things, that the class had been certified.

Over the course of the following 29 months, the parties engaged in merits and expert discovery during which Plaintiffs, through their counsel, reviewed over 2.3 million pages of documents produced by the U. S. Steel Defendants and over 230,000 pages of documents produced by third parties pursuant to over 50 subpoenas issued by the Settling Parties, took over 30 merits and expert depositions and exchanged expert reports. Plaintiffs also responded to numerous sets of discovery requests served on and by the U. S. Steel Defendants, defended depositions taken by the U. S. Steel Defendants, and briefed and argued discovery disputes before the Court.

On April 19, 2021, the Settling Parties participated in a mediation session with Robert Meyer, Esq., of JAMS ADR. The Settling Parties were unable to reach a settlement.

On August 26, 2021, after the completion of fact discovery, the Settling Parties participated in a further mediation session with Robert Meyer, Esq. The Settling Parties were unable to reach a settlement.

On September 21, 2021, the Court held a Settlement Conference during which the Settling Parties' discussed their respective settlement positions. The Settling Parties did not reach a settlement at the conference and the Court set a briefing schedule for the U. S. Steel Defendants' Motion for Class Decertification.

The U. S. Steel Defendants filed a Motion for Class Decertification on October 21, 2021, which Plaintiffs opposed on December 3, 2021.

On February 15, 2022, the Settling Parties participated in a mediation session with David Murphy, Esq., of Phillips ADR Enterprises LLC. The Settling Parties were unable to reach a settlement at the mediation session, but continued to negotiate in consultation with Mr. Murphy, over the next ten days.

On February 25, 2022, Mr. Murphy made a double-blind mediator's proposal that the Action be settled for \$40 million in cash, which both sides accepted later that day. On February 28, 2022, the Settling Parties executed a Term Sheet memorializing the Settlement Amount and other key terms to settle this Action.

On May 20, 2022, the Settling Parties executed the Stipulation, which sets forth the terms and conditions of the Settlement. The Stipulation is available at <http://ussteellitigation.com>.

On ____, 2022, the Court preliminarily approved the Settlement, authorized this Notice to be disseminated to potential Settlement Class Members, and scheduled the Final Approval Hearing to consider whether to grant final approval of the Settlement.

3. What is a class action?

In a class action, the plaintiff is called the class representative, and he/she sues on behalf of numerous people who have similar claims. All these people with similar claims are a class, and each one is a class member. One court resolves the claims of all class members, except for those who properly exclude themselves from the class.

Questions? Call 877-868-2084 (Toll free) or Visit www.ussteellitigation.com

4. Why is there a Settlement?

Instead of litigating the Action through trial, Plaintiffs and the U. S. Steel Defendants, after an intensive, arm's-length negotiation under the supervision of an experienced mediator and in response to a mediator's proposal, agreed to a compromise of the claims for \$40 million. The Court did not decide in favor of Plaintiffs or the U. S. Steel Defendants. Plaintiffs think they could have obtained money if they won a trial; the U. S. Steel Defendants believe Plaintiffs would not have won anything from a trial. But there was no trial. Instead, both sides agreed to a settlement. That way, they avoid the risks and cost of a trial and possible appeals, and Settlement Class Members with valid Claims will get compensation. The Plaintiffs, as Class Representatives, and the Lead Counsel believe the Settlement is best for all Settlement Class Members.

Plaintiffs believe that the proposed Settlement is fair, reasonable, adequate, and in the best interests of the Settlement Class. Throughout the litigation, the U. S. Steel Defendants raised a number of arguments and defenses (which they would continue to do through summary judgment and trial) including that: (1) the U. S. Steel Defendants' statements were, in fact, true, and U. S. Steel was implementing an RCM program during the Class Period and seeing benefits from it; (2) the alleged misstatements were not important to investors because analysts did not write or ask questions about them; (3) despite all of the discovery taken in this case, there was no evidence that the U. S. Steel Defendants acted with the requisite intent to defraud investors; (4) any losses suffered by Plaintiffs and the Settlement Class Members were not caused by the misconduct alleged in the Amended Complaint and, rather, were due to other negative Company news or market factors unrelated to U. S. Steel; and (5) even if Plaintiffs could establish liability and prove some portion of U. S. Steel's stock price decline was due to a correction of prior alleged misstatements, Plaintiffs would still be unable to reliably show what part of the stock-price decline was attributable to the alleged fraud rather than other Company-specific news. While Plaintiffs believe that these arguments lack merit, there is no guarantee that the U. S. Steel Defendants would not prevail on one or more of these arguments. In the absence of a Settlement, the Settling Parties would present factual and expert testimony on each of these issues, and there is considerable risk that the Court or jury would resolve these issues against Plaintiffs and the Settlement Class. Furthermore, at the time the Settling Parties reached the Settlement, a motion for class decertification filed by the U. S. Steel Defendants was still pending which, if granted, would have prevented Settlement Class Members from obtaining any recovery.

Lead Counsel has thoroughly investigated and litigated the case prior to and since its appointment as Lead Counsel in 2017. Based upon their extensive investigation, extensive discovery taken, their consultation with multiple experts, and their evaluation of the claims asserted against the U. S. Steel Defendants and defenses that might be asserted, Lead Counsel believes that the Settlement is fair, reasonable, adequate, and in the best interests of the Settlement Class. The Settlement provides an immediate and certain monetary recovery. By settling, Plaintiffs and the U. S. Steel Defendants avoid the cost, uncertainty, and delay of continued litigation. The Settling Parties engaged in extensive negotiations that led to the Settlement described in this Notice. Lead Counsel believe the Settlement is fair, because there is no guarantee the Settlement Class would win on any of the claims, and even if they did win, they might not be awarded any more money than the \$40 million plus interest, as provided for in the Stipulation, which the U. S. Steel Defendants have agreed to in order to settle the Action.

Questions? Call 877-868-2084 (Toll free) or Visit www.ussteellitigation.com

WHO IS INCLUDED IN THE SETTLEMENT

5. How do I know if I am a Settlement Class Member?

For the purposes of settlement, with the few exceptions listed below, everyone who fits the following description is a Settlement Class Member: All persons or entities who purchased or otherwise acquired United States Steel Corporation common stock or options during the period from January 27, 2016 through April 25, 2017, inclusive, and were injured thereby.

6. Are there any exceptions to being included as a Settlement Class Member

Yes. You are **not** a Settlement Class Member if **any** of the following applies to you:

- a. You are a U. S. Steel Defendant.
- b. You are a member of the Individual Defendants' immediate families.
- c. You served as an Officer or director of U. S. Steel at any time during the Settlement Class Period.
- d. You are a firm, trust, corporation, or other entity in which a U. S. Steel Defendant has or had a controlling interest.
- e. You are a legal representative, affiliate, heir, successor in interest, or assign of any of the foregoing.
- f. You properly excluded yourself from the Settlement Class in response to the Class Notice or properly exclude yourself from the Settlement Class in response to this Notice.

7. I am still not sure if I'm included.

If you are still not sure whether you are included, you can ask for free help. You can contact the Claims Administrator at A.B. Data, Ltd., P.O. Box 170500, Milwaukee, WI, 53217, Toll Free: (877) 868-2084, info@USSteelLitigation.com, or you can fill out the Claim Form described in question 10, to see if you qualify. You can also contact Lead Counsel at the addresses and phone numbers listed below. Please do not contact the Court, the Court's Clerk, the U. S. Steel Defendants, or the U. S. Steel Defendants' Counsel.

THE SETTLEMENT BENEFITS

8. What does the Settlement provide?

The U. S. Steel Defendants have paid \$40 million in cash, into an escrow account that will earn interest, as provided for in the Stipulation, for the benefit of the Settlement Class (the "Settlement Fund"). After deduction of Taxes, Notice and Administration Costs, Litigation Expenses awarded by the Court, attorneys' fees awarded by the Court, and any other costs, expenses, or amounts as may be approved by the Court, the balance (the "Net Settlement Fund") will be distributed to the Settlement Class Members in accordance with the Plan of Allocation, discussed at pages ___ to ___ below.

In exchange for the U. S. Steel Defendants' payment, the claims described in response to question number 12 below, "*What am I giving up to get a payment or stay in the Settlement Class?*" will be released, discharged, and dismissed with prejudice.

Questions? Call 877-868-2084 (Toll free) or Visit www.ussteellitigation.com

The proposed Settlement represents a compromise of disputed claims and does not mean that any of the U. S. Steel Defendants have been found liable for any claims asserted by Plaintiffs. The U. S. Steel Defendants expressly deny that Plaintiffs have asserted any valid claims as to any of them, and expressly deny any and all allegations of fault, liability, wrongdoing or damages whatsoever. The U. S. Steel Defendants settled this case solely to eliminate the uncertainty, burden, and expense of further protracted litigation.

9. How much will my payment be?

You should look at the Plan of Allocation section of this notice that appears on pages ___ to ___ below for a description of the calculations to be made by the Claims Administrator in computing the amounts to be paid to the “Authorized Claimants,” that is those investors who submit valid and timely Claim Forms establishing that they are Settlement Class Members. Your share of the Net Settlement Fund will depend on the number of Authorized Claimants and the details specific to each Authorized Claimant’s transactions in U. S. Steel common stock and options such as the transaction date, type, price, and quantity.

10. How can I get a payment?

To qualify for payment, you must timely submit a Claim Form to the Claims Administrator. A Claim Form is attached to this Notice and available at <http://ussteellitigation.com>. Read the instructions carefully, fill out the Claim Form, include all the documents the form asks for, sign it, and mail it postmarked no later than _____. Alternatively, no later than _____, submit a Claim Form and necessary documents electronically on the settlement website, <http://ussteellitigation.com>. Unless the Court orders otherwise, if you do not timely submit a Claim Form, you will be barred from receiving any payments from the Net Settlement Fund but will, in all other respects, be bound by the judgment in the case.

11. When would I get my payment?

The Settlement is conditioned on two main events: (1) the entry of the Judgment by the Court, as provided for in the Stipulation, after the Court holds a Final Approval Hearing to decide whether to approve the Settlement; and (2) the expiration of the applicable period to file all appeals from the Judgment. If the Settlement is approved, it is possible there may be an appeal by someone. There is always uncertainty as to how these appeals will be resolved, and resolving them can take time, perhaps more than a year. Also, if certain conditions of the Settlement described in the Stipulation are not met, the Settlement will be terminated and become null and void. In addition, the Claims Administrator will need time to process all of the timely Claims before any distribution can be made.

12. What am I giving up to get a payment or stay in the Settlement Class?

As a member of the Settlement Class, in consideration for the benefits of the Settlement, you will be bound by the terms of the Settlement, and you will fully, finally, and forever release, relinquish, and discharge the U. S. Steel Defendants and the other Released Persons (collectively, the “Released Persons” as defined below) from the Released Claims as defined below and explained more fully in the Stipulation. If the Court approves the Settlement, all Settlement Class Members who have not excluded themselves in writing also will be barred from commencing, instituting, prosecuting, or continuing to prosecute any action or other proceeding in any court of law or equity, arbitration tribunal, or administrative forum, asserting any of Plaintiffs’ Released Claims (including Unknown Claims) against any of the U. S. Steel Defendant Releasees, as more fully described in the Stipulation.

Questions? Call 877-868-2084 (Toll free) or Visit www.ussteellitigation.com

“U. S. Steel Defendant Releasees” means: (i) the U. S. Steel Defendants, (ii) the present and former parents, subsidiaries, divisions, and affiliates of U. S. Steel, (iii) the present and former employees, officers, and directors of each of them, (iv) the present and former attorneys, accountants, insurers, and agents of each of them, and (v) the predecessors, heirs, successors, and assigns of each of them.

“Plaintiff Releasees” means: (i) Plaintiffs, their attorneys, and all other Settlement Class Members; (ii) the current and former parents, officers, directors, affiliates, subsidiaries, successors, predecessors, assigns, assignees, and immediate family members of each of the foregoing in (i); and (iii) for each and every Person listed in part (i), their respective past, present, and future heirs, executors, administrators, predecessors, successors, assigns, employees, agents, affiliates, analysts, assignees, associates, attorneys, auditors, co-insurers, commercial bank lenders, consultants, controlling shareholders, directors, divisions, domestic partners, employers, expert consultants, financial advisors, general or limited partners, general or limited partnerships, insurers, investment advisors, investment bankers, investment banks, joint ventures and joint venturers, managers, managing directors, marital communities, members, officers, parents, personal or legal representatives, principals, reinsurers, shareholders, spouses, stockholders, subsidiaries (foreign or domestic), trustees, underwriters, and retained professionals, in their respective capacities as such.

“Plaintiffs’ Released Claims” means all claims (including “Unknown Claims”, as defined below), debts, disputes, demands, rights, actions or causes of action, liabilities, damages, losses, obligations, sums of money due, judgments, suits, amounts, matters, issues and charges of any kind whatsoever (including, but not limited to, any claims for interest, attorneys’ fees, expert or consulting fees, and any other costs, expenses, amounts, or liabilities whatsoever), whether fixed or contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity, matured or unmatured, foreseen or unforeseen, whether individual or class in nature, whether arising under federal or state statutory or common law or any other law, rule, or regulation, whether foreign or domestic, that Plaintiffs or any other member of the Settlement Class: (1) asserted in any of the complaints filed in the Action; or (2) could have asserted in the Action or in any other action or in any other forum that arise out of, are based upon, are related to, or are in consequence of any of the facts, allegations, transactions, matters, events, disclosures, non-disclosures, occurrences, representations, statements, acts or omissions or failures to act that were involved, set forth, or referred to in any of the complaints filed in the Action and that relate to the purchase, acquisition, holding, sale, or disposal of U. S. Steel common stock or options during the Settlement Class Period, or that otherwise would have been barred by res judicata had the Action been fully litigated to a final judgment. Plaintiffs’ Released Claims does not include any Excluded Claims or any claims relating to the enforcement of the Settlement.

“U. S. Steel Defendants’ Released Claims” means that, upon the Settlement becoming effective, the U. S. Steel Defendants will release as against all Plaintiff Releasees, as defined above, in the Action, and their respective attorneys, and all other Settlement Class Members, all claims, demands, rights, liabilities, suits, debts, obligations, and causes of action of every nature and description, whether known or unknown, that could have been asserted in this Action or could in the future be asserted in any forum, whether arising under federal, state, common or foreign law, by the U. S. Steel Defendants against Plaintiffs that arise out of or relate in any way to the institution, prosecution, or settlement of the claims asserted in the Action, except for claims relating to the enforcement of the Settlement.

“Released Claims” means all the U. S. Steel Defendants’ Released Claims and all Plaintiffs’ Released Claims.

Questions? Call 877-868-2084 (Toll free) or Visit www.ussteellitigation.com

“Unknown Claims” means, collectively, any and all of Plaintiffs’ Released Claims that the Plaintiffs or any other Settlement Class Member does not know or suspect to exist in his, her, or its favor at the time of the release of the U. S. Steel Defendant Releasees, and any of the U. S. Steel Defendants’ Released Claims that any U. S. Steel Defendant does not know or suspect to exist in his or its favor at the time of the release of the Plaintiff Releasees even if such claim, if known by him, her, or it, might have affected his, her, or its decision to enter into this Settlement or might have affected his, her, or its decision not to object to this Settlement or not exclude himself, herself, or itself from the Settlement Class. Unknown Claims include, without limitation, those Released Claims in which some or all of the facts composing the claim may be unsuspected, undisclosed, concealed, or hidden. With respect to any and all Released Claims, the Settling Parties stipulate and agree that, upon the Effective Date, Plaintiffs and the U. S. Steel Defendants shall expressly waive and relinquish, and each Settlement Class Member and the U. S. Steel Defendant Releasees shall be deemed to have and by operation of law and of the Judgment shall have expressly waived and relinquished, to the fullest extent permitted by law, any and all provisions, rights and benefits conferred by California Civil Code §1542, which provides:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

Plaintiffs and the U. S. Steel Defendants further expressly waive and relinquish, and each Settlement Class Member and each U. S. Steel Defendant Releasee, or any of them, shall be deemed to have and by operation of law and of the Judgment shall have expressly waived and relinquished, to the fullest extent permitted by law, any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law or of international or foreign law, that is similar, comparable, or equivalent in effect to California Civil Code §1542. It is understood that Plaintiffs and the U. S. Steel Defendants and each Settlement Class Member and each U. S. Steel Defendant Releasee, or any of them, may hereafter discover facts in addition to or different from those that he, she, or it now knows or believes to be true with respect to the subject matter of the Released Claims, but, upon the Effective Date, they shall expressly fully, finally, and forever discharge, settle, and release, any and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, that now exist or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct that is negligent, grossly negligent, reckless, deliberately reckless or intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. Plaintiffs and the U. S. Steel Defendants acknowledge, and the Settlement Class Members by operation of law and of the Judgment shall be deemed to have acknowledged, that the foregoing waivers of Released Claims that are Unknown Claims, including the provisions, rights and benefits of §1542 of the California Civil Code (and the inclusion of “Unknown Claims” in the definition of Released Claims) was separately bargained for and is a material element of the Settlement.

EXCLUDING YOURSELF FROM THE SETTLEMENT

13. How do I get out of the Settlement?

You do not need to request exclusion from the Settlement Class again if you previously submitted a request for exclusion in response to the Class Notice (dated June 26, 2020). A list of persons and entities who previously

Questions? Call 877-868-2084 (Toll free) or Visit www.ussteellitigation.com

requested exclusion from the Class in response to the Class Notice is set forth in Appendix 1 to the Stipulation and is available at www.ussteellitigation.com.

If you do not wish to be included in the Settlement Class and you do not wish to participate in the proposed Settlement described in this Notice, you may request to be excluded. To do so, you must submit a signed written request for exclusion, post-marked no later than _____. The request for exclusion must: (a) state the name, address, and telephone number of the person or entity requesting exclusion; (b) identify the number of shares of U. S. Steel common stock or options purchased or otherwise acquired during the Settlement Class Period; (c) identify the date of each such purchase or acquisition and the price or other consideration paid; (d) identify the date of each sale or other disposition of any share of U. S. Steel common stock or options during the Settlement Class Period and the price or other consideration received; (e) identify the number of shares of U. S. Steel common stock or options held immediately before the commencement of the Settlement Class Period; and (f) contain a statement that the person or entity wishes to be excluded from the Settlement Class. The request must be addressed as follows:

United States Steel Corporation Securities Litigation
EXCLUSIONS
c/o A.B. Data, Ltd.
P.O. Box 173001
Milwaukee, WI 53217

You cannot exclude yourself by phone or by e-mail.

If you ask to be excluded from the Settlement Class, you will not be eligible for any Settlement payment, and you cannot object to the Settlement. If you exclude yourself, you will not be legally bound by anything that happens in this Action. You may be able to sue (or continue to sue) the U. S. Steel Defendants in the future about the claims in this Action.

THE LAWYERS REPRESENTING YOU

14. Do I have a lawyer in this case?

Yes. The Court appointed Levi & Korsinsky, LLP as Lead Counsel to represent all Settlement Class Members. Lead Counsel may be contacted at the address and phone number listed below:

Shannon L. Hopkins
Levi & Korsinsky, LLP
1111 Summer Street, Suite 403
Stamford, CT 06905
Telephone: (203) 992-4523

There is no need to retain your own lawyer to be a Settlement Class Member. If you want to be represented by your own lawyer you may hire one at your own expense.

Questions? Call 877-868-2084 (Toll free) or Visit www.ussteellitigation.com

15. How will the lawyers be paid?

At the Final Approval Hearing, Lead Counsel will ask the Court to approve payment of up to one-third of the Settlement Fund to them for attorneys’ fees and a payment of up to \$3,300,000 to them for reimbursement of Litigation Expenses. These fees and expenses would pay Lead Counsel for investigating the facts, litigating the case, and negotiating the Settlement. Plaintiffs will also ask for the Court to approve up to \$80,000 to pay the costs and expenses of Plaintiffs. The Court may award less than these amounts.

Additionally, at the Final Approval Hearing, Plaintiffs will ask the Court to approve payment of the Claims Administrator’s expenses.

OBJECTING TO THE SETTLEMENT

16. How do I tell the Court that I do not like the Settlement?

You can ask the Court to deny approval of the Settlement by filing an objection. You can’t ask the Court to order a different settlement; the Court can only approve or reject the Settlement. If the Court denies approval, no settlement payments will be sent out, and the lawsuit may continue. If that is what you want to happen, you must object.

Any objection to the proposed Settlement, Lead Counsel’s request for fees and Litigation Expenses, or Plaintiffs’ request for reimbursement of cost and expenses must be in writing. If you file a timely written objection, you may, but are not required to, appear at the Final Approval Hearing, either in person or through your own attorney. If you appear through your own attorney, you are responsible for hiring and paying that attorney. To object, you must send to Lead Counsel and the U. S. Steel Defendants’ Counsel, and file with the Court, a signed notice of objection saying that you object to the proposed Settlement. All written objections and supporting papers must (a) clearly identify the case name and number *In re U. S. Steel Consolidated Cases*, Consolidated Action No. Number 17-579; (b) include the full name, address, and phone number of the objecting Settlement Class Member; (c) include a list of all of the Settlement Class Member’s Settlement Class Period transactions in U. S. Steel common stock and/or options; and (d) include a written statement of all grounds for the objection. Your objection, and all supporting papers and briefs, must be mailed by, or delivered by email such that it is *received* by, each of the following no later than _____, 2022:

<p><i>Lead Counsel</i> Shannon L. Hopkins Levi & Korsinsky, LLP 1111 Summer Street, Suite 304 Stamford, CT 06901 Email: shopkins@zlk.com</p>	<p><i>U. S. Steel Defendants’ Counsel</i> Geoffrey J. Ritts Jones Day 901 Lakeside Avenue Cleveland, OH 44114 Email: grittts@jonesday.com</p>
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Your objection, and all supporting papers and briefs, must also be filed with the Court at the address below no later than _____, 2022:

Clerk of the Court
 U.S. District Court for the Western District of Pennsylvania

Questions? Call 877-868-2084 (Toll free) or Visit www.ussteellitigation.com

Joseph F. Weis, Jr. U.S. Courthouse
700 Grant Street
Pittsburgh, PA 15219

If you wish to appear in person at the Final Approval Hearing, you must submit to the Court with your objection a Notice of Intention to Appear. If you intend to appear at the Final Approval Hearing through counsel, your objection must also state the identity of all attorneys who will appear at the Final Approval Hearing and your counsel must submit a Notice of Intention to Appear with the objection.

If you do not make your objection in the manner provided, you shall be deemed to have waived such objection and shall forever be foreclosed from making any objection to the fairness or adequacy of the proposed Settlement or any part thereof.

17. What's the difference between objecting and being excluded from the Settlement Class?

Objecting is simply telling the Court that you do not like something about the Settlement, Lead Counsel's request for fees and Litigation Expenses, or Plaintiffs' request for reimbursement of costs and expenses. You can object only if you stay in the Settlement Class. Excluding yourself is telling the Court that you don't want to be part of the Settlement Class. If you exclude yourself, you have no basis to object because the case no longer affects you.

THE COURT'S FINAL APPROVAL HEARING

The Court will hold a hearing to decide whether to approve the Settlement. You do not need to attend that hearing, but are welcome to attend if you so desire.

18. When and where will the Court decide whether to approve the Settlement?

The Final Approval Hearing will be held at _____, 2022 before the Honorable Cathy Bissoon, United States District Court for the Western District of Pennsylvania, either via telephonic or video conference, or in Courtroom 3A, 3rd Floor, Joseph F. Weis, Jr. U.S. Courthouse 700 Grant Street Pittsburgh, PA 15219. THE FINAL APPROVAL HEARING DATE MAY CHANGE WITHOUT FURTHER NOTICE TO THE SETTLEMENT CLASS, SO PLEASE CHECK THE SETTLEMENT WEBSITE OR THE COURT'S PACER SYSTEM TO CONFIRM THE HEARING DATE. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate; whether the proposed plan to distribute the Settlement proceeds (the "Plan of Allocation" described on pages __ to __ below) is reasonable; and whether to approve the application by Lead Counsel for attorneys' fees and reimbursement of expenses. If there are objections, the Court will consider them. The Court has discretion to listen to people who have made a written request to speak at the hearing. At or after the hearing, the Court will decide whether to approve the Settlement and the attorneys' fees and reimbursement of expenses request. We do not know how long these decisions will take.

19. Do I have to come to the Final Approval Hearing?

No. Lead Counsel will answer questions the Judge may have. But, you are welcome to come at your own expense. If you file an objection, you don't have to come to Court to talk about it. As long as you file your

Questions? Call 877-868-2084 (Toll free) or Visit www.ussteellitigation.com

written objection on time and mail or email copies to the Settling Parties' counsel on time, the Court will consider it. You may also pay your own lawyer to attend.

20. May I speak at the Final Approval Hearing?

Any Settlement Class Member who did not request to be excluded from the Settlement Class by _____ is entitled to appear at the Final Approval Hearing, in person or through a duly authorized attorney, and to show cause why the Settlement should not be approved as fair, reasonable, and adequate. However, you may not be heard at the Final Approval Hearing unless, on or before _____, you file a Notice of Intention to Appear and a statement of the position that you will assert and the grounds for the position, together with copies of any supporting papers or brief with the Deputy Clerk, United States District Court for the Western District of Pennsylvania, Joseph F. Weis, Jr. U.S. Courthouse 700 Grant Street Pittsburgh, PA 15219, as described in paragraph 16 above.

Only Settlement Class Members who have submitted written notices in this manner may be heard at the Final Approval Hearing, unless the Court orders otherwise.

IF YOU DO NOTHING

21. What happens if I do nothing at all?

If you do nothing, you will get no money from this Settlement. You must file a Claim Form to be eligible to receive anything from the Settlement. But, unless you exclude yourself, you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against the U. S. Steel Defendants about the legal issues in this case as described in the Stipulation, ever again.

GETTING MORE INFORMATION

22. Are there more details about the Settlement?

Yes. This Notice summarizes the proposed Settlement. More details (including definitions of various terms used in this Notice) are contained in the pleadings and other papers in this Action, including the Stipulation, which have been filed with the Court. Plaintiffs' submissions in support of the Settlement, Lead Counsel's fee and expense application, and Plaintiffs' request for an award to pay the costs and expenses of Plaintiffs will be filed with the Court prior to the Final Approval Hearing. In addition, information about the Settlement will be posted on the website set up for this case: www.ussteellitigation.com. If you have any further questions you may contact Lead Counsel identified in paragraph 14 above. You also can call the Claims Administrator at (877) 868-2084 to find answers to common questions about the Settlement and obtain information about the status of the Settlement approval process.

Questions? Call 877-868-2084 (Toll free) or Visit www.ussteellitigation.com

SPECIAL NOTICE TO NOMINEES

23. Special Notice to Banks, Trustees, Brokerage Firms, or Other Nominees

If you hold any U. S. Steel common stock or options purchased or acquired during the Settlement Class Period, as nominee for a beneficial owner, then, within ten (10) days after you receive this Notice, you must either: (1) send a copy of this Notice and the Claim Form by first class mail to all such Persons; or (2) provide a list of the names and addresses of such Persons to the Claims Administrator:

United States Steel Corporation Securities Litigation
c/o A.B. Data, Ltd.
P.O. Box 170500
Milwaukee, WI 53217
(877) 868-2084
Email: info@USSteelLitigation.com

If you choose to mail the Notice and Claim Form yourself, you may obtain from the Claims Administrator (without cost to you) as many additional copies of these documents as you will need to complete the mailing. Regardless of whether you choose to complete the mailing yourself or elect to have the mailing performed for you, you may obtain reimbursement for, or advancement of, reasonable costs actually incurred or expected to be incurred in connection with forwarding the Notice and Claim Form and which would not have been incurred but for the obligation to forward the Notice and Claim Form, upon submission of appropriate documentation to the Claims Administrator.

UNDERSTANDING YOUR PAYMENT – THE PLAN OF ALLOCATION

A. Introduction to the Plan of Allocation

As discussed above, the Settlement Amount and any interest it earns constitute the Settlement Fund. The Settlement Fund, after the deduction of Taxes, Notice and Administration Costs, Litigation Expenses awarded by the Court, attorneys' fees awarded by the Court, any award to pay the costs and expenses of Plaintiffs awarded by the Court, and any other costs, expenses, or amounts as may be approved by the Court is the Net Settlement Fund. If the Settlement is approved by the Court, the Net Settlement Fund will be distributed to eligible Authorized Claimants – *i.e.*, members of the Settlement Class who timely submit valid Claim Forms that are accepted for payment – in accordance with this proposed Plan of Allocation or such other plan of allocation as the Court may approve. Settlement Class Members who do not timely submit valid Claim Forms will not share in the Net Settlement Fund, but will otherwise be bound by the Settlement. The Court may approve this proposed Plan of Allocation, or modify it, without additional notice to the Settlement Class. Any order modifying the Plan of Allocation will be posted on the settlement website: <http://ussteellitigation.com>. As set forth in the Stipulation, the allocation of the Net Settlement Fund among Authorized Claimants is a matter separate and apart from the proposed Settlement between the U. S. Steel Defendants and Plaintiffs, and any decision by the Court concerning the Plan of Allocation, or such other plan of allocation as the Court approves, shall not affect the validity or finality of the proposed Settlement.

Questions? Call 877-868-2084 (Toll free) or Visit www.ussteellitigation.com

To design the Plan of Allocation, Lead Counsel have conferred with Plaintiffs' consulting damages expert. The objective of the Plan of Allocation is to equitably distribute the Net Settlement Fund among Settlement Class Members based on their respective alleged economic losses as a proximate result of the alleged fraud, as opposed to losses caused by market- or industry-wide factors, or Company-specific factors unrelated to the alleged fraud. The Plan of Allocation is not intended to estimate, or be indicative of, the amounts that Settlement Class Members might have been able to recover after a trial, nor to estimate the amount that will be paid to Authorized Claimants pursuant to the Settlement. The Plan of Allocation measures the amount of loss that a Settlement Class Member can claim for purposes of making *pro rata* allocations of the Net Settlement Fund to Authorized Claimants. The Net Settlement Fund will be distributed to Authorized Claimants on a *pro rata* basis by dividing each Authorized Claimant's Recognized Claim by the total Recognized Claims of all Authorized Claimants, multiplied by the total amount in the Net Settlement Fund.

For losses to be compensable damages under the federal securities laws, the disclosure of the allegedly misrepresented information must be the cause of the change in the price of the securities at issue. In this case, Plaintiffs alleged that the U. S. Steel Defendants issued false and misleading statements during the Class Period (January 27, 2016 through April 25, 2017, inclusive) that artificially inflated the price of U. S. Steel common stock and options. It is alleged that corrective information released to the market after market close on April 25, 2017 impacted the market price of U. S. Steel common stock in a statistically significant manner and removed the alleged artificial inflation from the share prices on April 26, 2017.^{2,3,4} Accordingly, if U. S. Steel common stock purchased or otherwise acquired⁵ during the Settlement Class Period was sold before the alleged corrective disclosure after market close on April 25, 2017, the recognized loss for such stock is \$0.00, and any loss is not compensable under the federal securities laws. Likewise, with respect to call options purchased during the Settlement Class Period, such options must have been open and outstanding at the time of the alleged corrective disclosure after market close on April 25, 2017 in order to have a Recognized Loss amount greater than \$0.00. Therefore, artificial inflation only is estimated for call options meeting these criteria.

The Claims Administrator shall determine each Authorized Claimant's share of the Net Settlement Fund based upon the recognized loss formula ("Recognized Loss") described below. A Recognized Loss will be calculated for each share of U. S. Steel common stock and each exchange-traded call option on U. S. Steel common stock purchased or otherwise acquired during the Settlement Class Period and held through the alleged corrective disclosure as described above. The calculation of Recognized Loss will depend upon several factors, including when the U. S. Steel common stock and call options were purchased or otherwise acquired during the Settlement Class Period and in what amounts, and whether such U. S. Steel common stock and call options were sold and, if

² In addition, it is alleged that these disclosures removed artificial inflation in call options on U. S. Steel common stock.

³ Exchange-traded options are traded in units called "contracts." Each call option contract entitles the holder of the call option to purchase 100 shares of the underlying stock upon exercise, in this case U. S. Steel common stock.

⁴ Throughout the Settlement Class Period, U. S. Steel Common Stock was listed on the New York Stock Exchange ("NYSE") under the symbol X.

⁵ Including: (i) purchases/acquisitions of U. S. Steel common stock as the result of the exercise of a call option on U. S. Steel common stock; and (ii) purchases/acquisitions of U. S. Steel common stock by the seller of a put option on U. S. Steel common stock as a result of the buyer of such put option exercising that put option.

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sold, when and for what amounts. The Recognized Loss is the basis upon which the Net Settlement Fund will be proportionately allocated to the Authorized Claimants. The Claims Administrator will use its best efforts to administer and distribute the Net Settlement Fund equitably and to the extent it is economically feasible. The Court will be asked to approve the Claims Administrator's determinations before the Net Settlement Fund is distributed to Authorized Claimants.

B. Calculation of Recognized Loss Amounts

A "Recognized Claim" shall be the sum of a Claimant's Recognized Loss Amounts. For purposes of determining whether a Claimant has a Recognized Claim, purchases, acquisitions, and sales of U. S. Steel common stock and call options will first be matched on a First In/First Out ("FIFO") basis. If a Settlement Class Member has more than one purchase/acquisition or sale of U. S. Steel common stock or call options during the Settlement Class Period, Settlement Class Period sales will be matched first against any holdings at the beginning of the Settlement Class Period and then against purchases/acquisitions in chronological order, beginning with the earliest purchase/acquisition made during the Settlement Class Period.

A "Recognized Loss Amount" will be calculated as set forth below for each purchase or acquisition of U. S. Steel common stock and purchase of U. S. Steel call options during the Settlement Class Period from January 27, 2016 through April 25, 2017 that is listed in the Claim Form and for which adequate documentation is provided. To the extent that the calculation of a Claimant's Recognized Loss Amount results in a negative number, that number shall be set to zero.

For transactions of common stock made after market close on April 25, 2017, where the transaction price per share is below the reported low trading price on April 25, 2017 of \$30.06 per share, April 26, 2017 shall be used as the trade date for calculation purposes.

Notwithstanding the previous paragraph, for any transaction occurring on April 25, 2017, the Claims Administrator may deem such transaction to have occurred before the close of trading on such date if the Authorized Claimant submits sufficient proof for the Claims Administrator to determine the trade occurred prior to the alleged corrective disclosure.

1. Recognized Loss Amount for U. S. Steel Common Stock

For each share of U. S. Steel common stock purchased or acquired from January 27, 2016 through and including April 25, 2017, and:

A. Sold before or at the market close on April 25, 2017, the Recognized Loss Amount for each such share shall be zero.

B. Sold after the market close on April 25, 2017 and through the close of trading on July 24, 2017, the Recognized Loss Amount for each such share shall be *the least of (but not less than zero)*:

1. the artificial inflation applicable to each such share on the date of purchase/acquisition as set forth in **Table 1**;

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2. the actual purchase/acquisition price of each share *minus* the sale price; or
 3. the actual purchase/acquisition price of each such share *minus* the average closing price from April 26, 2017, up to the date of sale as set forth in **Table 2**.
- C. Held as of the close of trading on July 24, 2017, the Recognized Loss Amount for each such share shall be ***the lesser of (but not less than zero)***:
1. the artificial inflation applicable to each such share on the date of purchase/acquisition as set forth in **Table 1**; or
 2. the actual purchase/acquisition price of each such share *minus* \$21.51.⁶

2. Recognized Loss Amount for U. S. Steel Call Options⁷

For each call option purchased or acquired from January 27, 2016 through and including April 25, 2017, and:

- A. Closed out before or at the close of trading on April 25, 2017, the Recognized Loss Amount for each such option shall be zero.
- B. Sold/closed out after the market close on April 25, 2017 and through the close of trading on July 24, 2017, the Recognized Loss Amount for each such option shall be ***the lesser of (but not less than zero)***:
1. the artificial inflation applicable to each such option on the date of purchase/acquisition as set forth in **Table 3**;⁸ or

⁶ Pursuant to Section 21D(e)(1) of the Exchange Act, “in any private action arising under this title in which the plaintiff seeks to establish damages by reference to the market price of a security, the award of damages to the plaintiff shall not exceed the difference between the purchase or sale price paid or received, as appropriate, by the plaintiff for the subject security and the mean trading price of that security during the 90-day period beginning on the date on which the information correcting the misstatement or omission that is the basis for the action is disseminated to the market.” Consistent with the requirements of the Exchange Act, Recognized Loss Amounts are reduced to an appropriate extent by taking into account the closing prices of U. S. Steel common stock during the “90-day look-back period,” April 26, 2017 through July 24, 2017. The mean (average) closing price for U. S. Steel common stock during this 90-day look-back period was \$21.51.

⁷ The values provided in Table 3 for U. S. Steel are per underlying share. Standard option contracts are for 100 underlying shares.

⁸ Due to its volume, Table 3 is available on the settlement website at: www.ussteellitigation.com

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2. the purchase price less the sale/closing price.⁹
- C. Held as of the close of trading on July 24, 2017, the Recognized Loss Amount for each such option shall be *the lesser of (but not less than zero)*:
 1. the artificial inflation applicable to each such option on the date of purchase/acquisition as set forth in **Table 3**; or
 2. the purchase price less the 90-Day Value as set forth in **Table 3**.

C. ADDITIONAL PROVISIONS OF THE PLAN OF ALLOCATION

An individual Settlement Class Member's recovery will depend on, for example: (a) the total number and value of claims submitted; (b) when the Claimant purchased or acquired U. S. Steel common stock (or purchased a call option); and (c) whether and when, or if, the Claimant sold his, her, or its U. S. Steel common stock (or closed out a purchased call option).

The Claims Administrator will determine if the Claimant had a "Market Gain" or a "Market Loss" with respect to his, her, or its overall transactions in U. S. Steel common stock¹⁰ and call options during the Settlement Class Period. For purposes of making this calculation, the Claims Administrator will determine the difference between: (i) the Claimant's Total Purchase Amount¹¹ and (ii) the sum of the Claimant's Total Sales Proceeds¹² and the Claimant's Holding Value.¹³ If the Claimant's Total Purchase Amount minus the sum of the Claimant's Total

⁹ For options that expire without being exercised, the sale/closing price is deemed to be \$0. For options that were exercised, the sale/closing price is equal to the closing price of U. S. common stock on the date of exercise less the exercise price of the option.

¹⁰ Including transactions in common stock due to the assignment or exercise of options.

¹¹ The "Total Purchase Amount" is the total amount the Claimant paid (excluding any fees, commissions, and taxes) for all shares or contracts of U. S. Steel common stock and call options purchased/acquired during the Settlement Class Period. Purchases of call options or stock that match under FIFO to short or written positions held prior to the Settlement Class Period will be excluded from the calculation. The purchase amount for an assigned call option (i.e., the closing of a written call option due to exercise) shall be equal to the closing stock price on the date of assignment less the exercise price.

¹² The "Total Sales Proceeds" will be the total amount received (not deducting any fees, commissions, and taxes) for sales of U. S. steel common stock and call options that were made by the Claimant during the Settlement Class Period. Sales of call options or stock that match under FIFO to positions held prior to the Settlement Class Period will be excluded from the calculation. The sale amount for an exercised call option (i.e., the closing of a purchased call option due to exercise) shall be equal to the closing stock price on the date of exercise less the exercise price.

¹³ The Claims Administrator will ascribe a "Holding Value" of \$22.78 to each share of U. S. Steel common stock purchased/acquired during the Class Period that was still held as of the close of trading on April 25, 2017. For call options purchased/acquired during the Settlement Class Period that were still held as of the close of trading on April 25, 2017, the Claims Administrator will ascribe a holding value for that option as listed in Table 3. For

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Sales Proceeds and the Holding Value is a positive number, that number will be the Claimant's Market Loss; if the number is a negative number or zero, that number will be the Claimant's Market Gain.

If a Claimant had a Market Gain with respect to his, her, or its overall transactions in U. S. Steel common stock and call options during the Settlement Class Period, the value of the Claimant's Recognized Claim will be zero, and the Claimant will in any event be bound by the Settlement. If a Claimant suffered an overall Market Loss with respect to his, her, or its overall transactions in common stock and call options during the Settlement Class Period, but that Market Loss was less than the Claimant's Recognized Claim, then the Claimant's Recognized Claim will be limited to the amount of the Market Loss.

With respect to U. S. Steel common stock purchased or sold through the exercise/assignment of a call/put option, the purchase/sale date of the U. S. Steel common stock is the exercise date of the option and the purchase/sale price is the exercise price of the option.

Purchases or acquisitions and sales of U. S. Steel common stock and call options shall be deemed to have occurred on the "contract" or "trade" date as opposed to the "settlement" or "payment" date.¹⁴

The receipt or grant by gift, inheritance, or operation of law of U. S. Steel common stock or call options during the Settlement Class Period shall not be deemed a purchase or acquisition of such securities for the calculation of a claimant's Recognized Claim, nor shall the receipt or grant be deemed an assignment of any claim relating to the purchase/acquisition of such common stock or call option unless: (i) the donor or decedent purchased/acquired/sold such common stock or call option during the Settlement Class Period; and (ii) no Claim Form was submitted by or on behalf of the donor, on behalf of the decedent, or by anyone else with respect to such common stock or call option.

The Recognized Loss Amount on any portion of a purchase or acquisition of U. S. Steel common stock that matches against (or "covers") a "short sale" is zero. The Recognized Loss Amount on a "short sale" that is not covered by a purchase or acquisition is also zero. In the event that a claimant has an opening short position in U. S. Steel common stock at the start of the Settlement Class Period, the earliest Settlement Class Period purchases or acquisitions shall be matched against such opening short position in accordance with the FIFO matching described above and any portion of such purchases or acquisition that covers such short sales will not be entitled to recovery. In the event that a claimant newly established a short position during the Settlement Class Period, the earliest subsequent Settlement Class Period purchase or acquisition shall be matched against such short position on a FIFO basis and will not be entitled to a recovery. Call options written prior to or during the Settlement Class Period shall also not be entitled to recovery. Put options purchases shall also not be entitled to recovery.

call options written during the Settlement Class Period and still held as of the close of trading on April 25, 2017, the Claims Administrator will ascribe a holding value for that option as listed in Table 3, but such holding value will be multiplied by -1 (i.e., equivalent to a closing purchase of such written position).

¹⁴ Except to the extent that the "trade" date for common stock transactions occur on the date of the alleged corrective disclosure at transaction prices below the reported low trading price per share for such date—in which case, the transactions will be deemed to occur on the subsequent "trade" date.

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The Net Settlement Fund will be allocated among all Authorized Claimants whose prorated payment is \$10.00 or greater. If the prorated payment to any Authorized Claimant calculates to less than \$10.00, it will not be included in the calculation and a distribution will not be made to that Authorized Claimant.

Payment according to this Plan of Allocation will be deemed conclusive against all Authorized Claimants. Recognized Claims will be calculated as defined herein by the Claims Administrator and cannot be less than zero.

Distributions will be made to Authorized Claimants after all claims have been processed and after the Court has finally approved the Settlement. If there is any balance remaining in the Net Settlement Fund (whether by reason of tax refunds, uncashed checks, or otherwise) after at least six (6) months from the date of initial distribution of the Net Settlement Fund, the Claims Administrator shall, if feasible and economical after payment of, Notice and Administration Costs, Taxes, attorneys' fees, Litigation Expenses, and awards to Plaintiffs for costs and expenses reasonably incurred, if any, redistribute such balance among Authorized Claimants who have cashed their initial checks in an equitable and economic fashion. Once it is no longer feasible or economical to make further distributions, any balance that still remains in the Net Settlement Fund after such re-distribution(s) and after payment of outstanding Taxes, Notice and Administration Costs, Litigation Expenses awarded by the Court, attorneys' fees awarded by the Court, any award to pay the costs and expenses of Plaintiffs awarded by the Court, and any other costs, expenses or amounts as approved by the Court, if any, shall be donated to an appropriate non-profit organization selected by Lead Counsel and approved by the Court.

Payment pursuant to the Plan of Allocation, or such other plan as may be approved by the Court, shall be conclusive against all Authorized Claimants.

No U. S. Steel Defendant Releasee shall have any involvement in, responsibility for, or liability or obligation whatsoever with respect to the selection of the Claims Administrator; the Plan of Allocation; the administration of the Settlement; the management, disposition, investment, distribution, allocation, or disbursement of the Settlement Fund or the Net Settlement Fund; the determination, acceptance, rejection, administration, calculation, or payment of claims; the payment or withholding of Taxes; any nonperformance of the Claims Administrator; or any losses incurred in connection with any such matters. No Person shall have any claim against the U. S. Steel Defendant Releasees, including the U. S. Steel Defendants' Counsel, arising from or relating to any of the foregoing.

Date: _____

THE HONORABLE CATHY BISSOON

United States District Court Judge for
The Western District of Pennsylvania

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

)
) Civil Action No. 17-579
In re U. S. Steel Consolidated Cases)
) Judge Cathy Bissoon
)
_____)

PROOF OF CLAIM AND RELEASE

A. GENERAL INSTRUCTIONS

1. To be eligible to recover as a member of the Settlement Class based on your claims in the action entitled *In re U. S. Steel Consolidated Cases*, Civil Action No. 17-579 (the “Action”), you must complete and, on page _ below, sign this Proof of Claim and Release Form (“Claim Form”). If you fail to submit a timely and properly addressed (as set forth in paragraph 3 below) Claim Form, your claim may be rejected and you may not be eligible to receive any money from the Net Settlement Fund created in connection with the proposed Settlement.

2. Submission of this Claim Form, however, does not ensure that you will share in the proceeds of the Settlement.

3. **THIS CLAIM FORM MUST BE SUBMITTED ONLINE AT WWW.USSTEELLITIGATION.COM NO LATER THAN _____, 2022, OR, IF MAILED, POSTMARKED NO LATER THAN _____, 2022, ADDRESSED AS FOLLOWS:**

United States Steel Corporation Securities Litigation
Claims Administrator
c/o A.B. Data, Ltd.
P.O. Box 170500
Milwaukee, WI 53217
(877) 868-2084
Online Submissions: www.USSteelLitigation.com

If you are NOT a member of the Settlement Class (as defined in the Notice of Pendency of Class Action and Proposed Settlement, Final Approval Hearing and Motion for Attorneys’ Fees and Reimbursement of Litigation Expenses (“Notice”), which accompanies this Claim Form), DO NOT submit a Claim Form.

4. Do not mail or deliver your Claim Form to the Court, the parties to the Action, or their counsel. Submit your Claim Form only to the Claims Administrator as set forth in paragraph 3 above.

5. If you are a member of the Settlement Class and you have not timely requested exclusion in response to the Class Notice (dated June 26, 2020) or Notice, you are bound by the terms of any judgment entered in the Action, including the releases provided therein, **WHETHER OR NOT YOU SUBMIT A CLAIM FORM OR RECEIVE A PAYMENT.**

B. CLAIMANT IDENTIFICATION

1. If you purchased or otherwise acquired the publicly traded common stock and/or options of United States Steel Corporation (“U. S. Steel” or the “Company”), during the period from January 27, 2016 through April 25, 2017, inclusive, (the “Settlement Class Period”) and held the securities in your name, you are the beneficial owner as well as the record owner. If, however, you purchased or otherwise acquired the publicly traded common stock and/or options of U. S. Steel through a third party during the Settlement Class Period, such as a brokerage firm, you are the beneficial owner, and the third party is the record owner. For the purposes of this Settlement, you are a Settlement Class Member if you purchased or otherwise acquired U. S. Steel common stock and options between **January 27, 2016, and April 25, 2017, inclusive, and were injured thereby.**

2. Use Part I of this form entitled "Claimant Information" to identify each beneficial purchaser or acquirer of U. S. Steel common stock and options that form the basis of this claim, as well as the purchaser or acquirer of record if different. THIS CLAIM MUST BE FILED BY THE ACTUAL BENEFICIAL PURCHASER(S) OR THE LEGAL REPRESENTATIVE OF SUCH PURCHASER(S).

3. All joint purchasers must sign this claim. Executors, administrators, guardians, conservators, and trustees must complete and sign this claim on behalf of persons represented by them and their authority must accompany this claim and their titles or capacities must be stated. Signature of this form by such a representative constitutes certification of his or her authority to act on behalf of Claimant. The Social Security (or Taxpayer Identification) Number and telephone number of the beneficial owner may be used in verifying the claim. Failure to provide the foregoing information could delay verification of your claim or result in rejection of the claim.

C. IDENTIFICATION OF TRANSACTIONS

1. Use Part II of this form entitled "Schedule of Transactions in Common Stock" to supply all required details of your transaction(s) in U. S. Steel common stock, including both: (1) open market common stock purchases; and (2) common stock that was purchased pursuant to: (a) the exercise of a call option(s); and (b) the assignment of a put option(s). If you need more space or additional schedules, attach separate sheets giving all of the required information in substantially the same form. Sign and print or type your name on each additional sheet.

2. Use Part III of this form entitled "Schedule of Transactions in Call Options" to supply all required details of your transaction(s) in U. S. Steel call options, including transactions in call options that were exercised and resulted in the purchase of U. S. Steel common stock. If you need more space or additional schedules, attach separate sheets giving all of the required information in substantially the same form. Sign and print or type your name on each additional sheet.

3. On the schedules, provide all of the requested information with respect to *all* of your holdings, purchases, acquisitions, and sales of U. S. Steel common stock, call options, and put options during the period from January 27, 2016 through and including July 24, 2017, whether such transactions resulted in a profit or a loss. Failure to report all such transactions may result in the rejection of your claim.

4. The date of covering a "short sale" is deemed to be the date of purchase of U. S. Steel common stock. The date of a "short sale" is deemed to be the date of sale of U. S. Steel common stock.

5. Copies of broker confirmations or other documentation of your transactions must be attached to your claim. Failure to provide this documentation could delay verification of your claim or result in rejection of your claim. Plaintiffs do not have information about your transactions in U. S. Steel common stock, call options, or put options.

6. NOTICE REGARDING ELECTRONIC FILES: Certain Claimants with large numbers of transactions may request, or may be requested, to submit information regarding their transactions in electronic files. All Claimants MUST submit a manually signed paper Claim Form whether or not they also submit electronic copies. If you wish to file your claim electronically, you must contact the Claims Administrator at (877) 868-2084 to obtain the required file layout. No electronic files will be considered to have been properly submitted unless the Claims Administrator issues to the claimant a written acknowledgment of receipt and acceptance of electronically submitted data.

For Official Use Only

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF PENNSYLVANIA
In re U. S. Steel Consolidated Cases
Civil Action No. 2:17-579-CB
PROOF OF CLAIM AND RELEASE
PLEASE TYPE OR PRINT

**MUST BE POSTMARKED
OR RECEIVED
NO LATER THAN
_____, 2022**

PART I: CLAIMANT INFORMATION

The Claims Administrator will use this information for all communications regarding this Claim Form. If this information changes, you MUST notify the Claims Administrator in writing at the address above. Complete names of all persons and entities must be provided.

Beneficial Owner's Name (First, Middle, Last)

Joint Beneficial Owner's Name (First, Middle, Last) (if applicable)

Entity Name (if the Beneficial Owner is not an individual)

Name of Representative, if applicable (executor, administrator, trustee, c/o, etc.), if different from Beneficial Owner

Last 4 digits of Social Security Number or Taxpayer Identification Number

Street Address

City State/Province ZIP Code

<input type="text"/>	<input type="text"/>	<input type="text"/>
----------------------	----------------------	----------------------

Foreign Postal Code (if applicable)

Foreign Country (if applicable)

<input type="text"/>	<input type="text"/>
----------------------	----------------------

Telephone Number (Day)

Telephone Number (Evening)

<input type="text"/>	<input type="text"/>
----------------------	----------------------

Email Address (email address is not required, but if you provide it you authorize the Claims Administrator to use it in providing you with information relevant to this claim)

Type of Beneficial Owner:

Specify one of the following:

- Individual(s) Corporation UGMA Custodian IRA Partnership Estate Trust Other (describe): ____

PART II: SCHEDULE OF TRANSACTIONS IN COMMON STOCK

1. HOLDINGS AS OF JANUARY 27, 2016. State the total number of shares of U. S. Steel common stock held as of the opening of trading on January 27, 2017. If none, write “zero” or “0.” _____. (Must be documented.)

Confirm Proof of Position Enclosed

2. PURCHASES FROM JANUARY 27, 2016 THROUGH AND INCLUDING APRIL 25, 2017. Separately list each and every purchase/acquisition of U. S. Steel common stock from after the opening of trading on January 27, 2016, through the close of trading on April 25, 2017. (Must be documented.)

Date of Purchase/Acquisition (List Chronologically) (Month/Day/Year)	Number of Shares Purchased/Acquired	Purchase/Acquisition Price Per Share	Total Purchase/Acquisition Price (excluding taxes, commissions, and fees)	Result of an Option Exercise or Assignment? Yes/No	Was the Option a Put or Call?	Was the Option Bought or Sold?	Confirm Proof of Purchase/Acquisition Enclosed
/ /		\$	\$				<input type="checkbox"/>
/ /		\$	\$				<input type="checkbox"/>
/ /		\$	\$				<input type="checkbox"/>
/ /		\$	\$				<input type="checkbox"/>

3. NUMBER OF SHARES PURCHASED FROM APRIL 26, 2017 THROUGH JULY 24, 2017. State the total number of shares purchased/acquired from after the opening of trading on April 26, 2017, through close of trading on July 24, 2017. If none, write “zero” or “0.” _____.¹ (Must be documented.)

4. SALES FROM JANUARY 27, 2016 THROUGH JULY 24, 2017. Separately list each and every sale/disposition of U. S. Steel common stock from after the opening of trading on January 27, 2016, through the close of trading on July 24, 2017. (Must be documented.)

IF NONE, CHECK HERE

Date of Sale (List Chronologically) (Month/Day/Year)	Number of Shares Sold	Sale Price Per Share	Total Sale Price (excluding taxes, commissions, and fees)	Result of an Option Exercise or Assignment? Yes or No	Was the Option a Put or Call?	Was the Option Bought or Sold?	Confirm Proof of Sale Enclosed
/ /		\$	\$				<input type="checkbox"/>
/ /		\$	\$				<input type="checkbox"/>
/ /		\$	\$				<input type="checkbox"/>
/ /		\$	\$				<input type="checkbox"/>

¹ **Please note:** Information requested with respect to your purchases/acquisitions of U. S. Steel common stock from after the opening of trading on April 26, 2017 through and including the close of trading on July 24, 2017 is needed in order to balance your claim; purchases or acquisitions during this period, however, are not eligible under the Settlement and will not be used for purposes of calculating your Recognized Claim pursuant to the Plan of Allocation.

5. HOLDINGS AS OF JULY 24, 2017. State the total number of shares of U. S. Steel common stock held as of the close of trading on July 24, 2017. If none, write “zero” or “0.” _____ . (Must be documented.)	Confirm Proof of Position Enclosed <input type="checkbox"/>
--	--

PART III: SCHEDULE OF TRANSACTIONS IN CALL OPTIONS

1. BEGINNING HOLDINGS – Separately list all positions in U. S. Steel Call Option contracts in which you had an open interest as of the opening of trading on January 27, 2016. (Must be documented.)	IF NONE, CHECK HERE <input type="checkbox"/>
---	--

Strike Price of Call Option Contract	Expiration Date of Call Option Contract (Month/Day/Year)	Number of Call Option Contracts in Which You Had an Open Interest
\$	/ /	
\$	/ /	
\$	/ /	
\$	/ /	

2. PURCHASES OF U. S. STEEL CALL OPTIONS – Separately list each purchase/acquisition (including free receipts) of U. S. Steel Call Option contracts from after the opening of trading on January 27, 2016 through and including the close of trading on July 24, 2017. (Must be documented.)

Date of Purchase/Acquisition (Chronologically) (Month/Day/Year)	Strike Price of Call Option Contract	Expiration Date of Call Option Contract (Month/Day/Year)	Number of Call Option Contracts Purchased or Acquired	Purchase/Acquisition Price Per Call Option Contract	Total Purchase/Acquisition Price (excluding taxes, commissions, and fees)	Insert an “E” if Exercised Insert an “X” if Expired	Exercise Date (Month/Day/Year)
/ /	\$	/ /		\$	\$		/ /
/ /	\$	/ /		\$	\$		/ /
/ /	\$	/ /		\$	\$		/ /
/ /	\$	/ /		\$	\$		/ /

3. SALES OF U. S. STEEL CALL OPTIONS – Separately list each sale/disposition (including free deliveries) of U. S. Steel Call Option contracts from after the opening of trading on January 27, 2016 through and including the close of trading on July 24, 2017 (Must be documented.)					IF NONE, CHECK HERE ○		
Date of Sale (Chronologically) (Month/Day/Year)	Strike Price of Call Option Contract	Expiration Date of Call Option Contract (Month/ Day/Year)	Number of Call Option Contracts Sold	Sale Price Per Call Option Contract	Total Sale Price (excluding taxes, commission, and fees)	Insert an “A” if Assigned Insert an “X” if Expired	Assignment Date (Month/ Day/ Year)
/ /	\$	/ /			\$		
/ /	\$	/ /			\$		
/ /	\$	/ /			\$		
/ /	\$	/ /			\$		
4. ENDING HOLDINGS – Separately list all positions in U. S. Steel Call Option contracts that you had as of the close of trading on July 24, 2017, in which you had an open interest as of the expiration date. (Must be documented.)					IF NONE, CHECK HERE ○		
Strike Price of Call Option Contract		Expiration Date of Call Option Contract (Month/Day/Year)		Number of Call Option Contracts in Which You Had an Open Interest			
\$		/ /					
\$		/ /					
\$		/ /					
\$		/ /					

IF YOU NEED ADDITIONAL SPACE TO LIST YOUR TRANSACTIONS, YOU MUST PHOTOCOPY THIS PAGE AND CHECK THIS BOX . INCLUDE THE BENEFICIAL OWNER’S FULL NAME AND LAST FOUR DIGITS OF SOCIAL SECURITY/TAXPAYER IDENTIFICATION NUMBER ON EACH PAGE.

YOU MUST READ AND SIGN THE RELEASE ON PAGE 6. FAILURE TO SIGN THE RELEASE MAY RESULT IN A DELAY IN PROCESSING OR THE REJECTION OF YOUR CLAIM.

PART III – ACKNOWLEDGMENTS AND RELEASE

A. SUBMISSION TO JURISDICTION OF COURT AND ACKNOWLEDGMENTS

I (We) submit this Proof of Claim and Release under the terms of the Stipulation and Agreement of Settlement, dated May 20, 2022 (the “Stipulation”), described in the Notice. I (We) also submit to the jurisdiction of the United States District Court for the Western District of Pennsylvania with respect to my (our) claim as a Settlement Class Member, the subject matter of the Settlement, and for purposes of enforcing the release set forth herein. I (We) further acknowledge that I am (we are) bound by and subject to the terms of any judgment that may be entered in the Action. I (We) agree to furnish additional information to the Claims Administrator to support this Claim (including transactions in other U. S. Steel securities) if requested to do so. I (We) have not submitted any other Claim in the Action covering the same purchases or acquisitions of U. S. Steel common stock and/or options and know of no other person having done so on my (our) behalf.

B. RELEASE AND ACKNOWLEDGMENT

1. Upon the occurrence of the Court’s approval of the Settlement, as detailed in the accompanying Notice, I (we) agree and acknowledge that my (our) signature(s) below shall effect and constitute a full and complete release and discharge by me (us) and my (our) successors, assigns, executors, administrators, representatives, attorneys, and agents, in their capacities as such (or, if I am (we are) submitting this Proof of Claim and Release Form on behalf of a corporation, a partnership, estate, or one or more other persons, by it, him, her, or them, and by its, his, her, or their successors, assigns, executors, administrators, representatives, attorneys, and agents, in their capacities as such) of each of the “U. S. Steel Defendant Releasees” of all “Plaintiffs’ Released Claims,” as those terms are defined in the Stipulation.

2. Upon the occurrence of the Court’s approval of the Settlement, as detailed in the accompanying Notice, I (we) agree and acknowledge that my (our) signature(s) below shall effect and constitute an agreement by me (us) and my (our) successors, assigns, executors, administrators, representatives, attorneys, and agents, in their capacities as such (or, if I am (we are) submitting this Proof of Claim and Release Form on behalf of a corporation, a partnership, estate, or one or more other persons, by it, him, her, or them, and by its, his, her, or their successors, assigns, executors, administrators, representatives, attorneys, and agents, in their capacities as such) not to commence, institute, prosecute, or continue to prosecute any action or other proceeding in any court of law or equity, arbitration tribunal, or administrative forum asserting any and all Plaintiffs’ Released Claims (including Unknown Claims) against any of the U. S. Steel Defendant Releasees.

3. I (We) acknowledge that the inclusion of “Unknown Claims” in the definition of “Plaintiffs’ Released Claims” set forth in the Stipulation was separately bargained for and is a material element of the Settlement of which this release is a part.

4. I (We) hereby warrant and represent that I (we) have not assigned or transferred or purported to assign or transfer, voluntarily or involuntarily, any matter released pursuant to this release or any other part or portion thereof.

5. I (We) hereby warrant and represent that I (we) have included the information requested about all of my (our) transactions in U. S. Steel common stock and/or options that are the subject of this claim, as well as the opening and closing positions in such securities held by me (us) on the dates requested in this Claim Form.

6. I (We) certify that I am (we are) not subject to backup withholding under the provisions of Section 3406(a)(1)(C) of the Internal Revenue Code. (Note: If you have been notified by the Internal Revenue Service that you are subject to backup withholding, please strike out the prior sentence.)

I (We) declare under penalty of perjury under the laws of the United States of America that all of the foregoing information supplied on this Claim Form by the undersigned is true and correct and that the documents submitted herewith are true and correct copies of what they purport to be.

Executed this _____ day of _____, in _____, _____.
(Month / Year) (City) (State/Country)

Signature of Claimant

Signature of Joint Claimant, if any

Print Name of Claimant

Print Name of Joint Claimant, if any

Capacity of person(s) signing (e.g., Beneficial Purchaser, Executor, or Administrator)

REMINDER CHECKLIST

- 1. Please sign the above release and acknowledgment.
- 2. If this claim is being made on behalf of Joint Claimants, then both must sign.
- 3. Remember to attach copies of supporting documentation, if available.
- 4. **Do not send** originals of certificates.
- 5. Keep a copy of your Claim Form and all supporting documentation for your records.
- 6. The Claims Administrator will acknowledge receipt of your Claim Form within 60 days. Your claim is not deemed submitted until you receive an acknowledgment email or postcard. If you do not receive an acknowledgment email or postcard within 60 days, please call the Claims Administrator toll-free at (877) 868-2084.
- 7. If you move, please send your new address to:
United States Steel Corporation Securities Litigation
c/o A.B. Data, Ltd.
P.O. Box 170500
Milwaukee, WI 53217
(877) 868-2084
Online Submissions: www.USSteelLitigation.com
Email: info@USSteelLitigation.com
- 8. **Do not use red pen or highlighter** on the Claim Form or supporting documentation.

[EXHIBIT A-3 – SUMMARY NOTICE]

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

_____)	
)	Civil Action No. 17-579
<i>In re U. S. Steel Consolidated Cases</i>)	
)	Judge Cathy Bissoon
_____)	

**SUMMARY NOTICE OF PROPOSED SETTLEMENT, FINAL APPROVAL HEARING, AND MOTION FOR ATTORNEYS’
FEES AND REIMBURSEMENT OF LITIGATION EXPENSES**

TO: All Persons or entities that during the period from January 27, 2016 through April 25, 2017, inclusive (the “Settlement Class Period”), purchased or otherwise acquired United States Steel Corporation (“U. S. Steel”) common stock or options, and were injured thereby (the “Settlement Class”).

PLEASE READ THIS NOTICE CAREFULLY. YOUR RIGHTS MAY BE AFFECTED BY THE PROPOSED SETTLEMENT OF A CLASS ACTION LAWSUIT PENDING IN THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF PENNSYLVANIA (THE “COURT”).

PLEASE DO NOT CONTACT THE COURT, U. S. STEEL, OR ANY OTHER DEFENDANT, OR THEIR COUNSEL, REGARDING THIS NOTICE.

ALL QUESTIONS ABOUT THIS NOTICE, THE PROPOSED SETTLEMENT, OR YOUR ELIGIBILITY TO PARTICIPATE IN THE PROPOSED SETTLEMENT SHOULD BE DIRECTED TO LEAD COUNSEL OR THE CLAIMS ADMINISTRATOR, WHOSE CONTACT INFORMATION IS PROVIDED BELOW.

YOU ARE HEREBY NOTIFIED, pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the Court, that the Settlement Class in the above-captioned litigation (the “Action”) has been preliminarily certified for the purposes of the proposed Settlement only.

YOU ARE ALSO NOTIFIED, that Lead Plaintiff Christakis Vrakas and Plaintiff Leeann Reed (“Plaintiffs”), on behalf of themselves and the proposed Settlement Class, and the U. S. Steel Defendants have reached a proposed settlement of the Action for \$40 million in cash (the “Settlement Amount”), that, if approved, will resolve all claims in the Action (the “Settlement”).

A hearing (the “Final Approval Hearing”) will be held before the Honorable Cathy Bissoon, United States District Court Judge for the Western District of Pennsylvania, either via telephonic or video conference, or in Courtroom 3A, 3rd Floor, Joseph F. Weis, Jr. U.S. Courthouse 700 Grant Street Pittsburgh, PA 15219 at ___ on ___, 2022, to, among other things, determine whether: (i) the proposed Settlement should be approved by the Court as fair, reasonable, and adequate; (ii) the Action should be dismissed with prejudice against the U. S. Steel Defendants, as set forth in the Stipulation and Agreement of Settlement (“Stipulation”), dated May 20, 2022; (iii) the proposed Plan of Allocation for distribution of the Settlement Fund, and any interest earned thereon, less Taxes, Notice and Administration Costs, Litigation Expenses awarded by the Court, attorneys’ fees awarded by the Court, any award to pay the costs and expenses of Plaintiffs awarded by the Court, and any other costs, expenses or amounts as may be approved by the Court; (the “Net Settlement Fund”), should be approved as fair and reasonable; (iv) the application of Lead Counsel for an award of attorneys’ fees and reimbursement of Litigation Expenses should be approved; and (v) the application for an award to pay the costs and expenses of Plaintiffs should be approved.¹ The Court may change the date of the hearing without providing another notice. You do NOT need to attend the Final Approval Hearing in order to receive a distribution from the Net Settlement Fund.

¹ The Notice and the Stipulation, available for download at www.ussteellitigation.com, contain additional information concerning the Settlement and the definitions, and further explanation, of the defined terms used in this Notice (which are indicated by initial capital letters).

IF YOU ARE A MEMBER OF THE SETTLEMENT CLASS, YOUR RIGHTS WILL BE AFFECTED BY THE PROPOSED SETTLEMENT AND YOU MAY BE ENTITLED TO SHARE IN THE NET SETTLEMENT FUND. If you have not yet received (i) the printed Notice of Proposed Settlement, Final Approval Hearing, and Motion for Attorneys' Fees and Reimbursement of Litigation Expenses ("Notice"), or (ii) the Proof of Claim and Release Form ("Claim Form"), you can obtain a copy of those documents on the website www.ussteellitigation.com or by contacting the Claims Administrator:

In re U. S. Steel Securities Litigation
c/o A.B. Data
P.O. Box 170500
Milwaukee, WI 53217
877-868-2084
info@ussteellitigation.com

Please refer to the website for more detailed information and to review the Settlement documents. Inquiries other than requests for information about the status of a claim may also be made to Lead Counsel:

Shannon L. Hopkins
Levi & Korsinsky, LLP
1111 Summer Street, Suite 403
Stamford, CT 06905
Telephone: (203) 992-4523

If you are a Settlement Class Member, to be eligible to share in the distribution of the Net Settlement Fund, you must timely submit a valid Claim Form, which can be found on the website listed above, ***postmarked or submitted via www.ussteellitigation.com no later than []***. If you are a Settlement Class Member and do not submit a valid Claim Form, you will not be eligible to share in the distribution of the Net Settlement Fund, but you will nevertheless be bound by any judgments or orders entered by the Court in the Action.

If you are a Settlement Class Member, have not previously requested exclusion in connection with the Class Notice, and wish to exclude yourself from the Settlement Class, you must submit a written request for exclusion in accordance with the instructions set forth in the Notice, ***postmarked no later than []***. If you properly exclude yourself from the Settlement Class, you will not be eligible to share in the proceeds of the Settlement. If you are a Settlement Class member and do not timely exclude yourself from the Settlement Class, you will be bound by any judgments or orders entered by the Court in the Action.

Any objections to the proposed Settlement, Plan of Allocation, or Lead Counsel's application for attorneys' fees and reimbursement of Litigation Expenses must be submitted to the Court in accordance with the instructions set forth in the Notice, including by filing with the Court ***no later than []***, and ***postmarked or emailed to the Settling Parties' counsel no later than []***.

DATED: _____

THE HONORABLE CATHY BISSOON
United States District Court Judge, United States District Court for
The Western District of Pennsylvania

[EXHIBIT B – FINAL APPROVAL ORDER]

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

In re U. S. Steel Consolidated Cases

Civil Action No. 17-579

Judge Cathy Bissoon

[PROPOSED] FINAL JUDGMENT AND ORDER OF DISMISSAL WITH PREJUDICE

WHEREAS, a consolidated class action is pending before the Court entitled *In re U. S. Steel Consolidated Cases*, Civil Action No. 17-579 (the “Action”);

WHEREAS, (i) Lead Plaintiff Christakis Vrakas and Plaintiff Leeann Reed (“Plaintiffs”), on behalf of themselves and the other members of the Settlement Class, and (ii) defendants United States Steel Corporation (“U. S. Steel” or the “Company”), Mario Longhi, David B. Burritt, and Dan Lesnak (collectively, the “Individual Defendants” and, together with U. S. Steel, the “U. S. Steel Defendants” or the “Settling Defendants,” and together with Plaintiffs, the “Settling Parties”), have determined to settle all claims asserted in the Action with prejudice on the terms and conditions set forth in the Stipulation and Agreement of Settlement dated May 20, 2022 (the “Stipulation”), subject to approval of this Court (the “Settlement”);

WHEREAS, by the Order Preliminarily Approving Settlement and Providing for Notice (“Order”) dated _____, 2022 (ECF No. __), this Court (a) preliminarily approved the Settlement; (b) certified the Settlement Class solely for purposes of effectuating the Settlement; (c) ordered that notice of the proposed Settlement be provided to potential Settlement Class Members; (d) provided Settlement Class Members with the opportunity either to exclude

themselves from the Settlement Class or to object to the proposed Settlement; and (e) scheduled a hearing regarding final approval of the Settlement;

WHEREAS, due and adequate notice having been given to the Settlement Class as required in the Order;

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

WHEREAS, the Court having reviewed and considered the Stipulation, all papers filed and proceedings held 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 that:

1. This Final Judgment and Order of Dismissal With Prejudice (“Final Judgment and Order”) incorporates by reference the definitions in the Stipulation, and all terms used herein shall have the same meanings as set forth in the Stipulation, unless otherwise set forth herein.

2. This Court has jurisdiction over the subject matter of the Action and all matters relating to the Settlement, as well as personal jurisdiction over all Settling Parties and all Settlement Class Members.

3. The Court hereby affirms its determination in the Order certifying the Action, for purposes of effectuating the proposed Settlement, as a class action pursuant to Rules 23(a) and (b)(3) of the Federal Rules of Civil Procedure on behalf of a Settlement Class consisting of all persons or entities who purchased or otherwise acquired United States Steel Corporation common stock and options during the period from January 27, 2016 through April 25, 2017, inclusive, and

were injured thereby. Excluded from the Settlement Class are: (i) Defendants; (ii) the Individual Defendants' immediate family members; (iii) any person who was an Officer or director of the Company during the Class Period; (iv) any firm, trust, corporation, or other entity in which a Defendant has or had a controlling interest; (v) the legal representatives, affiliates, heirs, successors in-interest, or assigns of any such excluded person or entity. Also excluded from the Settlement Class are those persons or entities eligible for membership in the Settlement Class who: (i) requested exclusion from the Settlement Class in connection with the Class Notice; and (ii) all persons who submitted valid and timely requests for exclusion from the Settlement Class in connection with the Notice. Those persons or entities eligible for membership in the Settlement Class who timely submitted valid requests for exclusion from the Settlement Class in connection with either: (1) the Class Notice; and/or (2) the Notice as identified on Exhibit 1 hereto are not bound by this Final Judgment and Order.

4. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, and for Settlement purposes only, the Court hereby affirms its determination in the Order certifying Plaintiffs, Christakis Vrakas and Leann Reed, as Class Representatives for the Settlement and appointing Lead Counsel, Levi & Korsinsky, LLP, as Class Counsel for the Settlement Class. Plaintiffs and Lead Counsel have fairly and adequately represented the Settlement Class both in terms of litigating the Action and for purposes of entering into and implementing the Settlement and have satisfied the requirements of Federal Rules of Civil Procedure 23(a)(4) and 23(g), respectively.

5. The Court finds that the dissemination of the Notice of Proposed Settlement, Final Approval Hearing, and Motion for Attorneys' Fees and Reimbursement of Litigation Expenses and the publication of the Summary Notice of Proposed Settlement, Final Approval Hearing, and Motion for Attorneys' Fees and Reimbursement of Litigation Expenses (together, the "Notice")

given to the Settlement Class: (a) was 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 Settlement Class Members of (i) the effect of the proposed Settlement (including the Releases to be provided thereunder); (ii) Lead Counsel's motion for an award of attorneys' fees and reimbursement of Litigation Expenses; (iii) their right to object to any aspect of the Settlement, the Plan of Allocation, and/or Lead Counsel's motion for attorneys' fees and reimbursement of Litigation Expenses; (iv) their right to exclude themselves from the Settlement Class; and (v) their right to appear at the Settlement Hearing; (d) constituted due, adequate, and sufficient notice to all Persons 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.

6. The U. S. Steel Defendants have filed a Declaration Regarding Compliance with the Class Action Fairness Act of 2005 ("CAFA"), 28 U.S.C. §1715. The U. S. Steel Defendants timely mailed notice of the Stipulation pursuant to 28 U.S.C. §1715(b), including notices to the Attorney General of the United States of America and the Attorneys General of all states in which members of the Settlement Class reside. The notice contains the documents and information required by 28 U.S.C. §1715(b)(1)-(8). The Court finds that the U. S. Steel Defendants have complied in all respects with the requirements of 28 U.S.C. §1715.

7. Pursuant to, and in accordance with, Rule 23 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

for therein; and the dismissal with prejudice of the claims asserted in the Action), and finds that the Settlement is, in all respects, fair, reasonable, and adequate to the Settlement Class. The Settling Parties are directed to implement, perform, and consummate the Settlement in accordance with the terms and provisions set forth in in the Stipulation.

8. All of the claims asserted in the Action by Plaintiffs and the other Settlement Class Members are hereby dismissed with prejudice. For the avoidance of doubt, all consolidated actions, including *Payne, et al., v. United States Steel Corp., et al.*, No. 2:17-cv-660, *Bieryla v. United States Steel Corporation, et al.*, No. 2:19-cv-468, *Cetlin, et al. v. United States Steel Corporation, et al.*, No. 2:19-cv-469, and *Oklahoma Firefighters' Pension and Retirement System, et al. v. United States Steel Corporation, et al.*, No. 2:19-cv-469, also are hereby dismissed with prejudice. The Settling Parties shall bear their own costs and expenses, except as otherwise expressly provided in the Stipulation.

9. Upon the Effective Date of the Settlement, the Plaintiffs shall, and each of the Settlement Class Members shall be deemed to have, and by operation of the Final Judgment and Order shall have, fully, finally, and forever released, relinquished, and discharged all Plaintiffs' Released Claims (including Unknown Claims) against the U. S. Steel Defendant Releasees, whether or not such Settlement Class Member submits a Claim Form or seeks or obtains a distribution from the Net Settlement Fund.

10. Plaintiffs and all Settlement Class Members are hereby forever barred and enjoined from commencing, instituting, prosecuting, or continuing to prosecute any action or other proceeding in any court of law or equity, arbitration tribunal, or administrative forum, asserting any of Plaintiffs' Released Claims against any of the U. S. Steel Defendant Releasees.

11. Upon the Effective Date of the Settlement, the U. S. Steel Defendants Releasees shall be deemed to have, and by operation of this Final Judgment and Order shall have, fully, finally and forever released, relinquished, and discharged all U. S. Steel Defendants' Released Claims (including Unknown Claims) against each and all of the Plaintiff Releasees.

12. Defendants and U. S. Steel Defendant Releasees are hereby forever barred and enjoined from prosecuting any U. S. Steel Defendants' Released Claims against any of the Plaintiff Releasees.

13. Neither the facts and terms of the Stipulation (including exhibits) and all negotiations, discussions, drafts, and proceedings in connection with the Stipulation or the Settlement, including the Term Sheet, nor the Order or this Final Judgment and Order: (i) shall be offered, received, or admitted against any of the U. S. Steel Defendant Releasees as evidence of, or construed or used as, or deemed to be evidence of any presumption, concession, or admission by any of the U. S. Steel Defendant Releasees: (a) of the truth of any fact; (b) of the validity of any of Plaintiffs' Released Claims or any claim that was asserted in any of the complaints in this Action, or that could have been or might have been asserted against any of the U. S. Steel Defendant Releasees in this Action or in any litigation in this or any other court, administrative agency, arbitration forum, or other tribunal; (c) of any liability, negligence, gross negligence, recklessness, deliberate recklessness, fault, or other wrongdoing of any kind of any of the U. S. Steel Defendant Releasees to any other Person; (d) of any liability, fault, misrepresentation, or omission with respect to any statement or written document approved or made by any of the U. S. Steel Defendant Releasees; or (e) of any infirmity in the defenses that have been or could have been asserted in this Action; (ii) shall be offered, received, or admitted against any of the U. S. Steel Defendant Releasees or Plaintiff Releasees, as evidence of a presumption, concession, or

admission with respect to any liability, negligence, fault, or wrongdoing of any kind, or in any way referred to for any other reason or purpose as against any of the Released Persons, in any other civil, criminal or administrative action or proceeding in any court, administrative agency or other tribunal (including, without limitation, any formal or informal investigation or inquiry by the U.S. Securities and Exchange Commission or any other state or federal governmental or regulatory agency), other than such proceedings as may be necessary to enforce the terms of the Settlement or effectuate the provisions of the Stipulation; provided, however, that any Person may: (a) refer to the Stipulation and the Settlement as necessary to secure the liability protections granted them hereunder; and/or (b) file the Stipulation and/or the Judgment in any action for any purpose, including, without limitation, in order to support a defense or counterclaim based on principles of *res judicata*, collateral estoppel, release and discharge, good faith settlement, judgment bar or reduction, or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim; (iii) shall be offered or construed as evidence that a class should or should not be certified in the Action if the Settlement is not consummated; (iv) shall be construed against any of the U. S. Steel Defendant Releasees or Plaintiff Releasees as an admission, concession, or presumption that the consideration to be given hereunder represents the amount that could be or would have been recovered after trial; or (v) shall be construed against Plaintiffs, Lead Counsel or any other Settlement Class Member(s) as an admission, concession, or presumption that any of their claims are without merit or that damages recoverable under the Amended Complaint would not have exceeded the amount of the Settlement Fund; *provided, however*, that the Settling Parties and the Releasees and their respective counsel may refer to the Stipulation to effectuate the protections from liability granted thereunder or otherwise to enforce the terms of the Settlement.

14. Without affecting the finality of this Final Judgment and Order in any way, this Court hereby retains continuing and exclusive jurisdiction over (a) the Settling Parties for purposes of administration, interpretation, implementation, and enforcement of the Settlement embodied in the Stipulation, including, without limitation, the releases provided for in the Stipulation; (b) the disposition of the Settlement Fund, including any award or distribution of the Settlement Fund, including interest earned thereon; (c) hearing and determining any award of attorneys' fees and reimbursement of Litigation Expenses and/or any award to pay the costs and expenses of Plaintiffs from the Settlement Fund; (d) any motion to approve the Plan of Allocation, including administration, processing, and determination of Claims and the determination of all controversies relating thereto, including disputed questions of law and fact with respect to the validity of Claims; (e) any motion to approve the Class Distribution Order; and (f) the Settlement Class Members for all matters relating to the Action.

15. 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 reimbursement of Litigation Expenses and an award to pay the costs and expenses of Plaintiffs from the Settlement Fund. Such orders shall in no way affect or delay the finality of this Final Judgment and Order and shall not affect or delay the Effective Date of the Settlement.

16. The Court finds that, during the course of the Action, the Settling Parties and their respective counsel at all times complied with the requirements of Rule 11 of the Federal Rules of Civil Procedure relating to the prosecution, defense, and/or settlement of this Action.

17. In the event that the Settlement is terminated or does not become effective in accordance with the terms of the Stipulation, or the Effective Date otherwise fails to occur, then this Final Judgment and Order shall be vacated, rendered null and void, and be of no further force

and effect, to the extent provided by and in accordance with the Stipulation, and this Final Judgment and Order shall be without prejudice to the rights of the Settling Parties and all Settlement Class Members, and the Settling Parties shall be deemed to have reverted to their respective status in this Action as of February 25, 2022, with all of their respective claims and defenses preserved as they existed on that date, as provided in the Stipulation.

18. Without further order of the Court, the parties to the Stipulation 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 Final Judgment and Order; and (b) do not materially limit the rights of Settlement Class members in connection with the Settlement. Without further order of the Court, the Settling Parties may agree to reasonable extensions of time to carry out any of the provisions of the Stipulation.

19. There is no reason to delay the entry of this Final Judgment and Order 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, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure.

IT IS SO ORDERED

Date: _____

THE HONORABLE CATHY BISSOON
UNITED STATES DISTRICT COURT
JUDGE

**US Steel Litigation
Exclusion Report**

Full Name	Exclusion ID	Mailing Address Included (Y/N)	Number of US Steel Shares of stock/stock options purchased	Date of US Steel stock/stock options purchased	Signature (Y/N)	Postmark Date
1. Leo Zak	86074980	Y	0.006	3/16,6/16,9/16,12/16,3/17	Y	7/6/2020
2. Kathi E. Sweeney	86074981	Y	0.142	3/16,6/16,9/16,12/16,3/17	Y	7/6/2020
3. Duane Krause	86074982	Y	40	1/5/2018	Y	8/6/2020
4. Edwardo Medina, Jr.	86074983	Y	16	9/13/2016	Y	8/7/2020
5. Ruslan Ryzhkov	86074984	Y	405, 250	7/5/16, 7/27/16	Y	8/5/2020
6. Barry Klassy	86074985	Y	790	1/25/2017	Y	8/7/2020
7. Gerald Wyeth	86074986	Y	400, 500	7/12/16, 1/19/17	Y	8/8/2020
8. Rosalinda Icasas	86074987	Y	500	2/3/2017	Y	8/10/2020
9. Son Duong	86074988	Y	100	2/6/2017	N	8/6/2020
10. Wayne & Carol Todd	86074989	Y	Not Provided	Not Provided	Y	8/12/2020
11. John Johnson	86074990	Y	5000, 3900, 3300, 2500, 1500, 8000	3/18/16, 5/2/16, 5/12/16, 8/12/16, 2/24/17, 3/21/17	Y	8/11/2020
12. Adam Greenberg	86074991	Y	22	1/26/2017	Y	8/10/2020
13. Maureen Haggerty	86074992	Y	Provided Holdings	Provided Holdings	Y	8/13/2020
14. Timothy Coruetti	86074993	Y	Not Provided	Not Provided	Y	8/12/2020
15. Lorraine Gilbert	86074994	Y	2, 8	2/13/17, 9/5/17	Y	8/12/2020
16. Rebecca Fischer	86074995	Y	100	1/26/2017	Y	8/13/2020
17. Dorothy McClure	86074996	Y	Not Provided	Not Provided	Y	8/13/2020
18. Maureen O'Connor	86074997	Y	100, 200	4/12/16, 4/24/17	Y	8/17/2020
19. Gordon Ng	86074998	Y	PUT 33 (Option)	3/17/2017	Y	8/17/2020
20. Elke Schoenberg*	88665075	Y	Not Provided	Not Provided	N	8/24/2020
21. Nghi Nguyen**	88665076/88673947	Y	500	1/23/2018	Y	8/25/2020
22. Carol Wessel	88665077	Y	Not Provided	Not Provided	Y	8/20/2020
23. Diane Tomasic	88665078	Y	Not Provided	Not Provided	Y	8/20/2020
24. Natthamon Bridge	88665079	Y	55	3/7/2017	Y	8/24/2020
25. Vladimir Gincheran	88665080	Y	1,338	4/20/2017	Y	8/22/2020
26. Andrew Block	88665081	Y	96	2/21/2017	Y	8/22/2020
27. Matt & Megan Dunlap	88665082	Y	15	6/3/2016	Y	8/22/2020
28. Kuan-Lun Chen	86074999	Y	50	11/22/2016	Y	8/21/2020
29. Jorge Puell	88665074	Y	40	1/18/2017	Y	8/21/2020
30. Matthew Laszinski	88665073	Y	200, 2, 1, 1, 1	12/19/16, 1/25/17, 2/3/17, 2/9/17, 2/9/17	Y	8/21/2020
31. James Kroll (Michael Kroll)***	88673943	Y	200, 50	1/27/16, 4/25/17	Y	N/A
32. Austin Jones	88673944	Y	5	3/6/2017	N	8/22/2020
33. Craig & Judith Drum	88673945	Y	969	4/6/2017	Y	illegible
34. Mickey Ameigh***	88673946	Y	500, 500, 560	9/16/16, 12/16/16, 2/22/17	Y	N/A
35. Dirk Campbell***	88673948	Y	Not Provided	Not Provided	Y	8/24/2020
36. Diane Stittgen	88673949	Y	100	7/29/2016	Y	8/27/2020
37. Kao Shou Yen	88673951	Y	3,000	11/07/2016, 11/08/2016	Y	9/16/2020

* Received Email Exclusion

** Received Email Exclusion on 8/25/20 & received paper exclusion on 8/31/20 with no postmark

*** No postmark on envelope

Exhibit 2



CORNERSTONE RESEARCH

Economic and Financial Consulting and Expert Testimony

Securities Class Action Settlements

2021 Review and Analysis

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Analyses in this report are based on 2,013 securities class actions filed after passage of the Private Securities Litigation Reform Act of 1995 (Reform Act) and settled from 1996 through year-end 2021. See page 16 for a detailed description of the research sample. For purposes of this report and related research, a settlement refers to a negotiated agreement between the parties to a securities class action that is publicly announced to potential class members by means of a settlement notice.

2021 Highlights

While the number of settlements increased in 2021 to a 10-year high, several key metrics declined below recent levels. The median total settlement amount decreased to \$8.3 million. And, reversing a trend observed in recent years, median “simplified tiered damages” were 42% below the 2020 median value.

- There were 87 settlements, totaling \$1.8 billion, in 2021. [\(page 3\)](#)
- The median settlement of \$8.3 million fell 22% from 2020 (adjusted for inflation). [\(page 4\)](#)
- Almost 60% of cases (51) settled for less than \$10 million, and of these, 14 cases settled for less than \$2 million. [\(page 4\)](#)
- There were three mega settlements (equal to or greater than \$100 million), ranging from \$130 million to \$187.5 million. [\(page 3\)](#)
- Median “simplified tiered damages” (among cases with Rule 10b-5 claims) was the lowest since 2017 and the second lowest in the last decade. [\(page 5\)](#)
- In 2021, the number of settlements in cases with only Section 11 and/or Section 12(a)(2) claims (‘33 Act claims) was nearly double the annual average from 2017 to 2020. [\(page 7\)](#)
- The proportion of settled cases alleging Generally Accepted Accounting Principles (GAAP) violations in Rule 10b-5 cases was 32%, a record low among all post-Reform Act years. [\(page 9\)](#)
- The rate of settled cases involving a corresponding action by the U.S. Securities and Exchange Commission (SEC) was the lowest in the past decade. [\(page 11\)](#)
- The median time from filing to settlement hearing date was 2.6 years, compared to 3.0 years for 2012 to 2020. [\(page 13\)](#)

Figure 1: Settlement Statistics

(Dollars in millions)

	2016–2020	2019	2020	2021
Number of Settlements	395	75	77	87
Total Amount	\$20,486.9	\$2,227.5	\$4,395.2	\$1,787.7
Minimum	\$0.3	\$0.5	\$0.3	\$0.6
Median	\$9.9	\$11.7	\$10.6	\$8.3
Average	\$51.9	\$29.7	\$57.1	\$20.5
Maximum	\$3,237.5	\$413.0	\$1,266.9	\$187.5

Note: Settlement dollars are adjusted for inflation; 2021 dollar equivalent figures are presented.

Author Commentary

Findings

There was no slowdown in settlement activity in 2021, even with the backdrop of the COVID-19 pandemic, as the number of securities class action settlements increased to a 10-year high. Since the typical duration from case filing to settlement is approximately three years, the uptick in 2021 settlements is consistent with the unprecedented number of case filings in 2017–2019,¹ which is when the majority of these settled cases were filed.

The record number of cases settled in 2021, however, did not translate into higher total settlement dollars. Both total settlement dollars and median settlement amount declined to their lowest levels since 2017, reflecting an increase in the proportion of smaller settlements (i.e., less than \$10 million) compared to prior years.

The decline in settlement sizes can largely be attributed to lower estimates of our proxy for economic losses borne by shareholders, or “simplified tiered damages.” Moreover, median issuer defendant total assets were more than 45% smaller for cases settled in 2021 compared to those settled in 2020.

Weaker cases may have contributed to the reduced settlement values as well. For example, the proportion of settled cases alleging a GAAP violation or involving a related SEC action were at record-low levels. Both of these factors are typically associated with higher settlement amounts and are sometimes considered proxies for stronger cases.² In addition, the frequency of other factors that our research finds are associated with higher settlement amounts, such as the involvement of an institutional investor as lead plaintiff or the presence of a parallel derivative action, were among the lowest observed in the last decade.

The mix of cases that settled in 2021 had smaller estimates of potential shareholder losses and lacked many of the plus factors that often contribute to higher settlement outcomes.

Dr. Laarni T. Bulan
Principal, Cornerstone Research

Similarly, our research finds that the number of docket entries—a proxy for the time and effort expended by plaintiff counsel and/or case complexity—is positively associated with settlement amounts. The average number of docket entries for cases settled in 2021 was the lowest in the last five years.

Undeterred by the challenges of the pandemic, securities class action settlements occurred in larger numbers and were resolved more quickly than observed in prior years. The increase in the number of settlements also reflects the unusually high rate of case filings when many of these settled cases were first initiated.

Dr. Laura E. Simmons
Senior Advisor, Cornerstone Research

Looking Ahead

We expect heightened settlement activity to continue in upcoming years given the elevated number of case filings in 2018–2020 compared to earlier years,³ assuming no increases in dismissal rates. The higher number of smaller settlements observed in 2021 could also continue due to the decline in the median disclosure dollar loss (another proxy for shareholder losses) among case filings during the same time frame (2018–2020).

Several recent trends in case allegations have been observed in case filings since 2017, such as allegations related to cybersecurity, cryptocurrency, cannabis, COVID-19, and special purpose acquisition companies (SPACs).⁴ We continue to see a small number of these cases settling, but a large portion remains active. In addition, the spike in SPAC filings in 2021, as shown in Cornerstone Research’s *Securities Class Action Filings—2021 Year in Review*, is likely to affect settlement trends in future years.

—Laarni T. Bulan and Laura E. Simmons

Total Settlement Dollars

As has been observed in prior years, the presence or absence of just a few very large settlements can have an outsized effect on total reported settlement dollars.

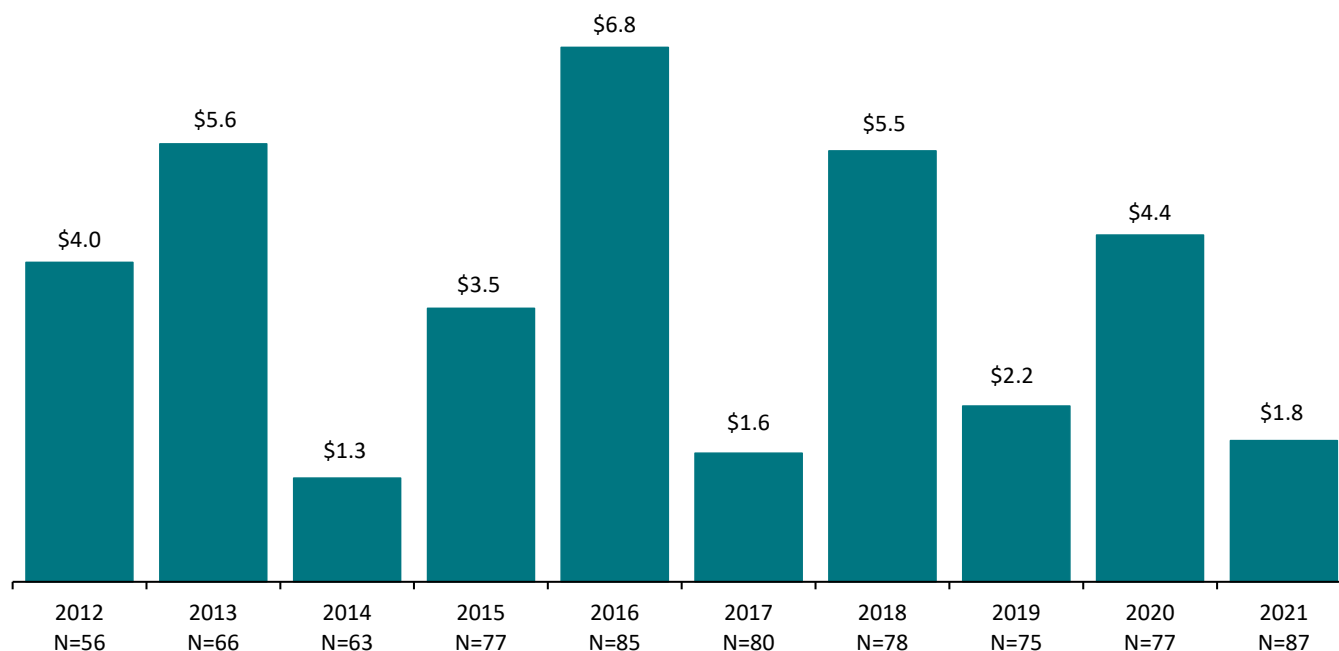
- In 2021, the absence of these very large settlements contributed to a nearly 60% decline in total settlement dollars from the prior year (adjusted for inflation).
- There were three mega settlements (equal to or greater than \$100 million) in 2021, ranging from \$130 million to \$187.5 million. The maximum settlement value of \$187.5 million in 2021 is the lowest maximum value in the last decade.

The number of settlements in 2021 reached a 10-year high.

- Only 25% of total settlement dollars in 2021 came from mega settlements, the lowest percentage in the last decade. (See Appendix 4 for additional information on mega settlements.)
- The number of settlements in 2021 (87 cases) represented a 19% increase from the prior nine-year average (73 cases).

**Figure 2: Total Settlement Dollars
2012–2021**

(Dollars in billions)



Note: Settlement dollars are adjusted for inflation; 2021 dollar equivalent figures are presented. “N” refers to the number of cases.

Settlement Size

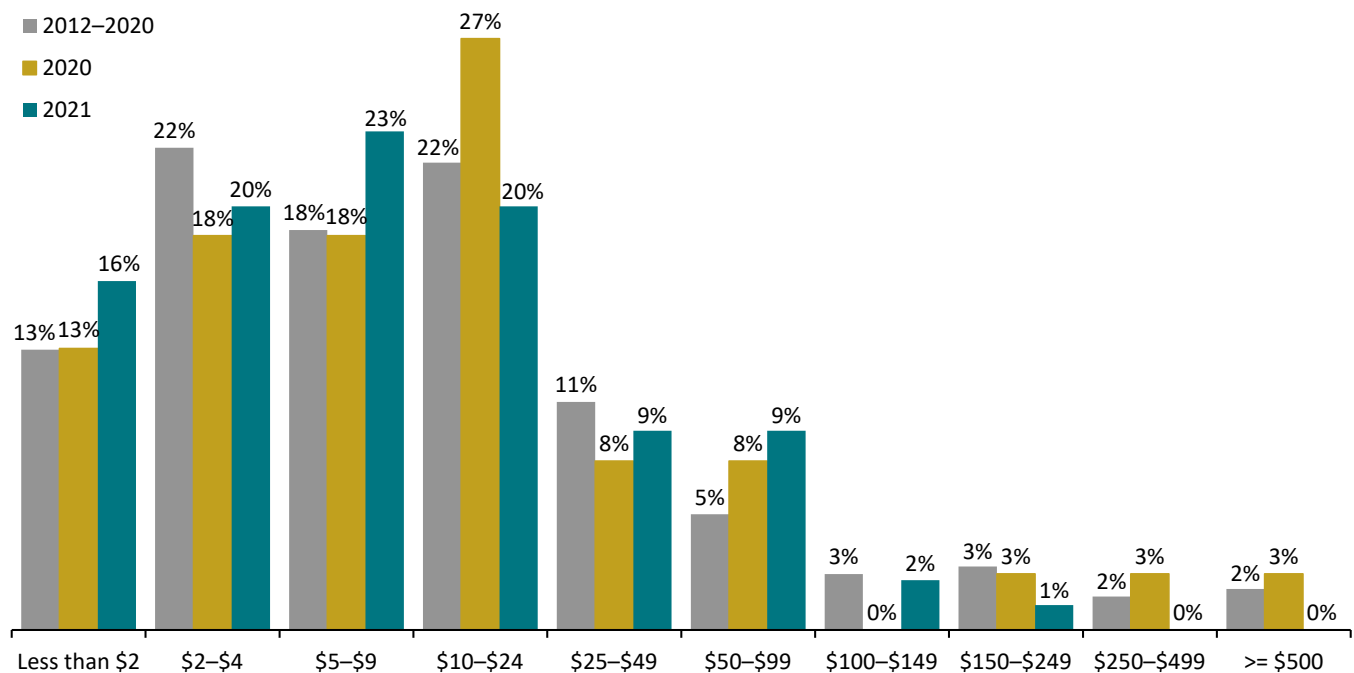
- The median settlement amount in 2021 was \$8.3 million, a 22% decline from 2020 (adjusted for inflation), and a 10% decline from the 2012–2020 median.
- There were 14 cases that settled for less than \$2 million in 2021 (historically referred to by commentators as nuisance suits).⁵ This compares to an annual average of 10 such settlements during the 2012–2020 period.
- Both the average settlement and median settlement amounts in 2021 were the lowest since 2017. (See Appendix 1 for an analysis of settlements by percentiles.)

Nearly 60% of settlements in 2021 were for less than \$10 million.

- As noted in prior research, three law firms (The Rosen Law Firm, Pomerantz LLP, and Glancy Prongay & Murray LLP) have accounted for more than half of securities class action filings in recent years, and those filings have been dismissed at a higher rate overall than those with other lead plaintiff counsel.⁶ For cases that progressed to a settlement in 2021 with one or more of these three firms acting as lead counsel, the median settlement amount was 76% lower than the median for cases involving other lead plaintiff counsel. These three firms were involved as lead counsel in 31 settled cases in 2021, compared to 19 in 2020.

Figure 3: Distribution of Settlements 2012–2021

(Dollars in millions)



Type of Claim

Rule 10b-5 Claims and “Simplified Tiered Damages”

“Simplified tiered damages” uses simplifying assumptions to estimate per-share damages and trading behavior for cases involving Rule 10b-5 claims. It provides a measure of potential shareholder losses that allows for consistency across a large volume of cases, thus enabling the identification and analysis of potential trends.⁷

Cornerstone Research’s prediction model finds this measure to be the most important factor in predicting settlement amounts.⁸ However, this measure is not intended to represent actual economic losses borne by shareholders. Determining any such losses for a given case requires more in-depth economic analysis.

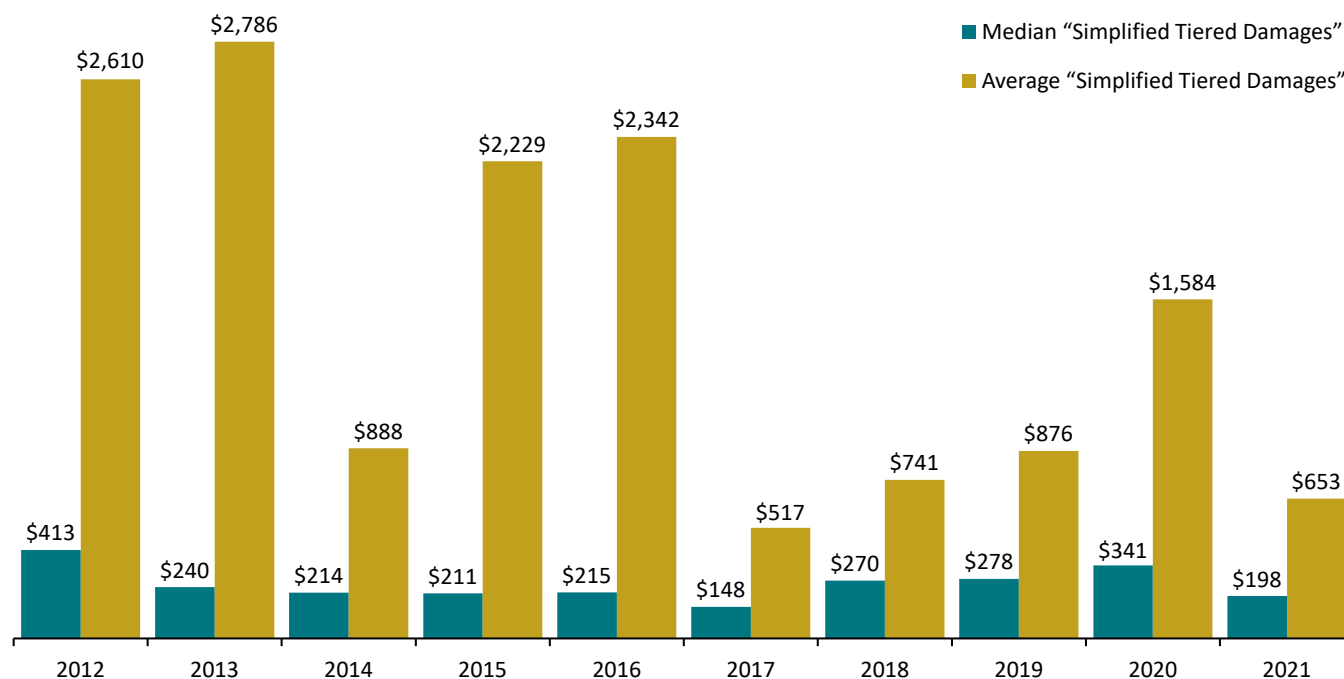
- Similar to settlement amounts, the average “simplified tiered damages” in 2021 declined to the lowest level since 2017. (See Appendix 5 for additional information on median and average settlements as a percentage of “simplified tiered damages.”)

Median “simplified tiered damages” was the lowest since 2017 and the second lowest in the last decade.

- Median values provide the midpoint in a series of observations and are less affected than averages by outlier data. The decrease in median “simplified tiered damages” in 2021 indicates a decline in the number of larger cases relative to 2020 (e.g., cases with “simplified tiered damages” exceeding \$250 million).
- Smaller “simplified tiered damages” are typically associated with smaller issuer defendants (measured by total assets or market capitalization of the issuer). However, the median market capitalization of issuer defendants⁹ in settled cases increased 30% over 2020, in part reflecting the upward market trend through the end of 2021.

Figure 4: Median and Average “Simplified Tiered Damages” in Rule 10b-5 Cases 2012–2021

(Dollars in millions)

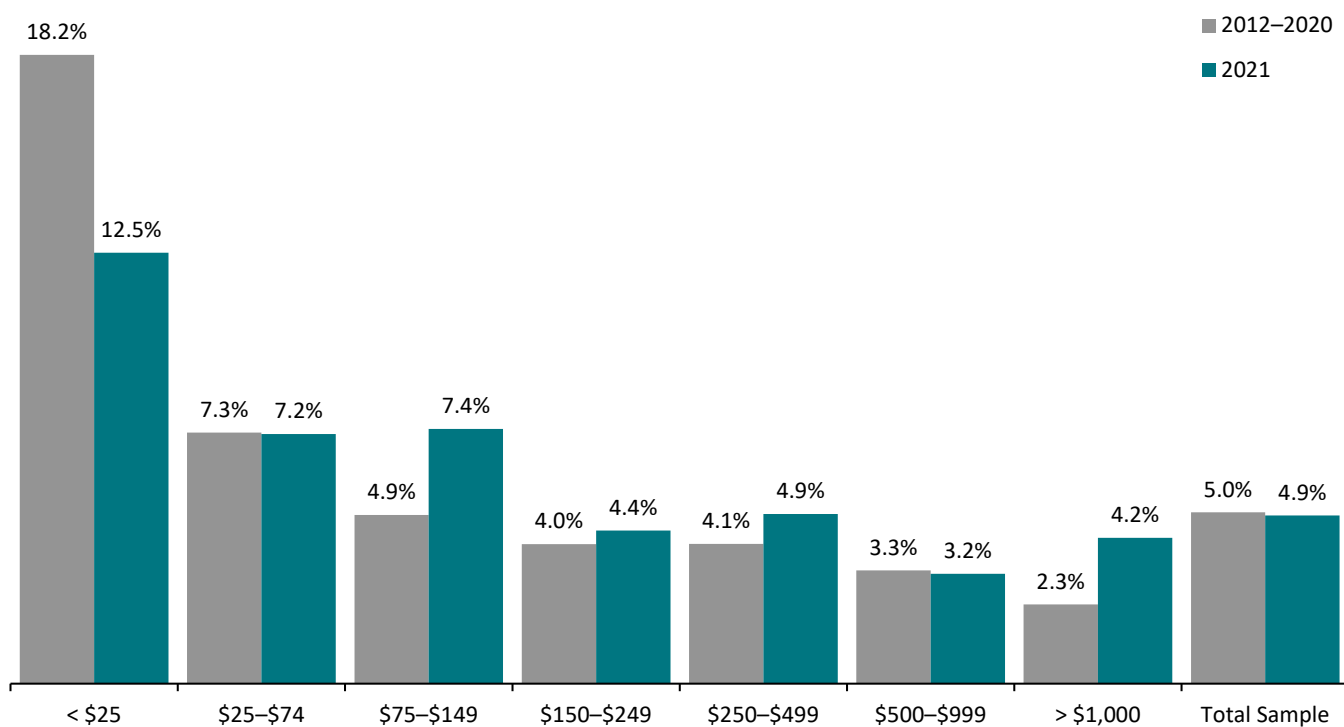


Note: “Simplified tiered damages” are adjusted for inflation based on class period end dates for common stock only; 2021 dollar equivalent figures are presented. Damages are estimated for cases alleging a claim under Rule 10b-5 (whether alone or in addition to other claims).

- Cases with larger “simplified tiered damages” are more likely to be associated with factors such as institutional lead plaintiffs, related SEC actions, or criminal charges. (See *Analysis of Settlement Characteristics on pages 9–12 for additional discussion of these factors.*)
- Among cases with Rule 10b-5 claims, the median class period length declined 20% in 2021 from the median class period length observed in 2020, explaining, in part, the relatively low median “simplified tiered damages.”
- Fourteen settlements in 2021 had “simplified tiered damages” less than \$25 million, the largest proportion of such cases in more than 15 years.
- Cases with less than \$25 million in “simplified tiered damages” typically settle more quickly. In 2021, these cases settled within 2.5 years on average, compared to about four years for cases with “simplified tiered damages” greater than \$500 million.
- Half of the cases settled in 2021 with “simplified tiered damages” of less than \$25 million involved issuers that had been delisted from a major exchange and/or declared bankruptcy prior to settlement.
- Very large cases (more than \$1 billion in “simplified tiered damages”) typically settle for a smaller percentage of such damages. However, compared to cases with “simplified tiered damages” between \$150 million and \$1 billion, this pattern did not hold in 2021.

Figure 5: Median Settlements as a Percentage of “Simplified Tiered Damages” by Damages Ranges in Rule 10b-5 Cases 2012–2021

(Dollars in millions)



Note: Damages are estimated for cases alleging a claim under Rule 10b-5 (whether alone or in addition to other claims).

'33 Act Claims and “Simplified Statutory Damages”

For '33 Act claim cases—those involving only Section 11 and/or Section 12(a)(2) claims—shareholder losses are estimated using a model in which the statutory loss is the difference between the statutory purchase price and the statutory sales price, referred to here as “simplified statutory damages.” Only the offered shares are assumed to be eligible for damages.¹⁰

“Simplified statutory damages” are typically smaller than “simplified tiered damages,” in part reflecting differences in the methodologies used to estimate alleged damages per share, as well as differences in the shares eligible to be damaged. As such, settlements as a percentage of “simplified statutory damages” may be higher than the percentages observed among Rule 10b-5 settlements.

- However, for the first time since 2014, the median settlement as a percentage of “simplified statutory damages” was lower than the median settlement as a percentage of “simplified tiered damages.” In 2021, the median settlement as a percentage of “simplified statutory damages” was 4.4%, 10% lower than the median “simplified tiered damages” of 4.9%. (See Appendix 6 for additional information on median and average settlements as a percentage of “simplified statutory damages.”)

The median settlement value for '33 Act claim cases in 2021 was \$8.4 million, largely unchanged from 2020 (\$8.6 million).

- In 2021, the number of settlements in cases with only '33 Act claims was nearly double the annual average from 2017 to 2020.
- Cases involving '33 Act claims typically resolve more quickly than cases involving Rule 10b-5 (Exchange Act) claims. In 2021, however, the median interval from filing date to settlement hearing date for both case types narrowed to within 10%.

**Figure 6: Settlements by Nature of Claims
2012–2021**

(Dollars in millions)

	Number of Settlements	Median Settlement	Median “Simplified Statutory Damages”	Median Settlement as a Percentage of “Simplified Statutory Damages”
Section 11 and/or Section 12(a)(2) Only	77	\$8.9	\$142.2	7.6%

	Number of Settlements	Median Settlement	Median “Simplified Tiered Damages”	Median Settlement as a Percentage of “Simplified Tiered Damages”
Both Rule 10b-5 and Section 11 and/or Section 12(a)(2)	116	\$16.0	\$406.9	6.1%
Rule 10b-5 Only	543	\$7.9	\$215.2	4.8%

Note: Settlement dollars and damages are adjusted for inflation; 2021 dollar equivalent figures are presented.

- More than 80% of cases with only '33 Act claims involved an initial public offering (IPO).
- In 2021, 88% of the settled '33 Act claim cases involved an underwriter (or underwriters) as a named codefendant.
- Among those cases with identifiable contributions, D&O liability insurance provided, on average, more than 90% of the total settlement fund for '33 Act claim cases from 2012 to 2021.¹¹
- Median “simplified statutory damages” in 2021 was the highest since 2014, and double the median in 2020.

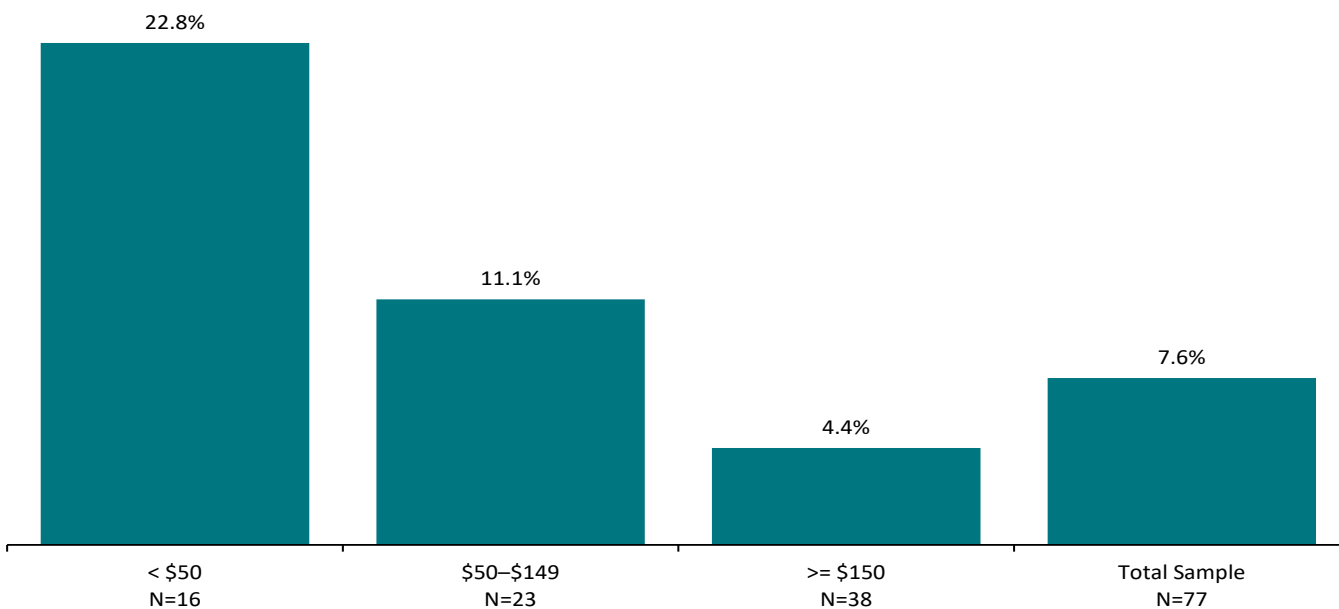
As noted in previous reports, the March 2018 U.S. Supreme Court decision in *Cyan Inc. v. Beaver County Employees Retirement Fund (Cyan)* held that '33 Act claim securities class actions could be brought in state court. While '33 Act claim cases had often been brought in state courts before

Cyan, filing rates in state courts increased substantially following this ruling. This trend reversed, however, following the March 2020 Delaware Supreme Court decision in *Salzberg v. Sciabacucchi* upholding the validity of federal forum-selection provisions in corporate charters.¹²

- In 2021, among '33 Act claim only cases filed post-*Cyan* but prior to the *Sciabacucchi* ruling, 13 have settled, six of which were filed in state court.¹³
- In the years since the *Cyan* decision, an increase in the number of overlapping or parallel suits has been observed—for example, a '33 Act claim case filed in state court that is related to a Rule 10b-5 claim case filed in federal court.¹⁴ The number of these overlapping suits that settled in 2021 was nearly triple the average from 2017 to 2020.

Figure 7: Median Settlements as a Percentage of “Simplified Statutory Damages” by Damages Ranges in '33 Act Claim Cases 2012–2021

(Dollars in millions)



Jurisdictions of Settlements of '33 Act Claim Cases

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
State Court	1	1	0	2	4	5	4	4	7	6
Federal Court	3	7	2	3	6	3	4	5	1	10

Note: “N” refers to the number of cases. Table does not include parallel suits.

Analysis of Settlement Characteristics

GAAP Violations

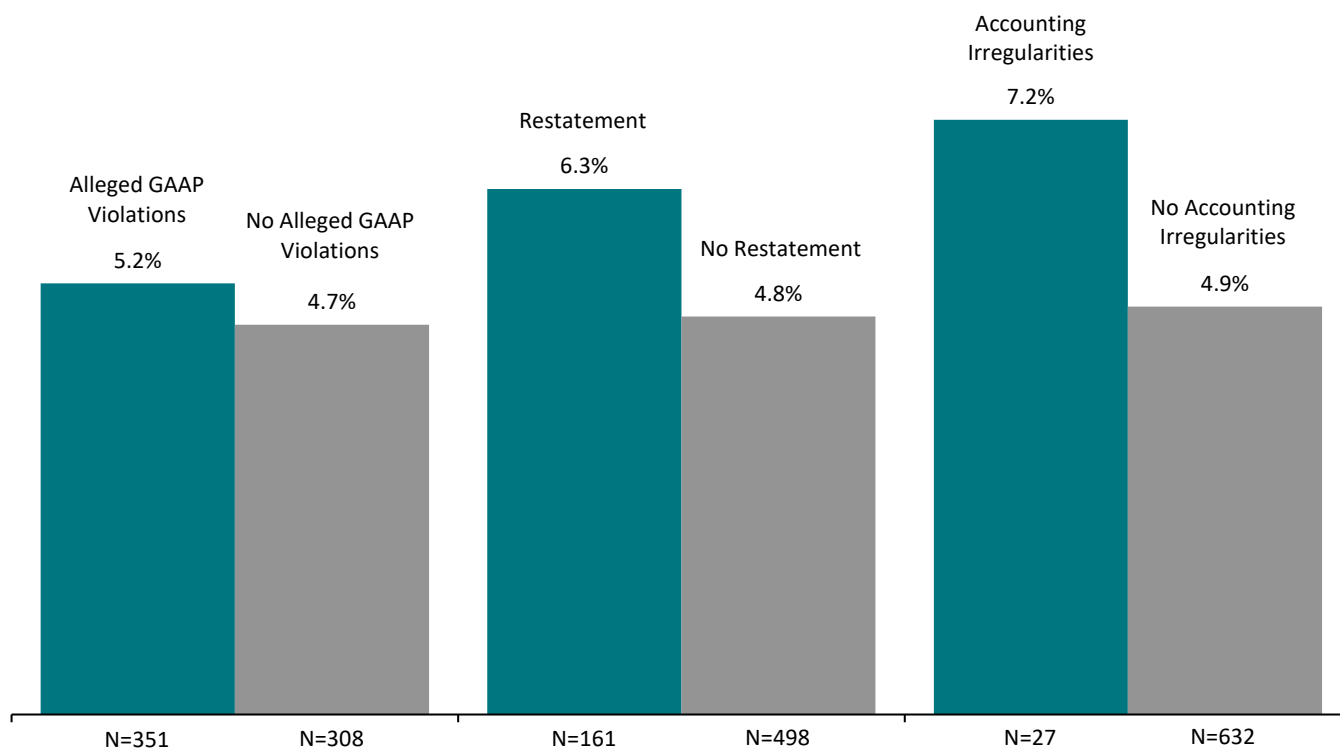
This analysis examines allegations of GAAP violations in settlements of securities class actions involving Rule 10b-5 claims, including two sub-categories of GAAP violations—financial statement restatements and accounting irregularities.¹⁵ For further details regarding settlements of accounting cases, see Cornerstone Research’s annual report on *Accounting Class Action Filings and Settlements*.¹⁶

- In 2021, median “simplified tiered damages” for cases involving GAAP allegations were 38% higher than the 2012–2020 median for such cases.
- As this research has observed, settlements as a percentage of “simplified tiered damages” for cases involving GAAP allegations are typically higher than for non-GAAP cases. This is true even as the rate of accounting allegations has declined in recent years. For example, only 14% of settlements in 2021 involved a restatement of financial statements.

- The frequency of an outside auditor codefendant has declined substantially in recent years. In 2021, an outside auditor was a codefendant in just 3% of settlements.
- The frequency of reported accounting irregularities among settlements from 2017 to 2021 was also low, at just 3.5% of cases. Of those cases, more than 50% also involved criminal charges/indictments related to the allegations in the class action.

The proportion of settled cases in 2021 with Rule 10b-5 claims alleging GAAP violations was 32%, an all-time low among all post-Reform Act years.

Figure 8: Median Settlements as a Percentage of “Simplified Tiered Damages” and Allegations of GAAP Violations 2012–2021



Note: “N” refers to the number of cases.

Derivative Actions

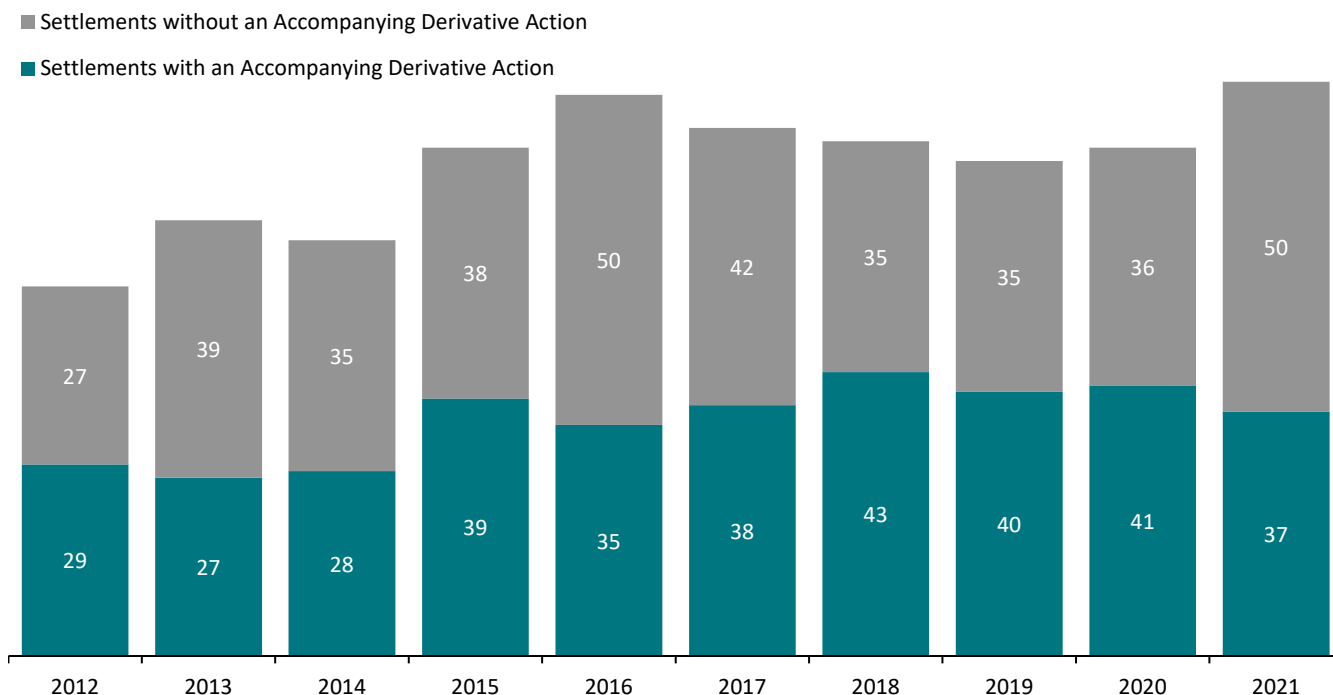
Historically, settled cases involving an accompanying derivative action have been associated with both larger cases (measured by “simplified tiered damages”) and larger settlement amounts. For example, from 2012 to 2020, the median settlement for cases with an accompanying derivative action was nearly 45% higher than for cases without a derivative action.

- However, in 2021, the median settlement for cases with an accompanying derivative action was \$8.5 million compared to \$7.5 million for cases without a derivative action, a difference of 13%.
- In 2021, median “simplified tiered damages” for settled cases with an accompanying derivative action was more than double the median for cases without an accompanying derivative action.

In 2021, 43% of settled cases involved an accompanying derivative action, the lowest rate in the last five years.

- For cases settled during 2017–2021, nearly one-third of parallel derivative suits were filed in Delaware. California and New York were the next most common venues for such actions, representing 22% and 13% of such settlements, respectively.

Figure 9: Frequency of Derivative Actions 2012–2021

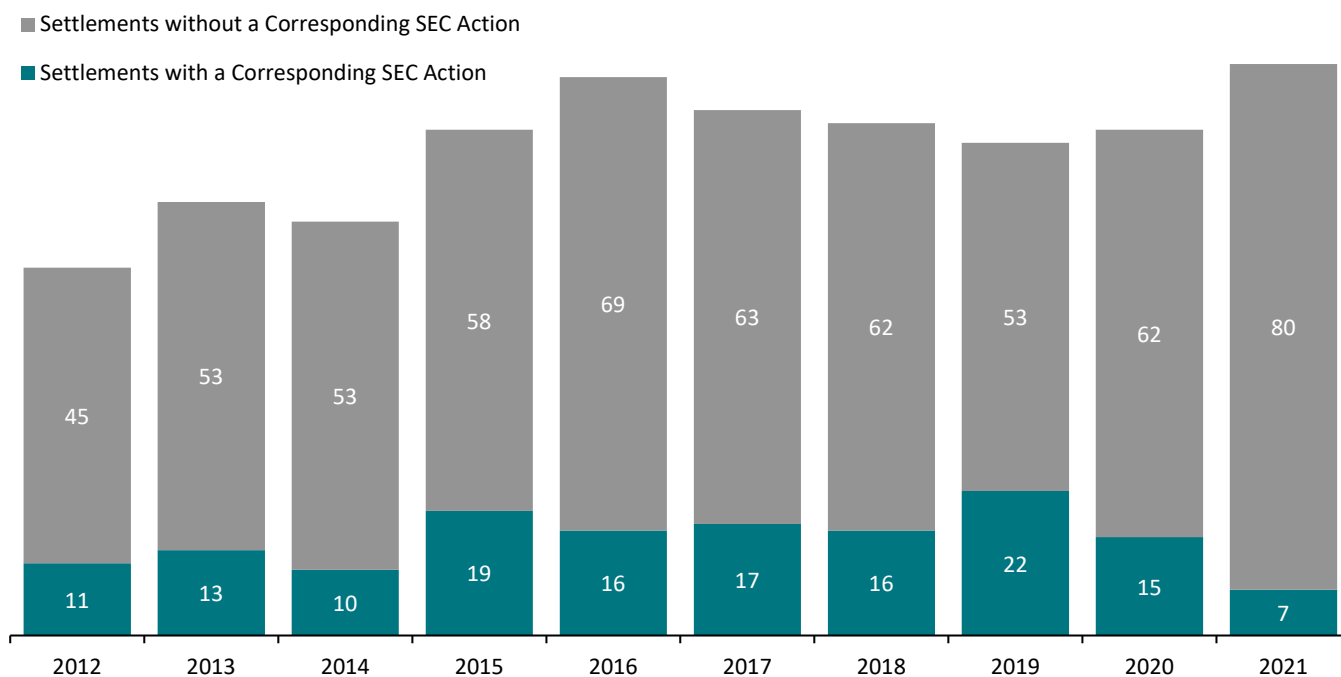


Corresponding SEC Actions

- Cases with an SEC action related to the allegations are typically associated with substantially higher settlement amounts.¹⁷
- In 2021, median settlement amounts for cases that involved a corresponding SEC action were double the median for cases without such an action.
- Settled cases in 2021 with a corresponding SEC action took more than 30% longer to reach settlement compared to cases without such an action. (See page 13 for additional discussion.)
- The dramatic decline in corresponding SEC actions (Figure 10) may reflect, in part, the decline in SEC enforcement activity during the filing date years associated with 2021 settlements. For additional details, see Cornerstone Research’s *SEC Enforcement Activity: Public Company and Subsidiaries—FY 2021 Update*.
- Cases involving corresponding SEC actions may also include related criminal charges in connection with the allegations covered by the underlying class action. From 2017 to 2021, 40% of settled cases with an SEC action had related criminal charges.¹⁸

In 2021, the number of settled cases involving a corresponding SEC action was the lowest in the past decade

Figure 10: Frequency of SEC Actions
2012–2021



Institutional Investors

As is well known, increasing institutional participation in litigation as lead plaintiffs was a focus of the Reform Act.¹⁹ Institutional investors are often involved in larger cases, that is, cases with higher “simplified tiered damages” and higher total assets.

- In 2021, for cases involving an institutional investor as lead plaintiff, median “simplified tiered damages” and median total assets were six times and 11 times higher, respectively, than the median values for cases without an institutional investor in a lead role.
- The involvement of an institutional investor as a lead plaintiff is correlated with specific law firms serving as lead plaintiff counsel. For example, over the last five years, an institutional investor served as lead plaintiff in 86% of the settled cases in which Robbins Geller Rudman & Dowd LLP and/or Bernstein Litowitz Berger & Grossman LLP served as lead plaintiff counsel. In comparison, an institutional investor served as lead plaintiff in only 15% of cases in which The Rosen Law Firm, Pomerantz, or Glancy served as lead counsel.

Since passage of the Reform Act, public pension plans have been the most frequent type of institutional lead plaintiff, and the presence of a public pension acting as a lead

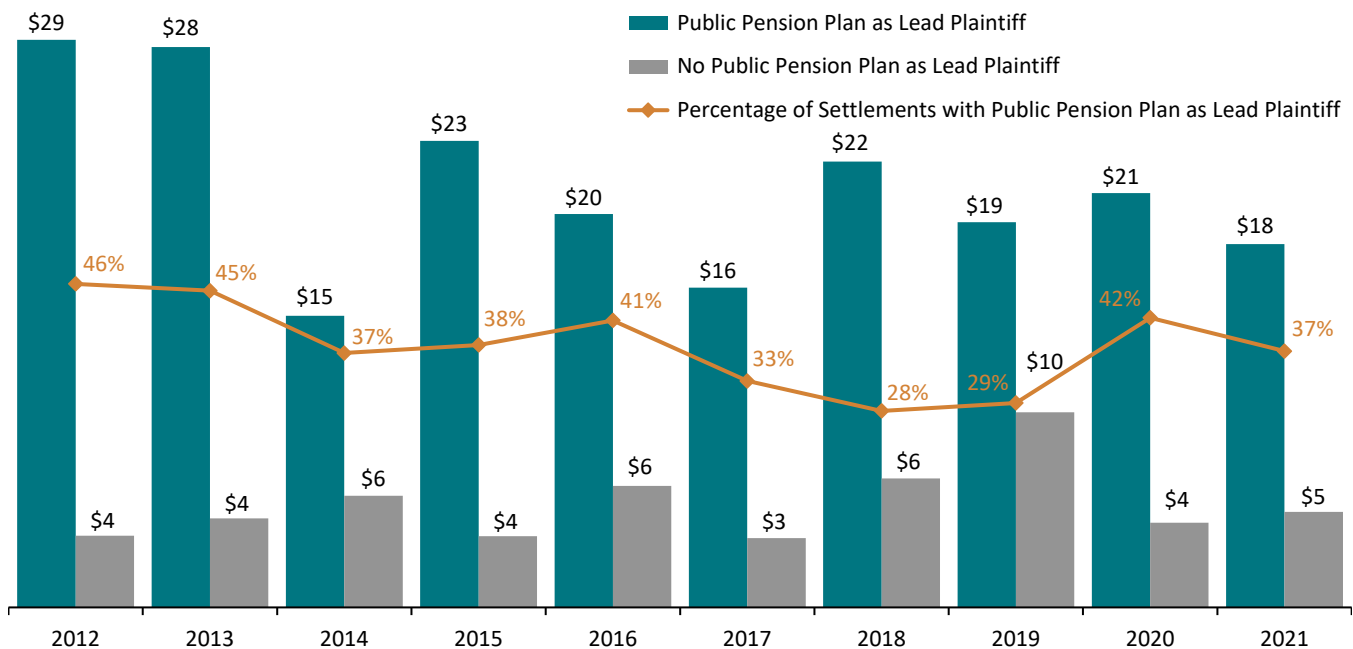
plaintiff is associated with higher settlement amounts. (See page 15 for further discussion of factors that influence settlement outcomes.)

- For example, for cases settled in 2021, public pension plans served as lead plaintiffs in almost 76% of cases involving institutions, while union funds appeared as lead plaintiffs in less than 10% of these cases.
- Public pensions are also more likely to be lead plaintiffs in cases involving more established publicly traded issuers. In 2021 settled cases, the median age from IPO to the filing date for cases with a public pension lead plaintiff was more than 8.5 years compared to a median of 4.3 years for cases without a public pension lead.

Among cases settled in 2021, institutional investor lead plaintiff appointments were among the lowest in more than 15 years.

Figure 11: Median Settlement Amounts and Public Pension Plans 2012–2021

(Dollars in millions)



Note: Settlement dollars are adjusted for inflation; 2021 dollar equivalent figures are presented.

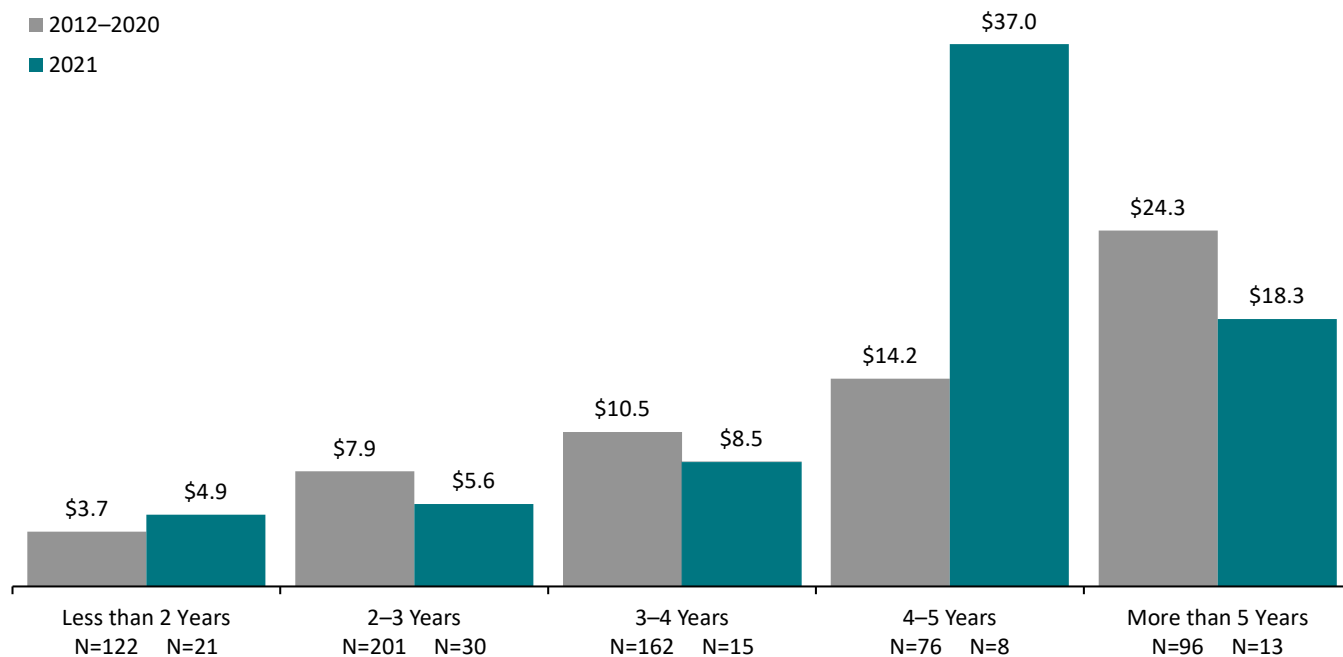
Time to Settlement and Case Complexity

- The median time from filing to settlement hearing date was 2.6 years for 2021 settlements, compared to 3.0 years for 2012–2020 settlements. This decline in the time to reach settlement was largely driven by the Ninth Circuit, where the median time to settlement declined by almost 40% in 2021.
- Larger cases (as measured by “simplified tiered damages”) often take longer to resolve. Consistent with this, in 2021 all three mega settlements took at least three years to reach a settlement hearing date.
- In 2021, for cases that took at least three years to settle, median “simplified tiered damages” were more than five times higher for settlements with an institutional lead plaintiff than for those without an institutional lead plaintiff.
- Reflecting both the smaller dollar amounts and the shorter interval from filing date to settlement hearing date among 2021 settlements, the number of docket entries for these cases declined, on average, 26% from the prior year.²⁰

Over 55% of cases in 2021 reached a settlement hearing date within three years of filing, compared to under 45% in 2020.

Figure 12: Median Settlement by Duration from Filing Date to Settlement Hearing Date 2012–2021

(Dollars in millions)



Note: Settlement dollars are adjusted for inflation; 2021 dollar equivalent figures are presented. “N” refers to the number of cases.

Case Stage at the Time of Settlement

In collaboration with Stanford Securities Litigation Analytics (SSLA),²¹ this report analyzes settlements in relation to the stage in the litigation process at the time of settlement.

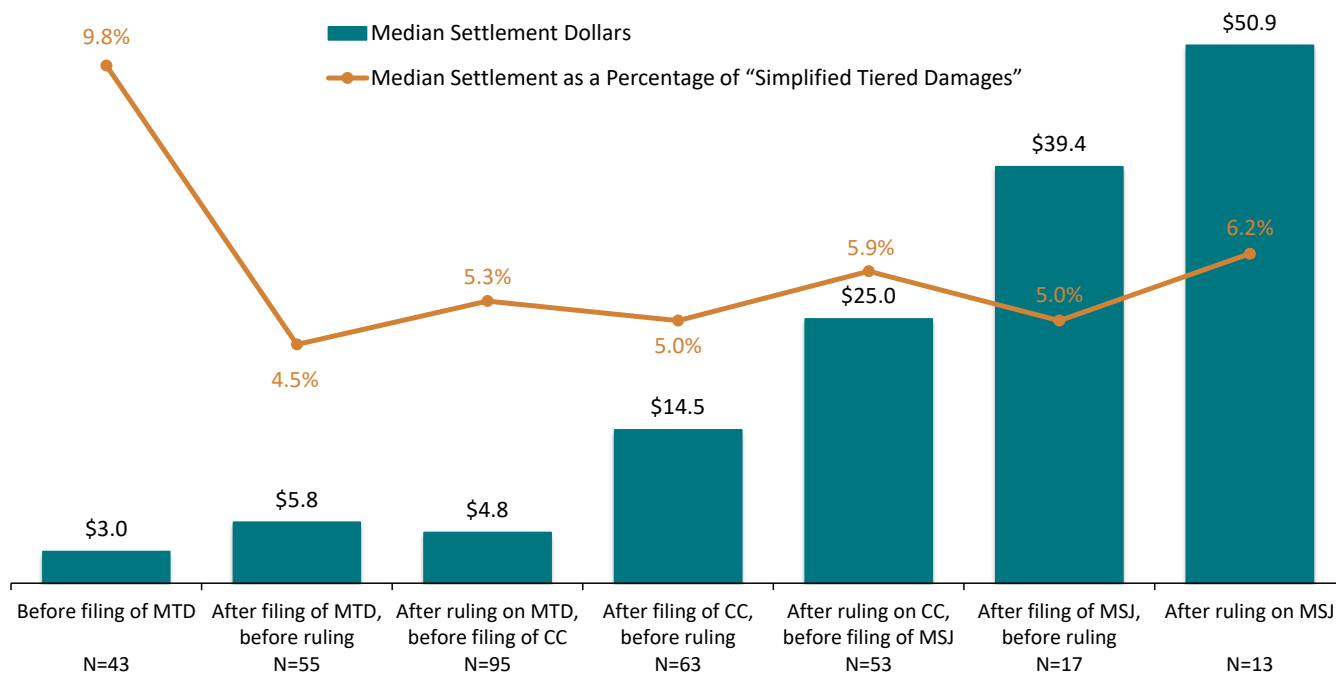
- Despite the overall smaller size of cases settled in 2021 and the shorter time to reach settlement, the stage at which cases settled remained largely unchanged. For example, in 2021, more than 60% of cases were resolved before a motion for class certification was filed, compared to 57% for 2017–2020 settlements.
- Similarly, approximately 20% of settlements in 2021 reached settlement sometime after a ruling on a motion for class certification, compared to 24% for 2017–2020 settlements.

- In 2021, cases that settled after a motion for class certification was filed were substantially larger than cases that settled at earlier stages. In particular, median “simplified tiered damages” for cases settling after a motion for class certification had been filed was more than eight times the median for cases that resolved prior to such a motion.
- Cases settling at later stages in 2021 were also larger in terms of issuer size. Specifically, the median issuer-reported total assets for 2021 cases that settled after the filing of a motion for summary judgment was more than five times the median for cases that settled prior to such a motion being filed.

Once a motion for class certification was filed, the median interval to the settlement hearing date for 2021 settlements was around 1.5 years.

Figure 13: Median Settlement Dollars and Resolution Stage at Time of Settlement 2017–2021

(Dollars in millions)



Note: Settlement dollars are adjusted for inflation; 2021 dollar equivalent figures are presented. “N” refers to the number of cases. MTD refers to “motion to dismiss,” CC refers to “class certification,” and MSJ refers to “motion for summary judgment.” This analysis is limited to cases alleging Rule 10b-5 claims.

Cornerstone Research's Settlement Prediction Analysis

This research applies regression analysis to examine the relationships between settlement outcomes and certain securities case characteristics. Regression analysis is employed to better understand and predict the total settlement amount, given the characteristics of a particular securities case. Regression analysis can also be applied to estimate the probabilities associated with reaching alternative settlement levels. It can also be helpful in exploring hypothetical scenarios, including how the presence or absence of particular factors affects predicted settlement amounts.

Determinants of Settlement Outcomes

Based on the research sample of cases that settled from January 2006 through December 2021, the factors that were important determinants of settlement amounts included the following:

- “Simplified tiered damages”
- Maximum Dollar Loss (MDL)—market capitalization change from its class period peak to post-disclosure value
- Most recently reported total assets of the issuer defendant firm
- Number of entries on the lead case docket
- Whether there were accounting allegations
- Whether there was a corresponding SEC action against the issuer, other defendants, or related parties
- Whether there were criminal charges against the issuer, other defendants, or related parties with similar allegations to those included in the underlying class action complaint
- Whether there was an accompanying derivative action
- Whether an outside auditor was named as a codefendant

- Whether Section 11 and/or Section 12(a) claims were alleged in addition to Rule 10b-5 claims
- Whether the issuer defendant was distressed
- Whether a public pension was a lead plaintiff
- Whether securities, in addition to common stock, were included in the alleged class

Regression analyses show that settlements were higher when “simplified tiered damages,” MDL, issuer defendant asset size, or the number of docket entries was larger, or when Section 11 and/or Section 12(a) claims were alleged in addition to Rule 10b-5 claims.

Settlements were also higher in cases involving accounting allegations, a corresponding SEC action, criminal charges, an accompanying derivative action, a public pension involved as lead plaintiff, an outside auditor named as a codefendant, or securities in addition to common stock included in the alleged class.

Settlements were lower if the issuer was distressed.

More than 74% of the variation in settlement amounts can be explained by the factors discussed above.

Research Sample

- The database compiled for this report is limited to cases alleging Rule 10b-5, Section 11, and/or Section 12(a)(2) claims brought by purchasers of a corporation's common stock. The sample contains cases alleging fraudulent inflation in the price of a corporation's common stock.
- Cases with alleged classes of only bondholders, preferred stockholders, etc., cases alleging fraudulent depression in price, and mergers and acquisitions cases are excluded. These criteria are imposed to ensure data availability and to provide a relatively homogeneous set of cases in terms of the nature of the allegations.
- The current sample includes 2,013 securities class actions filed after passage of the Reform Act (1995) and settled from 1996 through 2021. These settlements are identified based on a review of case activity collected by Securities Class Action Services LLC (SCAS).²²
- The designated settlement year, for purposes of this report, corresponds to the year in which the hearing to approve the settlement was held.²³ Cases involving multiple settlements are reflected in the year of the most recent partial settlement, provided certain conditions are met.²⁴

Data Sources

In addition to SCAS, data sources include Dow Jones Factiva, Bloomberg, the Center for Research in Security Prices (CRSP) at University of Chicago Booth School of Business, Standard & Poor's Compustat, Refinitiv Eikon, court filings and dockets, SEC registrant filings, SEC litigation releases and administrative proceedings, LexisNexis, Stanford Securities Litigation Analytics (SSLA), Securities Class Action Clearinghouse (SCAC), and public press.

Endnotes

- ¹ *Securities Class Action Filings—2021 Year in Review*, Cornerstone Research (2022).
- ² See, for example, Stephen J. Choi, “Do the Merits Matter Less after the Private Securities Litigation Reform Act?,” *Journal of Law, Economics, and Organization* 23, no. 3 (2007).
- ³ *Securities Class Action Filings—2021 Year in Review*, Cornerstone Research (2022).
- ⁴ *Securities Class Action Filings—2021 Year in Review*, Cornerstone Research (2022).
- ⁵ See, for example, Stephen J. Choi, Karen K. Nelson, and Adam C. Pritchard, “The Screening Effect of the Private Securities Litigation Reform Act,” Law & Economics Working Paper, University of Michigan Law School (2007).
- ⁶ *Securities Class Action Filings—2021 Year in Review*, Cornerstone Research (2022).
- ⁷ The “simplified tiered damages” approach used for purposes of this settlement research does not examine the mix of information associated with the specific dates listed in the plan of allocation, but simply applies the stock price movements on those dates to an estimate of the “true value” of the stock during the alleged class period (or “value line”). This proxy for damages utilizes an estimate of the number of shares damaged based on reported trading volume and the number of shares outstanding. Specifically, reported trading volume is adjusted using volume reduction assumptions based on the exchange on which the issuer defendant’s common stock is listed. No adjustments are made to the underlying float for institutional holdings, insider trades, or short-selling activity during the alleged class period. Because of these and other simplifying assumptions, the damages measures used in settlement outcome modeling may be overstated relative to damages estimates developed in conjunction with case-specific economic analysis.
- ⁸ Laarni T. Bulan, Ellen M. Ryan, and Laura E. Simmons, *Estimating Damages in Settlement Outcome Modeling*, Cornerstone Research (2017).
- ⁹ Median market capitalization as of the most recent quarter-end prior to the settlement hearing date.
- ¹⁰ The statutory purchase price is the lesser of the security offering price or the security purchase price. Prior to the first complaint filing date, the statutory sales price is the price at which the security was sold. After the first complaint filing date, the statutory sales price is the greater of the security sales price or the security price on the first complaint filing date. Similar to “simplified tiered damages,” the estimation of “simplified statutory damages” makes no adjustments to the underlying float for institutional holdings, insider trades, or short-selling activity.
- ¹¹ Based on data for cases where the amount contributed by the D&O liability insurer was verified in settlement materials and/or the issuer defendant’s SEC filings—approximately 83% of all ‘33 Act claims cases. Data are supplemented with additional observations from the SSLA.
- ¹² *Securities Class Action Filings—2021 Year in Review*, Cornerstone Research (2022).
- ¹³ This calculation excludes settlements with both ‘33 Act claims filed in state court and Rule 10b-5 claims filed in federal court.
- ¹⁴ In some instances, the federal action also includes ‘33 Act claims.
- ¹⁵ The three categories of accounting issues analyzed in Figure 8 of this report are (1) GAAP violations; (2) restatements—cases involving a restatement (or announcement of a restatement) of financial statements; and (3) accounting irregularities—cases in which the defendant has reported the occurrence of accounting irregularities (intentional misstatements or omissions) in its financial statements.
- ¹⁶ *Accounting Class Action Filings and Settlements—2021 Review and Analysis*, Cornerstone Research (2022), forthcoming in spring 2022.
- ¹⁷ As noted previously, it could be that the merits in such cases are stronger, or simply that the presence of a corresponding SEC action provides plaintiffs with increased leverage when negotiating a settlement. For purposes of this research, an SEC action is evidenced by the presence of a litigation release or an administrative proceeding posted on www.sec.gov involving the issuer defendant or other named defendants with allegations similar to those in the underlying class action complaint.
- ¹⁸ Identification of a criminal charge and/or criminal indictment based on review of SEC filings and public press. For purposes of this research, criminal charges and/or indictments are collectively referred to as “criminal charges.”
- ¹⁹ See, for example, Michael A. Perino, “Have Institutional Fiduciaries Improved Securities Class Actions? A Review of the Empirical Literature on the PSLRA’s Lead Plaintiff Provision,” St. John’s Legal Studies Research Paper No. 12-0021 (2012).
- ²⁰ Docket entries reflect the number of entries on the court docket for events in the litigation and have been used in prior research as a proxy for the amount of plaintiff attorney effort involved in resolving securities cases. See Laura Simmons, “The Importance of Merit-Based Factors in the Resolution of 10b-5 Litigation,” University of North Carolina at Chapel Hill Doctoral Dissertation (1996); Michael A. Perino, “Institutional Activism through Litigation: An Empirical Analysis of Public Pension Fund Participation in Securities Class Actions,” St. John’s Legal Studies Research Paper No. 06-0055 (2006).
- ²¹ Stanford Securities Litigation Analytics (SSLA) tracks and collects data on private shareholder securities litigation and public enforcements brought by the SEC and the U.S. Department of Justice. The SSLA dataset includes all traditional class actions, SEC actions, and DOJ criminal actions filed since 2000. Available on a subscription basis at <https://sla.law.stanford.edu/>.
- ²² Available on a subscription basis. For further details see <https://www.issgovernance.com/securities-class-action-services/>.
- ²³ Movements of partial settlements between years can cause differences in amounts reported for prior years from those presented in earlier reports.
- ²⁴ This categorization is based on the timing of the settlement hearing date. If a new partial settlement equals or exceeds 50% of the then-current settlement fund amount, the entirety of the settlement amount is re-categorized to reflect the settlement hearing date of the most recent partial settlement. If a subsequent partial settlement is less than 50% of the then-current total, the partial settlement is added to the total settlement amount and the settlement hearing date is left unchanged.

Appendices

Appendix 1: Settlement Percentiles

(Dollars in millions)

	Average	10th	25th	Median	75th	90th
2012	\$72.3	\$1.4	\$3.2	\$11.1	\$41.9	\$135.7
2013	\$84.1	\$2.2	\$3.5	\$7.6	\$25.8	\$96.0
2014	\$20.9	\$1.9	\$3.3	\$6.9	\$15.1	\$57.2
2015	\$45.0	\$1.5	\$2.5	\$7.4	\$18.6	\$107.5
2016	\$79.7	\$2.1	\$4.7	\$9.7	\$37.3	\$164.8
2017	\$20.4	\$1.7	\$2.9	\$5.8	\$16.9	\$39.2
2018	\$70.0	\$1.6	\$3.9	\$12.1	\$26.7	\$53.0
2019	\$29.7	\$1.6	\$6.0	\$11.7	\$21.2	\$53.0
2020	\$57.1	\$1.5	\$3.5	\$10.6	\$20.9	\$55.7
2021	\$20.5	\$1.7	\$3.1	\$8.3	\$17.9	\$58.6

Note: Settlement dollars are adjusted for inflation; 2021 dollar equivalent figures are presented.

Appendix 2: Settlements by Select Industry Sectors 2012–2021

(Dollars in millions)

Industry	Number of Settlements	Median Settlement	Median “Simplified Tiered Damages”	Median Settlement as a Percentage of “Simplified Tiered Damages”
Financial	99	\$16.2	\$409.5	5.1%
Technology	101	\$8.6	\$228.9	4.7%
Pharmaceuticals	107	\$7.0	\$215.2	4.7%
Retail	37	\$10.5	\$254.7	4.3%
Telecommunications	23	\$9.3	\$278.8	5.4%
Healthcare	19	\$12.3	\$152.8	6.7%

Note: Settlement dollars and “simplified tiered damages” are adjusted for inflation; 2021 dollar equivalent figures are presented. “Simplified tiered damages” are calculated only for cases involving Rule 10b-5 claims.

Appendix 3: Settlements by Federal Circuit Court 2012–2021

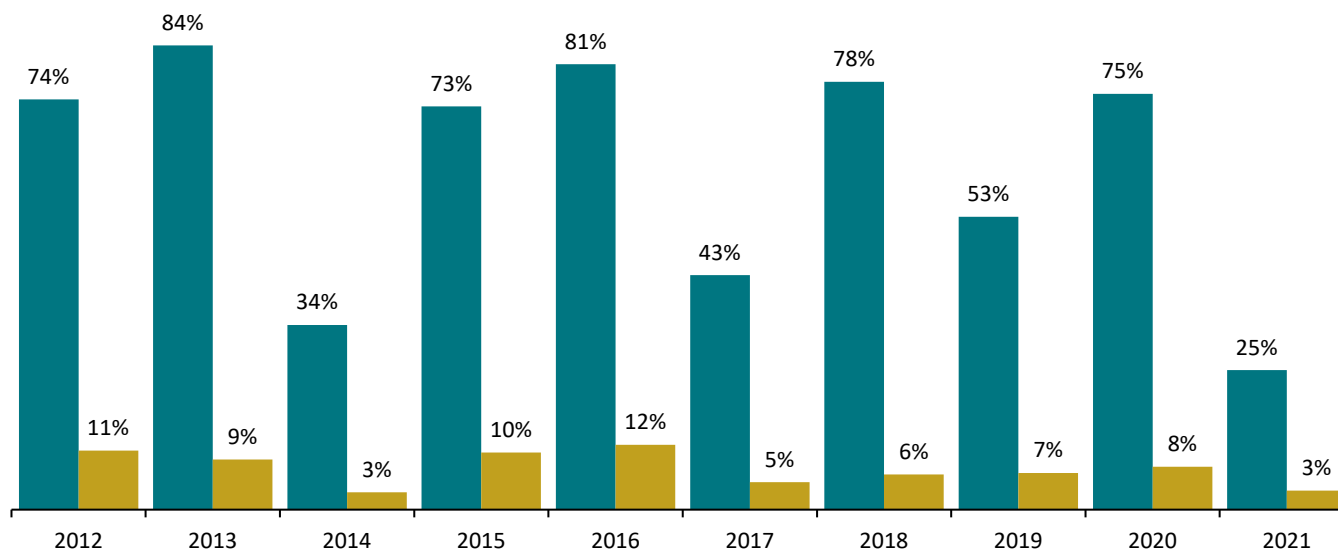
(Dollars in millions)

Circuit	Number of Settlements	Median Settlement	Median Settlement as a Percentage of “Simplified Tiered Damages”
First	20	\$10.8	3.2%
Second	192	\$9.3	5.1%
Third	65	\$7.0	5.6%
Fourth	24	\$20.1	4.1%
Fifth	36	\$9.9	5.0%
Sixth	30	\$13.3	7.4%
Seventh	35	\$14.2	3.9%
Eighth	13	\$14.7	6.8%
Ninth	183	\$6.9	4.9%
Tenth	17	\$8.5	5.3%
Eleventh	38	\$11.0	4.9%
DC	4	\$24.8	2.2%

Note: Settlement dollars are adjusted for inflation; 2021 dollar equivalent figures are presented. Settlements as a percentage of “simplified tiered damages” are calculated only for cases alleging Rule 10b-5 claims.

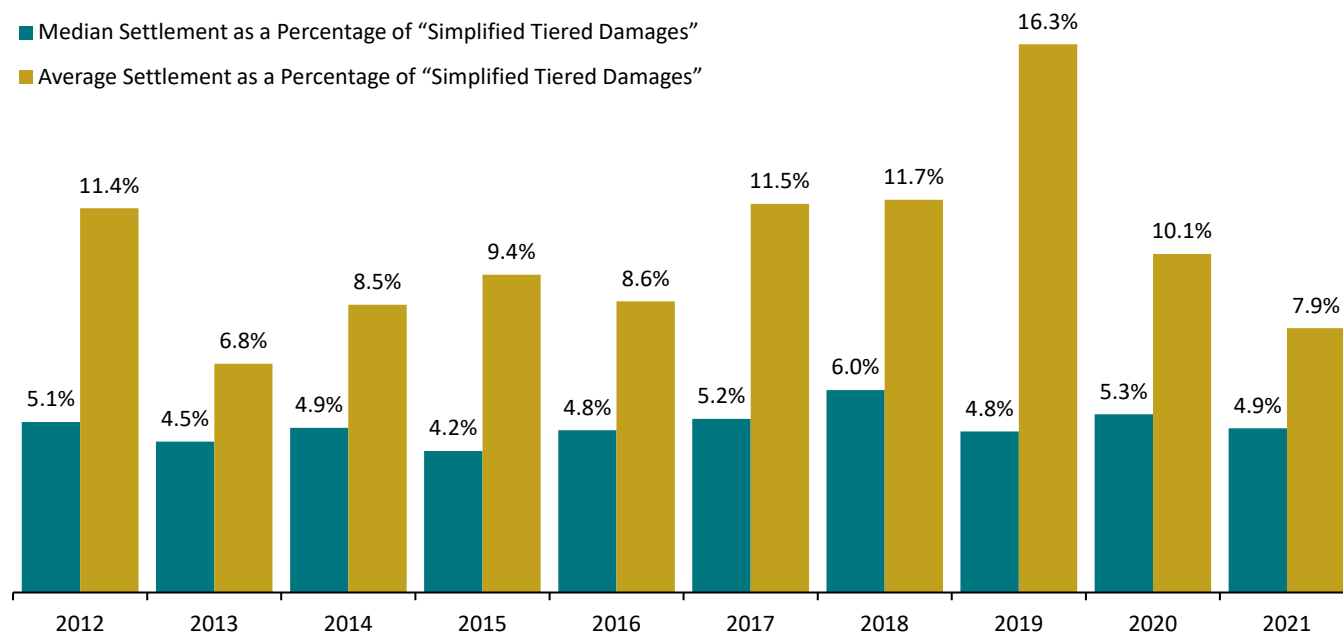
Appendix 4: Mega Settlements 2012–2021

- Total Mega Settlement Dollars as a Percentage of All Settlement Dollars
- Number of Mega Settlements as a Percentage of All Settlements



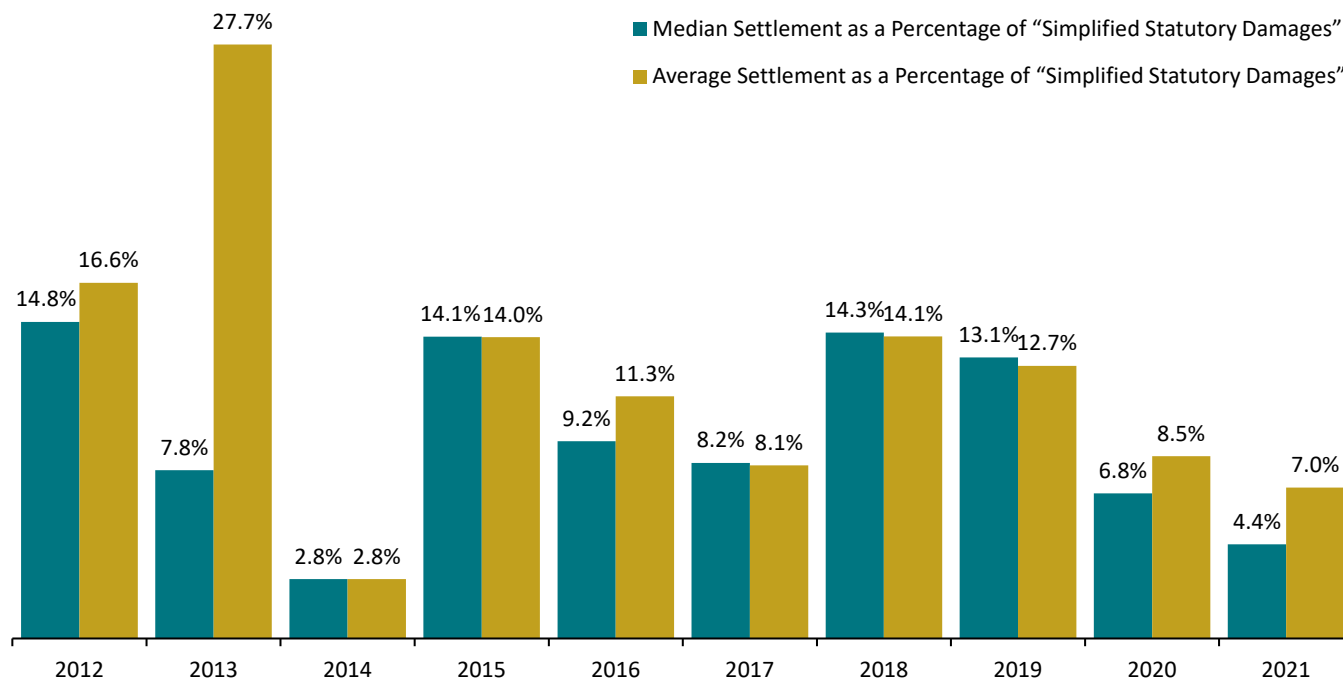
Note: Mega settlements are defined as total settlement funds equal to or greater than \$100 million. Settlement dollars are adjusted for inflation; 2021 dollar equivalent figures are presented.

Appendix 5: Median and Average Settlements as a Percentage of “Simplified Tiered Damages”
2012–2021



Note: “Simplified tiered damages” are calculated only for cases alleging Rule 10b-5 claims.

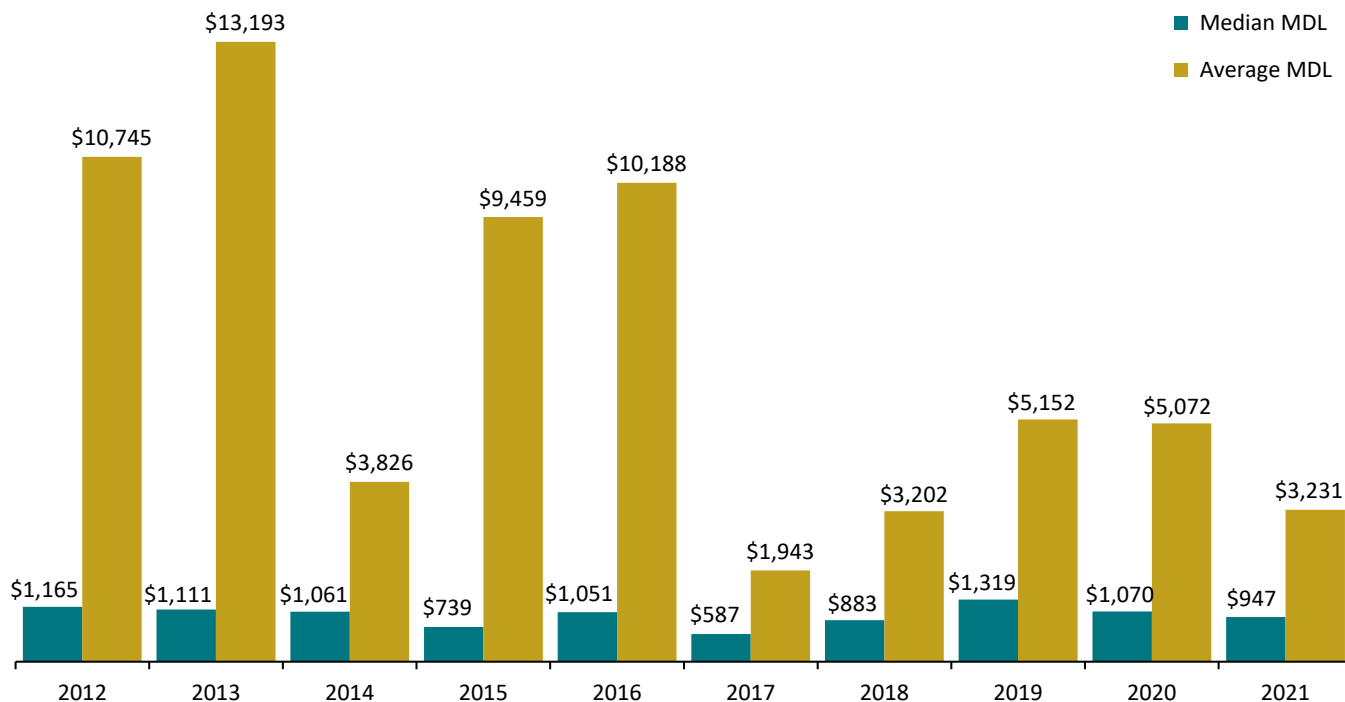
Appendix 6: Median and Average Settlements as a Percentage of “Simplified Statutory Damages”
2012–2021



Note: “Simplified statutory damages” are calculated only for cases alleging Section 11 (‘33 Act) claims and no Rule 10b-5 claims.

**Appendix 7: Median and Average Maximum Dollar Loss (MDL)
2012–2021**

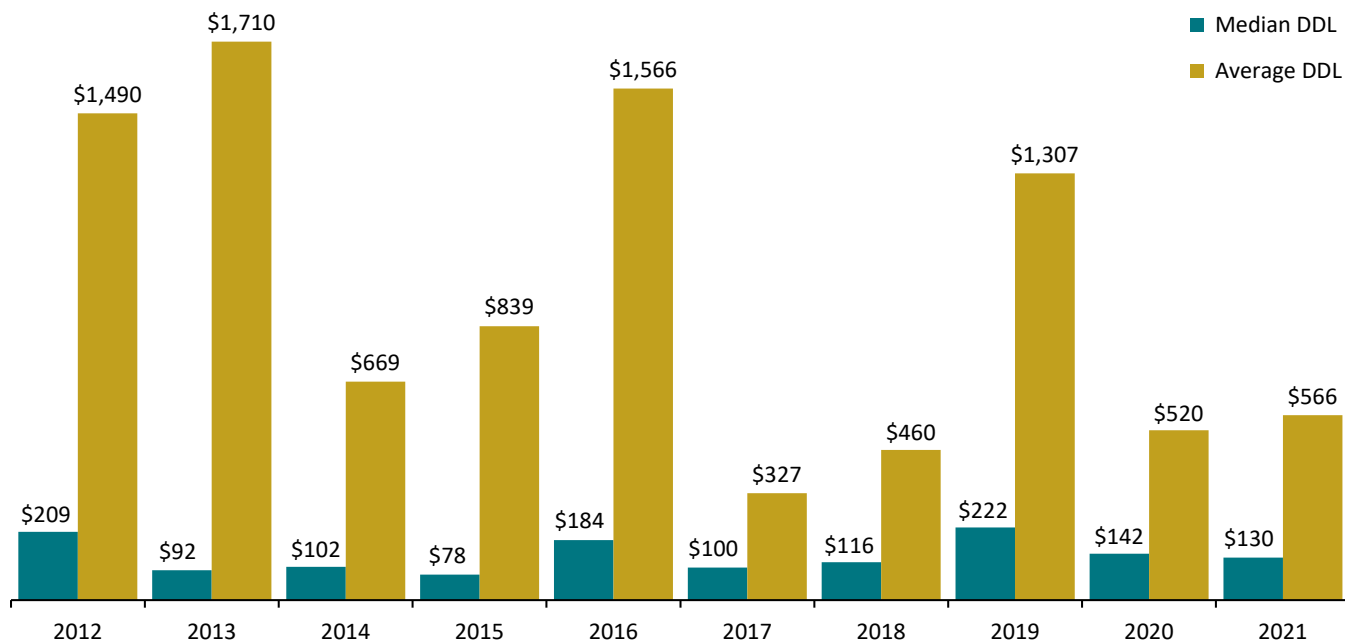
(Dollars in millions)



Note: MDL is adjusted for inflation based on class period end dates; 2021 dollar equivalents are presented. MDL is the dollar value change in the defendant firm’s market capitalization from the trading day with the highest market capitalization during the class period to the trading day immediately following the end of the class period.

**Appendix 8: Median and Average Disclosure Dollar Loss (DDL)
2012–2021**

(Dollars in millions)



Note: DDL is adjusted for inflation based on class period end dates; 2021 dollar equivalents are presented. DDL is the dollar value change in the defendant firm’s market capitalization between the trading day immediately preceding the end of the class period and the trading day immediately following the end of the class period. This analysis excludes cases alleging ‘33 Act claims only.

Appendix 9: Median Docket Entries by “Simplified Tiered Damages” Range
2012–2021

(Dollars in millions)



Note: “Simplified tiered damages” are calculated only for cases alleging Rule 10b-5 claims.

About the Authors

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Laarni Bulan is a principal in Cornerstone Research's Boston office, where she specializes in finance. Her work has focused on securities and other complex litigation addressing class certification, damages, and loss causation issues, firm valuation, and corporate governance, executive compensation, and risk management issues. She has also consulted on cases related to insider trading, market manipulation and trading behavior, financial institutions and the credit crisis, derivatives, foreign exchange, and securities clearing and settlement.

Dr. Bulan has published several academic articles in peer-reviewed journals. Her research covers topics in dividend policy, capital structure, executive compensation, corporate governance, and real options. Prior to joining Cornerstone Research, Dr. Bulan had a joint appointment at Brandeis University as an assistant professor of finance in its International Business School and in the economics department.

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