

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW JERSEY

**DAVID KANEFSKY, Individually and
on Behalf of all Others Similarly Situated,**

Plaintiff,

v.

**HONEYWELL INTERNATIONAL INC.,
DARIUS ADAMCZYK, and THOMAS A.
SZLOSEK,**

Defendants.

Docket No.: 18-cv-15536

**ORDER PRELIMINARILY
APPROVING
SETTLEMENT AND
PROVIDING FOR NOTICE
OF PENDENCY**

WILLIAM J. MARTINI, U.S.D.J.:

This matter comes before the Court upon lead Plaintiffs' Charles M. Francisco, III ("Francisco") and Iron Workers Local 580 ("Iron Workers") unopposed Motion for Preliminary Approval of a Class Action Settlement pursuant to Fed. R. Civ. P. 23(e), and for certification of the class for settlement pursuant to Fed. R. Civ. P. 23(a) and 23(b)(3). ECF No. 174. For the reasons set forth below, and for good cause shown,

IT IS on this 18th day of January 2022, **ORDERED** that Plaintiffs' motion is **GRANTED** as follows:

I. Preliminary Approval of the Settlement

1. In late October 2021, the parties reached a verbal deal to settle this Action for \$10,000,000, which was documented in a Settlement Term Sheet executed on November 11, 2021 ("Settlement"). See ECF No. 172, Ex. A. A Stipulation of Settlement was filed on December 7, 2021. ECF No. 175.

2 Upon review of the record, the Court finds that the Settlement Agreement dated December 7, 2021, resulted from arm's-length negotiations between highly experienced counsel and falls within the range of possible approval. Therefore, the Settlement Agreement is hereby **PRELIMINARILY APPROVED**, subject to further consideration thereof at the Fairness Settlement Hearing ("Settlement Hearing") described below. The Court preliminarily finds that the Settlement set forth in the Settlement Agreement raises no obvious reasons to doubt its fairness and raises a reasonable basis for presuming that it satisfies the requirements under Fed. R. Civ. P. 23 and due process so that notice of the Settlement should be given as provided in this Order.

II. Preliminary Certification of Class

3 Pursuant to Rules 23(a) and 23(b)(3) of the Federal Rules of Civil Procedure, the Court preliminarily certifies, for settlement purposes only, a settlement class consisting of all those who purchased or otherwise acquired the common stock of Honeywell International Inc. during the period from February 9, 2018, through and including October 19, 2018 (the "Class Period"), and were damaged thereby, excluding Defendants, officers, and directors of Honeywell, members of their immediate families and their legal representative, heirs, successors, or assigns, and any entity in which Defendants have or had a controlling interest.

4 The Court has determined preliminarily and for the purpose of Settlement only that: (a) the Class is so numerous that joinder of all members is impracticable; (b) there are questions of law and fact common to the Class; (c) the claims or defenses of Plaintiffs are typical of the Class; and (d) Plaintiffs will fairly and adequately protect the interests of the Class. The Court further preliminarily finds, and for purpose of Settlement only, that the questions of law or fact common to Class Members predominate over any questions affecting individual members, including but not limited to whether Honeywell published materially false and/or misleading

statements between February 9, 2018 and October 19, 2018, as alleged by Plaintiffs. The Court also preliminarily finds, and for purpose of Settlement only, that a class action is superior to other available methods for the fair and efficient adjudication of this controversy.

III. Settlement Hearing Date

5. The Settlement Hearing shall be held before this Court on May 3, 2022, at 10 AM before the Honorable William J. Martini, U.S.D.J. in Courtroom MLK 4B of the Martin Luther King Building & U.S. Courthouse at 50 Walnut Street, Newark, New Jersey 07101, to determine whether the proposed Settlement of the Action on the terms and conditions provided for in the Stipulation is fair, reasonable, and adequate to the Class and should be approved by the Court; whether the Class should be certified pursuant to Rule 23 of the Federal Rules of Civil Procedure; whether a Judgment as provided in the Stipulation and its Exhibit B, which, *inter alia*, dismisses the Action with prejudice as to all Defendants and contains releases, should be entered; whether the proposed Plan of Allocation should be approved; and to determine the amount of reasonable fees, time, costs, expenses, if any, that should be awarded to Co-Lead Counsel and Local Counsel. The Court may adjourn the Settlement Fairness Hearing, or determine that such hearing should be conducted remotely, by Order publicly available on PACER.

IV. Notice to the Class

6. The Court approves, as to form and content, the Notice of Pendency and Proposed Settlement of Class Action (the "Notice"), the Proof of Claim and Release form (the "Claim Form"), the Summary Notice (the "Summary Notice"), and the Postcard Notice (the "Postcard Notice"), included respectively as Exhibits A-1, A-2, A-3, and A-4 to the Stipulation, and finds that the mailing and email distribution of the Postcard Notice and Summary Notice and publishing of the Summary Notice substantially in the manner and form set forth therein meet the requirements of Federal Rule of Civil Procedure 23 and due process, and constitute the best notice

practicable under the circumstances and shall constitute due and sufficient notice to all Persons entitled thereto.

7. The Court appoints Epiq Class Action and Claims Solutions, Inc. (“Claims Administrator”) to supervise and administer the notice procedure as well as the processing of claims as more fully set forth below:

(a) Not later than 14 days after entry of this order (the “Notice Date”), Co-Lead Counsel shall cause a link to the Summary Notice and the Claim Form, substantially in the forms annexed as Exhibits A-3 and A-2 hereto and hosted on a website of Co-Lead Counsel or a website maintained by Co-Lead Counsel, to be emailed to all Class Members who can be identified with reasonable effort and whose last-known email addresses have been provided by Defendants and/or banks, brokerage houses, or other nominees. Where a last-known email address has not been provided or where an email is returned as being undeliverable, Co-Lead Counsel shall cause a copy of the Postcard Notice (substantially in form annexed as Exhibit A-4 hereto) and the Claim Form to be mailed by first class mail to all Class Members who can be identified with reasonable effort.

(b) Not later than 21 days after the issuance of this Order, Co-Lead Counsel shall cause the Summary Notice to be published twice in nationally distributed, business-focused newswires, and not later than 21 days after the issuance of this Order, Co-Lead Counsel shall place a copy of the Complaint and the Stipulation (including Exhibits) on the website of Co-Lead Counsel or a website maintained by Co-Lead Counsel.

(c) Not later than 30 days after the issuance of this Order, Co-Lead Counsel shall cause to be served on Defendants’ counsel and filed with the Court proof, by affidavit or declaration, of the mailing and publishing described above.

(d) Not later than 7 days prior to the Settlement Hearing, Co-Lead Counsel shall cause the Claims Administrator to submit a report outlining the implementation of the Notice,

including how many Notices were sent, how many Claim Forms were submitted, how many Claim Forms were approved, how many Claim Forms were rejected, and the total dollar amount of approved Claim Forms to-date.

8 Nominees who purchased or otherwise acquired common stock of Honeywell for the benefit of Class Members between February 9, 2018 and October 19, 2018, inclusive, shall send the Notice and Claim Form to all such Class Members within ten (10) days after receipt of the Notice or send a list of the names and addresses of such beneficiaries to the Claims Administrator within ten (10) days of receipt of the Notice. Co-Lead Counsel shall, if requested, reimburse, out of the Class Notice and Administration Fund, banks, brokerage houses or other nominees solely for their reasonable, documented out-of-pocket expenses incurred in providing notice to beneficiaries who are Class Members up to \$0.05 for providing names, addresses and email addresses to the Claims Administrator; up to a maximum of \$0.05 per Postcard Notice mailed by nominees, plus postage at the rate used by the Claims Administrator; or \$0.05 per notice sent by email.

9 All Class Members shall be bound by all determinations and judgments in the Action concerning the Settlement, whether favorable or unfavorable to the Class.

10 Class Members who wish to participate in the Settlement shall complete and submit a Claim Form in accordance with the instructions contained therein. Unless the Court orders otherwise, all Claim Forms must be postmarked no later than April 4, 2022. Any Class Member who does not timely submit a Claim Form within the time provided for shall be barred from sharing in the distribution of the proceeds of the Net Settlement Fund, unless otherwise ordered by the Court.

V. Schedule and Procedure for Requesting Exclusion and Submitting Objections

11. Any Person who desires to request exclusion from the Class shall do so within the time set forth and in the manner described in the Notice. All Persons who 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 the Judgment.

12. Class Members may enter an appearance in the Action, at their own expense, individually or through counsel of their own choice. Class Members who do not enter an appearance will be represented by Co-Lead Counsel.

13. Class Members may appear and show cause if they have any reason why the proposed Settlement of the Action should or should not be approved as fair, reasonable, and adequate, why a judgment should or should not be entered thereon, why the Plan of Allocation should or should not be approved, why attorneys' fees and expenses should or should not be awarded to Co-Lead Counsel or why compensatory awards should not be provided to Co-Lead Plaintiffs.

14. Any Class Member who does not make a written objection in the manner provided and/or appear in person or through a representative at the Settlement Hearing shall be deemed to have waived such objection and shall forever be foreclosed from making any objection to the fairness or adequacy of the Settlement, to the Plan of Allocation, to the award of attorneys' fees and expenses to Co-Lead Counsel and Local Counsel.

VI. Plan of Allocation, Final Approval Schedule, and Settlement Hearing

15. 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 Plan of Allocation.

16. No Released Defendants' Parties or Released Plaintiffs' Parties shall have any

responsibility for or liability with respect to the Plan of Allocation or any application for attorneys' fees or reimbursement of expenses submitted by Co-Lead Counsel and Local Counsel, and such matters will be considered separately from the fairness, reasonableness, and adequacy of the Settlement.

17. At or after the Settlement Hearing, the Court will determine whether the Plan of Allocation proposed by Co-Lead Counsel, and any application for attorneys' fees or reimbursement of expenses, shall be approved.

18. All reasonable expenses incurred in identifying and notifying 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 Plaintiffs nor Co-Lead Counsel shall have any obligation to repay any amounts actually and properly disbursed from the Class Notice and Administration Fund.

19. Neither this Order, the Term Sheet, the Stipulation, the Settlement, nor any of their terms or provisions, nor any act performed or document executed pursuant to or in furtherance of them, nor any of the negotiations or proceedings connected with them, shall be construed as an admission or concession by any Released Person of the truth of any of the allegations in the Action, or of any liability, fault, or wrongdoing of any kind and shall not be construed as, or deemed to be evidence of, or an admission or concession that, Plaintiffs or any Class Members have suffered any damages, harm, or loss.

20. In the event that the Settlement does not become Final in accordance with the Stipulation or the Effective Date does not occur, this Order shall be rendered null and void to the extent provided by and in accordance with the Stipulation and shall be vacated. In such event, all orders entered and releases delivered in connection herewith shall also be null and void to the extent provided by and in accordance with the Stipulation.

21. The Court reserves the right to continue the Settlement Hearing without further notice to the Class Members and retains jurisdiction to consider all further applications 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 Class.

22. The Court further reserves the right to enter a Final Judgment and Order of Dismissal with Prejudice that approves the Settlement and dismisses the Action on the merits and with prejudice regardless of whether the Court has approved the Plan of Allocation, or awarded attorneys' fees and expenses or Co-Lead Plaintiffs' time and expenses.

23. Pending the Settlement Hearing, all Class Members are enjoined from initiating or prosecuting any actions or claims against any Released Defendants' Parties that are within the scope of the releases provided for by the Stipulation.

24. The following schedule of dates shall govern the resolution of this Settlement:

EVENT	DEADLINE
Deadline for Co-Lead Counsel to provide notice to Class Members by either (a) emailing the Summary Notice to Class Members for whom the Claims Administrator is able to obtain email addresses, or (b) mailing the Postcard Notice, if an email address cannot be obtained, by first class mail, postage prepaid, to Class Members who can be identified with reasonable effort by Class Counsel, through the Claims Administrator	Not later than 14 days after entry of Preliminary Approval Order
Deadline for Co-Lead Counsel to cause the Summary Notice to be published twice in nationally distributed, business-focused newswires	Not later than 21 days after entry of Preliminary Approval Order
Deadline for Co-Lead Counsel to file affidavit of notice of emailing, mailing, and publication	Not later than 30 days after entry of Preliminary Approval Order
Deadline for filing of papers in support of (i) the Settlement, (ii) the Plan of Allocation, (iii) the application by Co-Lead Counsel and Local Counsel for attorneys' fees or reimbursement of	Not later than 30 days before Settlement Hearing

expenses (collectively, the "Applications")	
Deadline for Class Members to submit/file: <ul style="list-style-type: none"> • Proof of Claim and Release Forms, • Requests to be excluded from the Class • Objections to the Settlement, or any of the Applications 	Not later than 21 days before Settlement Hearing
Deadline for filing reply to any opposition to the Applications or any response to any objection(s) filed	Not later than 7 days before Settlement Hearing Approval Order
Deadline for Claims Administrator to submit report outlining implementation of notice and claims administration	Not later than 7 days prior to the date of the Settlement Hearing
Date of Settlement Hearing	Approximately 110 days after entry of Preliminary Approval Order

DATED: 1/18/21 

THE HONORABLE WILLIAM J. MARTINI
 UNITED STATES DISTRICT JUDGE
 FOR THE DISTRICT OF NEW JERSEY