



## EVAN R. HOEY

### COUNSEL

D 484.270.1438

F 610.667.7056

[ehoey@ktmc.com](mailto:ehoey@ktmc.com)

#### FOCUS AREAS

Securities Fraud

#### EDUCATION

Arizona State University

B.A. 2014, summa cum laude

Temple University Beasley School of Law

J.D. 2017, cum laude

#### ADMISSIONS

Pennsylvania

USDC, Eastern District of Pennsylvania

Evan Hoey, Counsel to the Firm, focuses his practice in securities litigation.

#### Current Cases

- First Republic Bank

This securities fraud class action arises out of misrepresentations and omissions made by former executives of First Republic Bank ("FRB" or the "Bank") and FRB's auditor, KPMG LLP, about significant risks faced by FRB that led to its dramatic collapse in May 2023, the second largest bank collapse in U.S. history.

FRB was a California-based bank that catered to high-net worth individuals and businesses in coastal U.S. cities. Leading into and during the Class Period, FRB rapidly grew in size: in 2021 alone, FRB grew total deposits by 36% and total assets by 27%. In 2022, FRB grew by another 17%, exceeding \$200 billion in total assets. During this period, Defendants assured investors that the Bank's deposits were well-diversified and stable. Defendants also assured investors that they were actively and effectively mitigating the Bank's liquidity and interest rate risks.

The Complaint alleges that Defendants failed to disclose material risks associated with the Bank's deposit base and with respect to Defendants' management of liquidity and interest rate risk. In contrast to Defendants' representations regarding the safety and stability of FRB, the Complaint alleges that Defendants relied on undisclosed sales practices to inflate the Bank's deposit and loan growth, including, for example, by offering abnormally low interest

rates on long-duration, fixed-rate mortgages in exchange for clients making checking deposits. And contrary to Defendants' representations that they actively and responsibly managed the Bank's interest rate risk, the Complaint details how Defendants continually violated the Bank's interest rate risk management policies by concentrating the Bank's assets in long-duration, fixed rate mortgages. In 2022, when the Federal Reserve began rapidly raising interest rates, the Bank's low-interest, long-duration loans began to decline in value, creating a mismatch between the Bank's assets and liabilities. Internally, FRB's interest rate models showed severe breaches of the Bank's risk limits in higher rate scenarios, and Defendants discussed potential corrective actions at risk management meetings. However, Defendants took no corrective action, continued to mislead investors about the Bank's interest rate risk, and only amplified the Bank's risk profile by deepening the Bank's concentration in long-duration loans.

On October 14, 2022, investors began to learn the truth when FRB announced financial results for the third quarter of 2022, which showed that rising interest rates had begun to impact the Bank's key financial metrics and that the Bank had lost \$8 billion in checking deposits. Despite these trends, Defendants continued to reassure investors that Bank's deposits were well-diversified and stable, that FRB had ample liquidity, and that rising interest rates would not limit the growth in FRB's residential mortgage loan business. In FRB's 2022 annual report (released in February 2023, and audited by KPMG), Defendants further claimed that, despite the Bank's increasing interest rate risks, the Bank possessed the ability to hold its concentrated portfolio of long-duration loans and securities to maturity. The undisclosed risks materialized further on March 10, 2023, when peer bank Silicon Valley Bank failed and FRB experienced massive deposit withdrawals of up to \$65 billion over two business days, constituting over 40% of the Bank's total deposits. Defendants did not reveal these catastrophic deposit outflows to the market and instead reassured investors regarding the Bank's liquidity position. In the ensuing weeks, FRB's financial position unraveled further, resulting in multiple downgrades by rating agencies, and additional disclosures regarding the magnitude of FRB's deposit outflows and the Bank's worsening liquidity position. On May 1, 2023, FRB was seized by regulators and placed into receivership. These disclosures virtually eliminated the value of FRB's common stock and preferred stock.

On February 13, 2024, Plaintiffs filed a 203-page complaint on behalf of a putative class of investors who purchased FRB common stock and preferred stock, alleging violations of Sections 10(b), 20(a), and 20A of the Securities Exchange Act of 1934. Defendants moved to dismiss. Additionally, the U.S. Federal Deposit Insurance Corporation, acting as receiver for First Republic Bank, intervened as a non-party and filed a separate motion challenging the Court's jurisdiction. Briefing on these motions was completed last year,

and the Court held oral argument on April 17, 2025. On June 10, 2025, the Court granted the FDIC's motion and dismissed the case with prejudice. The Court ruled that the Financial Institution Reform, Recovery and Enforcement Act of 1989 (FIRREA) stripped the Court of subject matter jurisdiction due to an administrative exhaustion requirement. The Court did not address Defendants' motions to dismiss related to the sufficiency of the allegations under the Exchange Act. The matter is currently on appeal.

- Lucid Group, Inc.

Defendant Lucid designs, produces, and sells luxury EVs. This securities fraud class action arises out of Defendants' misrepresentations and omissions regarding Lucid's production of its only commercially-available electronic vehicle ("EV"), the Lucid Air, and the factors impacting that production.

To start the Class Period, on November 15, 2021, Defendants told investors that Lucid would produce 20,000 Lucid Airs in 2022. This was false, and Defendants knew it. According to numerous former Lucid employees, Defendants already knew then that Lucid would produce less than 10,000 units in 2022, and admitted this fact during internal meetings preceding the Class Period. They also knew why Lucid could not meet this production target—the Company was suffering from its own unique and severe problems that were stalling production of the Lucid Air, including internal logistics issues, design flaws, and the key drivers of parts shortages. These problems had not only prevented, but continued to prevent Lucid from ramping up production of the Lucid Air.

Despite the actual state of affairs at Lucid, on November 15, 2021, and at all times thereafter during the Class Period, Defendants concealed these severe, internal, Company-specific problems. At every turn, when asked about the pace of production, or to explain the factors causing Lucid's production delays, Defendants blamed the Company's woes on the purported impact of external, industrywide supply chain problems and repeatedly assured investors that the Company was "mitigating" that global impact. These misrepresentations left investors with a materially false and misleading impression about Lucid's actual production and internal ability and readiness to mass produce its vehicles. Against that backdrop, Defendants then lied, time and again, about the number of vehicles Lucid would produce. Even when, in February 2022, Defendants announced a reduced production target of 12,000 to 14,000 units, they continued to point to purported industry-wide supply chain problems and once more assured the market that the Company was thriving in spite of such issues. When the truth regarding Lucid's false claims about its production and the factors impacting that production finally emerged, Lucid's stock price cratered, causing massive losses for investors.

On December 13, 2022, Plaintiff filed a 138-page consolidated

complaint on behalf of a putative class of investors alleging that Defendants violated 10(b) and 20(a) of the Securities Exchange Act. On February 23, 2023, Defendants filed a motion to dismiss. In August 2024, the Court denied in part and granted in part Defendants' motion to dismiss. On September 20, 2024, Plaintiff filed an amended complaint, which Defendants moved to dismiss. In May 2025, the Court denied in part and granted in part Defendants' motion to dismiss, sending the case into fact discovery. Plaintiff moved for class certification on February 27, 2026. Briefing on that motion is scheduled to be complete in July 2026.

- Natera, Inc.

This securities fraud class action arises out of Natera's representations and omissions about the purported "superiority" of its kidney transplant rejection test, Prospera, compared to a competitor's product, AlloSure, and the revenues and demand associated with the Company's flagship non-invasive prenatal screening test, Panorama. During the Class Period, Defendants touted Prospera's superiority over AlloSure based on what they represented as a head-to-head comparison of underlying study data. However, internal Natera emails revealed that Natera recognized that the comparisons were unsupported and misleading. Further, Defendants consistently highlighted the impressive revenue performance and seemingly organic demand for Panorama. However, the market was unaware that Natera employed several deceptive billing and sales practices that inflated these metrics. Meanwhile, Defendants, CEO Steve Chapman, CFO Matthew Brophy, and co-founder and Executive Chairman of the Board, Matthew Rabinowitz, sold more than \$137 million worth of Natera common stock during the Class Period. Natera also cashed in, conducting two secondary public offerings, selling investors over \$800 million of Natera common stock during the Class Period.

The truth regarding Prospera's false claims of superiority and the Company's deceptive billing and sales practices was disclosed to the public through disclosures on March 9, 2022, and March 14, 2022. Natera's stock price fell significantly in response to each corrective disclosure, causing massive losses for investors.

On October 7, 2022, Plaintiffs filed an 89-page amended complaint on behalf of a putative class of investors alleging that Natera, Chapman, Brophy, Rabinowitz, and former Chief Medical Officer and Senior Vice President of Medical Affairs, Paul R. Billings, violated Sections 10(b) and 20(a) of the Securities Exchange Act.

Plaintiffs also allege that Defendants Chapman, Brophy, and Rabinowitz violated Section 20A of the Exchange Act by selling personally held shares of Natera common stock, while aware of material nonpublic information concerning Prospera and Panorama. In addition, Plaintiffs claim that Defendants Chapman, Brophy, Rabinowitz, several Natera directors, and the underwriters

associated with Natera's July 2021 secondary public offering violated Sections 11, 12(a)(2), and 15 of the Securities Act.

On December 16, 2022, Defendants filed motions to the complaint, which Plaintiffs opposed on February 17, 2023. On September 11, 2023, the Court entered an Order granting in part and denying in part Defendants' motions to dismiss the complaint. In the Order, the Court sustained all claims arising under Sections 10(b), 20(a), and 20(A) of the Exchange Act based on the complaint's Panorama allegations. The Court also sustained Plaintiffs' Securities Act claims based on the Panorama fraud that arose from Defendants' disclosure violations under two SEC regulations (Item 105 and Item 303), both of which required the provision of certain material facts in the Company's offering materials.

In the Spring 2025, the Court granted Plaintiffs' motion for class certification and denied Defendants' motion for judgment on the pleadings. Fact discovery is ongoing.

[Read Amended Consolidated Class Action Complaint Here](#)

[Read Motion for Class Certification Here](#)

[Read Report and Recommendation of the United States](#)

[Magistrate Judge Here](#)

[Read Order: \(1\) Adopting Report and Recommendation; and \(2\) Granting Plaintiffs' Motion to Certify Class Here](#)

[Read Order Preliminarily Granting Plaintiffs' Motion to Voluntarily Dismiss Here](#)

Notice of the pendency of the Action and the Court's certification of the Class is being disseminated to the Class. The Notice also advises of the preliminarily granted motion to voluntarily dismiss Section 12(a)(2) claims from the Action without prejudice. You can review a copy of the Notice below. For more information, please visit the case website, [www.NateraSecuritiesAction.com](http://www.NateraSecuritiesAction.com). You can also contact the Administrator, A.B. Data, Ltd., by calling 1-866-830-1050 or emailing [info@NateraSecuritiesAction.com](mailto:info@NateraSecuritiesAction.com).

[Read Notice of Pendency of Class Action Here](#)

- Rivian Automotive Inc.  
This securities fraud class action case arises out of Defendants' representations and omissions made in connection with Rivian's highly-anticipated initial public offering ("IPO") on November 10, 2021. Specifically, the Company's IPO offering documents failed to disclose material facts and risks to investors arising from the true cost of manufacturing the Company's electric vehicles, the R1T and R1S, and the planned price increase that was necessary to ensure the Company's long-term profitability. During the Class Period, Plaintiffs allege that certain defendants continued to mislead the market concerning the need for and timing of a price increase for the R1 vehicles. The truth concerning the state of affairs within the Company was gradually revealed to the public, first on March 1,

2022 through a significant price increase—and subsequent retraction on March 3, 2022—for existing and future preorders. And then on March 10, 2022, the full extent Rivian’s long-term financial prospects was disclosed in connection with its Fiscal Year 2022 guidance. As alleged, following these revelations, Rivian’s stock price fell precipitously, causing significant losses and damages to the Company’s investors.

On July 22, 2022, Plaintiffs filed a Consolidated Class Action Complaint on behalf of a putative class of investors alleging that Rivian, and its CEO Robert J. Scaringe (“Scaringe”), CFO Claire McDonough (“McDonough”), and CAO Jeffrey R. Baker (“Baker”) violated Sections 10(b) and 20(a) of the Securities Exchange Act. Plaintiffs also allege violations of Section 11, Section 12(a)(2), and Section 15 of the Securities Act against Rivian, Scaringe, McDonough, Baker, Rivian Director Karen Boone, Rivian Director Sanford Schwartz, Rivian Director Rose Marcario, Rivian Director Peter Krawiec, Rivian Director Jay Flatley, Rivian Director Pamela Thomas-Graham, and the Rivian IPO Underwriters. In August 2022, Defendants filed motions to dismiss, which the Court granted with leave to amend in February 2023. On March 16, 2023, Defendants filed motions to dismiss the amended complaint. In July 2023, the Court denied Defendants’ motions to dismiss the amended complaint in its entirety. Thereafter, on December 1, 2023, Plaintiffs moved for class certification. Following the parties’ briefing on the motion, on July 17, 2024 the Court granted Plaintiffs’ motion for class certification. Following the completion of fact and expert discovery, and while the parties were engaged in summary judgment and *Daubert* motion practice, Plaintiffs successfully resolved the action. On October 23, 2025, they filed a motion seeking preliminary approval of a \$250 million settlement. On December 18, 2025, the Court granted preliminary approval of the Settlement and scheduled a Settlement Hearing for May 15, 2026.

[Read Notice of Pendency of Class Action Here](#)

[Read Consolidated Class Action Complaint Here](#)

[Read Amended Consolidated Class Action Complaint Here](#)

## News

- November 3, 2025 - Kessler Topaz Achieves \$250 Million Settlement in Rivian IPO Suit
- October 20, 2025 - Kessler Topaz Achieves \$85 Million Settlement in Wells Fargo Diversity Hiring Suit