

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF PENNSYLVANIA

\_\_\_\_\_, Individually and On Behalf of  
All Others Similarly Situated,

Plaintiff,

v.

LIVENT CORPORATION, PAUL W.  
GRAVES, GILBERTO ANTONIAZZI,  
NICHOLAS L. PFEIFFER, PIERRE R.  
BRONDEAU, ANDREA E. UTECHT,  
MERRILL LYNCH, PIERCE, FENNER &  
SMITH, GOLDMAN SACHS & CO. LLC,  
CREDIT SUISSE SECURITIES (USA)  
LLC, CITIGROUP GLOBAL MARKETS  
INC., LOOP CAPITAL MARKETS LLC,  
and NOMURA SECURITIES  
INTERNATIONAL, INC.,

Defendants.

Case No.:

**CLASS ACTION COMPLAINT FOR  
VIOLATIONS OF THE FEDERAL  
SECURITIES LAWS**

**JURY TRIAL DEMANDED**

Plaintiff \_\_\_\_\_ (“Plaintiff”), individually and on behalf of all others similarly situated, by and through his attorneys, alleges the following upon information and belief, except as to those allegations concerning Plaintiff, which are alleged upon personal knowledge. Plaintiff’s information and belief is based upon, among other things, his counsel’s investigation, which includes without limitation: (a) review and analysis of regulatory filings made by Livent Corporation (“Livent” or the “Company”) with the United States (“U.S.”) Securities and Exchange Commission (“SEC”); (b) review and analysis of press releases and media reports issued by and disseminated by Livent; and (c) review of other publicly available information concerning Livent.

### **NATURE OF THE ACTION AND OVERVIEW**

1. This is a class action on behalf of persons and entities that purchased or otherwise acquired Livent securities pursuant and/or traceable to the registration statement and prospectus (collectively, the “Registration Statement”) issued in connection with the Company’s October 2018 initial public offering (“IPO” or the “Offering”). Plaintiff pursues claims against the Defendants, under the Securities Act of 1933 (the “Securities Act”).

2. Livent produces and distributes lithium chemicals.

3. On October 12, 2018, the Company filed its prospectus on Form 424B1 with the SEC, which forms part of the Registration Statement. In the IPO, the Company sold 23 million shares of common stock at a price of \$17.00 per share. The Company received proceeds of approximately \$369 million from the Offering, net of underwriting discounts and commissions. The proceeds from the IPO were purportedly to be used to make a distribution to FMC and to fund origination fees associated with Livent’s revolving credit facility.

4. On February 11, 2019, Livent released its fourth quarter 2018 financial results that missed top line sales targets, citing difficulties negotiating contracts with existing customers.

5. On this news, the Company’s share price fell \$0.57, over 4%, to close at \$12.55 per share on February 12, 2019, on unusually heavy trading volume.

6. On May 8, 2019, the Company announced disappointing financial results for first

quarter 2019, citing further customer issues.

7. On this news, the Company's share price fell \$1.70, nearly 16%, to close at \$9.03 per share on May 8, 2019, on unusually heavy trading volume.

8. By the commencement of this action, Livent stock was trading as low as \$7.36 per share, a nearly 57% decline from the \$17 per share IPO price.

9. The Registration Statement was false and misleading and omitted to state material adverse facts. Specifically, Defendants failed to disclose to investors: (1) that a supply contract with Nemaska Lithium Inc. had been terminated; (2) that, as a result, the Company would be forced to fulfill its customer contracts using alternative vendors at reduced revenues and lower margins; (3) that the Company had a long-standing contract to supply lithium hydroxide to a customer at a much lower price than any of the Company's existing contracts; (4) that the Company's margins were squeezed due to the customer's increased orders; and (5) that, as a result of the foregoing, Defendants' positive statements about the Company's business, operations, and prospects, were materially misleading and/or lacked a reasonable basis.

10. As a result of Defendants' wrongful acts and omissions, and the precipitous decline in the market value of the Company's securities, Plaintiff and other Class members have suffered significant losses and damages.

### **JURISDICTION AND VENUE**

11. The claims asserted herein arise under and pursuant to Sections 11 and 15 of the Securities Act (15 U.S.C. §§ 77k and 77o).

12. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. § 1331, Section 22 of the Securities Act (15 U.S.C. § 77v).

13. Venue is proper in this Judicial District pursuant to 28 U.S.C. § 1391(b) and Section 27 of the Exchange Act (15 U.S.C. § 78aa(c)). The Company has offices in this district.

14. In connection with the acts, transactions, and conduct alleged herein, Defendants directly and indirectly used the means and instrumentalities of interstate commerce, including the United States mail, interstate telephone communications, and the facilities of a national securities

exchange.

### **PARTIES**

15. Plaintiff \_\_\_\_\_ as set forth in the accompanying certification, incorporated by reference herein, purchased or otherwise acquired Livent securities pursuant and/or traceable to the Registration Statement issued in connection with the Company's IPO, and suffered damages as a result of the federal securities law violations and false and/or misleading statements and/or material omissions alleged herein.

16. Defendant Livent is incorporated under the laws of Delaware with its principal executive offices located in Philadelphia, Pennsylvania. Livent's common stock trades on the New York Stock Exchange ("NYSE") under the symbol "LTHM."

17. Defendant Paul W. Graves ("Graves") was, at all relevant times, the President, Chief Executive Officer and a Director of the Company, and signed or authorized the signing of the Company's Registration Statement filed with the SEC.

18. Defendant Gilberto Antoniazzi ("Antoniazzi") was, at all relevant times, the Vice President and Chief Financial Officer of the Company, and signed or authorized the signing of the Company's Registration Statement filed with the SEC.

19. Defendant Nicholas L. Pfeiffer ("Pfeiffer") was, at all relevant times, Chief Accounting Officer of the Company and signed or authorized the signing of the Company's Registration Statement filed with the SEC.

20. Defendant Pierre R. Brondeau ("Brondeau") was a director of the Company and signed or authorized the signing of the Company's Registration Statement filed with the SEC.

21. Defendant Andrea E. Utecht ("Utecht") was a director of the Company and signed or authorized the signing of the Company's Registration Statement filed with the SEC.

22. Defendants Graves, Antoniazzi, Pfeiffer, Brondeau, and Utecht are collectively referred to hereinafter as the "Individual Defendants."

23. Defendant Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill Lynch") served as an underwriter for the Company's IPO.

24. Defendant Goldman Sachs & Co. LLC (“Goldman Sachs”) served as an underwriter for the Company’s IPO.

25. Defendant Credit Suisse Securities (USA) LLC (“Credit Suisse”) served as an underwriter for the Company’s IPO.

26. Defendant Citigroup Global Markets Inc. (“Citigroup”) served as an underwriter for the Company’s IPO.

27. Defendant Loop Capital Markets LLC (“Loop Capital”) served as an underwriter for the Company’s IPO.

28. Defendant Nomura Securities International, Inc. (“Nomura Securities”) served as an underwriter for the Company’s IPO.

29. Defendants Merrill Lynch, Goldman Sachs, Credit Suisse, Citigroup, Loop Capital, and Nomura Securities are collectively referred to hereinafter as the “Underwriter Defendants.”

### **CLASS ACTION ALLEGATIONS**

30. Plaintiff brings this action as a class action pursuant to Federal Rule of Civil Procedure 23(a) and (b)(3) on behalf of a class, consisting of all persons and entities that purchased or otherwise acquired Livent securities issued in connection with the Company’s IPO. Excluded from the Class are Defendants, the officers and directors of the Company, at all relevant times, members of their immediate families and their legal representatives, heirs, successors, or assigns, and any entity in which Defendants have or had a controlling interest.

31. The members of the Class are so numerous that joinder of all members is impracticable. Throughout the Class Period, Livent’s common shares actively traded on the NYSE. While the exact number of Class members is unknown to Plaintiff at this time and can only be ascertained through appropriate discovery, Plaintiff believes that there are at least hundreds or thousands of members in the proposed Class. Millions of Livent common stock were traded publicly during the Class Period on the NYSE. Record owners and other members of the Class may be identified from records maintained by Livent or its transfer agent and may

be notified of the pendency of this action by mail, using the form of notice similar to that customarily used in securities class actions.

32. Plaintiff's claims are typical of the claims of the members of the Class as all members of the Class are similarly affected by Defendants' wrongful conduct in violation of federal law that is complained of herein.

33. Plaintiff will fairly and adequately protect the interests of the members of the Class and has retained counsel competent and experienced in class and securities litigation.

34. Common questions of law and fact exist as to all members of the Class and predominate over any questions solely affecting individual members of the Class. Among the questions of law and fact common to the Class are:

(a) whether the federal securities laws were violated by Defendants' acts as alleged herein;

(b) whether statements made by Defendants to the investing public during the Class Period omitted and/or misrepresented material facts about the business, operations, and prospects of Livent; and

(c) to what extent the members of the Class have sustained damages and the proper measure of damages.

35. A class action is superior to all other available methods for the fair and efficient adjudication of this controversy since joinder of all members is impracticable. Furthermore, as the damages suffered by individual Class members may be relatively small, the expense and burden of individual litigation makes it impossible for members of the Class to individually redress the wrongs done to them. There will be no difficulty in the management of this action as a class action.

## **SUBSTANTIVE ALLEGATIONS**

### **Background**

36. Livent produces and distributes lithium chemicals. Its primary products are

battery-grade lithium hydroxide, butyllithium, and high purity lithium metal. The Company purports to focus on supplying high performance lithium compounds to the electric vehicle battery market and to maintain its position as a leading global producer of butyllithium and high purity lithium metal.

37. Prior to its IPO, Livent's operations were part of FMC's lithium segment. Livent was incorporated under the name FMC Lithium USA Holding Corp. on February 27, 2018, and on March 31, 2018, FMC announced its intention to spin-off the operations as a publicly-traded company. On July 26, 2018, FMC announced it would rebrand its "Lithium Material business" as "Livent Corporation."

38. Livent generates over 85% of its revenues from the sale of performance lithium compounds, primarily lithium hydroxide, for use in electric vehicles. The remainder of its revenues are generated from sales of lithium carbonate and lithium chloride.

**The Company's False and/or Misleading  
Registration Statement and Prospectus**

39. On October 1, 2018, the Company filed its final amendment to the Registration Statement with the SEC on Form S-1/A, which forms part of the Registration Statement. The Registration Statement was declared effective on October 10, 2018.

40. On October 12, 2018, the Company filed its prospectus on Form 424B1 with the SEC, which forms part of the Registration Statement. In the IPO, the Company sold 23 million shares of common stock at a price of \$17.00 per share. The Company received proceeds of approximately \$369 million from the Offering, net of underwriting discounts and commissions. The proceeds from the IPO were purportedly to be used to make a distribution to FMC and to fund origination fees associated with Livent's revolving credit facility.

41. Following the IPO, FMC owned approximately 84% of Livent's outstanding common stock.

42. The Registration Statement was negligently prepared and, as a result, contained untrue statements of material facts or omitted to state other facts necessary to make the

statements made not misleading, and was not prepared in accordance with the rules and regulations governing its preparation.

43. Under applicable SEC rules and regulations, the Registration Statement was required to disclose known trends, events or uncertainties that were having, and were reasonably likely to have, an impact on the Company's continuing operations.

44. The Registration Statement emphasized that the Company's success depended on sourcing of low cost lithium from its own production facilities and from "other sources." The Registration Statement stated, in relevant part:

Our primary raw material is lithium, which we extract through solar evaporation and a proprietary process from naturally occurring lithium-rich brines located in the Andes Mountains of Argentina, which are believed to be one of the world's most significant and lowest cost sources of lithium. We process the brine into lithium carbonate at our co-located manufacturing facility in Fenix, Argentina and into lithium chloride at our nearby manufacturing facility in Güemes, Argentina.

Our mineral concession rights with respect to Salar del Hombre Muerto were granted to us pursuant to Argentine mining law and are valid until the deposit is depleted of all minerals. See "—Argentine Law and Regulation" and "—Principal Properties—Mineral Concession Rights" for additional information.

***We also purchase lithium carbonate from other sources from time to time, and we continually look to diversify our lithium sources. We purchased approximately 1.4 kMT of lithium carbonate from a third-party supplier in 2016. We did not purchase any lithium carbonate in 2017 from third-party suppliers.***

In October 2016, we entered into a long-term supply agreement (the "Agreement") with Nemaska Lithium Shawinigan Transformation Inc. ("Nemaska"), a subsidiary of Nemaska Lithium Inc. based in Quebec, Canada. Pursuant to the Agreement, Nemaska is to provide lithium carbonate to us from an electrochemical plant that is under construction. Since completion of the project financing has significantly delayed the construction of its electrochemical plant, Nemaska has reported that it is not in position to start delivering lithium carbonate according to the schedule in the Agreement.

To enforce our right to supply under the Agreement, in July 2018, we filed for arbitration before the International Chamber of Commerce (in accordance with the Agreement's terms). In an attempt to resolve the dispute, the parties have been actively negotiating a revised schedule as well as arrangements to see that (in spec) lithium carbonate be nonetheless supplied to us from alternative sources under the responsibility of Nemaska, with a view to providing us with product



while minimizing Nemaska's exposure until its electrochemical plant is in operation.

***On September 25, 2018, the parties agreed on the final wording of a draft amended and restated supply agreement and, accordingly, also agreed to suspend the arbitration process under the expectation that the parties will agree on arrangements regarding alternative supply sources in the very near future. However, there can be no assurance that ensuing negotiations regarding such alternative supply will lead to a mutually satisfactory result, that the parties will execute and render effective the amended and restated supply agreement, or that we will not recommence the arbitration.***

(Emphasis added.)

45. The Registration Statement claimed that the Company had meaningful visibility into future production, demand, and revenue due to its stable of captive clients operating under long-term contracts. In relevant part, the Registration Statement stated:

Our customers demand very specific product performance characteristics, particularly from our battery-grade lithium hydroxide and butyllithium. Our products require a high level of manufacturing and technical expertise and undergo a stringent prequalification process before they are sold to customers. Our customers rely on our products for their high performance. ***For many we are one of only a few suppliers of performance lithium compounds, as many of our customers are unable or unwilling to adjust to alternate supply sources that may jeopardize the functionality of their end products and processes.***

In 2017, we sold our lithium products to approximately 400 customers in approximately 37 countries, and approximately 77% of our sales were to customers outside of the United States. ***One customer accounted for approximately 14% of our total revenue in 2017.*** Our ten largest customers accounted in aggregate for approximately 45% of our revenue in 2017.

\* \* \*

***In 2017 and for the six months ended June 30, 2018, more than 60% and approximately 58%, respectively, of our revenue was generated from customers with whom we have long-term agreements with terms ranging from two to more than five years in length, including all sales to our largest customer and nine of our ten largest customers.*** A significant portion of the remaining 2017 sales were to customers with whom our relationship has not changed materially during the past five years. BEV automakers and battery and cathode manufacturers consider secure supply of high performance battery-grade lithium hydroxide as critical to their future success. These agreements generally specify an annual minimum purchase commitment at either a set price (usually reset annually) in a given year or within a pre-negotiated price range. ***For instance, approximately 79% of our***

*expected lithium hydroxide production in 2019 is under contract, affording us meaningful visibility into future production demand and revenue.*

\* \* \*

The prices of lithium have been, and may continue to be, volatile. *We seek to manage volatility through the sale of performance lithium compounds and by entering into long term contracts with our customers;* however, such efforts may not be successful. We expect that prices for the performance lithium compounds we manufacture will continue to be influenced by various factors, including worldwide supply and demand as well as the business strategies of major producers.

46. The Registration Statement was materially false and misleading and omitted to state: (1) that a supply contract with Nemaska Lithium Inc. had been terminated; (2) that, as a result, the Company would be forced to fulfill its customer contracts using alternative vendors at reduced revenues and lower margins; (3) that the Company had a long-standing contract to supply lithium hydroxide to a customer at a much lower price than any of the Company's existing contracts; (4) that the Company's margins were squeezed due to the customer's increased orders; and (5) that, as a result of the foregoing, Defendants' positive statements about the Company's business, operations, and prospects, were materially misleading and/or lacked a reasonable basis.

#### **The Subsequent Disclosures**

47. On February 11, 2019, the Company released its fourth quarter 2018 financial results that missed top line sales targets. In addition, the Company's sales and earnings forecasts for first quarter and full year 2019 fell short of analyst consensus targets.

48. On February 12, 2019, the Company held a conference call to discuss its fourth quarter 2018 financial results with analysts and investors. During the call, Defendant Graves explained that difficulties negotiating customer contracts had contributed to the Company's disappointing results, stating:

Before I turn to our 2019 guidance, I want to discuss how the yearend process for contract negotiations for 2019 played out. We saw price and volume increases in both our butyllithium and high performance lithium metal product lines, reflecting Livent's strong position in these markets. *Contracting for lithium hydroxide*

*began in late 2018 and early verbal indications from customers suggested increases to volumes and stable to slightly higher prices across all regions. In particular, we saw significant increase in demand from customers in South Korea and Japan, reflecting the continued migration towards lithium hydroxide based cathode technologies in these countries. In China, however, it became apparent as we moved through December and into January that our existing customers were not willing to enter into annual or longer contractual commitments for lithium hydroxide at volumes or prices that they had verbally indicated to us just a few weeks earlier. In a number of cases these customers abruptly halted their conversations with us unless we were willing to commit to prices that were lower than prices we were achieving elsewhere in the world.*

\* \* \*

As of this time, however, it appears that customers in China have elected to delay their purchasing decisions until they have greater clarity on market conditions.

\* \* \*

However, given these developments we made the decision to continue to supply carbonate volumes in line with 2018 levels. *As a result, we have entered into several contracts with lithium carbonate producers to supply carbonate to us in 2019 as feedstock.* More specifically, our plan is for all of this material to be used in the production of our lithium hydroxide in China. Our production experience allows us to purchase a reasonably wide range of lithium carbonate and manage our hydroxide operations to produce final product that meets required customer specifications.

*Finally, higher costs from raw materials and VAT incurred due to higher exports out of China act as a further headwind to 2019 Adjusted EBITDA.*

*All of this means that we will need to augment our internal production with approximately 1,000 to 1,500 tons of third party carbonate for use in our hydroxide units.* This use of third party carbonate is likely to be greatest in the first half of the year, for the reasons set out above.

Our production experience allows us to purchase a reasonably wide range of lithium carbonate and manage our hydroxide operations to produce final product that meets required customer specifications. I will give more details on the pricing outcomes, our expected production and sales volumes and *the financial impact of our contracting strategy in a moment.*

Lithium carbonate volumes are expected to be flat to down compared to 2018, and *our margins on the sale of lithium carbonate will be lower due to the higher costs of third-party purchases.*

*Put simply, a larger proportion of our lithium hydroxide volume will go to long-term, well-established and rapidly growing customers. This, combined with*

*some negative FX impact, has the effect of lowering the average realized hydroxide price by roughly 50 cents per kilo*, even while 80% of our customers have committed to a price that is equal to or higher than the price they paid in 2018.

Our sales contract structure has not materially changed, with about 70% of total 2019 volumes sold under contracts that have a duration of two years or more, and roughly 80% of 2019 volumes contracted at prices that will not change during the year.

However, our Adjusted EBITDA is significantly impacted by the customer mix. *This is predominantly due to one large lithium hydroxide contract that has been in place for several years and therefore has a much lower price than any of our other contracts, including other contracts with this same customer.*

*There are cost impacts associated with this decision too, since we will ship a significant proportion of these volumes out of our China facility, meaning we will incur costs of VAT.* Last year we exported very little volume out of China in Q1, whereas this year we have committed almost all of our China production for the quarter to customers outside the country.

We also expect to have lower carbonate production in the first quarter as I mentioned earlier, meaning that *we will be using more of the purchased carbonate in both Q1 and Q2*, ahead of higher Argentina operating rates in the second half of the year following additional debottlenecks.

49. On this news, the Company's share price fell \$0.57, or over 4%, to close at \$12.55 per share on February 12, 2019, on unusually heavy trading volume.

50. On February 18, 2019, Nemaska Lithium announced that it had terminated its supply agreement with Livent, stating:

*[Nemaska] has terminated its multi-year supply agreement (the "Supply Agreement") with Livent Corporation (previously FMC Corporation – hereinafter "Livent"). The Supply Agreement pertains to the provision of up to 8,000 tonnes per year (28,000 tonnes in total during the term of the contract) of lithium carbonate starting April 1, 2019.*

As disclosed in the Corporation's financial statements for the year ended June 30, 2018 (Note 23 – Subsequent Events), the Corporation and Livent have had discussions with a view to amend the Supply Agreement and *throughout the discussions with Livent, the Corporation has advised Livent that it might have no option but to terminate the Supply Agreement* and repay Livent the USD10M payment (received by the Corporation in April 2017) plus a similar amount as a termination fee, which the Supply Agreement expressly allows it to do. Despite good faith negotiations, the Corporation was unable to reach a mutually

satisfactory outcome with Livent. As a result, the Corporation has no choice but to exercise its contractual right to terminate the Supply Agreement. Livent has advised the Corporation that it is seeking arbitration, which the Corporation will vigorously defend.

51. On May 8, 2019, the Company disclosed first quarter 2019 financial results, missing analysts estimates for revenue and earnings. Moreover, the Company lowered its 2019 guidance.

52. On May 8, 2019, the Company held a conference call to discuss its financial results with analysts and investors. During the call, Defendant Graves stated:

Before turning to Q2 and the 2019 outlook for Livent, Slide 5 provides an overview of the lithium market conditions that are most relevant to Livent, which will help frame both our Q2 and full-year guidance. As the large global auto OEMs continue to commit capital to and provide further detail on the next-generation electric vehicles, the need for batteries with higher nickel chemistries is becoming increasingly clear.

This, in turn, is placing the challenge of meeting the higher performance and safety requirements onto the battery chain and especially onto the cathode materials producers. In recent conversations with a few of our large, established cathode and battery customers, *it is becoming increasingly clear that the current facilities being used to manufacture high-nickel cathodes will require additional investment in their processes to meet OEM demands. The result of making these investments is a delay in large-scale production of high-nickel chemistries across several of our customers.*

To offset the lower volumes of high-nickel cathodes and to improve short-term profitability during this transition, many of these established cathode manufacturers are increasing their production of older cathode chemistries. This has been further reinforced by the changes to incentive structures in China, which has created a window in 2019 for producers of these existing chemistries to delay the introduction of next-generation cathode materials.

However, many of these older chemistries can't use either lithium carbonate or lithium hydroxide. As a result of the lower performance requirements in these applications, higher performance lithium hydroxide, such as that sold by Livent, does not generate the same price premium as in high-nickel applications and, today, is priced relative to the lithium carbonate equivalent. This is consistent with pricing patterns we have seen in these applications historically.

\* \* \*

Regarding customer mix, just as in the first quarter, *one large lithium hydroxide contract that has been in place for several years and has a much lower price*

*than any of our other contracts is driving this mix effect during the quarter.* This customer continues to seek the delivery of more of its committed volumes from Livent in the first half of the year. We now estimate that this customer will have received roughly two-thirds of its 2019 contracted volumes by the end of the second quarter.

\* \* \*

*I stated earlier that some of our contracted lithium hydroxide customers are delaying their purchases of hydroxide from us as they suspend production of their high-nickel cathode materials while they make additional investments in their existing processes. This delay means that we will have excess hydroxide volumes available in the quarter that will not be sold under existing contracts and will instead likely be sold under shorter term arrangements, primarily in China.*

53. Regarding 2019 guidance, Defendant Graves stated, “We now expect full year revenue of \$435 million to \$475 million, essentially flat with 2018. Adjusted EBITDA will be between \$125 and \$145 million, *reflecting lower average realized prices for lithium hydroxide and lithium carbonate, as well as higher operating costs.*” Defendant Graves added, “*Based on reduced demand for our high-performance lithium compounds from a number of our larger customers*, we have reduced our forecast for full year production and sales of lithium hydroxide by roughly 2,000 tons,” and that “*[t]he largest drivers of the hydroxide average price reduction are customer mix and lower sales prices on hydroxide sold under short-term arrangements in China.*”

54. On this news, the Company’s share price fell \$1.70, or nearly 16%, to close at \$9.03 per share on May 8, 2019.

55. By the commencement of this action, Livent stock was trading as low as \$7.36 per share, a nearly 57% decline from the \$17 per share IPO price.

**FIRST CLAIM**  
**Violation of Section 11 of the Securities Act**  
**(Against All Defendants)**

56. Plaintiff repeats and re-alleges each and every allegation contained above as if fully set forth herein, except any allegation of fraud, recklessness or intentional misconduct.

57. This Count is brought pursuant to Section 11 of the Securities Act, 15 U.S.C. §

77k, on behalf of the Class, against the Defendants.

58. The Registration Statement for the IPO was inaccurate and misleading, contained untrue statements of material facts, omitted to state other facts necessary to make the statements made not misleading, and omitted to state material facts required to be stated therein.

59. Livent is the registrant for the IPO. The Defendants named herein were responsible for the contents and dissemination of the Registration Statement.

60. As issuer of the shares, Livent is strictly liable to Plaintiff and the Class for the misstatements and omissions.

61. None of the Defendants named herein made a reasonable investigation or possessed reasonable grounds for the belief that the statements contained in the Registration Statement was true and without omissions of any material facts and were not misleading.

62. By reasons of the conduct herein alleged, each Defendant violated, and/or controlled a person who violated Section 11 of the Securities Act.

63. Plaintiff acquired Livent shares pursuant and/or traceable to the Registration Statement for the IPO.

64. Plaintiff and the Class have sustained damages. The value of Livent common stock has declined substantially subsequent to and due to the Defendants' violations.

**SECOND CLAIM**  
**Violation of Section 15 of the Securities Act**  
**(Against the Individual Defendants)**

65. Plaintiff repeats and re-alleges each and every allegation contained above as if fully set forth herein, except any allegation of fraud, recklessness or intentional misconduct.

66. This count is asserted against the Individual Defendants and is based upon Section 15 of the Securities Act.

67. The Individual Defendants, by virtue of their offices, directorship, and specific acts were, at the time of the wrongs alleged herein and as set forth herein, controlling persons of

Livent within the meaning of Section 15 of the Securities Act. The Individual Defendants had the power and influence and exercised the same to cause Livent to engage in the acts described herein.

68. The Individual Defendants' positions made them privy to and provided them with actual knowledge of the material facts concealed from Plaintiff and the Class.

69. By virtue of the conduct alleged herein, the Individual Defendants are liable for the aforesaid wrongful conduct and are liable to Plaintiff and the Class for damages suffered.

### **PRAYER FOR RELIEF**

WHEREFORE, Plaintiff prays for relief and judgment, as follows:

(a) Determining that this action is a proper class action under Rule 23 of the Federal Rules of Civil Procedure;

(b) Awarding compensatory damages in favor of Plaintiff and the other Class members against all defendants, jointly and severally, for all damages sustained as a result of Defendants' wrongdoing, in an amount to be proven at trial, including interest thereon;

(c) Awarding Plaintiff and the Class their reasonable costs and expenses incurred in this action, including counsel fees and expert fees; and

(d) Such other and further relief as the Court may deem just and proper.



**JURY TRIAL DEMANDED**

Plaintiff hereby demands a trial by jury.