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Case No. 2023-0284-LWW

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

RICHARD DELMAN, Plaintiff, v. GORES SPONSOR IV LLC, AEG HOLDINGS, LLC, ALEC GORES, RANDALL BORT, WILLIAM PATTON, JEFFREY REA, MARK STONE, and ANDREW MCBRIDE Defendants.	C.A. No. 2023-0284-LWW PUBLIC REDACTED VERSION FILED: March 10, 2023

VERIFIED CLASS ACTION COMPLAINT

Plaintiff, Richard Delman ("Plaintiff"), on behalf of himself and similarly situated current and former stockholders of Gores Holdings IV, Inc. ("Gores IV" or the "Company"), brings this Verified Class Action Complaint asserting: (i) breach of fiduciary duty claims stemming from Gores IV's merger (the "Merger") with SFS Holding Corp., United Wholesale Mortgage, LLC, and UWM Holdings, LLC (collectively, "Legacy UWM") against (a) Alec Gores ("Gores"), Randall Bort ("Bort"), William Patton ("Patton"), and Jeffrey Rea ("Rea") in their capacities as members of the Gores IV board of directors (the "Board"); (b) Mark Stone ("Stone") and Andrew McBride ("McBride") in their capacities as Gores IV officers (together, the "Officer Defendants"), and (c) Gores Sponsor IV LLC ("Sponsor"), AEG Holdings, LLC ("AEG"), and Gores, in their capacity as Gores IV's controllers

(collectively, the "Controller Defendants"); and (ii) unjust enrichment against the Controller Defendants and Director Defendants.

These allegations are based on Plaintiff's knowledge as to himself, and on information and belief, including counsel's investigation, a review of non-public documents produced in response to Plaintiff's demand for books and records pursuant to 8 *Del. C.* § 220, and review of publicly available information.

NATURE OF THE ACTION

1. Gores IV, now renamed UWM Holdings Corp. ("New UWM"), is a Delaware corporation that was formed as a special purpose acquisition company ("SPAC") by Defendants Alec Gores and AEG. Gores IV was taken public as a shell company by Gores Sponsor IV LLC.

2. A SPAC, also known as a "blank check company," is a publicly traded company without commercial operations that is formed strictly to raise capital through an initial public offering ("IPO") for the purpose of entering into a business combination with another company within a specified period of time. If the target company is a private company, the business combination with a SPAC would allow that private company to go public. If the SPAC is unable to complete a business combination within the prescribed time, it must return the funds raised in the IPO, which are held in an interest-bearing trust account for the benefit of the SPAC's public stockholders, to public investors and liquidate the SPAC. When a business

combination is agreed to by the SPAC and prior to its consummation, the SPAC's public stockholders are presented with a decision: they can elect to redeem all or a portion of their shares—and receive a proportionate share of the funds held in trust—or they can invest in the post-combination company.

3. Gores IV's history is part of a disturbing trend of SPAC transactions in which financial conflicts of interest of sponsors and insiders override good corporate governance and the interests of SPAC public stockholders. The Gores IV Merger with Legacy UWM failed to observe the most basic principle of Delaware corporate governance—namely, that a corporation's governance structure should be designed to protect and promote the interests of public stockholders, not the financial interests of its insiders and controllers. Defendants allowed their financial interests to override their fiduciary duties and responsibilities as controlling stockholders and directors and officers of a Delaware corporation by forcing through a value-destroying merger with Legacy UWM on the basis of false and misleading disclosures. Those false and misleading disclosures induced Gores IV's public stockholders to invest in the Merger rather than redeem their shares for a pro rata portion of the funds held in trust—$10.00 per share plus interest accrued since the IPO.

4. Gores IV completed its IPO on January 28, 2020, selling 42.5 million units ("Public Units") to public stockholders, for proceeds of $425 million. Each Public Unit, priced at $10.00, consisted of one share of Class A common stock

("Public Share") and one-fourth of one warrant. Each whole warrant ("Public Warrant") was exercisable in exchange for one share of Class A common stock at an exercise price of $11.50.

5. Prior to the IPO, Gores caused Gores IV to issue 11.5 million shares of Class F Stock ("Founder Shares") to the Sponsor for the nominal sum of $25,000 (or $0.002 per share). Following the IPO, in which the underwriters partially exercised an over-allotment option, the Sponsor forfeited 875,000 Founder Shares, leaving the Sponsor with 10.625 million Founder Shares, which amounted to 20% of Gores IV's post-IPO equity.

6. Simultaneously with the consummation of Gores IV's IPO, the Sponsor purchased 5.25 million warrants ("Private Placement Warrants") in a private placement for $10.5 million (or $2.00 per warrant). Each whole Private Placement Warrant was exercisable to purchase one whole share of Class A common stock at $11.50 per share no earlier than 30 days following the completion of a business combination between Gores IV and another company. A portion of the funds raised in the private placement were placed in the trust account.

7. Gores IV was different than a typical corporation that goes public through an IPO. First, unlike a traditional IPO, in which the cash raised becomes an asset of the company going public, the Gores IV IPO proceeds were held in trust for the benefit of Gores IV's public stockholders; they were not held by Gores IV.

Second, Gores IV had only a 24-month window following the IPO within which to consummate a business combination (unless the stockholders approved an extension pursuant to a process set out in the Company's charter). If Gores IV failed to complete a deal during the 24-month window, its charter required that it liquidate and that the cash held in the trust be returned to its public stockholders. If that were to occur, Gores IV public stockholders would receive $10.00 per share plus their shares of any interest that accrued since the IPO. Third, if Gores IV entered into a merger agreement, its public stockholders had a choice—either exercise their right to redeem their shares at a price equal to $10.00 per share plus interest, or they could invest in the business combination. Gores IV's charter and the terms of the trust provided that Gores IV would receive cash from the trust to use in a business combination only after public stockholders were given the right to redeem their shares in exchange for a pro rata share of the cash held in trust. Gores IV would thus contribute to a business combination only the amount of cash that remained after redeeming stockholders were paid.

8. Defendants, who held Gores IV's Founder Shares, waived (i) their redemption rights with respect to any Founder Shares, and (ii) their rights to liquidating distributions from the trust account with respect to any Founder Shares held by them if Gores IV failed to complete a business combination within 24 months of the IPO.

9. The structure established by the Gores IV's charter created an inherent conflict of interest between the Sponsor and the public stockholders. If Gores IV succeeded in consummating a merger, the Sponsor would hold shares and warrants in the combined company. But if Gores IV did not merge, the Sponsor's Founder Shares and its Private Placement Warrants would be worthless, and the Sponsor would lose its entire investment. Thus, the interests of the Sponsor in getting any deal done during that 24-month window and avoiding liquidation provided it with a perverse incentive to merge regardless of whether the merger was in the best interests of the Company's public stockholders.

10. Although a sponsor can neutralize conflicts of interest by establishing a governance structure that protects the interests of public stockholders—and some sponsors do—Gores IV instead adopted a governance structure that protected Defendants' own financial interests.

11. Gores was the Chairman of Gores IV's Board and was able to control Gores IV through his control of AEG and the Sponsor. This chain of control was cemented through (a) the appointment of Gores IV officers and directors that had multiple, long-standing relationships with Gores and affiliates of his global financial firm, The Gores Group, LLC ("The Gores Group"); (b) compensating the purportedly independent directors with Founder Shares, thereby aligning their interests with those of Gores, AEG, and the Sponsor; (c) along with other initial

stockholders, holding 20% of Gores IV outstanding shares; and (d) stating at the time of its IPO that it may not hold an annual meeting of stockholders to elect new directors, which it recognized "may not be in compliance with Section 211(b) of the DGCL, which requires an annual meeting." Gores' control of Gores IV was further cemented through a provision in Gores IV's charter that deterred stockholders from petitioning for an annual meeting or nominating directors by restricting public stockholders' redemption rights. Specifically, a public stockholder, together with any affiliate or any other person with whom such stockholder acted in concert or as a group, was restricted from seeking redemption with respect to more than an aggregate of 20% of the Public Shares (or 16% of all outstanding shares).

12. The Controller Defendants further secured their control by selecting directors for the Gores IV Board that had significant pre-existing and continuing loyalties to Gores based on numerous lucrative financial and professional ties to him. Among these financial ties, each purportedly independent director has served and currently serves as a director of multiple Gores-sponsored SPACs in connection with which they personally financially benefitted to the tune of hundreds of thousands, if not millions, of dollars. The purportedly independent directors had a strong incentive to make sure a deal got done to ensure that they could maintain their lucrative relationships with Gores.

13. Further, due to their interests in the Founder Shares, Gores, AEG, the Sponsor, and the Board, including the purportedly independent directors, were strongly incentivized to get *any* deal done, because any deal (even a deal they knew was a bad deal for their public stockholders) was virtually certain to give them a substantial windfall. By contrast, a failure to merge would mean Gores IV would liquidate and return the public stockholders' investment—in which case the Sponsor, AEG, Gores, and the other directors would receive nothing and would lose their approximately $10.525 million in investments.

14. Because of this, Gores and the Board were strongly incentivized to avoid a Gores IV liquidation. As a result, they orchestrated the Merger with a mortgage lending company, Legacy UWM, at the apex of the refinance and origination market, in the middle of a global, unprecedented pandemic, when interest rates were historically low and new originations were at a high.

15. The negotiations with Legacy UWM were dominated by Gores IV's management team, the Sponsor, and The Gores Group. The Board provided no meaningful oversight, serving instead as a rubberstamp. There was no special committee.

16. As the market would quickly reveal, the Merger was a losing proposition for Gores IV public stockholders and a tremendous windfall for the

Defendants. Gores IV public stockholders would have been far better off redeeming their shares for $10.00 plus accrued interest.

17. The deeply conflicted members of the Board breached their duty of loyalty and candor by impairing public stockholders' redemption rights by recommending the Merger, providing misleading information in the Proxy, and omitting from the Proxy information that was highly material to public stockholders' decision whether to redeem their shares or invest in the Merger. Defendants did this to promote their own self-interest in seeing the redemptions minimized and the Merger consummated.

18. The Board failed to inform the public stockholders of the extent to which their shares would be diluted and the extent to which cash would be dissipated if they participated in the Merger. At the time of the Merger, and without accounting for redemptions that may occur, Gores IV would have less than $8.25 in net cash per share to contribute to the combined company. A reasonable expectation, therefore, would be that public stockholders would receive roughly that amount in exchange from Legacy UWM stockholders—a bad deal compared to the $10.10 per share the public stockholders would have received if they redeemed their shares.

19. Despite the fact that there was less than $8.25 in net cash underlying the Gores IV shares, the merger agreement between the parties and the Proxy published by the Board valued Gores IV shares at $10.00. It would reasonably

follow, therefore, that in negotiating a share exchange, Legacy UWM would inflate its value commensurately to match this implied valuation. Driven by their own financial self-interests, the Board failed to disclose this danger in approving the Merger and recommending it to public stockholders.

20. In fact, Legacy UWM did inflate its value and it supported its inflated value with projections indicating that Legacy UWM would increase its pro forma tax adjusted income by 77% and its revenues by 61% by the end of 2022. The inflated valuation and projections failed to account for the inevitable slowdown of the refinance and origination market, a predictable rise in interest rates, and significant regulatory risks that would require substantial changes to the business.

21. Gores, who negotiated the Merger with other representatives from The Gores Group, and the rest of the Board accepted Legacy UWM's projections in connection with the Merger and ignored warnings by their advisors about the future prospects of Legacy UWM and regulatory risks requiring fundamental changes to Legacy UWM's business practices. Not surprisingly, once the Merger was completed, New UWM substantially downgraded its revenue projections and revealed details about its business model that made its meteoric projected growth implausible.

22. When presented with the Merger, the Board simply rubberstamped what Gores requested. Indeed, it appears that none of the independent directors

played any meaningful role in the negotiations with Legacy UWM or the vetting of the Merger until the Board met on September 22, 2020 when it approved the merger agreement and transactions contemplated thereby. Prior to that meeting, the Board only had received general updates lasting mere minutes on potential transaction partners.

23. The Board breached its duty of candor and loyalty to Gores IV's public stockholders, not only by failing to disclose how little net cash per share there was underlying Gores IV's shares, but also by withholding critical information from the Proxy concerning: (1) the ability of Legacy UWM to meet its projections on mortgage originations; (2) potential financial restatements; and (3) regulatory risks requiring substantial changes to Legacy UWM's business to ensure regulatory compliance, all of which rendered the projections published in the Proxy misleading. This information was critical to Gores IV stockholders, who faced a decision whether to redeem their shares for $10.10 or invest in the Merger. Defendants' actions in this regard served to promote only their own interests in having redemptions minimized and having the Merger close.

24. By approving the Merger and investing therein, Gores IV stockholders saw their shares decline in price to $7.23 on April 20, 2021, just three months after consummation of the Merger. One year later, on January 21, 2022, shares of New

UWM closed at $5.29 per share. On March 6, 2023, shares of New UWM closed at just $4.76 per share.

25. Although an abysmal deal for Gores IV public stockholders, the Merger was a financial windfall for Gores, the Sponsor, and the purportedly independent directors. On the day the Merger was consummated, Gores and the other Defendants reaped a potential return of over $112 million from the Merger, without even accounting for any warrants.

26. Due to the conflicts of interest on the part of the Board, which drove the Board to recommend the Merger, provide misleading information in the Proxy, and withhold material information from public stockholders, as well as the conflict of interest on the part of the Controller Defendants (defined below), the Merger requires judicial review for entire fairness. In light of the conflicts of interest, the fact that Gores IV failed to disclose (i) the daunting challenge New Legacy UWM would face in scaling up its business model; (ii) the unrealistic nature of Legacy UWM's pie-in-the-sky projections; (iii) the regulatory risks that would require substantial changes to Legacy UWM's business model to ensure compliance; (iv) the fact that Gores IV had far less cash per share to invest in the Merger than it purported to have; and (iv) the disastrous results of the Merger for public stockholders, the Merger cannot meet the exacting entire fairness test.

PARTIES

27. Plaintiff Richard Delman is a public stockholder who purchased shares of Gores IV Class A common stock on August 26, 2020 and has held those shares since that date.

28. Gores Sponsor IV LLC is a Delaware limited liability company and was the sponsor of Gores IV. The Sponsor is controlled by Gores through his affiliated entity AEG of which he is the managing member. Gores effectively exercised voting and dispositive power of the securities held by the Sponsor through his control of AEG. In July 2019, the Sponsor purchased 11,425,000 Gores IV Founder Shares for the nominal price of $25,000 (or $0.002 per share). The Sponsor was directly involved in the negotiations of the Merger with respect to Gores IV and Legacy UWM.

29. AEG is a Delaware limited liability company and is the managing member of the Sponsor. Alec Gores is the managing member of AEG.

30. Alec Gores served as the Chairman of Gores IV since its June 2019 inception. As set forth above, Gores is the managing member of AEG through which he controlled the Sponsor. Gores had sole voting and investment power of the Founder Shares held by the Sponsor. His interests in AEG and the Sponsor and, indirectly, in the Founder Shares held by the Sponsor, gave him the opportunity to make tens, if not hundreds, of millions of dollars, as long as Gores IV merged with

another business within 24 months of the IPO, as opposed to liquidating if it did not merge as required by the Company's charter. Gores is a serial founder of SPACs having created at least 13 SPACs affiliated with The Gores Group, where he is the Founder, Chairman, and Chief Executive Officer ("CEO").

31. Randall Bort served as a director of the Gores IV Board following its IPO. In January 2020, the Sponsor sold Bort 25,000 Founder Shares at a price of $0.002 per share, or $50.00. Bort has served as a director for all Gores-sponsored SPACs that have completed mergers to date:(i) Gores Holdings, Inc., which acquired Hostess Brands, Inc.; (ii) Gores Holdings II, Inc., which acquired Verra Mobility Corporation; (iii) Gores Holdings III, Inc., which acquired PAE Incorporated; (iv) Gores Holdings V, Inc., which acquired Ardagh Metal Packaging S.A.; (v) Gores Holdings VI, Inc., which acquired Matterport, Inc.; (vi) Gores Metropoulos, Inc., which acquired Luminar Technologies, Inc.; (vii) Gores Metropoulos II, which acquired Sonder Holdings Inc.; and (viii) Gores Guggenheim, Inc., which acquired Polestar Automotive Holding UK PLC. These relationships were extremely lucrative for Bort. He held 25,000 founder shares in Gores Holdings, Inc., valued at $608,250 as of March 6, 2023; 25,000 founder shares in Gores Holdings II, valued at $439,500 as of March 6, 2023; 25,000 founder shares in Gores Holdings III, valued at $251,250 when PAE merged with Amentum Government Services Holdings LLC in 2022; 25,000 founder shares in Gores Holdings V, valued at

$113,000 as of March 6, 2023; Bort also held 25,000 founder shares of Gores Holdings VI, Gores Metropoulos, Gores Metropoulos II, and Gores Guggenheim. Bort currently serves as a director of Gores Holdings VII, Inc., Gores Holdings VIII, Inc., and Gores Holdings IX, Inc.

32. William Patton served as a member of the Gores IV Board of Directors following its IPO. In January 2020, the Sponsor sold Patton 25,000 Founder Shares at a price of $0.002 per share, or $50.00. Patton is the Chairman, CEO and Co-Founder of The Four Star Group, an affiliate of The Gores Group that describes itself as "an advisor and consultant to The Gores Group." He has served as a director of various Gores-sponsored SPACs including: (i) Gores Holdings, Inc., which acquired Hostess Brands, Inc.; (ii) Gores Holdings II, Inc., which acquired Verra Mobility Corporation; (iii) Gores Holdings III, Inc., which acquired PAE Incorporated; and (vi) Gores Holdings V, Inc., which acquired Ardagh Metal Packaging S.A. These relationships were extremely lucrative for Patton. He held 25,000 founder shares in Gores Holdings, Inc., valued at $608,250 as of March 6, 2023; 25,000 founder shares in Gores Holdings II, valued at $439,500 as of March 6, 2023; 25,000 founder shares in Gores Holdings III, valued at $251,250 when PAE merged with Amentum Government Services Holdings LLC in 2022; and 25,000 founder shares in Gores Holdings V, valued at $113,000 as of March 6, 2023. Patton currently serves as a director of Gores Holdings VIII, Inc.

33. Jeffrey Rea served as a member of the Gores IV Board of Directors following its IPO. In January 2020, the Sponsor sold Rea 25,000 Founder Shares at a price of $0.002 per share, or $50.00. Rea previously served as President, CEO and Director of Stock Building Supply Holdings, Inc., a company in which The Gores Group held a controlling interest. He has served as a director of various Gores-sponsored SPACs including: (i) Gores Holdings, Inc., which acquired Hostess Brands, Inc.; (ii) Gores Holdings II, Inc., which acquired Verra Mobility Corporation; (iii) Gores Holdings III, Inc., which acquired PAE Incorporated; and (iv) Gores Holdings V, Inc., which acquired Ardagh Metal Packaging S.A. These relationships were extremely lucrative for Rea. He held 25,000 founder shares in Gores Holdings, Inc., valued at $608,250 as of March 6, 2023; 25,000 founder shares in Gores Holdings II, valued at 4399,500 as of March 6, 2023; 25,000 founder shares in Gores Holdings III, valued at $251,250 when PAE merged with Amentum Government Services Holdings LLC in 2022; and 25,000 founder shares in Gores Holdings V, valued at $113,000 as of March 6, 2023.

34. Mark Stone served as the CEO of Gores IV since its inception in June 2019 through the close of the Merger. He was appointed to that role by Gores. Since April 2005, Stone has been employed by The Gores Group, serving as its Senior Managing Director. He has served as CEO of various Gores-sponsored SPACs, all during his employment with The Gores Group, including: (i) Gores Holdings, Inc.,

which acquired Hostess Brands, Inc.; (ii) Gores Holdings II, Inc., which acquired Verra Mobility Corporation; (iii) Gores Holdings III, Inc., which acquired PAE Incorporated; (iv) Gores Holdings V, Inc., which acquired Ardagh Metal Packaging S.A.; (v) Gores Holdings VI, Inc., which acquired Matterport, Inc.; and (vi) Gores Guggenheim, Inc., which acquired Polestar Performance AB. Stone currently serves as CEO of Gores Holdings VII, Inc., Gores Holdings VIII, Inc., and Gores Holdings IX, Inc.

35. Andrew McBride served as the Chief Financial Officer ("CFO") and Secretary of Gores IV since its inception in June 2019 through the Merger close. He was appointed to that role by Gores. Since February 2010, he has been an employee of The Gores Group, serving as the Senior Vice President, Finance and Tax. During his employment with The Gores Group, McBride has served as Chief Financial Officer and Secretary for each of the Gores-sponsored SPACs.

36. Defendants Gores, Bort, Patton, and Rea are collectively referred to herein as the "Director Defendants."

37. Defendants Stone and McBride are collectively referred to herein as the "Officer Defendants."

38. Defendants Gores, AEG, and the Sponsor are collectively referred to herein as the "Controller Defendants."

RELEVANT NON-PARTIES

39. Gores IV was a Delaware corporation formed as a SPAC by the Controller Defendants. Following the "de-SPAC" merger of Gores IV and Legacy UWM on January 21, 2021, Gores IV changed its name to UWM Holdings Corporation ("New UWM"). New UWM is a publicly traded operating company, listed on the NYSE under the ticker "UWMC."

40. Legacy UWM was a private residential wholesale mortgage lender.

41. The Gores Group is a private equity firm founded by its CEO and chairman, Alec Gores, and is an affiliate of the Sponsor. The Gores Group was involved in the negotiations of the Merger and engaged with Legacy UWM's management in exploring potential transaction structures and valuation strategies.

42. Deutsche Bank Securities Inc. ("Deutsche Bank") and Morgan Stanley & Co. LLC ("Morgan Stanley") acted as co-lead financial advisors and capital markets advisors and placement agents to Gores IV in connection with the Merger and related private investment in public equity ("PIPE") transactions. Deutsche Bank and Morgan Stanley also acted as underwriters to Gores IV in its IPO, in connection with which, they agreed to defer their $14,875,000 in commissions, until the close of a business combination.

43. Moelis & Co. ("Moelis") acted as financial advisor to Gores IV for the sole purpose of providing a limited fairness opinion in connection with the Merger.

As consideration for the fairness opinion supporting the Merger, Moelis received a fee of $1,000,000—$750,000 of that compensation was contingent on the Merger being approved and consummated. Moelis disclosed that it had previously provided investment banking and other services to affiliates of Gores IV and had received nearly $10.5 million in connection with these relationships in the three years preceding its engagement by Gores IV. Since the Merger, Moelis has continued to advise other Gores-sponsored SPACs in their transactions, including Gores VI.

SUBSTANTIVE ALLEGATIONS

I. GORES FORMED GORES IV AND RAISED $425 MILLION IN ITS IPO

44. Alec Gores is a serial founder of SPACs, having created at least 13 SPACs under The Gores Group umbrella. SPACs are corporations that, by the terms of their charter, have a limited period of time within which to enter into a business combination—typically resulting in a merger with a private company, thereby bringing the private company public—or to liquidate.

45. Gores has completed at least nine de-SPAC mergers to date, including Gores IV, the majority of which have not been successful investments for his SPAC's public stockholders. Gores Holdings VI, Inc. (now Matterport, Inc.) closed its merger in July 2021 and is currently trading at approximately 70% below its IPO price. Gores Holdings V, Inc. (now Ardagh Metal Packaging S.A.) closed its merger in August 2021 and is currently trading approximately 55% below its IPO price.

Gores Metropoulos II, Inc. (now Sonder Holdings Inc.) closed its merger in January 2022 and is currently trading approximately 90% below its IPO price. Gores Guggenheim, Inc. (now Polestar Automotive Holding Uk Plc) closed its merger in June 2022 and its currently trading approximately 50% below its IPO price.

46. Gores held a controlling interest in the Sponsor, and, on June 12, 2019, caused the Sponsor to incorporate Gores IV under the laws of Delaware. Since its inception, Gores served as the Chairman of Gores IV's Board and appointed his long-time associates at The Gores Group, Stone and McBride, as the Company's CEO and CFO respectively. Consistent with common practice among SPAC sponsors, before Gores IV went public, Gores caused Gores IV to issue to the Sponsor a number of Founder Shares that would equal 20% of Gores IV's post-IPO equity for a nominal cost of $25,000 (or $0.002 per share). Following the IPO, this amounted to 10.625 million Founder Shares.

47. Gores IV completed its IPO on January 28, 2020, selling 42.5 million Public Units to investors for $10 per Public Unit and raising proceeds totaling $425 million. Each Public Unit consisted of one Public Share of Class A common stock and one-fourth of one Public Warrant. The Public Shares were redeemable for $10.00 per share plus interest in the event of an announced business transaction or liquidation. Investors in the Public Units could redeem their Public Shares and still

keep the Public Warrants. Hence, for a purchaser of Pubic Units, the Public Warrants were free.

48. As with all SPACs, the funds raised in Gores IV's IPO were held in a trust account to protect the redemption and liquidation rights of the public stockholders. The funds in the trust could be paid out to Gores IV for use in a merger only after redemption payments were made. If Gores IV liquidated, the funds would be distributed to public stockholders.

49. Concurrently with the IPO, the Sponsor purchased 5.25 million Private Placement Warrants in a private placement in exchange for $10.5 million (or $2.00 per warrant). A portion of the proceeds from the private placement was placed in the trust account and replaced the IPO funds used by Gores IV to pay a portion of the IPO underwriting fees and for working capital.

II. GORES PACKED THE BOARD WITH LOYALISTS AND ENSURED THAT THEIR FINANCIAL INTERESTS WERE ALIGNED WITH HIS OWN

50. Through the Sponsor, Gores had the power to select Gores IV's initial directors and officers. Rather than establishing a governance structure that addressed the conflicting interests of the public stockholders, on the one hand, and the Sponsor and Gores, on the other, Gores did the opposite. He built a Board that was loyal to him and hence to the Sponsor. Gores started by appointing himself Chairman of the Board. He then appointed Bort, Patton, and Rea as purportedly independent

directors. As described above, any suggestion of independence is mere fantasy in light of the fact that all of the "independent" directors have served in multiple capacities in Gores-affiliated businesses for years, and they continue to do so today.

51. Additionally, through the Sponsor, and as he had done in connection with the prior SPACs on the boards of which they served, Gores compensated each of Bort, Patton, and Rea with Founder Shares—that is, shares that would be worthless if Gores IV did not close a business combination—in order to align their financial interests directly with his own and those of the Sponsor.

52. The Gores IV Board, like any SPAC board, had only one decision to make: whether to *merge* or to *liquidate*. And because the Board members have worked for, and continue to work for, Gores through other various Gores-sponsored SPACs and other Gores-affiliated entities, *and* in light of their direct financial interests in having Gores IV merge rather than liquidate, these directors were incapable of making decisions that were not in their own self-interest or in the interests of the Controller Defendants.

III. THE MERGER AND THE PIPE TRANSACTION

53. Following the IPO, Gores and the Officer Defendants, who were otherwise employed by The Gores Group, began to explore potential business combinations.

54. On May 21, 2020, the Board met for 15 minutes to discuss two topics—an audit committee update, and the status of ongoing identification of transaction targets. It was reported that no potential target had yet risen to the forefront.

55. The Board next met on August 20, 2020 for 27 minutes, during which time, prior meeting minutes were approved, an audit committee update was given, and the Board was provided with a "general update" on Gores IV's potential transaction with Legacy UWM. The Board was told that a preliminary pricing and transaction framework had already been agreed to, and the minutes reveal that the Board had not, prior to that meeting, received any of the terms of that "framework." The Board did not discuss projections for Legacy UWM, its business prospects, or any valuation of Legacy UWM or New UWM.

56. On September 2, 2020, the Board met for 15 minutes at a meeting that was not attended by any of Gores IV's purported financial advisors. At this meeting, the Board was provided with an update about potential PIPE investors and discussed potentially retaining Moelis to provide a fairness opinion in connection with the potential transaction. The Board did not discuss projections for Legacy UWM, its business prospects, or any valuation of Legacy UWM or New UWM.

57. On September 7, 2020, despite the Board never having discussed a valuation of Legacy UWM or Legacy UWM's projections for future performance, Gores IV and Legacy UWM executed a term sheet contemplating a merger between

them with an equity value of $16.1 billion, a contemplated value that would stick throughout the Merger process.

58. On September 8, 2020, by written consent, the Board engaged Moelis to provide a fairness opinion in connection with the potential transaction with Legacy UWM in exchange for $1 million—$750,000 of which was conditional on the Merger closing. Moelis had a long and lucrative history with Gores, having received nearly $10.5 million in fees in the three years preceding its engagement from affiliates of Gores and The Gores Group.

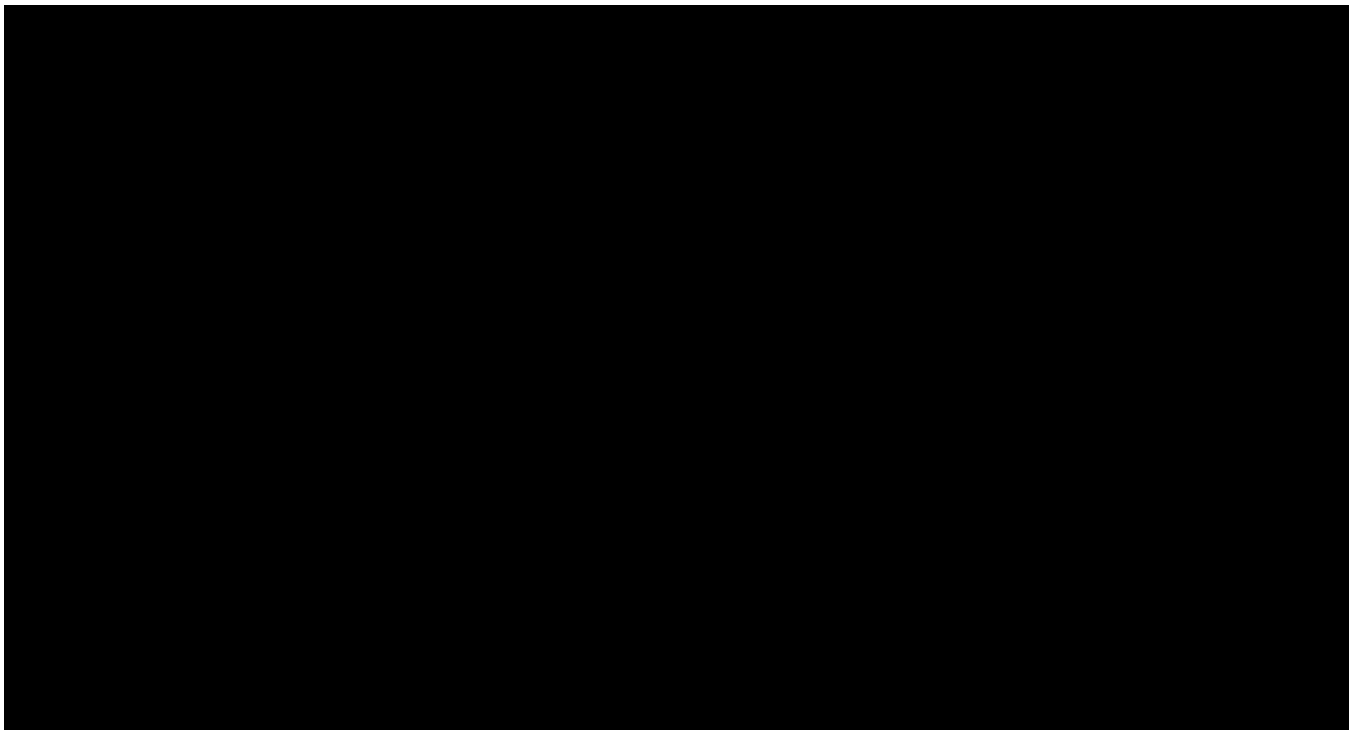
59. On September 11, 2020, at a Board meeting lasting 42 minutes, Moelis made a presentation to the Board. That presentation did not include any valuation of Legacy UWM or any discussion of Legacy UWM's projections for future performance.

60. On September 22, 2020, the Board met for a total of 135 minutes in a meeting attended by Moelis. Inexplicably, representatives from The Gores Group who were not employees, officers, or directors of Gores IV, Andy Freedman, Barrett Sprowl, and Joey Skarzenski, were also in attendance.

61. For the first time, at the September 22 meeting, the Board discussed Legacy UWM's financial projections and valuation of Legacy UWM. A Moelis presentation from that meeting revealed that the negotiated valuation of $10.00 per share did not account for warrants or earnout and management equity compensation,

including the additional 24.1 million earnout shares Gores IV agreed to provide to Legacy UWM stockholders upon meeting certain price targets (which Moelis previously valued at over $1.5 billion). The presentation did, however, acknowledge that the each of the foregoing had a substantial dilutive effect.

62. The September 22 Moelis presentation identified several risks relating to UWM's assumptions, business model, and industry, including the following:



63. On September 23, 2020, Legacy UWM and Gores IV announced that they had entered into a merger agreement pursuant to which Legacy UWM stockholders would receive shares representing approximately 94% ownership of the combined company, New UWM, plus a right to receive additional shares in an earnout. Pursuant to terms of the deal, New UWM had an implied equity value of approximately $16.1 billion, making it the largest SPAC merger to date.

64. Concurrently with the Merger announcement, Gores IV entered into subscription agreements with a number of investors, including the Sponsor, pursuant to which such investors agreed to purchase an aggregate of 50 million shares of Gores IV Class A common stock at a price of $10.00 per share for $500 million in a private investment in public equity (the "PIPE") transaction. The PIPE would close concurrently with the Merger and was contingent upon the Merger closing.

65. The Merger was contingent upon Gores IV contributing at least $712,500,000 cash to UWM.

66. The Merger was also contingent upon stockholder approval of the proposed Merger.

67. On December 16, 2021, Gores IV filed with the SEC and mailed to stockholders a definitive Proxy statement concerning the Merger (the "Proxy"). The Proxy informed stockholders of a special meeting to be held on January 20, 2021, at which stockholders would vote whether to approve or disapprove the Merger. It also informed the stockholders that the deadline for them to redeem their shares was January 15, 2020, two business days before the special meeting.

68. On January 20, 2021, Gores IV's stockholders approved the merger by a majority vote. Only 20,795 shares of Class A common stock were presented for redemption in connection with Merger. On January 21, 2021, the Merger closed.

IV. THE BOARD FOLLOWED A FLAWED PROCESS IN APPROVING THE MERGER

69. The process by which Gores IV negotiated the Merger was severely flawed. Gores, Stone, and other representatives of The Gores Group dominated the negotiations. The Board provided no meaningful oversight, serving as a rubberstamp. There was no special committee—though such committee would have been illusory here in light of each purportedly independent director's interest in having the Merger close.

70. Deutsche Bank and Morgan Stanley served as co-lead financial advisors to Gores IV and were as conflicted in the Merger as the Sponsor and the purportedly independent directors. First, they were incentivized to make sure a deal got done because they had acted as Gores IV's underwriters in the IPO and stood to forfeit $14,875,000 in deferred commissions if Gores IV failed to consummate a merger. Further, Deutsche Bank and Morgan Stanley stood to profit in a merger transaction by acting as exclusive placement agents for Gores IV in connection with the $500 million PIPE, which would only close if the Merger closed. Deutsche Bank and Morgan Stanley have benefited from performing these same roles in previous transactions involving Gores-sponsored SPACs, enhancing their conflicts of interests in connection with the Merger.

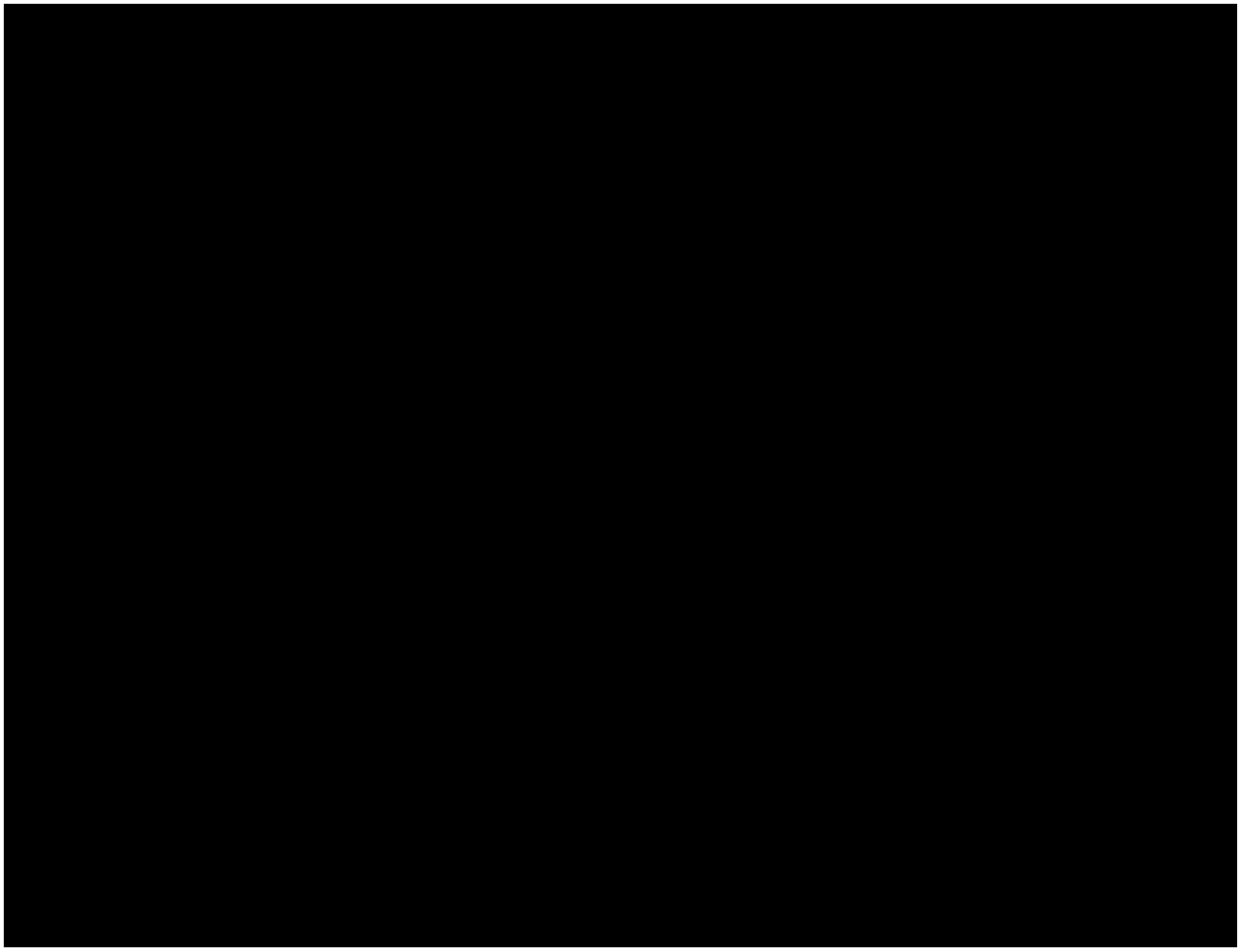
71. Revealing the façade of any separation between The Gores Group and the Sponsor, it was Stone and other representatives of The Gores Group under the control of Gores and the Controller Defendants, including Edward Johnson, Senior Managing Director of The Gores Group, and Dominick Schiano, Senior Advisor to The Gores Group, (with the latter two having had no relationship with or fiduciary duties to Gores IV and its public stockholders) that dominated Merger negotiations with Legacy UWM in April 2020.

72. During the initial meeting on April 20, 2020 with Legacy UWM's CEO and Chairman, Mat Ishbia ("Ishbia"), "Gores IV" was provided with a high-level

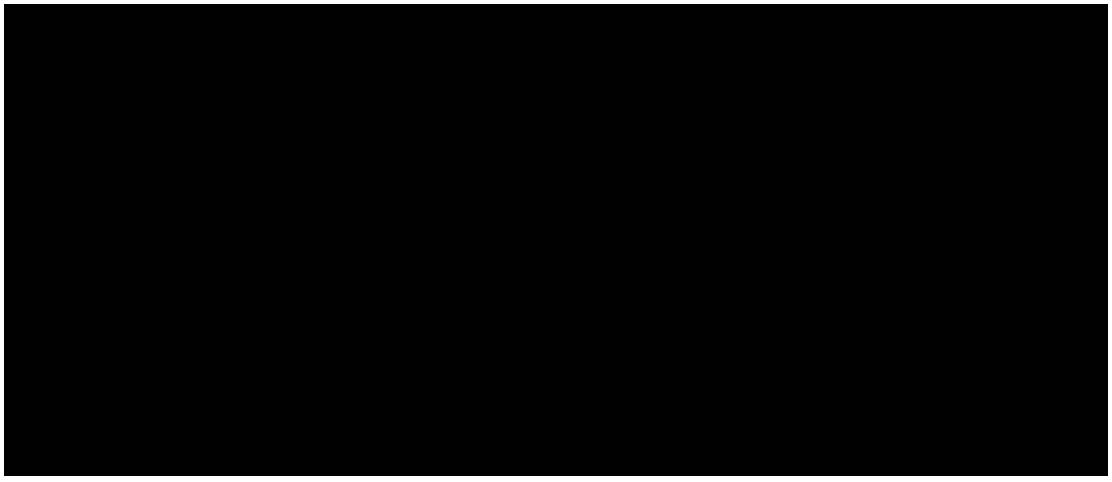
view of UWM's operations. On April 28, 2020, it was Stone, Johnson, and Schiano that met with UWM's management and were provided with an in-depth management presentation.

73. KPMG assisted Gores IV with its due diligence into Legacy UWM, providing Gores IV with an extensive assessment of Legacy UWM's past and future economic prospects, the results of which consisted of negative or merely objective observations.

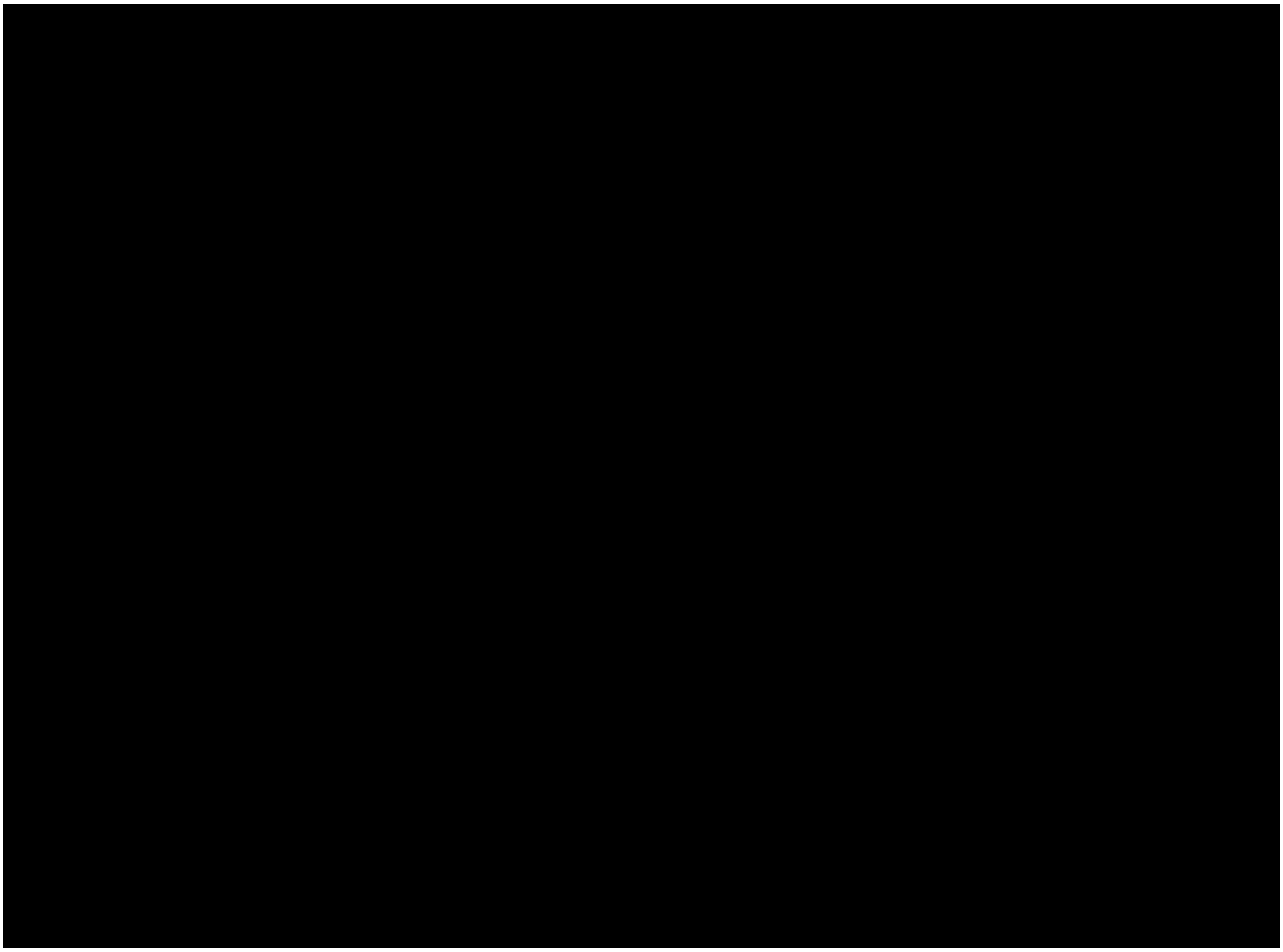
74. In particular, KPMG provided market assessments from Fannie Mae, Freddie Mac, and the Mortgage Bankers Association ("MBA") that projected a significant decline in mortgage origination in 2021 and 2022:



75. KPMG also noted several "headwinds" that could negatively impact UWM's business prospects:



76. Specifically, with respect to mortgage rates, KPMG cited an MBA analysis that forecasted an increase in the 30-year fixed interest rate that [redacted]



77. KPMG also noted other factors indicating a potential market decline, including [redacted]

78. In another presentation, KPMG assessed potentially significant adjustments to UWM's reported earnings, which [redacted] The adjustments added up to [redacted] in 2020:

[redacted]

79. In connection with the Merger, Buckley LLP ("Buckley") provided a due diligence report to "Gores IV"[1] concerning regulatory compliance issues that could have the most significant impact on Legacy UWM's future prospects. [redacted] The memo authored by Buckley also noted that Legacy UWM had previously paid out $48 million to settle a False Claims Act case in 2016, [redacted]

80. Moelis was brought in to provide a fairness opinion, despite the fact that it was heavily conflicted and, therefore, could not be counted on to provide an objective valuation assessment. Seventy-five percent of Moelis' $1,000,000 fee for

[1] There is no mention of Buckley in the Proxy or in any Board minutes or materials. It thus appears that Defendants buried this report to avoid disclosing these substantial red flags.

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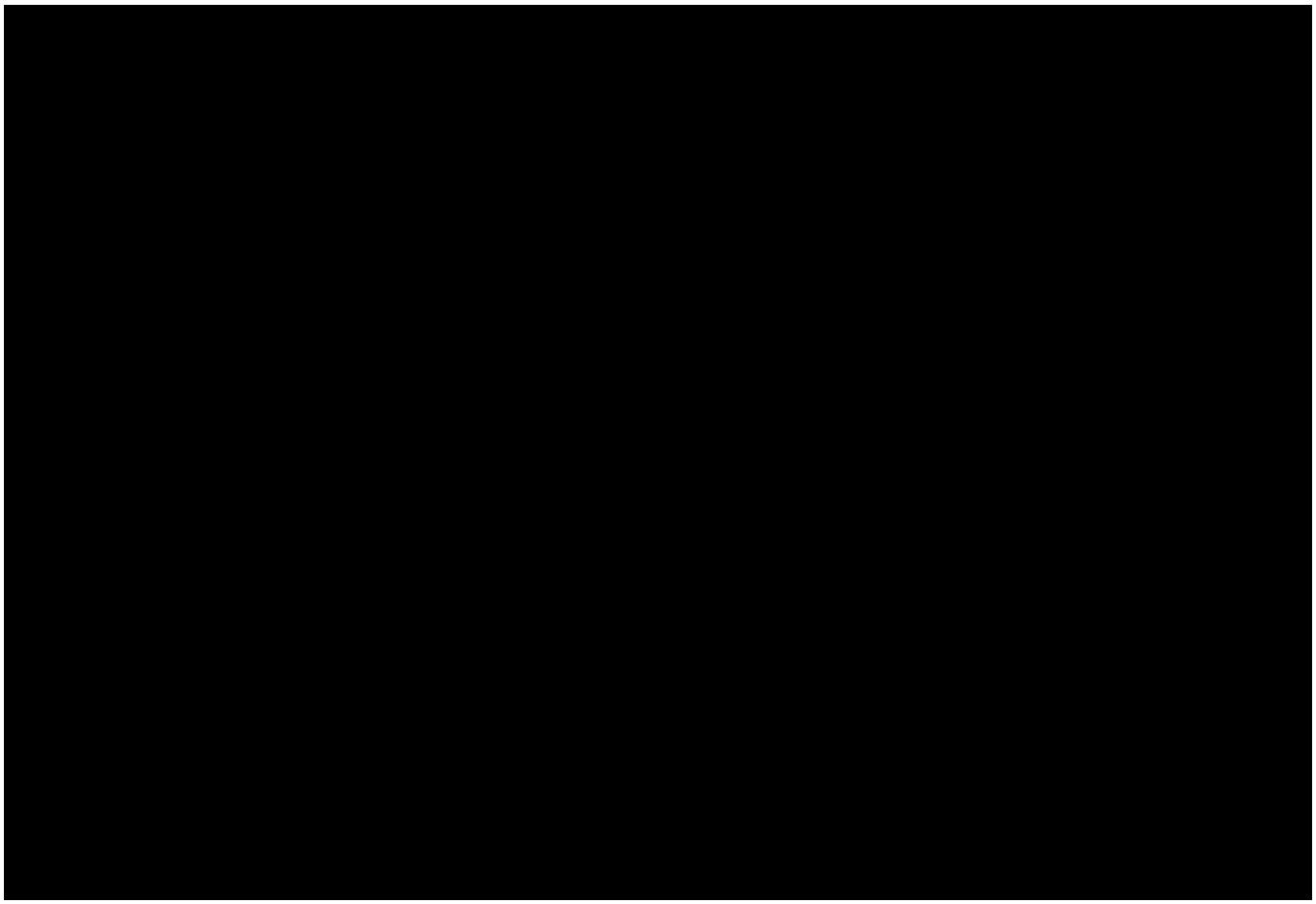
providing the fairness opinion was contingent on the Merger being consummated. Additionally, Moelis provided investment banking and other services to affiliates of The Gores Group in the past three years for which it had received $10.4 million in aggregate fees. Since the Merger, Moelis has continued to advise other Gores SPACs in their transactions, including Gores VI. A negative fairness opinion would have jeopardized Moelis's lucrative business relationship with Gores.

81. Moelis initially noted the market assessment projected in KPMG's due diligence—



82. When asked to conduct a valuation analysis based on UWM's projections, however, Moelis turned a blind eye towards market projections of mortgage origination. Instead, [redacted]

83. Despite KPMG's analysis to the contrary, [redacted] The inconsistency between Legacy UWM's Plan and countervailing industry forecasts, and the risks associated therewith, were not disclosed in the Proxy.

84. Moelis and Defendants ignored all of these external market projections and instead accepted Legacy UWM's unsupportable mortgage origination projections in the Plan when it conducted its Fairness Opinion. Moelis was able to deftly avoid any actual assessment of the validity of Legacy UWM's Plan by limiting

its valuation to an analysis of comparable companies. Moelis did not conduct a discounted cash flow analysis, which would have required an assessment of the Plan. Instead, Moelis claimed it was unable to conduct a DCF because the Plan was limited to two years.

85. The Plan, with its unsupportable mortgage origination projections, was disclosed to Stockholders in the Proxy. None of: (i) KPMG's analyses or assessments of UWM's negative downside, (ii) Buckley's assessments of UWM's legal and regulatory issues, nor (iii) the data that undermined the Plan's "key assumptions" and Moelis's Fairness Opinion was disclosed in the Proxy.

86. Despite all of these deficiencies that the Board knew or that were reasonably knowable at the time, the Board approved the Merger, recommended that public stockholders vote in favor of the Merger, and discouraged redemptions.

87. On January 21, 2021, the day the Merger closed, New UWM's stock traded at $11.54 per share.

88. By April 20, 2021, just three months after the Merger closed, New UWM's stock price had dropped to $7.23. Unsurprisingly, the drop in the stock price was caused by a reported drop in net income and mortgage origination estimates—issues that were identified in due diligence prior to the Merger close. These drops were inconsistent the projections in the Proxy, but consistent with the KPMG analysis.

89. On May 11, 2021, Credit Suisse reported that it was lowering its price target for New UWM from $9.50 to $8.00 per share to reflect lower near-term earnings power due to lowered gross margins.

90. On May 12, 2021, Barclays reported weaker origination results, and guidance from UWM management for originations and margins below expectations. Barclays also lowered its price target to $8.00 per share from $10.00 per share.

91. On May 26, 2021, J.P. Morgan Chase & Co. updated its earnings model with fresh estimates in light of UWM's first quarter earnings report and weaker origination outlook. UWM's earnings had dropped by 37% from the fourth quarter of 2020, and its mortgage originations were down by 10%.

92. New UWM's total revenues for 2021 were approximately $3.0 billion, a far cry from the $4.7 billion projected in the Proxy.

93. On January 21, 2022, one year after the merger, shares of New UWM closed at $5.29 per share.

94. New UWM's stock price has continued to drop as the Company consistently fails to meet the projections disclosed to stockholders in the Proxy. For the first three quarters of 2022, New UWM's total revenue was approximately $2.1 billion—just 39% of the $5.4 billion projection contained in the Proxy for 2022—meaning New UWM will be lucky to reach just 50% of its projected total revenue by year end.

95. On March 6, 2023, shares of New UWM closed at just $4.76 per share.

96. Gores IV's post-redemption and post-Merger performance confirms the unfairness of the Merger to the legacy Gores IV public stockholders. Since January 15, 2021—the date on which public stockholders gave up their ability to submit their shares for redemption—Gores IV public stockholders' stock has *lost* approximately 55% of its value (while the NYSE composite index has risen by nearly 5.4%).

97. New UWM's tanking stock price reflects the failure of the post-Merger business to live up to the lofty, and unsupportable, projections touted in the Proxy—projections that Gores IV provided to its public stockholders to support the valuation it placed on UWM.

98. As bad as the Merger has been for Gores IV public stockholders, it was lucrative for the Sponsor, Gores, and his hand-picked Board members. When the Merger closed, the Founder Shares—which the Sponsor had purchased a year earlier for a mere $25,000—were worth more than $112 million. Even at today's deflated share price, those Founder Shares are worth over $50 million.

99. Had no business combination occurred, the Sponsor, Gores, and the other Defendants would have received nothing. The public stockholders, however, would have received $10.01 per share.

V. MATERIAL MISREPRESENTATIONS AND NON-DISCLOSURES

100. Defendants omitted from the Proxy material information that was reasonably available to the Board.

101. The Board had an affirmative duty to provide materially accurate and complete information to public stockholders in connection with the redemption decision and Merger vote. It failed to do so.

A. THE VALUE OF GORES IV SHARES EXCHANGED IN THE MERGER

102. The Proxy indicated that the Merger consideration to be paid to UWM stockholders consisted of Gores IV stock valued at $1.000 per share. If non-redeeming stockholders were exchanging Gores IV shares worth $10.00 each, they could reasonably expect to receive equivalent value in return. However, the value of Gores IV shares was not $10.00 per share. It was substantially less.

103. As with all SPACs, Gores IV's sole asset prior to the Merger was cash. To calculate the value of a share that Gores IV would exchange with Legacy UWM stockholders in the Merger, one begins with cash, subtracts costs, and divides that number by Gores IV's pre-Merger shares outstanding:

$$\text{Net Cash per Share} = \frac{\text{Cash} - \text{Costs}}{\text{Pre-Merger Shares}}$$

104. At the time of the Proxy, Gores IV's cash consisted of funds in the trust, funds to be received at closing in exchange for shares pursuant to the PIPE, and net cash outside of the trust.

105. To determine net cash, costs must be subtracted from the total cash. Those costs include: (1) transaction costs, including deferred underwriter fees; and (2) the value of the Public and Private Placement Warrants at the time of the Proxy.[2]

106. To determine net cash per share, one must divide net cash by the number of pre-Merger shares outstanding, which include: (1) public shares issued in the IPO; (2) the Founder Shares; and (3) the Private Placement Shares. Using these inputs, Gores IV's net cash per share at the time the Proxy was filed was less than $8.25 per share.

107. To the extent one can obtain the inputs listed above—and one cannot obtain all the inputs from the disclosures in the Proxy or elsewhere—Gores IV's net cash per share at the time the Proxy was filed was less than $8.25 per share. This is the value Gores IV would contribute to the Merger—not $10.00. Hence, Gores IV public stockholders who invested in the Merger instead of redeeming could not

[2] The Proxy prices warrants at $1.20 as of October 21, 2020.

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reasonably expect to receive $10.00 worth of New UWM in exchange upon consummation of the Merger.

108. This basic fact was not provided to public stockholders. But even it if it was, public stockholders could not have conducted this analysis. Some of the information used to reach the $8.25 figure was scattered across the Proxy in no coherent form and other pieces of information are wholly absent.

109. Because the Proxy omitted and obfuscated material information needed to determine the net cash underlying Gores IV's shares—and thus the value of those shares—Gores IV's public stockholders could not make an informed decision whether to redeem their shares or invest in the Merger.

110. The sizeable difference between the valuation of Gores IV shares at $10.00 for purposes of the Merger and Gores IV's actual, undisclosed net cash per share was information that a reasonable investor would consider important in deciding whether to redeem or invest in New UWM. Further, because Gores IV had less than $8.25 per share to contribute to the Merger, the Proxy's implicit representation that New UWM shares would be worth $10.00 per share was false, or, at least, materially misleading. Moreover, because there was less than $8.25 in net cash underlying each Gores IV share, Gores IV's stockholders could not logically expect to receive $10.00 per share of value in exchange for their investment in the Merger. The omission of this information from the Proxy was a material

omission, and the Proxy's implicit representation that Gores IV UWM shares would be worth $10.00 per share was materially misleading.

B. UWM PROJECTIONS AND VALUATION

111. In addition to making false and misleading disclosures and omissions with regard to the net cash per share underlying Gores IV shares at the time of the Merger, the Board also accepted and disseminated in the Proxy an inflated valuation for Legacy UWM built on unrealistic mortgage origination projections, a continuation of the status quo, and a failure to take into account the plethora of regulatory and legal issues identified in the due diligence process, despite all of the Gores IV advisors disclosing to the Board the substantial risks associated with, and the unrealistic nature of, those projections. These disclosure issues were exacerbated by the Proxy's silence as to Legacy/New UWM's true prospects, and also with respect to very realistic headwinds, potential financial restatements, and legal and regulatory issues that immediately threatened Legacy/New UWM's valuation.

112. Defendants misrepresented Legacy/New UWM's actual mortgage origination expectations in the Proxy. KPMG provided Gores IV with extensive documentation of the market's assessment of mortgage origination projections for 2021, which included [redacted]

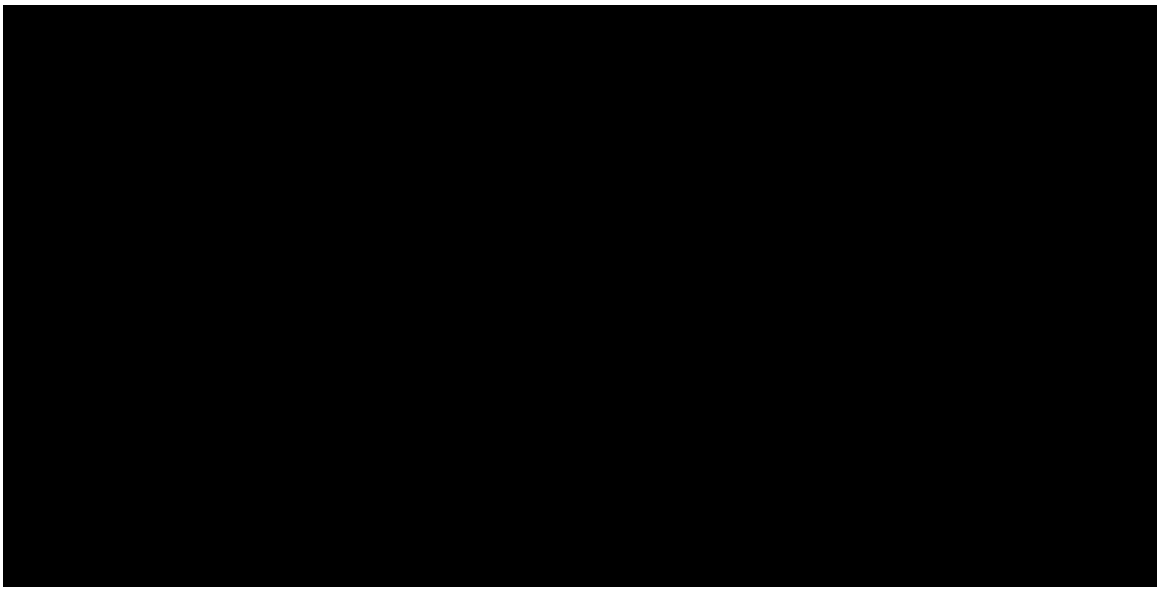
[redacted] Defendants failed to inform Gores IV public stockholders of any of this.

113. Instead, UWM's projections, which were relied on by Moelis in its rendering its fairness opinion, and which were disclosed in the Proxy to stockholders, assumed a rise in origination volume from $200 million in 2020 to $210 million in 2021 and $240 million in 2022. In the Proxy and in investor presentations before the stockholder vote, Gores IV told stockholders that UWM would increase its unprecedented 2020 revenues of $4.6 billion to $4.7 billion in 2021 and $5.4 billion in 2022:

($ in millions, unless otherwise specified) (1)	Projected			Compound Annual Growth Rate
	Fiscal Year Ending December 31,			
	2020E	2021E	2022E	2019-2022E
Origination Volume ($ in billions)	$ 200	$ 210	$ 240	31%
Total Loan Production Revenue	$ 4,171	$ 3,785	$ 3,986	58%
% Growth	*261%*	*2%*	*14%*	
Total Revenue(2)	$ 4,607	$ 4,694	$ 5,357	61%
% of Revenue	*37%*	*51%*	*55%*	
Total Expense(3)(4)	$ 1,713	$ 2,379	$ 2,942	51%
Pre-Tax Income	$ 2,894	$ 2,315	$ 2,415	80%
Pro Forma Tax Adjusted Income(5)	$ 2,198	$ 1,690	$ 1,763	77%
% Margin	*48%*	*36%*	*33%*	

114. Defendants further misled stockholders by failing to inform them of all the headwinds to Legacy and New UWMs' business that KPMG disclosed to the Board and highlighted in its due diligence presentations, including:

[redacted]



115. The Proxy also failed to disclose that KPMG had assessed potentially significant adjustments to UWM's earnings, which added up to , and, thus, rendered projections for future years based off these unadjusted earnings unreliable.

116. And, the Proxy failed to disclose Buckley's involvement or provision of a due diligence report at all, and accordingly, failed to disclose Buckley's assessment of regulatory compliance issues, . Public

stockholders were, therefore, materially misled at to the actual value of UWM at the fulcrum point of their redemption decision.

CLASS ACTION ALLEGATIONS

117. Plaintiff, a stockholder in the Company, brings this action individually and as a class action pursuant to Rule 23 of the Rules of the Court of Chancery of the State of Delaware on behalf of himself and all record and beneficial holders of Gores IV common stock (the "Class") who held such stock as of the redemption deadline through the closing of the Merger (except the Defendants herein, and any person, firm, trust, corporation, or other entity related to or affiliated with any of the Defendants) and who were injured by the Defendants' breaches of fiduciary duties and other violations of law, and their successors in interest.

118. This action is properly maintainable as a class action.

119. A class action is superior to other available methods of fair and efficient adjudication of this controversy.

120. The Class is so numerous that joinder of all members is impracticable. The number of Class members is believed to be in at least the thousands, and they are likely scattered across the United States. Moreover, damages suffered by individual Class members may be small, making it overly expensive and burdensome for individual Class members to pursue redress on their own.

121. There are questions of law and fact which are common to all Class members and which predominate over any questions affecting only individuals, including, without limitation:

a. whether Defendants owed fiduciary duties to Plaintiff and the Class;

b. whether the Controller Defendants controlled the Company;

c. whether "entire fairness" is the applicable standard of review;

d. which party or parties bear(s) the burden of proof;

e. whether Defendants breached their fiduciary duties to Plaintiff and the Class;

f. the existence and extent of any injury to the Class or Plaintiff caused by any breach;

g. the availability and propriety of equitable re-opening of the redemption period; and

h. the proper measure of the Class's damages.

122. Plaintiff's claims and defenses are typical of the claims and defenses of other Class members, and Plaintiff has no interests antagonistic or adverse to the interests of other Class members. Plaintiff will fairly and adequately protect the interests of the Class.

123. Plaintiff is committed to prosecuting this action and has retained competent counsel experienced in litigation of this nature.

124. Defendants have acted in a manner that affects Plaintiff and all members of the Class alike, thereby making appropriate injunctive relief and/or corresponding declaratory relief with respect to the Class as a whole.

125. The prosecution of separate actions by individual members of the Class would create a risk of inconsistent or varying adjudications with respect to individual members of the Class, which would establish incompatible standards of conduct for Defendants; or adjudications with respect to individual members of the Class would, as a practical matter, be dispositive of the interest of other members or substantially impair or impede their ability to protect their interests.

COUNT I

(Direct Claim for Breach of Fiduciary Duty Against the Director Defendants)

126. Plaintiff repeats and realleges each and every allegation above and Count set forth below as if set forth in full herein.

127. As directors of the Company, the Director Defendants owed Plaintiff and the Class the utmost fiduciary duties of care and loyalty, which subsume an obligation to act in good faith, with candor, and to make accurate material disclosures to the Company's stockholders.

128. These duties required them to place the interests of stockholders above their personal interests and the interests of the Controller Defendants.

129. Through the events and actions described herein, the Director Defendants breached their fiduciary duties of loyalty and candor to Plaintiff and the Class by prioritizing their own personal, financial, and/or reputational interests in a manner unfair and misleading to Plaintiff and the Class by failing to adequately inform public stockholders of material information necessary to allow them to make an informed redemption decision.

130. As a result, Plaintiff and the Class were harmed due to the impairment of their redemption rights prior to the Merger.

131. In addition, by virtue of misstatements and omissions in the Proxy, members of the Class could not exercise their vote in an informed manner and approved the Merger with Legacy UWM based on false and misleading information.

132. Plaintiff and the Class suffered damages in an amount to be determined at trial.

COUNT II

(Direct Claim for Breach of Fiduciary Duty Against the Officer Defendants)

133. Plaintiff repeats and realleges each and every allegation above and Count set forth above and below as if set forth in full herein.

134. As the most senior officers of the Company, the Officer Defendants owed Plaintiff and the Class the utmost fiduciary duties of care and loyalty, which include an obligation to act in good faith, with candor, and to provide accurate material disclosures to the Company's stockholders.

135. These duties required the Officer Defendants to place the interests of the Company's stockholders above their personal interests and the interests of the Controller Defendants. The Officer Directors are not exculpated for breaches of their duty of care for actions taken in their capacity as officers (which include all actions set forth herein except their formal vote to approve the Merger).

136. Through the events and actions described herein, the Officer Defendants breached their fiduciary duties to Plaintiff and the Class by prioritizing their own personal, financial, and/or reputational interests and approving the Merger, which was unfair to the Company's public Class A stockholders. The Officer Defendants also breached their duty of candor by issuing the false and misleading Proxy, as well as making other false and misleading statements with regard to the Merger.

137. As a result, Plaintiff and the Class were harmed due to the impairment of their redemption rights prior to the Merger.

138. In addition, by virtue of misstatements and omissions in the Proxy, members of the Class could not exercise their vote in an informed manner and approved the Merger with Legacy UWM based on false and misleading information.

139. Plaintiff and the Class suffered damages in an amount to be determined at trial.

COUNT III

(Direct Claim for Breach of Fiduciary Duty Against the Controller Defendants)

140. Plaintiff repeats and realleges each and every allegation above and Count set forth above and below as if set forth in full herein.

141. The Controller Defendants were Alec Gores, AEG, and the Sponsor. The Sponsor—and Gores through AEG and the Sponsor—structured Gores IV to cement their control, selected (and could remove at any time) the members of the Board, and had deep personal and financial ties to the members of the Board they selected—through the granting of Founder Shares, the granting of other financial incentives, and through close and longstanding business and financial relationships, including in other SPACs affiliated with The Gores Group.

142. As such, the Controller Defendants owed Plaintiff and the Class fiduciary duties of care and loyalty, which include an obligation to act in good faith, and to provide accurate material disclosures to Gores IV stockholders.

143. At all relevant times, the Controller Defendants had the power to control, influence, and cause—and actually did control, influence, and cause—Gores IV to enter into the Merger.

144. Through the events and actions described herein, the Controller Defendants breached their fiduciary duties of loyalty and candor to Plaintiff and Class members by failing to adequately inform public stockholders of material information necessary to allow them to make an informed redemption decision. As a result, Plaintiff and the Class were harmed due to the impairment of their redemption rights prior to the Merger.

145. As a result, Plaintiff and the Class were harmed due to the impairment of their redemption rights prior to the Merger.

146. Plaintiff and the Class suffered damages in an amount to be determined at trial.

COUNT IV

(Direct Claim for Unjust Enrichment Against the Controller Defendants and Director Defendants)

147. Plaintiff repeats and realleges each and every allegation and Count set forth above as if set forth in full herein.

148. As a result of the conduct described above, the Controller Defendants and the Director Defendants breached their fiduciary duties to Gores IV public

stockholders and were disloyal by putting their own financial interests above those of Gores IV public stockholders.

149. The Controller Defendants and Director Defendants were unjustly enriched by their disloyalty.

150. All unjust profits realized by the Controller Defendants and the Director Defendants should be disgorged and recouped by the affected stockholders.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff demands judgment and relief in his favor and in favor of the Class, and against Defendants, as follows:

A. Declaring that this Action is properly maintainable as a class action;

B. Finding the Director and Officer Defendants liable for breaching their fiduciary duties owed to Plaintiff and the Class;

C. Finding the Controller Defendants liable for breaching their fiduciary duties, in their capacity as the controllers of Gores IV, owed to Plaintiff and the Class;

D. Finding that the Controller Defendants and Director Defendants were disloyal fiduciaries that were unjustly enriched;

E. Certifying the proposed Class;

F. Awarding Plaintiff and the other members of the Class damages in an amount which may be proven at trial, together with interest thereon;

G. Ordering disgorgement of any unjust enrichment to the Class;

H. With respect to Class members who had the right to seek redemption and still hold their shares, equitably re-opening the redemption window to allow them to redeem their shares, as per the terms of Gores IV's foundational documents;

I. Awarding Plaintiff and the members of the Class pre-judgment and post-judgment interest, as well as their reasonable attorneys' and experts' witness fees and other costs; and

J. Awarding Plaintiff and the Class such other relief as this Court deems just and equitable.

Dated: March 10, 2023

GRANT & EISENHOFER P.A.

/s/ Kelly L. Tucker

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