

LEVI & KORSINSKY, LLP

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*Counsel for Lead Plaintiff the
Ferraro Family Foundation, Inc.,
and James L. Ferraro*

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

FERRARO FAMILY FOUNDATION, INC. and
JAMES L. FERRARO, on behalf of themselves and
all others similarly situated,

Plaintiff,

v.

CORCEPT THERAPEUTICS INCORPORATED,
JOSEPH K. BELANOFF, CHARLES ROBB, and
SEAN MADUCK,

Defendants.

Case No. 3:19-CV-01372-JD

CLASS ACTION

**DECLARATION OF SHANNON L.
HOPKINS IN SUPPORT OF LEAD
PLAINTIFF'S UNOPPOSED MOTION
FOR FINAL APPROVAL OF
PROPOSED CLASS ACTION
SETTLEMENT AND LEAD
COUNSEL'S MOTION FOR
ATTORNEYS' FEES,
REIMBURSEMENT OF EXPENSES,
AND AWARD OF COSTS AND
EXPENSES TO LEAD PLAINTIFF**

Date: June 6, 2024
Time: 10:00 a.m.
Room: Courtroom 11, 19th Floor
Judge: Honorable James Donato

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1 I, Shannon L. Hopkins, declare:

2 1. I am a partner at Levi & Korsinsky, LLP (“Levi & Korsinsky” or “LK”), Court-appointed
3 Lead Counsel for Lead Plaintiff, the Ferraro Group (consisting of Ferraro Family Foundation, Inc. and
4 James L. Ferraro) (“Lead Plaintiff”) and the proposed class in the above-captioned matter. I submit this
5 declaration in support of: (1) Lead Plaintiff’s Unopposed Motion for Final Approval of Proposed Class
6 Action Settlement (“Final Approval Motion”) and (2) Lead Counsel’s Motion for Attorneys’ Fees,
7 Reimbursement of Expenses, and Award of Costs and Expenses to Lead Plaintiff (the “Fee and Expense
8 Application”).

9 2. I have been informed by counsel for Defendants that Defendants do not oppose the relief
10 sought by both motions.

11 3. I am one of the attorneys overseeing this litigation and participated in the prosecution
12 and resolution of this Action¹ since its inception and have personal knowledge of all material matters
13 related to this Action. I have also been kept informed of developments in the Action by other attorneys
14 working with me and under my direction at Levi & Korsinsky. The statements in this declaration are
15 made based upon my personal knowledge unless otherwise indicated. I could and would testify
16 competently to the matters set forth herein if called upon to do so.

17 4. The proposed Settlement, which provides for an all-cash payment of \$14,000,000, is an
18 excellent result for the Settlement Class. The Stipulation sets forth the terms of the Settlement, which,
19 if approved, will resolve this Action entirely.

20 5. This declaration is not intended to detail every event that occurred since the
21 commencement of this Action. Rather, it sets forth the nature of the claims asserted in the Action, which
22 involved allegations that the Defendants misled investors about Corcept Therapeutics Incorporated’s
23 (“Corcept” or the “Company”) reliance on an undisclosed off-label marketing scheme to sell its
24 prescription drug, Korlym. The declaration also details the proceedings to date, Lead Plaintiff’s factual
25 investigation and discovery taken to date, the extensive efforts undertaken by Lead Plaintiff and Lead
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27 ¹ Unless otherwise defined herein, capitalized terms have the same meanings as in the Stipulation of
28 Settlement (“Stipulation”) (ECF 195-3) and the exhibits attached thereto.

1 Counsel in prosecuting and resolving the Action, and the substantial risks of continued litigation and the
2 negotiations resulting in the Settlement. Further, it describes notice of this Settlement to the Settlement
3 Class Members (“Class Members”) and the proposed Plan of Allocation, both of which have been
4 preliminarily approved by the Court. Lastly, this declaration provides additional information supporting
5 Lead Counsel’s request for an award of attorneys’ fees and reimbursement of litigation expenses and
6 Lead Plaintiff’s service award.

7 **I. Introduction**

8 6. This Action has been intensely litigated from its commencement on March 14, 2019
9 through Settlement, which the Parties finalized in the Stipulation on April 11, 2023. The Parties reached
10 the Settlement only after Lead Plaintiff had performed extensive investigation and analysis of the
11 allegations, claims, and defenses. Specifically, over the course of approximately four years, Lead
12 Plaintiff, through the efforts of Lead Counsel, *inter alia*: (i) conducted a detailed investigation into the
13 claims asserted in the Action and drafted three amended complaints; (ii) opposed two motions to dismiss;
14 (iii) drafted Lead Plaintiff’s motion for class certification accompanied by a supporting expert report on
15 market efficiency and Lead Plaintiff’s proposed damages methodology; (iv) extensively consulted with
16 experts on Cushing’s Syndrome (“CS”), the marketing of pharmaceutical drugs and related FDA
17 regulations, market efficiency, loss causation, and damages; (v) conducted a detailed review of Corcept’s
18 public filings, annual reports, press releases, and other publicly available information; (vi) reviewed
19 analyst reports and articles relating to Corcept; (vii) researched applicable law with respect to the claims
20 and defenses asserted in the Action; (viii) drafted and responded to written discovery requests; (ix)
21 reviewed nearly one million pages of largely technical documents produced by Defendants and third-
22 parties; (x) participated in the depositions of one of Lead Plaintiff’s experts and one of a former Corcept
23 employee; and (xi) drafted and exchanged three detailed mediation statements with Defendants. But for
24 the Settlement, Lead Counsel was prepared to continue fully litigating the Action to trial and beyond, if
25 necessary.

26 7. The resulting Settlement is the direct product of Lead Plaintiff’s and Lead Counsel’s
27 efforts over the past four years and the parties’ *three* separate, arm’s-length mediation sessions facilitated

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1 by Ms. Michelle Yoshida, Esq. of Phillips ADR Enterprises LLC. Each of these Settlement negotiations
 2 were conducted by experienced counsel with an intimate understanding of the strengths and weaknesses
 3 of the Action, which ultimately resulted in a mediator’s double-blind proposal on January 24, 2023 that
 4 the Parties accepted on February 8, 2023.

5 8. The substantial fact and expert discovery, motion practice, and rounds of attempted
 6 mediation sessions outlined herein informed Lead Counsel of the case’s strengths and potential
 7 weaknesses. Lead Counsel considered all such information in determining the best course of action for
 8 the Class Members. Lead Counsel believes the proposed \$14,000,000 Settlement represents a significant
 9 recovery for the Settlement Class that is fair and reasonable and warrants this Court’s approval.

10 9. The Settlement is also an excellent result when evaluated against maximum theoretical
 11 aggregate damages, representing a recovery of 8% on a FIFO basis (or 9% on a LIFO basis) based on
 12 the assumption that Lead Plaintiff would prevail on all claims, including reviving a previously dismissed
 13 corrective disclosure, and is well above the median comparable securities class actions settlements
 14 reported by Cornerstone Research and the National Economic Research Associates.² Here, the Class
 15 Period alleged in the operative complaint includes two corrective disclosures. The Honorable Lucy H.
 16 Koh dismissed with prejudice all claims to the extent they were based on the January 31, 2019 corrective
 17 disclosure, ending the Class Period on January 25, 2019. With respect to the only surviving corrective
 18 disclosure, the Settlement represents a recovery of 11.4% of the maximum theoretical damages on a
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24 ² See L.T. Bulan, L.E. Simmons, *Securities Class Action Settlements, 2023 Review and Analysis*,
 25 Cornerstone Research (2024), at 6 (stating that the median comparable securities class action settlements
 26 in Rule 10b-5 cases in 2023 and in 2014 – 2022 resulted in a recovery of 3.5% and 4% of estimated
 27 damages, respectively) (“Cornerstone Research”) (attached hereto as Exhibit 5); *see also* Edward Flores
 28 and Svetlana Starykh, *Recent Trends in Securities Class Action Litigation: 2023 Full-Year Review* at
 25-26, Figures 21, 22 (NERA Jan. 23, 2024) (median ratio of settlement to investor losses for
 comparable securities class actions was 2.9% from January 2014 – December 2023 and was 1.8% overall
 in 2023) (“NERA”) (attached hereto as Exhibit 6). Case No. 3:19-CV-01372-JD

1 FIFO basis (or 12.9% on a LIFO basis), which is *over twice* the median percentage of recovery for
2 similarly sized cases reported by Cornerstone Research and NERA.³

3 10. When accounting for the Defendants' arguments—that, even if Lead Plaintiff could
4 establish liability, damages would need to be further reduced to disaggregate the other information
5 unrelated to off-label marketing in the January 25, 2019 SIRC Report—Lead Plaintiff's damages expert
6 estimates total damages ranging from \$22.1 to \$63.5 million on a FIFO basis (or \$19.5 to \$55.8 million
7 on a LIFO basis). The proposed Settlement represents *22% to 63.3%* of such damages on a FIFO basis
8 (or 25% to 71.8% on a LIFO basis), which is up to approximately *eight* times the median percentage of
9 recovery for similarly sized securities fraud cases from 2014 to 2022⁴ and is *twelve to thirty-five* times
10 higher than the median percentage of recovery for securities fraud cases in 2023.⁵

11 11. Additionally, Defendants would continue to assert challenges to falsity and scienter by
12 contending, in part, that no documents produced evidenced explicit instructions from any Individual
13 Defendant to engage in off-label marketing. Defendants would have also argued their statements were
14 not false because: 1) whether to prescribe Korlym is within each doctor's discretion; 2) the FDA never
15 objected to Korlym's marketing materials despite being aware of them, and 3) hypercortisolism, used in
16 marketing materials, and CS, for which Korlym is sometimes an appropriate treatment, are the same.
17 For scienter, Defendants would bolster their arguments by noting that certain documents show Corcept
18 executives instructed employees to keep Korlym marketing to on-label uses, and that Lead Plaintiff has
19 not received documents in discovery to the contrary.

20 12. Defendants would also raise a host of challenges at class certification, including *inter*
21 *alia*, that the challenged statements were too generic to have impacted the price of Corcept's securities,
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23 ³ See Cornerstone Research at 6 (median comparable securities class action settlements in Rule 10b-5
24 cases in 2023 and in 2014 – 2022 resulted in a recovery of 5.3% of estimated damages); see also NERA
25 at 25-26, Figures 21, 22 (median comparable securities class action settlements in January 2014 –
26 December 2023 resulted in recoveries of 2.9% of estimated damages, and median ratio of settlement to
investor losses for securities fraud class actions overall in 2023 was 1.8%).

27 ⁴ See Cornerstone Research at 6

28 ⁵ See NERA at 26.

1 and that few analysts commented on the January 25, 2019 corrective disclosure, undermining
2 materiality, loss causation, and price impact. Defendants would likely rely on the Second Circuit's
3 opinion in *Arkansas Teacher Retirement System v. Goldman Sachs Group, Inc.*, 77 F.4th 74, 81 (2d Cir.
4 2023), which decertified the class and effectively ended the case after 13 years of litigation based on
5 similar arguments.

6 13. The looming costs and significant delay of pursuing trial further demonstrate the
7 Settlement's reasonableness. For example, ongoing delays and costs absent a Settlement would include,
8 *inter alia*: 1) taking *fifty-eight* remaining depositions, of which at least twenty-eight would be taken in-
9 person; 2) retaining and further consulting with multiple experts, including for research, expert reports
10 and rebuttals, and deposition testimony regarding CS, FDA marketing regulations, market efficiency,
11 damages, and loss causation; 3) briefing motions to compel, class certification, cross motions for
12 summary judgment, *Daubert* and other pre-trial motions; and 4) jury trial, which would be complicated
13 and confusing for jurors.

14 14. The Settlement removes the possibility that any of these risks, costs, and delays would
15 materialize. All of these issues, and the risks attendant to them, were considered by Lead Counsel and
16 Lead Plaintiff in deciding to settle this Action on the agreed terms.

17 15. In connection with its request for approval of the Settlement and Plan of Allocation, Lead
18 Counsel is also moving the Court for an award of attorneys' fees and reimbursement of litigation
19 expenses (the "Fee and Expense Application"). Specifically, Lead Counsel is moving for attorneys' fees
20 in the amount of \$3,500,000, *i.e.*, 25% of the Settlement amount, representing a 0.4 negative multiplier
21 of Lead Counsel's total lodestar of \$8,538,061.75, which excludes all time incurred after the Court
22 preliminary approved the Settlement on January 4, 2024. Moreover, Lead Counsel's fee request of 25%
23 of the common fund is consistent with the Ninth Circuit's benchmark and *excludes* interest, which is
24 commonly awarded so that all interest earned can be distributed to the Class.

25 16. Lead Counsel is also applying for reimbursement of litigation expenses of \$576,161.71,
26 despite the Notice stating that expenses may be \$975,000. These litigation expenses were incurred since
27 the Action commenced approximately five years ago and include, among other things, costs associated

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1 with legal research and investigation, the work of qualified experts and consultants, litigation-related
2 travel, mediation fees, and document reviewers retained by Lead Counsel—all of which were necessary
3 to Lead Counsel’s success in achieving the proposed Settlement. Lead Counsel respectfully submits that
4 the Fee and Expense Application is justified in light of the benefits conferred on the Settlement Class,
5 the risks undertaken by Lead Counsel, the quality of representation, and the nature and extent of the
6 legal services performed.

7 17. Lead Plaintiff, which consists of the Ferraro Family Foundation, Inc. and James L.
8 Ferraro, also seeks an award of \$15,000 in total as partial reimbursement of its costs and expenses related
9 to this Action. James L. Ferraro is an attorney who is a principal of two law firms and has forty years of
10 practice and experience in class action and mass tort litigation. Mr. Ferraro actively monitored the Action
11 and supervised Lead Counsel. Lead Plaintiff also dedicated time and resources to discovery, which
12 included responding to Defendants’ written discovery requests and gathering documents and
13 information responsive to Defendants’ discovery requests. Only after detailed discussions with Lead
14 Counsel did Lead Plaintiff approve the Settlement.

15 18. On behalf of Lead Counsel, and for the reasons discussed herein and in the accompanying
16 Final Approval Motion, I respectfully submit that the Settlement and the Plan of Allocation are each
17 “fair, reasonable, and adequate” in all respects, and that the Court should therefore approve them
18 pursuant to Rule 23(e) of the Federal Rules of Civil Procedure. Likewise, I respectfully submit that the
19 Fee and Expense Application and Service Award is fair and reasonable and should be approved.

20 **II. SUMMARY OF THE CLAIMS**

21 19. The operative Third Amended Class Action Complaint (“Third Amended Complaint”)
22 in this Action was brought on behalf of all persons who purchased or otherwise acquired Corcept
23 securities between August 2, 2017 and January 31, 2019, inclusive, and were damaged as a result. The
24 Third Amended Complaint alleges that Defendants artificially inflated the price of Corcept’s securities
25 by issuing materially false and misleading statements concerning the marketing of its only drug product,
26 Korlym. Lead Plaintiff alleges that the FDA approved Korlym for the treatment of CS—a rare disease
27 affecting only about 20,000 people in the United States—for a limited set of patients who have

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1 hyperglycemia with type 2 diabetes or glucose intolerance and who have failed or are ineligible for
2 surgery. Lead Plaintiff alleges that the FDA-approved label further limited the pool of potential
3 candidates for Korlym to less than 5,000. Thus, to increase the pool of treatable patients and boost sales,
4 Defendants allegedly engaged in an off-label marketing scheme while telling investors that Corcept
5 adhered to the FDA label and did not engage in off-label marketing. Corcept allegedly effectuated this
6 scheme by encouraging physicians to prescribe Korlym for uses that were not authorized by the FDA,
7 including, *inter alia*, in cases where diagnostic tests were negative or inconclusive and before exploring
8 surgery as a first-line treatment.

9 20. The Third Amended Complaint further alleges that the misleading nature of Defendants'
10 statements remained hidden until partial disclosures on January 25, 2019 and January 31, 2019 revealed
11 Corcept's alleged reliance on off-label marketing of Korlym and decreased sales and sales forecasts as
12 the off-label marketing practices came to light. Lead Plaintiff alleges that when the truth was revealed
13 through these partial disclosures, the price of Corcept's securities dropped more than 20%.

14 **III. HISTORY OF THE ACTION**

15 21. The following summarizes the principal events during the Action and the legal services
16 Lead Counsel provided to Lead Plaintiff and Class Members.

17 **A. Filing of the Initial Complaints and Appointment of Lead Plaintiff and Lead 18 Counsel**

19 22. The initial complaint in this Action was filed on March 14, 2019, alleging claims under
20 the Securities and Exchange Act of 1934 ("Exchange Act"), and was assigned to the Honorable Lucy
21 H. Koh ("Judge Koh"). ECF 1, 6. The initial complaint sought to recover on behalf of a class of investors
22 who purchased or otherwise acquired Corcept securities between August 2, 2017 and February 5, 2019,
23 inclusive. On October 7, 2019, after receiving five motions to appoint lead plaintiff and approve lead
24 counsel, the Honorable Lucy Koh appointed the Ferraro Group as Lead Plaintiff and approved Lead
25 Plaintiff's choice of Levi & Korsinsky as Lead Counsel in the Action. ECFs 15, 17, 24, 29, 32, 82.

1 **B. Lead Plaintiff’s Factual Investigation, Three Amended Complaints, and Three**
2 **Motions to Dismiss**

3 23. On December 6, 2019, after an extensive investigation by Lead Counsel, Lead Plaintiff
4 filed the First Amended Complaint (ECF 91), alleging violations of the Exchange Act on behalf of all
5 investors who purchased or otherwise acquired Corcept securities between August 2, 2017 and January
6 31, 2019, inclusive, and were damaged as a result. Lead Plaintiff alleged that Defendants made
7 materially false and misleading statements, which caused the price of Corcept’s stock to be artificially
8 inflated during the Class Period and that the misleading nature of such statements remained hidden until
9 partial disclosures on January 25, 2019 and January 31, 2019 revealed Corcept’s alleged reliance on off-
10 label marketing of Korlym and decreased sales and sales forecasts as the off-label marketing practices
11 came to light.

12 24. On January 27, 2020, Defendants moved to dismiss the First Amended Complaint. ECF
13 95. In response to Defendants’ motion, Lead Plaintiff prepared and filed its Second Amended Complaint
14 on March 20, 2020 (ECF 100), providing additional factual support for its claims. On May 11, 2020,
15 Defendants moved to dismiss the Second Amended Complaint. ECF 105. Judge Koh granted
16 Defendants’ motion without prejudice on November 20, 2020 and gave Lead Plaintiff thirty days to file
17 an amended complaint. ECF 124.

18 25. On December 21, 2020, Lead Plaintiff filed the operative 116-page Third Amended
19 Complaint and attached 98-page false statement chart (ECF 127)—alleging further factual support for
20 its prior claims, including support from ten physicians located throughout the United States, including
21 eight endocrinologists, four former Corcept sales personnel, and an expert in endocrinology.

22 26. Defendants moved to dismiss the Third Amended Complaint on February 19, 2021. ECF
23 130. Defendants’ challenges included, *inter alia*, that Lead Plaintiff failed to plead: any actionable false
24 or misleading statements; a cogent and compelling inference that Defendants acted with scienter; and a
25 causal connection between its losses and any of the alleged false statements or omissions. ECF 130. On
26 August 24, 2021, Judge Koh granted in part and denied in part Defendants’ motion to dismiss. ECF 145.
27 Judge Koh dismissed with prejudice Lead Plaintiff’s claims with respect to seventeen of the alleged

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1 misstatements and sustained Lead Plaintiff's claims with respect to the remaining thirteen alleged false
2 statements. Judge Koh sustained Lead Plaintiff's loss causation allegations as to the January 25, 2019
3 corrective disclosure, but dismissed the January 31, 2019 corrective disclosure, with prejudice, finding
4 the disclosure "does not mention fraudulent conduct, off-label marketing, increased scrutiny from
5 insurance companies, or the allegations of the [first corrective disclosure]. Instead, the January Press
6 Release simply reports Corcept's 2018 preliminary selected financial results and 2019 revenue
7 guidance." ECF 145 at 46.

8 **C. The First Mediation and Preparation of Motion for Class Certification**

9 27. On August 31, 2021, Judge Koh stayed the case for ninety days so the Parties could
10 explore a potential resolution of the Action. ECF 150. On November 29, 2021, after exchanging detailed
11 mediation statements, the Parties attended a mediation presided over by Ms. Yoshida. The parties were
12 unable to reach a settlement at that time.

13 28. On December 9, 2021, the Judge Koh entered a Case Management Order; Order Lifting
14 Stay setting case deadlines and lifting the previously entered stay. ECF 153. The Action was then
15 reassigned to the Honorable James Donato on January 7, 2022. ECF 156. At a case management
16 conference on April 28, 2022, the Court advised the Parties that it would issue a new schedule and
17 vacated the May 4, 2022 class certification deadline. ECF 172. Prior to this case management
18 conference, Lead Plaintiff had fully drafted its motion for class certification, supported by a 48-page
19 expert report on market efficiency and Lead Plaintiff's damages methodology, to be filed on May 4,
20 2022, as previously ordered. ECF 153. On September 21, 2022, the Court entered a new scheduling
21 order. ECF 180.

22 **D. The Parties Conduct Written and Oral Discovery**

23 29. Fact discovery, which began in January 2022, was thorough. The Parties exchanged
24 initial disclosures on January 7, 2022 and Defendants answered the Third Amended Complaint on
25 February 4, 2022. ECF 164. The Court entered the Parties' Stipulated Protective Order on January 26,
26 2022 (ECF 159), and the Parties executed a Stipulated and Agreed Document Production Protocol on
27 March 10, 2022. The Parties served initial document requests on January 21, 2022 and served responses

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1 and objections thereto on February 22, 2022. Lead Plaintiff's first set of document requests contained
2 59 requests. On December 19, 2022, Lead Plaintiff served Defendants with a second set of requests for
3 production. With respect to these requests and objections, the Parties actively exchanged emails and
4 correspondence and met and conferred on the scope of discovery, search terms, and issues related to
5 ESI. Additionally, Lead Counsel worked closely with Lead Plaintiff in identifying, reviewing, and
6 producing documents and information responsive to Defendants' requests.

7 30. Defendants ultimately produced 171,068 documents totaling over 757,200 pages,
8 including emails, board materials, training and marketing materials, medical studies and journals on CS,
9 FDA materials and text messages from certain Corcept employees, among other categories. Many of
10 these documents were highly technical, detailing and analyzing: complicated medical studies, testing
11 for and diagnosing CS, FDA regulations, lengthy prescription spreadsheets classifying Korlym
12 prescriptions, and other issues requiring expert analysis. Lead Plaintiff produced 162 documents totaling
13 over 2,100 pages. On March 18, 2022, Defendants served their first set of interrogatories on Lead
14 Plaintiff, to which Lead Plaintiff responded and objected on April 18, 2022. During this period, the
15 Parties also engaged in extensive third-party discovery, having subpoenaed 47 non-parties who have
16 together produced over 17,200 documents totaling nearly 146,000 pages.

17 31. On December 12, 2022 and December 16, 2022, Defendants conducted the deposition of
18 one of Lead Plaintiff's experts, Dr. Robert Cooper, and a former Corcept employee cited in the Third
19 Amended Complaint as a confidential witness, respectively. In November and December of 2022, the
20 Parties noticed and scheduled an additional thirty-six depositions out of an anticipated sixty depositions.
21 *Id.* On November 10, 2022, Lead Plaintiff further served Corcept with its Notice of Rule 30(b)(6)
22 Deposition, to which Defendants responded and objected on December 9, 2022.

23 **E. Government Investigation**

24 32. On February 15, 2022, Corcept filed a Form 10-K disclosing that it had received a records
25 subpoena in November of 2021 from the U.S. Attorney's Office for the District of New Jersey ("NJ
26 USAO") seeking information relating to the sale and promotion of Korlym, Corcept's relationships with
27

1 and payments to health care professionals who can prescribe or recommend Korlym, and prior
2 authorizations and reimbursements for Korlym.

3 33. Defendants represented in their public disclosures that Corcept was actively producing
4 discovery to the NJ USAO. To Lead Plaintiff's knowledge, neither the NJ USAO nor the U.S. Securities
5 and Exchange Commission have filed actions against Corcept relating to the off-label marketing and
6 promotion of Korlym. No government or regulatory authority has participated in this Action.

7 **F. The Parties Reach a Settlement After Conducting Additional Mediation Sessions**

8 34. While formal discovery was underway the Parties participated in a second mediation
9 session before Ms. Yoshida on May 12, 2022, but were unable to resolve the Action. In connection with
10 the second mediation the Parties prepared and exchanged supplemental mediation statements and
11 Defendants produced over 60,000 pages of documents.

12 35. On December 23, 2022, at the Parties' request, the Court stayed this Action to allow the
13 Parties to explore a resolution. As was the case for the prior two mediation sessions, in advance of the
14 third mediation session scheduled for January 24, 2023, Lead Counsel drafted and provided Ms. Yoshida
15 with a comprehensive mediation statement outlining the alleged fraud, citing various documents
16 Defendants had produced in discovery which supported Lead Plaintiff's claims. Defendants, meanwhile,
17 submitted their own mediation statement, emphasizing what they perceived to be the strengths of their
18 case and the weaknesses in Lead Plaintiff's case. In connection with the mediation, Lead Counsel
19 thoroughly articulated Lead Plaintiff's position on the merits of the Action to Ms. Yoshida, including
20 with respect to Lead Plaintiff's responses to Defendants' numerous arguments. The Parties participated
21 in this third mediation session on January 24, 2023 but were unable to reach an agreement. While no
22 settlement was reached during the formal mediation session, Ms. Yoshida continued her active role in
23 attempting to bring the Parties together for a resolution and the Parties exchanged additional offers and
24 counteroffers. Ultimately, on February 8, 2023, pursuant to a double-blind recommendation from Ms.
25 Yoshida, the Parties reached an agreement in principle to settle the Action for a cash payment of
26 \$14,000,000, subject to the execution of a customary "long form" stipulation agreement of settlement
27 and related papers.

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G. The Court Preliminarily Approves the Settlement

36. Upon signing the Stipulation, Lead Plaintiff filed its Unopposed Motion for Preliminary Approval of Proposed Class Action Settlement on April 11, 2023, requesting that the Court, among other things, grant preliminary approval of the Settlement, allow the Parties to send out notice of the Settlement to the Settlement Class, and schedule a Final Approval Hearing and related filing deadlines. ECF 195.

37. On June 8, 2023, the Court held a hearing on Lead Plaintiff’s motion for preliminary approval. ECF 198. On January 4, 2024, the Court issued an Order granting preliminary approval of the settlement (“Preliminary Approval Order”) and directing the Parties to submit a proposed schedule to provide notice to the Settlement Class, among other deadlines. ECF 201.

38. Other than as set forth in Lead Plaintiff’s Motion for Final Approval and/or in any Reply submission to be filed, no relevant facts or conditions have changed since the Court’s preliminary approval of this Settlement on January 4, 2024.

39. As set forth in the accompanying Declaration of Kathleen Schumacher Regarding Notice Dissemination, Publication, and Requests for Exclusion Received (“Schumacher Decl.”), attached hereto as Exhibit 1, in accordance with the Preliminary Approval Order, A.B. Data has disseminated a total of approximately 17,385 Postcard Notice to potential members of the Settlement Class and nominees. *See* Schumacher Decl. ¶10. Additionally, the Summary Notice was published in *Investor’s Business Daily* and transmitted over *PR Newswire* on February 5, 2024, advising of, among other things, the terms of the Settlement, the reasons for the Settlement, and the key procedural dates related to the Settlement, such as the objection and opt-out deadlines, the claims deadline, and the date and time of the Final Approval Hearing. Schumacher Decl. ¶¶3-11.

1 **IV. THE SETTLEMENT**

2 40. As discussed here, the Settlement creates an all-cash common fund of \$14 million that
 3 was the result of extensive arms'-length negotiations and approximately four years of zealous litigation.⁶
 4 The Settlement provides the Settlement Class with a substantial benefit and eliminates the significant
 5 risks of class certification, summary judgment, and trial. Lead Counsel believes that the Settlement is
 6 fair, reasonable, and adequate and an excellent result for Class Members, considering the risk of
 7 recovering much less, or even nothing at all, with an unfavorable dispositive decision at class
 8 certification or summary judgment, or after a jury trial. Further, even if Lead Plaintiff obtained a verdict
 9 in its favor that was ultimately upheld on appeal, this post-trial process would have taken years and
 10 substantially delayed any recovery for the Settlement Class.

11 41. While Lead Plaintiff and Lead Counsel believe the claims asserted in the Action are
 12 meritorious, based on its experience and close knowledge of the facts and applicable law, Lead
 13 Counsel—attorneys well-versed in the prosecution of complex securities litigation—believe that the
 14 Settlement is in the best interests of the Settlement Class, as set forth below.

15 **A. Amount of Settlement**

16 42. The Settlement represents a substantial portion of the maximum recoverable damages, as
 17 estimated by Lead Counsel and its damages consultant, relative to similar settlements.

18 43. To estimate aggregate class-wide damages under Section 10(b), the timing and quantity
 19 of investor transactions in Corcept securities during the Settlement Class Period were estimated using a
 20 “multi-sector” model approach which estimates damages based on reported quarterly institutional
 21 holdings (an “institutional model”) and a multi-trader trading model to estimate damages for remaining
 22 retail volume. The institutional model estimates daily purchases and sales for each institutional filer and
 23 then uses standard share-matching methodology to determine the timing of purchases and sales. The
 24

25 _____
 26 ⁶ The only agreements made by the Parties in connection with the Settlement are the Stipulation of
 27 Settlement and the confidential Supplemental Agreement concerning the circumstances under which
 28 Defendants may terminate the Settlement based upon the number of exclusions request. *See* Stipulation
 (ECF 195-3).

1 remaining retail volume posits two trader groups with different holdings and propensities to trade. Lead
2 Plaintiff's expert's damages model is explained more fully in the Declaration of Kenneth N. Kotz.
3 ("Kotz Decl."), attached hereto as Exhibit 4.

4 44. Applying the theory of per-share damages to the daily trading behavior predicted by the
5 multi-sector model approach, aggregate maximum theoretical damages under Section 10(b) for the full
6 Settlement Class Period are estimated to be \$185.2 million if calculated on a FIFO basis, or \$161.4
7 million if calculated on a LIFO basis. The \$14 million recovery represents approximately 8% of the
8 *maximum theoretical* damages on a FIFO basis (or 9% on a LIFO basis). This estimate assumes that a
9 jury would accept Lead Plaintiff's liability and damages theories and does not take into account the
10 many risks Lead Plaintiff would face if the Action proceeded to summary judgment and trial (as detailed
11 below), including the risk of overcoming the various defenses the Defendants would likely assert, which
12 could substantially reduce or eliminate damages altogether.

13 45. While the maximum theoretical aggregate damages includes both corrective disclosures
14 that Lead Plaintiff initially pled, Defendants argued in each of their three motions to dismiss that the
15 January 31, 2019 press release was not a corrective disclosure because it merely disclosed disappointing
16 financial results rather than issues related to Corcept's alleged off-label marketing. *See* ECF 32 at 24-
17 25, ECF 105 at 30, ECF 130 at 25. Judge Koh agreed with Defendants, ultimately dismissing the January
18 31, 2019 corrective disclosure with prejudice and ending the Class Period with the January 25, 2019
19 disclosure. ECF 145. Lead Plaintiff's damages consultant has estimated that, applying the same damages
20 theory to the only surviving corrective disclosure, the *maximum theoretical* damages in this Action is
21 approximately \$120.3 million if calculated on a FIFO basis and \$105.4 million if calculated on a LIFO
22 basis. As such, the \$14 million Settlement represents, with respect to the only surviving corrective
23 disclosure, approximately 12% of the maximum theoretical aggregate damages on a FIFO basis, or 13%
24 on a LIFO basis.

25 46. Further, as set forth more fully in Section IV(B), *infra*, with respect to the sole remaining
26 corrective disclosure, Defendants advanced credible arguments that the SIRC Report contained
27 information that, upon disaggregation, would further reduce damages because it was unrelated to the

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1 alleged off-label marketing scheme which contributed to the stock price decline on January 25, 2019.
 2 After reducing damages for disclosures arguably unrelated to the alleged fraud, Lead Plaintiff's expert
 3 has preliminarily determined the maximum recoverable damages with respect to the January 25, 2019
 4 corrective disclosure range from \$22.1 to \$63.5 million on a FIFO bases (or \$19.5 to \$55.8 million on a
 5 LIFO basis). Kotz Decl. at ¶14. This Settlement represents 22% to 63.3% of such damages on a FIFO
 6 basis (or 25% to 71.8% on a LIFO basis), which is up to approximately *eight* times the median
 7 percentage of recovery for similarly sized securities fraud cases from 2014 to 2022.⁷ This recovery is
 8 also *twelve to thirty-five* times higher than the median percentage of recovery for securities fraud cases
 9 in 2023.⁸

10 47. Accordingly, this Settlement represents a very good result for the Settlement Class at any
 11 stage of the litigation.

12 48. Additionally, the Settlement represents the only financial recovery for Corcept investors,
 13 as, to date, no other private litigant or governmental entity has recovered compensation for shareholders
 14 arising from Defendants' alleged misconduct.

15 **B. Risks of Establishing Falsity, Scienter, Loss Causation, Damages, and Certifying a Class**

16 49. Although Lead Plaintiff and Lead Counsel believe they developed—and would have
 17 continued to develop—persuasive evidence and arguments from their analysis and investigations to
 18 support their claims, there remained substantial risks. Lead Plaintiff and Lead Counsel weighed, among
 19 other things, the substantial cash benefit to Settlement Class Members against the uncertainties
 20 associated with trying a complex class action that implicated highly technical issues regarding securities
 21 and medicine, the difficulties and challenges involved in certifying a class, and the fact that, even if
 22 Lead Plaintiff prevailed through summary judgment and trial, any monetary recovery could have been
 23 less than the Settlement Amount.

24
 25
 26 _____
 27 ⁷ See Cornerstone Research at 6.

28 ⁸ See NERA at 26.

- 1 • According to the January 25, 2019 SIRF Report, of the 103 deaths reported since 2012,
2 approximately 17, or 17%, Korlym was “used for [an] unknown indication,” indicating off-
3 label use. TAC ¶322.
- 4 • The chart of Medicare Part D prescriptions by state supports the inference that at least 50%
5 of Korlym prescriptions were the result of improper off-label marketing. TAC ¶311.
- 6 • CW11 estimated that approximately 40% of Korlym prescriptions were the result of
7 improper off-label marketing.

8 Kotz Decl. at ¶9.

9 53. **Second**, Defendants disputed the falsity of the challenged statements. For example, while
10 Lead Plaintiff argued Corcept’s marketing materials contained implicit off-label marketing messages by
11 inclusion of case studies using Korlym off-label and by stating Korlym could treat hypercortisolism
12 (rather than CS), Defendants argued that they were not marketing Korlym off-label because the case
13 studies were only provided to physicians upon the physician’s request, which is allowed, and that
14 hypercortisolism and CS are the same thing.

15 54. **Third**, Defendants disputed that they acted with scienter. Lead Plaintiff argued the
16 Defendants were aware of the off-label scheme because they accompanied sales personnel on visits to
17 physicians where they marketed Korlym off label, as well as through internal documentation suggesting,
18 in Lead Plaintiff’s view, that Corcept was bribing physicians to prescribe Korlym through speaker
19 program kickback payments and other documents reflecting that Corcept’s most successful and
20 compensated sales representatives were widely known to market Korym off-label and were
21 congratulated and lionized via email and during Company sales meetings. However, Defendants would
22 point out that there were no documents produced in discovery where any Individual Defendant explicitly
23 instructed Corcept sales personnel to prescribe Korlym off-label. Nor has Lead Plaintiff received
24 evidence that any physician complained to any Defendant about off-label marketing. To the contrary,
25 some documents produced establish that Corcept executives instructed employees to keep Korlym
26 marketing to on-label uses.

27 55. Likewise, while Lead Plaintiff contended that Corcept impliedly marketed Korlym for
28 inappropriate CS uses, there is no specified testing regiment for diagnosing CS. Instead, it is within each
29 doctor’s discretion to decide which tests to run, to decide whether to run multiple tests and how many,

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1 and whether to then prescribe Korlym. These difficulties would present significant hurdles to achieving
2 success at summary judgment or trial.

3 56. Further, to refute the contention that it marketed Korlym off-label, Corcept repeatedly
4 asserted that the FDA was aware of its marketing practices and never objected to them. Evidence to date
5 shows that Corcept did send its marketing materials to the FDA and, to Lead Plaintiff's knowledge, the
6 FDA has not objected to them as being off-label. These arguments would further complicate any
7 potential victory at summary judgment or trial.

8 57. **Fourth**, Defendants stated that they would also challenge the efficiency of the market
9 for Corcept's securities at class certification, potentially precluding Lead Plaintiff's ability to achieve
10 and maintain class certification through trial. For example, Defendants have contended (among other
11 things) that the challenged statements were too generic to have impacted the price of Corcept's
12 securities. Bolstering the argument, only four non-duplicative media outlets and analysts commented on
13 the alleged false statements or the SIRF Report, undermining materiality, loss causation, and price
14 impact. Further, Defendants would challenge market efficiency, arguing, *inter alia*, that since the SIRF
15 Report relies entirely on public allegations that were available to the market prior to January 25, 2019,
16 the public allegations in the SIRF Report were already reflected in the Company's stock price.

17 58. Indeed, the Second Circuit's recent decision in *Arkansas Teacher Retirement System v.*
18 *Goldman Sachs Group, Inc.*, 77 F.4th 74, 81 (2d Cir. 2023) heightened these very same concerns, where
19 the court, after approximately 13 years of litigation, decertified the class and effectively ended the case
20 finding statements about Goldman's business practices and approach to conflicts-of-interest
21 management were too "generic" to have impacted Goldman's stock price, and there was an insufficient
22 nexus between the front-end statement and back-end price decline. *Id.* at 105. As Defendants contend
23 the challenged statements were too generic to have impacted Corcept's stock price, Defendants would
24 no doubt have challenged price impact at class certification, summary judgment, and trial. While Lead
25 Plaintiff is confident that a class would have been certified, there was an ongoing risk that any certified
26 class could have been disturbed prior to trial or on appeal if Defendants successfully moved to decertify
27 the Settlement Class.

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1 **C. Risks of Further Costs, Appeals, and Other Delays**

2 59. While the potential of achieving any recovery at summary judgment or trial is uncertain,
 3 costs and delay to prepare again for class certification, summary judgment, and trial would undoubtedly
 4 be immense, further diminishing resources otherwise available to satisfy a potential judgment. Ongoing
 5 delay and costs would include, *inter alia*: 1) taking *fifty-eight* remaining depositions, of which at least
 6 twenty-eight would be taken in-person; 2) retaining and further consulting with multiple experts who
 7 would need to draft opening and rebuttal reports and sit for depositions on issues concerning CS, FDA
 8 marketing regulations, market efficiency, damages, and loss causation in connection with class
 9 certification, summary judgment, and trial; 3) briefing motions to compel, class certification, and cross
 10 motions for summary judgment; and 4) jury trial, which would be complicating and confusing for jurors,
 11 and any appeals, which would likely include, *inter alia*, Lead Plaintiff appealing the dismissal of all
 12 claims relating to the January 31, 2019 corrective disclosure.

13 **D. Notice to the Class Meets the Requirements of Due Process and Federal Rule of Civil**
 14 **Procedure 23**

15 60. Pursuant to the Court's January 4, 2024 Preliminary Approval Order, the Court: (a)
 16 directed that notice be disseminated to the Settlement Class; (b) set May 13, 2024 as the deadline for
 17 Settlement Class Members to submit a claim and to object to, or request exclusion from, the Settlement,
 18 the Plan of Allocation, and/or the Fee and Expense Application; and (d) set a Final Approval Hearing
 19 date of June 6, 2024 at 10:00 a.m.

20 61. Thereafter, and in accordance with the Preliminary Approval Order, Lead Counsel
 21 instructed A.B. Data, the Court-appointed Claims Administrator for the Settlement, to: (a) cause the
 22 Postcard Notice, substantially in the form annexed to the Stipulation, to be disseminated in accordance
 23 with procedures approved in the Preliminary Approval Order on January 26, 2024 to all Class Members
 24 who could be identified with reasonable effort and (b) publish the Summary Notice in *Investor's*
 25 *Business Daily* and transmit it over *PR Newswire* on February 5, 2024.

26 62. The Postcard Notice and Summary Notice, among other things, direct the Settlement
 27 Class to the Notice, which: (a) describes the nature of the claims asserted in the Action; (b) includes a

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1 definition of the Settlement Class; (c) summarizes the Settling Parties' reasons for entering into the
2 Settlement and relief provided by the Settlement; (d) states that Class Members may retain their own
3 attorney; (e) lists the name, telephone number, and address for Lead Counsel; (f) discloses that Lead
4 Counsel intends to seek attorneys' fees of up to 25% of the Settlement Fund, plus reimbursement of
5 expenses not to exceed \$975,00, and an award for Lead Plaintiff not to exceed \$15,000; (g) provides the
6 date, time, and location of the Final Settlement Hearing; (h) advises Class Members of their right to
7 appear at the Final Settlement Hearing and instructed them that the date may change; (i) advises Class
8 Members of their right to exclude themselves from the Settlement Class and the binding effect of doing
9 so; (j) provides the deadline and procedure for opting out of or opposing the Settlement, Plan of
10 Allocation, award of attorneys' fees and expenses, or the award to Lead Plaintiff; (k) explains the
11 consequences of remaining in the Settlement Class; and (l) provides the manner in which to obtain more
12 information, including the address for the designated website.

13 63. In accordance with the Preliminary Approval Order, A.B. Data has disseminated a total
14 of approximately 17,385 Postcard Notice to potential members of the Settlement Class and nominees,
15 as set forth in the Schumacher Declaration. *See* Schumacher Decl. ¶10. Additionally, on February 5,
16 2024, A.B. Data caused the Summary Notice to be published in *Investor's Business Daily* and published
17 over *PR Newswire*, which are national business newswire services. *Id.* at ¶11.

18 64. A.B. Data sent Postcard Notice to all registered holders of Corcept securities during the
19 Settlement Class Period, as identified by Corcept's transfer agent. As part of its standard process, A.B.
20 Data also sent Postcard Notice to the largest and most common U.S. banks, brokerage firms and
21 nominees ("Nominees") contained in A.B. Data's database, as well as the names and addresses for
22 additional potential Settlement Class Members provided to A.B. Data by the Nominees. *Id.* ¶¶5, 9-10.

23 65. Further, the Postcard Notice included a direct link to this Action's case-specific
24 settlement website (www.CorceptSecuritiesLitigation.com), which contains the long-form Notice and
25 other required information. Schumacher Decl. ¶12. The settlement website went live on January 26,
26 2024. *Id.* The website contains the Notice, Postcard Notice, Proof of Claim and Release Form,
27 Settlement Stipulation, as well as copies of relevant Court documents including the Third Amended

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1 Complaint, Lead Plaintiff's Unopposed Notice of Motion and Motion for Preliminary Approval of
2 Proposed Class Action Settlement and Memorandum of Points and Authorities in Support Thereof, and
3 the Court's Preliminary Approval Order. *Id.* Lead Plaintiff's Motion for Final Approval of Proposed
4 Class Action Settlement and supporting papers and Lead Plaintiff's Motion for Attorneys' Fees,
5 Reimbursement of Expenses, and Award of Costs and Expenses to Lead Plaintiff and supporting papers
6 will also be posted on the website when filed. *Id.*

7 66. Additionally, A.B. Data established and maintains a toll-free telephone number for both
8 live operator assistance and interactive voice response system to respond to inquiries from Class
9 Members regarding the Settlement and how to obtain and complete a Proof of Claim form. *Id.* ¶13.

10 67. Lead Counsel continues to work with A.B. Data to ensure that the claims process
11 progresses smoothly and, when necessary, to assist Class Members with their Proof of Claims Forms
12 and related inquiries.

13 68. As set forth above, the deadline for members of the Settlement Class to file objections to
14 the Settlement, Plan of Allocation and/or the Fee and Expense Application is May 13, 2024.
15 Consequently, Class Members have 60 days to review the Final Approval Motion and the Fee and
16 Expense Application before deciding whether to object to or opt out of the settlement.

17 69. Despite the dissemination of 17,385 Postcard Notices, as of March 14, 2024, not a single
18 objection or request or exclusion has been received. Schumacher Decl. ¶¶14-15. Should any objections
19 be submitted in accordance with the procedures set forth in the Notice and approved in the Preliminary
20 Approval Order, Lead Plaintiff will address any such objections in its reply submission to be filed on or
21 before May 30, 2024. Further, Lead Plaintiff, is a Class Member, supports the Settlement. *See* the
22 Declaration of James L. Ferraro ("Ferraro Decl.," attached hereto as Exhibit 2), at ¶15.

23 70. I have also been informed by counsel for Defendants that notice pursuant to the notice
24 provision of the Class Action Fairness Act was sent on or prior to April 21, 2023. Thus, the relevant
25 government officials were notified of the settlement. To date, I am not aware that any state or federal
26 official has raised any objection or concern regarding the settlement.

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1 **E. The Plan of Allocation is Fair and Reasonable**

2 71. Working with its damages consultant, Lead Counsel has proposed a Plan of Allocation
3 to govern the method by which Class Members' recover will be calculated, and how the proceeds of the
4 Settlement will be allocated among Class Members who submit valid Claims and suffered economic
5 losses because of the alleged fraud.

6 72. The Plan of Allocation provides formulas for calculating the recognized claim of each
7 Class Member based on the timing and price of each such Class Members' purchases or acquisitions of
8 Corcept's securities on the open market during the Class Period and if or when they sold them. In
9 summary, the Plan of Allocation employs generally accepted and widely used methodologies to
10 determine how much artificial inflation resided in the price of Corcept's securities on each day of the
11 Class Period.

12 73. Under the Plan of Allocation, for each Class Period purchase of Corcept's securities that
13 is properly documented, a "Recognized Loss Amount" will be calculated according to the formulas
14 described in the Notice. As set forth in greater detail in the Notice, the calculation of a Claimant's
15 Recognized Loss Amount is based upon a formula that takes into account such information as: (a) when
16 a Claimant's share was purchased and if and when it was sold; (b) the amount of the alleged artificial
17 inflation per share; (c) the purchase price of the share; and (d) the purchase price minus the average
18 closing price for Corcept securities during a 90-day look-back period. Additionally, the Plan of
19 Allocation establishes an appropriate discount of 75% to the extent Class Members' damages rely upon
20 the alleged January 31, 2019 corrective disclosure that the Court previously dismissed, acknowledging
21 additional risks of repleading and proving damages with respect to the January 31, 2019 corrective
22 disclosure while also taking into account Lead Plaintiff's right to seek further leave to amend or
23 challenge the dismissal on appeal.

24 74. The structure of the Plan of Allocation is comparable to plans of allocation that have been
25 used in numerous securities class actions. *See, e.g., Purple Mountain Trust v. Wells Fargo & Co.*, No.
26 3:18-cv-03948-JD, ECF 231 at 13, 243 (N.D. Cal. Sep. 26, 2023) (Donato, J.) (approving similar plan
27

1 of allocation); *In re Portal Software, Inc. Sec. Litig.*, 2007 WL 1991529, at *6 (N.D. Cal. June 30, 2007)
2 (collecting case), *approved by*, 2007 WL 4171201 (N.D. Cal. Nov. 26, 2007).

3 75. As set forth above, the Plan of Allocation is fair and reasonable because it allocates the
4 Net Settlement Fund among Class Members in accordance with key principles that (a) investors are only
5 entitled to recover for economic losses suffered as a result of the alleged violations of the federal
6 securities laws asserted in the Action (as opposed to losses caused by market or industry factors or
7 company-specific factors unrelated to the alleged violations of law); (b) they must have held through
8 the stock price drop that revealed the true facts; and (c) damages are limited by the 90-day look-back
9 price pursuant to 15 U.S.C. §78u-4(e).

10 76. The Plan of Allocation does not differentiate between Class Members, but rather
11 allocates the funds based on losses suffered for each particular security depending on when the security
12 was purchased as is appropriate under the law.

13 77. Lead Counsel's damage consultant determined that, depending on the number of eligible
14 shares purchased by investors who elect to participate in the Settlement and when those shares were
15 purchased and sold, the overall average distribution is estimated to be: \$0.18 per damaged share, before
16 deduction of Court-approved fees and expenses described below, or \$0.13 after court-approved fees and
17 expenses. The per-share amount assumes all eligible Class Members submit a valid and timely Claim
18 Form. If fewer than all Settlement Class Members submit timely and valid Claim Forms, which is likely,
19 the distributions per share will be higher.

20 78. For all these reasons, the Plan of Allocation represents a reliable method by which to
21 weigh, in a fair and equitable manner, the claims of Authorized Claimants against one another for the
22 purpose of making pro rata allocations of the Net Settlement Fund. To date, there have been no
23 objections filed to the Plan.

24 **V. APPLICATION FOR ATTORNEYS' FEES AND REIMBURSEMENT OF**
25 **EXPENSES**

26 79. The successful prosecution of this Action required Lead Counsel and its staff to perform
27 more than 16,295 hours of work for lodestar of \$8,538,061.75, and incur \$576,161.71 in expenses, as

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1 detailed in the accompanying Declaration of Shannon Hopkins In Support of Lead Counsel’s Fee and
2 Expense Application (“Hopkins Fee Decl.”), attached hereto as Exhibit 3.

3 80. Based on Lead Counsel’s efforts on behalf of Class Members, including those described
4 herein, Lead Counsel is applying for compensation from the Settlement Fund in an amount equal to 25%
5 of the Settlement Fund, or \$3.5 million, and for \$576,161.71 in litigation expenses.

6 81. Lead Plaintiff additionally seeks an award in the amount of \$15,000 pursuant to 15 U.S.C.
7 §78u-4(a)(4), for reasonable costs and expenses directly relating to its representation of the Settlement
8 Class.

9 82. For the reasons set forth herein and in the Fee and Expense Application, Lead Counsel
10 and Lead Plaintiff respectfully submit that the application for fees and expenses described above should
11 be granted.

12 **A. Application for Attorneys’ Fees**

13 **1. Lead Counsel Expended Significant Resources to Achieve the Excellent**
14 **Results Here**

15 83. For its extensive efforts on behalf of the Settlement Class, Lead Counsel is applying for
16 compensation from the Settlement Fund on a percentage basis. As set forth in Lead Counsel’s
17 accompanying Fee and Expense Application, the percentage method is the dominant method of fee
18 recovery for common fund cases.

19 84. Congress contemplated that the percentage-of-recovery method would be the primary
20 measure of attorneys’ fees in securities class actions, and it decreases the burden imposed on courts of
21 performing a detailed and time-consuming lodestar analysis. Additionally, it aligns the lawyers’ interest
22 in being paid a fair fee with the interest of the Settlement Class in achieving the maximum recovery in
23 the shortest amount of time required under the circumstances. Indeed, this methodology is supported by
24 public policy, has been recognized as appropriate by the United States Supreme Court for cases of this
25 nature, and represents the overwhelming current trend in most circuits, including the Ninth Circuit. The
26 rationale for enhancing the lodestar figure derives in part from the established practice in the private
27 legal market of rewarding attorneys who take contingency cases with the risk of non-payment by paying

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1 them “a premium over their normal hourly rates” when they are successful. *Vizcaino v. Microsoft Corp.*,
2 290 F.3d 1043, 1051 (9th Cir. 2002).

3 85. Based on the excellent result achieved for the Settlement Class, the extensive efforts
4 expended by Lead Counsel on behalf of the Settlement Class, the quality of work performed, the risks
5 of the litigation, and the contingent nature of the representation, Lead Counsel submits that a 25% fee
6 award is fair and reasonable. As discussed in the Fee and Expense Application, in the Ninth Circuit, a
7 25% fee is considered the benchmark for fair and reasonable attorneys’ fees. Here, the requested fee
8 amount of \$3,500,000 represents a *negative multiplier of .40* to Lead Counsel’s lodestar of
9 \$8,538,061.75. Accordingly, Lead Counsel’s request for a percentage fee of the Ninth Circuit’s 25%
10 benchmark is justified and should be approved.

11 86. Lead Counsel undertook time-consuming, challenging, and risky work to prosecute the
12 claims against Defendants and to achieve this Settlement. At all times during the pendency of the Action,
13 Lead Counsel’s efforts were driven by, and focused on, advancing the litigation to bring about the most
14 successful outcome for the Settlement Class, whether through settlement or trial. As discussed above,
15 Lead Plaintiff was able to settle this Action only after Lead Counsel, *inter alia*: (i) conducted a detailed
16 investigation into the claims asserted in the Action and drafted three amended complaints; (ii) opposed
17 two motions to dismiss; (iii) drafted and prepared Lead Plaintiff’s motion for class certification,
18 supported by a 48-page expert report; (iv) extensively consulted with experts on CS, the marketing of
19 pharmaceutical drugs and related FDA regulations, market efficiency, loss causation, and damages; (v)
20 conducted a detailed review of Corcept’s public filings, annual reports, press releases, and other publicly
21 available information; (vi) reviewed analyst reports and articles relating to Corcept; (vii) researched
22 applicable law with respect to the claims and defenses asserted in the Action; (viii) drafted and
23 responded to written discovery requests; (ix) reviewed and analyzed over 750,000 pages of documents
24 produced by Defendants, an additional 146,000 pages of documents produced by third-parties, and over
25 2,100 additional pages of documents produced by Lead Plaintiff; (x) participated in the depositions of
26 one of Lead Plaintiff’s experts and one of a former Corcept employee; (xi) drafted and exchanged three
27 detailed mediation statements with Defendants; and (xii) participated in three mediation sessions.

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1 87. As described in Lead Counsel's Fee and Expense Application, a lodestar cross-check also
2 confirms the reasonableness of Lead Counsel's fee request. As set forth in the Hopkins Fee Declaration,
3 from the inception of this case through the Court preliminarily approving Settlement on January 4, 2024,
4 Lead Counsel devoted a total of 16,295.10 hours to the investigation, prosecution, and resolution of the
5 claims against Defendants for an aggregate lodestar value of approximately \$8,538,061.75. The total
6 requested fee, if awarded, would yield a negative multiplier of approximately .4 on the total lodestar.

7 88. I, along with other partners at my firm, maintained daily control and monitoring of the
8 work that each attorney performed on this case.

9 89. Throughout the prosecution of the claims against Defendants, work assignments were
10 coordinated and allocated among the attorneys at Levi & Korsinsky in order to avoid unnecessary
11 duplication of effort.

12 90. The 16,295.10 hours Lead Counsel dedicated to this Action were divided among the
13 following general categories of tasks: (1) Lead Plaintiff Motion; (2) Amended Complaint, Research, and
14 Drafting; (3) Motion to Dismiss Research and Drafting; (4) Class Certification, Motion Research, and
15 Drafting; (5) Written Discovery; (6) Document Review; (7) Discovery, Legal Research; (8) Depositions;
16 (9) Administrative; (10) Filings; and (11) Settlement. *See* Ex. B to Hopkins Fee Decl.

17 Moreover, I submit that the hourly billing rates of Lead Counsel here, which range from \$900 to
18 \$1,050 for Partners and \$495 to \$675 for Associates as discussed in Exhibit A to the Hopkins Fee
19 Declaration are reasonable. Lead Counsel has surveyed some recent fee awards in securities related
20 settlements and concluded that similar or higher billing rates have been approved by other courts in this
21 district. *See, e.g., Purple Mountain Trust v. Wells Fargo & Co.*, No. 3:18-cv-03948-JD, ECF 232-1 at
22 10, 243 (N.D. Cal. Sep. 26, 2023) (Donato, J.) (approving fee based on lodestar crosscheck consisting
23 of hourly rates of \$735 to \$1,375 for partners and \$250 to \$550 for associates).

24 91. It is respectfully submitted that the hourly rates for attorneys and professional support
25 staff included in these schedules are reasonable and customary.

2. Standing and Expertise of Lead Counsel

92. The expertise and experience of counsel are other important factors in setting a fair fee. As Lead Counsel's firm resume demonstrates (*see* Exhibit D to the Hopkins Fee Declaration), the attorneys at Levi & Korsinsky working on the case are experienced and skilled class action securities litigators and have worked on dozens of mediations and settlements with a successful track record of securing large recoveries for shareholder classes throughout the country.

93. Levi & Korsinsky has been lead, or co-lead counsel in numerous settlements that have resulted in significant recoveries for shareholders. Ex. D to Hopkins Fee Declaration. *See, e.g., Norton v. Nutanix, Inc., et al.*, No. 3:21-cv-04080, ECF 138 (N.D. Cal. Oct. 6, 2023) (granting final approval of \$71 million settlement fund); *In re U.S. Steel Consolidated Cases*, No. 2:17-cv-00579, ECF 343, 356 (W.D. Pa. Mar. 21, 2023) (final approval of \$40 million settlement fund); *Rougier v. Applied Optoelectronics, Inc., et al.*, No. 4:17-cv-2399, ECF 148, 157 (S.D. Tex. Nov. 24, 2020) (final approval of \$15.5 million settlement fund); *E-Trade Financial Corp. Sec. Litig.*, No. 07-cv-8538, ECF 137, 154 (S.D.N.Y. Oct. 22, 2012) (final approval of \$79 million settlement fund).

94. The tenacity and skill of Lead Counsel here led to a positive result for the Settlement Class in that Lead Plaintiff was able advance its claims beyond the three motions to dismiss and into discovery to develop arguments to support a persuasive case at mediation.

3. Standing and Caliber of Defendants' Counsel

95. The quality and vigor of opposing counsel is also important in evaluating the services rendered by Lead Counsel and this case is no exception. Here, Defendants have been represented by well-respected and experienced counsel from Quinn Emanuel Urquhart & Sullivan, LLP who are renowned for their securities litigation practices and aggressively defended the Action.

96. The fact that Lead Counsel achieved this settlement in the face of such formidable legal opposition further evidences the quality of their work and supports granting the requested fee.

1 Because Lead Counsel's lodestar resulted in a negative multiplier of negative .9 even without inclusion
2 of hourly document review time, including the hourly document review time in lodestar calculations has
3 no negative implications to the Class Members' recovery and results in substantial expense savings to
4 the Settlement Class.

5 101. On many occasions, plaintiffs' counsel in contingency-fee cases have worked thousands
6 of hours and advanced substantial expenses, only to receive zero compensation. From personal
7 experience, Lead Counsel is only too aware that despite the most vigorous and competent of efforts, a
8 law firm's success in contingent litigation, particularly securities litigation, is never guaranteed.
9 Moreover, Lead Counsel knows that many capable plaintiffs' firms have suffered major defeats after
10 years of litigation, and after expending tens of millions of dollars of time, without receiving any
11 compensation for their efforts. Indeed, scores of significant cases have been lost after the investment of
12 tens of thousands of hours of attorney time and millions of dollars of litigation costs at summary
13 judgment or after trial. *See, e.g., In re Tesla Inc. Securities Litigation*, Case No. 18-cv-4865-EMC, ECF
14 671 (N.D. Cal. Feb. 3, 2023) (Jury verdict in favor in of defendants, despite lead plaintiff winning
15 summary judgment on the elements of falsity and scienter, and after Lead Counsel incurred over 57,000
16 hours of attorney time, representing a lodestar of approximately \$33 million, and over \$5 million of
17 unreimbursed costs); *In re Oracle Corp. Sec. Litig.*, 2009 WL 1709050 (N.D. Cal. June 19, 2009), *aff'd*,
18 627 F.3d 376 (9th Cir. 2010) (summary judgment granted to defendants after eight years of litigation,
19 during which plaintiff's counsel incurred over \$7 million in out-of-pocket expenses and over 100,000
20 hours of work, representing a lodestar of approximately \$40 million).

21 102. The Supreme Court has long recognized that the public has a strong interest in having
22 capable and experienced attorneys enforce the federal securities laws and regulations intended to
23 safeguard shareholders from the harmful impact of false and misleading statements made in connection
24 with the purchase or sale of publicly-traded securities. Moreover, as evidenced by the PSLRA and
25 repeatedly confirmed by the Supreme Court, private securities litigation provides investors with an
26 invaluable means to recover their losses without having to rely on government action. These private
27

1 actions promote public confidence in our capital markets, deter future wrongdoing and help to guarantee
2 that corporate officers, auditors, directors, and others comply with the law while performing their duties.

3 103. This public policy is particularly evident in this case. Here, despite no action taken by
4 the NJ USAO, SEC, or other regulatory or governmental body with regard to claims alleged in the
5 Action, Lead Counsel has secured a Settlement of \$14 million on behalf of investors.

6 **5. Reaction of the Settlement Class to the Fee Application to Date**

7 104. The Notice explains the Settlement and Lead Counsel's fee request. The deadline to
8 object to Lead Counsel's fee request is May 13, 2024.

9 105. To date, Lead Counsel is not aware of any objection to the amount of attorneys' fees set
10 forth in the Notice. Schumacher Decl. ¶15. However, Lead Plaintiff will address any objections received
11 in its reply papers to be filed with the Court or at the Final Approval Hearing.

12 106. Moreover, Lead Plaintiff, which is a Class Member, supports the fee and expense
13 requests. *See* Exhibit 2 hereto.

14 107. In sum, given the complexity and uncertainty of the claims against Defendants; the efforts
15 undertaken by Lead Counsel on behalf of the Settlement Class; the risks Lead Plaintiff faced in
16 connection with proving falsity, scienter, loss causation, and damages; the experience of Lead Counsel
17 and Defendants' counsel; and the contingent nature of Lead Counsel's agreement to prosecute the claims
18 against Defendants, Lead Counsel respectfully submits that the requested attorneys' fees are reasonable
19 and should be approved.

20 **B. Reimbursement of the Requested Litigation Expenses is Fair and Reasonable**

21 108. Lead Counsel also requests reimbursement from the Settlement Fund in the amount of
22 \$576,161.71 for expenses that were reasonably and necessarily incurred by Lead Counsel in connection
23 with commencing, prosecuting, and resolving the claims asserted in the Action against Defendants. The
24 specific expenses incurred by Lead Counsel are summarized in the attached Hopkins Fee Declaration.
25 There were no objections to the expenses disclosed in the Notice to potential Settlement Class members.
26 Moreover, the expenses for which Lead Counsel is seeking reimbursement are approximately \$400,000
27 less than what was disclosed in the Notice.

28 Case No. 3:19-CV-01372-JD

109. The following chart reflects the combined expenses incurred by Lead Counsel as discussed more fully below:

Expense Type	Amount
Filing, Witness, and Other Fees	\$8,285.94
Transportation, Hotels, and Meals ⁹	\$16,658.16
Court Hearing Transcripts and Deposition Reporting, Transcripts, and Videography	\$5,972.85
Experts/Consultants/Investigators	\$267,781.68
Online Legal and Financial Research	\$8,259.22
eDiscovery Database Hosting	\$87,269.24
Legal Fees for Representation of Confidential Former Corcept Employees and Physicians	\$154,547.49
Mediation	\$27,360.00
Postage	\$27.13
TOTAL	\$576,161.71

110. Lead Counsel respectfully submits that the request for reimbursement of litigation expenses, as explained more fully in the Hopkins Fee Declaration at ¶¶10-11, is appropriate, fair, and reasonable, and should be approved in the amounts submitted herein. From the inception of this litigation, Lead Counsel was aware that it might not recover any of its expenses incurred in prosecuting the claims against Defendants, and, at a minimum, would not recover them until the claims were successfully resolved. Lead Counsel also understood that, even assuming the case was ultimately successful, an award of expenses would not compensate it for the lost use or opportunity costs of funds advanced to prosecute the claims against Defendants. Thus, Lead Counsel was motivated to, and did, take significant steps to minimize expenses whenever practicable without jeopardizing the vigorous and efficient prosecution of the claims against Defendants.

111. The expenses incurred by Lead Counsel were necessary and appropriate for the prosecution of this Action. Lead Counsel is prepared to submit all invoices and underlying detail *in camera*, if requested.

112. Considering the complex nature of the Action, as well as the fact that this Action was vigorously prosecuted for approximately four years, the expenses incurred by Lead Counsel were

⁹ Includes estimated costs for air fare, hotels, and meals for attending the final approval hearing.

1 reasonable and necessary to pursue the interests of the Settlement Class and achieve the present
2 Settlement. In my experience, courts have typically found that such expenses are reimbursable from a
3 fund recovered by counsel for the benefit of a class in securities fraud class actions. Accordingly, Lead
4 Counsel respectfully submits that the expenses incurred by Lead Counsel and Lead Plaintiff are fair and
5 reasonable and should be reimbursed from the Settlement Fund.

6 113. The Notice informed potential Settlement Class Members that Lead Counsel would be
7 seeking reimbursement of Litigation Expenses in an amount not to exceed \$975,000. The present
8 application for litigation expenses is well below the amount contained in the Notice.

9 114. To date, Lead Counsel is not aware of any objection to the amount of the litigation
10 expenses fees set forth in the Notice. However, Lead Plaintiff will address any objections received in its
11 reply papers to be filed with the Court and/or at the Final Approval Hearing.

12 **C. Lead Plaintiff's Reimbursement Pursuant to the PSLRA**

13 115. Additionally, in accordance with 15 U.S.C. §78u-4(a)(4), James L. Ferraro, on behalf of
14 himself and Ferraro Family Foundation, Inc., has submitted a declaration in support of Lead Plaintiff's
15 request for reimbursement of reasonable costs and expenses (including lost wages) incurred in
16 connection with its work representing the class in the amount of \$15,000. The amount of time and effort
17 devoted to this Action by Lead Plaintiff is detailed in the accompanying Declaration of James L. Ferraro
18 on behalf of himself and the Ferraro Family Foundation, Inc., attached hereto as Exhibits 2. Lead
19 Counsel respectfully submits that the amount requested is consistent with the PSLRA.

20 116. As discussed in the Fee and Expense Application and detailed in Lead Plaintiff's
21 declaration, James L. Ferraro is an accomplished class action and mass torts attorney with forty years of
22 experience and has been committed to pursuing the claims since Lead Plaintiff became involved in the
23 litigation in 2019. Lead Plaintiff has actively and effectively fulfilled its obligation as a representative
24 of the class, complying with all of the many demands placed upon it during the litigation and settlement
25 of the Action, and providing valuable assistance to Lead Counsel. James L. Ferraro estimates he spent
26 75 hours executing Lead Plaintiff's duties and responsibilities in this Action, including, *inter alia*: (a)
27 reviewing pleadings, motion to dismiss briefing, and material prepared in connection with Lead

Case No. 3:19-CV-01372-JD

1 Plaintiff's opening class certification motion; (b) reviewing news and information about Corcept; (c)
2 conferring with Lead Counsel on legal strategy, case status, discovery and settlement negotiations,
3 among other things; (d) providing written responses to Defendants' discovery requests and producing
4 documents; and (e) attending three mediations and evaluating the offers and counteroffers. Lead
5 Plaintiff's specialized professional background allowed Lead Plaintiff to relentlessly and independently
6 supervise the Action, evaluate settlement discussions, and monitor Lead Counsel's requests for
7 attorneys' fees and litigation expenses.

8 117. As elaborated in Lead Plaintiff's supporting declaration, Lead Plaintiff's 75 hours
9 assisting Lead counsel in this Action represent lost wages of \$90,000 based upon Lead Plaintiff's hourly
10 rate of \$1,200 an hour. To compensate Lead Plaintiff for its reasonable costs and expenses, Lead Plaintiff
11 respectfully requests a \$15,000 partial reimbursement, representing a reduced hourly rate of \$200 for its
12 lost income. These efforts required Lead Plaintiff to dedicate time and resources to the Action that it
13 would have otherwise devoted to its regular duties. The efforts expended by Lead Plaintiff during the
14 course of the Action are precisely the types of activities courts have found support reimbursement to
15 class representatives and support the Lead Plaintiff's request for reimbursement.

16 118. Further, the Notice informed potential Settlement Class Members that Lead Counsel
17 would be seeking reimbursement of expenses in an amount not to exceed \$15,000. To date, Lead
18 Counsel is not aware of any objection to the award of costs and expenses to Lead Plaintiff.

19 119. Attached hereto as Exhibit 1 is a true and correct copy of the Declaration of Kathleen
20 Schumacher Regarding Notice Dissemination, Publication, and Requests for Exclusion Received.

21 120. Attached hereto as Exhibit 2 is a true and correct copy of the Declaration of James L.
22 Ferraro in Support of Lead Plaintiff's Unopposed Motion for final Approval of Class Action Settlement
23 and Lead Plaintiff's Motion for Attorneys' Fees, Reimbursement of Expenses, and Award of Costs and
24 Expenses to Lead Plaintiff.

25 121. Attached hereto as Exhibit 3 is a true and correct copy of the Declaration of Shannon L.
26 Hopkins on Behalf of Levi & Korsinsky, LLP in Support of the Fee and Expense Application.

27 122. Attached hereto as Exhibit 4 is a true and correct copy of the Declaration of Ken N. Kotz.

28 Case No. 3:19-CV-01372-JD

DECLARATION OF SHANNON L. HOPKINS IN SUPPORT OF LEAD PLAINTIFF'S UNOPPOSED
MOTION FOR FINAL APPROVAL OF PROPOSED CLASS ACTION SETTLEMENT AND LEAD
COUNSEL'S MOTION FOR ATTORNEYS' FEES, REIMBURSEMENT OF EXPENSES, AND AWARD OF
COSTS AND EXPENSES TO LEAD PLAINTIFF

1 123. Attached hereto as Exhibit 5 is a true and correct copy of L.T. Bulan, L.E. Simmons,
2 *Securities Class Action Settlements, 2023 Review and Analysis*, Cornerstone Research (2024).

3 124. Attached hereto as Exhibit 6 is a true and correct copy of Edward Flores and Svetlana
4 Starykh, *Recent Trends in Securities Class Action Litigation: 2023 Full-Year Review* at 25-26, Figures
5 21, 22 (NERA Jan. 23, 2024).

6 I declare under penalty of perjury pursuant to the laws of the United States of America that the
7 foregoing is true and correct.

8 Executed at Stamford, Connecticut, on March 14, 2024.

9
10 /s/ Shannon L. Hopkins
11 Shannon L. Hopkins

Exhibit 1

1 **LEVI & KORSINSKY, LLP**
 Shannon L. Hopkins (admitted *pro hac vice*)
 2 Gregory M. Potrepka (admitted *pro hac vice*)
 1111 Summer Street, Suite 403
 3 Stamford, CT 06905
 Tel: (203) 992-4523
 4 Email: shopkins@zlk.com
 Email: stornatore@zlk.com
 5
 Counsel for Lead Plaintiff the
 6 Ferraro Family Foundation, Inc. and
 James L. Ferraro

7
 8 **UNITED STATES DISTRICT COURT**
 9 **FOR THE NORTHERN DISTRICT OF CALIFORNIA**
 10 **SAN FRANCISCO DIVISION**

11 FERRARO FAMILY FOUNDATION, INC, and
 12 JAMES L. FERRARO, on behalf of themselves
 and all others similarly situated,

13 Plaintiffs,

14 v.

15 CORCEPT THERAPEUTICS INCORPORATED,
 16 JOSEPH K. BELANOFF, CHARLES ROBB, AND
 SEAN MADUCK

17 Defendants.

Case No. 19-CV-01372-JD

CLASS ACTION

**DECLARATION OF KATHLEEN
 SCHUMACHER REGARDING NOTICE
 DISSEMINATION, PUBLICATION, AND
 REQUESTS FOR EXCLUSION
 RECEIVED**

Date: June 6, 2024

Time: 10:00 a.m.

Room: Courtroom 11, 19th Floor

Judge: Honorable James Donato

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1 I, KATHLEEN SCHUMACHER, hereby declare under penalty of perjury as follows:

2 1. I am a Project Manager of A.B. Data, Ltd.’s Class Action Administration
3 Company (“A.B. Data”). The following statements are based on my personal knowledge and
4 information provided by other A.B. Data employees working under my supervision, and if called
5 on to do so, I could and would testify competently thereto.

6 2. Pursuant to its Order Re Preliminary Approval of Settlement dated January 4, 2024
7 (ECF 201, the “Preliminary Approval Order”), the Court approved the retention of A.B. Data as
8 the Claims Administrator for the above-captioned action (the “Action”).¹ I submit this
9 Declaration to provide the Court with proof of the mailing of the Court-approved Postcard Notice,
10 the publication of the Summary Notice, and to report on the requests for exclusion from the
11 Settlement Class in connection with dissemination of the Postcard Notice.

12 **MAILING OF THE POSTCARD NOTICE**

13 3. Pursuant to the Preliminary Approval Order, A.B. Data was responsible for
14 mailing the Postcard Notice to potential Settlement Class Members and nominees. A copy of the
15 Postcard Notice is attached to this Declaration as Exhibit A.

16 4. On January 26, 2024, A.B. Data received a data file from Defendants’ Counsel
17 containing the names and addresses of 21 unique potential Settlement Class Members. On
18 January 26, 2024, A.B. Data caused the Postcard Notice to be disseminated by First-Class Mail
19 to those 21 potential Settlement Class Members.

20 5. As in most class actions of this nature, the large majority of potential Settlement
21 Class Members are beneficial purchasers whose securities are held in “street name” – *i.e.*, the
22 securities are purchased by brokerage firms, banks, institutions, and other third-party nominees
23 in the names of the respective nominees, on behalf of the beneficial purchasers. A.B. Data
24 maintains a proprietary database with names and addresses of the largest and most common
25 banks, brokers, and other nominees (the “Record Holder Mailing Database”). A.B. Data’s Record

26 _____
27 ¹ Unless otherwise defined in this Declaration, all capitalized terms have the meanings set forth
28 in the Stipulation of Settlement, dated April 11, 2023 (the “Stipulation”). ECF 195-3.

1 Holder Mailing Database is updated from time to time as new nominees are identified and others
2 go out of business. At the time of mailing, the Record Holder Mailing Database contained 4,959
3 mailing records. On January 26, 2024, A.B. Data caused the Postcard Notice to be sent by First-
4 Class Mail to the 4,959 addresses whose mailing records were contained in the Record Holder
5 Mailing Database.

6 6. In total, 4,980 Postcard Notices were mailed to potential Settlement Class
7 Members and their nominees by First-Class Mail on January 26, 2024.

8 7. On January 26, 2024, A.B. Data submitted the Notice of Pendency of Class Action
9 and Proposed Settlement, Final Approval Hearing, and Motion for Attorneys' Fees and
10 Reimbursement of Litigation Expenses (the "Long-Form Notice") and Claim Form to The
11 Depository Trust Company ("DTC") to post on its Legal Notice System, which offers DTC
12 member banks and brokers access to a comprehensive library of notices concerning DTC-eligible
13 securities. Copies of the Long-Form Notice and Claim Form are attached hereto as Exhibits B
14 and C, respectively.

15 8. The Long-Form Notice directed those who purchased or otherwise acquired
16 Corcept Therapeutics Incorporated common stock or options during the Settlement Class Period
17 (*i.e.*, August 2, 2017, through January 31, 2019, inclusive) as a nominee for a beneficial owner
18 to, within ten (10) days of receipt of the Postcard Notice, either send a copy of the Postcard Notice
19 to such beneficial owners or provide to A.B. Data a list of names and mailing addresses of such
20 Persons.

21 9. Through the date of this Declaration, A.B. Data has received an additional 12,405
22 names and addresses of potential Settlement Class Members from individuals or brokerage firms,
23 banks, institutions, and other nominees. All such requests have been, and will continue to be,
24 complied with and addressed in a timely manner.

25 10. Through the date of this Declaration, a total of 17,385 Postcard Notices have been
26 disseminated to potential members of the Settlement Class or their nominees. In addition, A.B.
27 Data has remailed 121 Postcard Notices to persons and entities whose original mailings were

1 returned by the U.S. Postal Service (“USPS”), and for which updated addresses were provided to
2 A.B. Data or obtained through a third-party vendor. A. B. Data disseminated all such Postcard
3 Notices in accordance with the procedures approved in the Preliminary Approval Order.

4 **PUBLICATION OF THE SUMMARY NOTICE**

5 11. Pursuant to Paragraph 8(b) of the Preliminary Approval Order, A.B. Data caused
6 the Summary Notice to be published in *PR Newswire* and *Investor’s Business Daily* on February
7 5, 2024. Proof of these publications of the Summary Notice are attached hereto as Exhibits D
8 and E, respectively.

9 **WEBSITE**

10 12. On January 26, 2024, A.B. Data established a website designated for the Action
11 (www.CorceptSecuritiesLitigation.com). The website includes information regarding the Action
12 and the proposed Settlement, including the exclusion, objection, and claim filing deadlines, and
13 the date, time, and location of the Court’s Settlement Hearing. Copies of the Long-Form Notice,
14 Claim Form, Stipulation, Preliminary Approval Order, and other documents related to the Action
15 are posted on the website and are available for downloading. Lead Plaintiff’s Unopposed Motion
16 for Final Approval of Proposed Class Action Settlement and supporting papers and Lead
17 Plaintiff’s Motion for Attorneys’ Fees, Reimbursement of Expenses, and Award of Costs and
18 Expenses to Lead Plaintiff and supporting papers will also be posted on the website when filed.
19 In addition, the website includes the ability to file a claim online and a link to a document with
20 detailed instructions for Settlement Class Members submitting their claims electronically.
21 Further, the website has contact information for A.B. Data and Lead Counsel, including a toll-
22 free telephone number, that Settlement Class Members can use to obtain additional information.
23 The website is accessible 24 hours per day, 7 days a week.

24 **TOLL-FREE TELEPHONE LINE**

25 13. On January 26, 2024, A.B. Data established and continues to maintain a case-
26 specific, toll-free telephone helpline, 1-877-390-3297, with an interactive voice response system
27 and live operators, to accommodate potential Settlement Class Members with questions about the

1 Action. Callers requiring further help have had the option to be transferred to a live operator
2 during business hours.

3
4 **REPORT ON OBJECTIONS AND REQUESTS FOR EXCLUSION**

5 14. The Long-Form Notice informed potential Settlement Class Members that
6 requests for exclusion from the Settlement Class are to be mailed to the Claims Administrator
7 postmarked no later than May 13, 2024. The Long-Form Notice also set forth the information
8 that was required to be included in each request for exclusion. As of the date of this Declaration,
9 A.B. Data has not received any requests for exclusion. A.B. Data will submit a supplemental
10 declaration after the May 13, 2024, exclusion deadline summarizing all requests for exclusion
11 received.

12 15. According to the Long-Form Notice, Settlement Class Members seeking to object
13 to the proposed Settlement are required to submit their objection in writing such that the request
14 is received by the Parties and filed with the Court no later than May 13, 2024. Although
15 Settlement Class Members were not required to send objections to A.B. Data, A.B. Data has not
16 received any misdirected objections.

17 16. During the claims administration process, A.B. Data will review and process all
18 Claims received, will provide Claimants with an opportunity to cure any deficiency or request
19 judicial review of the denial of their Claims, if applicable, and will ultimately mail or wire
20 Authorized Claimants their *pro rata* share of the Net Settlement Fund, as calculated under the
21 Plan of Allocation.

22 17. In an effort to reduce administrative costs and expedite payments to Authorized
23 Claimants, A.B. Data has committed to limiting its professional services fees and expenses to
24 \$175,000² and providing Lead Counsel with a distribution declaration within four (4) months of
25 the claim filing deadline.

26 ² This figure does not include fees charged by brokers and nominees for providing names and
27 addresses of potential Settlement Class Members or for forwarding the Postcard Notice to their
clients.

1 I declare, under penalty of perjury under the laws of the United States of America, that
2 the foregoing is true and correct to the best of my knowledge.

3 Executed on March 14, 2024.

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6 Kathleen Schumacher
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EXHIBIT A

Corcept Therapeutics Incorporated Securities Litigation

LEGAL NOTICE

**Court-Ordered Legal Notice
(Forwarding Service Requested)**

Important Information about a
Securities Class Action Settlement

You may be entitled to a
payment. This Notice may affect
your legal rights.

Please read it carefully.

www.CorceptSecuritiesLitigation.com

c/o A.B. Data, Ltd.
P.O. Box 173029
Milwaukee, WI 53217

*Ferraro Family Foundation, Inc., et al. v. Corcept
Therapeutics Incorporated, et al.,
No. 3:19-cv-01372-JD (N.D. Cal.)*

[NAME 1]

[NAME 2]

[NAME 3]

[ADDRESS 1]

[ADDRESS 2]

THIS CARD PROVIDES ONLY LIMITED INFORMATION ABOUT THE SETTLEMENT.

VISIT WWW.CORCEPTSECURITIESLITIGATION.COM OR CALL (877) 390-3297 FOR MORE INFORMATION.

If you purchased or otherwise acquired common stock or options to purchase common stock of Concept Therapeutics Incorporated (“Corcept” or the “Company”) between August 2, 2017 through January 31, 2019, inclusive (the “Class Period”), this notice is to inform you that a Class was certified, as just described, for purposes of the proposed settlement (“Settlement”) only, and that you could be entitled to a payment from the Settlement reached in this action (“Action”). Your rights may be affected by this Action and the Settlement. A hearing will be held on June 6, 2024, at 10:00 a.m. before the Honorable James Donato at the United States District Court for the Northern District of California, 450 Golden Gate Avenue, Courtroom 11, 19th Floor, San Francisco, CA 94102 to determine whether the proposed settlement of the Action against Defendants Corcept, Joseph K. Belanoff, Charles Robb, and Sean Maduck for \$14 million and the Plan of Allocation should be approved as fair, reasonable, and adequate; whether the Action should be dismissed with prejudice against the Defendants, as set forth in the Stipulation of Settlement (“Stipulation”) filed with the Court; and whether Lead Counsel’s application for an award of attorneys’ fees of up to 25% of the Settlement Amount, plus interest, and expenses in an amount not to exceed \$975,000, plus interest, should be granted.

The proposed Settlement would resolve this class action lawsuit alleging that, in violation of the U.S. federal laws, Defendants made material misrepresentations and omissions, with scienter, regarding Corcept’s marketing and promotional materials of its drug, Korlym, and compliance with FDA regulations for off-label promotions. Defendants deny the allegations. For a full description of the Settlement and your rights and to make a claim, you may obtain the Stipulation, long-form Notice of Pendency of Class Action and Proposed Settlement, Final Approval Hearing, and Motion for Attorneys’ Fees and Reimbursement of Litigation Expenses, and the Proof of Claim (“Claim Form”) by visiting the website: www.CorceptSecuritiesLitigation.com (the “Website”) or you may request copies from the Claims Administrator by: (i) mail: Corcept Therapeutics Incorporated Securities Litigation, c/o A.B. Data, Ltd., P.O. Box 173029, Milwaukee, WI 53217; or (ii) call toll-free: (877) 390-3297.

To qualify for payment, you must submit a valid Proof of Claim, with supporting documentation, postmarked no later than May 13, 2024. You will be bound by any Judgment entered in this Action, regardless of whether you submit a Proof of Claim, unless you submit a request to exclude yourself from the Class. If you exclude yourself, you cannot get money from this Settlement. If you wish to exclude yourself from the Class, you must submit a request for exclusion, **postmarked** no later than May 13, 2024, to: Corcept Therapeutics Incorporated Securities Litigation, Exclusions, c/o A.B. Data, Ltd., P.O. Box 173001, Milwaukee, WI 53217. If you do not exclude yourself and you stay in the Class, you may object to the Settlement, Plan of Allocation, or request for award of attorneys’ fees and expenses such that the objection is **received** no later than May 13, 2024. The long-form Notice and the Website explain how to exclude yourself from the Class or how to object.

Lead Plaintiff and the Class are represented by Lead Counsel: Shannon L. Hopkins and Gregory M. Potrepka, LEVI & KORSINKSY, LLP, 1111 Summer Street, Suite 403, Stamford, CT 06905, (203) 992-4523. You may, but do not have to, attend the Court hearing to be heard. The Court reserves the right to hold the Settlement Hearing telephonically or by other virtual means.

EXHIBIT B

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

FERRARO FAMILY FOUNDATION, INC. and
JAMES L. FERRARO, on behalf of themselves and
all others similarly situated,

Plaintiffs,

v.

CORCEPT THERAPEUTICS INCORPORATED,
JOSEPH K. BELANOFF, CHARLES ROBB, and
SEAN MADUCK,

Defendants.

Case No. 3:19-CV-01372-JD

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

**IF YOU PURCHASED CORCEPT THERAPEUTICS INCORPORATED SECURITIES DURING THE
PERIOD BEGINNING AUGUST 2, 2017 THROUGH JANUARY 31, 2019, YOU MAY BE
ENTITLED TO PAYMENT FROM A CLASS ACTION SETTLEMENT.**

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

This notice summarizes the proposed Settlement.¹ For the precise terms and conditions of the Settlement, please see the Stipulation by downloading it from www.CorceptSecuritiesLitigation.com, by contacting Lead Counsel at the addresses and phone numbers listed below, by accessing the Court docket in this case, for a fee, through the Court's Public Access to Court Electronic Records (PACER) system at <https://ecf.cand.uscourts.gov>, or by visiting the office of the Clerk of the Court for the United States District Court for the Northern District of California, Courtroom 11, 19th Floor, 450 Golden Gate Avenue, San Francisco, California, between 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays.

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

¹ All capitalized terms used in this Notice are defined in the Stipulation of Settlement, dated April 11, 2023 (the "Stipulation"), available for download at www.CorceptSecuritiesLitigation.com. For convenience, certain capitalized terms are also defined in this Notice. To the extent there is any conflict between the definitions of capitalized terms in this Notice and the Stipulation, the definition in the Stipulation controls.

Overview of the Settlement

The Settlement of this class action lawsuit (the “Action”) will provide \$14 million in cash (the “Settlement Amount”), plus earned interest, as provided for in the Stipulation to pay claims from investors who bought Corcept Therapeutics Incorporated (“Corcept” or the “Company”) common stock or options to purchase common stock of Corcept between August 2, 2017 through January 31, 2019, inclusive (the “Settlement Class Period”), and suffered losses. Depending on the number of eligible shares purchased by investors who elect to participate in the Settlement and when those shares were purchased and sold, the average distribution is estimated to be \$0.18 per damaged share purchased in the Settlement Class Period, before deduction of Court-approved fees and expenses described below. The per-share amount assumes all eligible Settlement Class Members submit a valid and timely Proof of Claim and Release form (“Claim Form”). If fewer than all Settlement Class Members submit timely and valid Claim Forms, which is likely, the distributions per share will be higher.

The Settlement, which is subject to Court approval, resolves this Action – a class action brought in federal court by Lead Plaintiff the Ferraro Group (consisting of Ferraro Family Foundation, Inc. and James L. Ferraro) (“Lead Plaintiff”), on behalf of itself and others who purchased Corcept common stock during the Settlement Class Period, alleging that Corcept and its current executive officers Joseph K. Belanoff, Charles Robb, and Sean Maduck (the “Individual Defendants”) (Corcept and the Individual Defendants are collectively referred to as “Defendants”) made materially false and misleading statements about Corcept’s marketing of its product, Korlym. The Settlement avoids costs and risks from continuing the Action, it pays money to investors like you, and it releases Defendants from liability.

If the Settlement is approved by the Court, the Court-appointed lawyers for investors, Levi & Korsinsky, LLP, will ask the Court for an award of attorneys’ fees of no more than 25% of the Settlement Fund, or approximately \$3,500,000, and Litigation Expenses of up to \$975,000 incurred in investigating the facts, litigating the case and negotiating the Settlement. Lead Plaintiff will also submit an application for reimbursement of reasonable costs and expenses incurred by Lead Plaintiff directly related to their representation of the Settlement Class, pursuant to the Private Securities Litigation Reform Act of 1995, not to exceed \$15,000. These payments, if approved, will come out of the \$14 million Settlement Fund, and are estimated to be an average of \$0.06 per damaged share purchased in the Settlement Class Period.

Lead Plaintiff alleges claims arising under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 (“Exchange Act”) and Rule 10b-5 promulgated by the Securities and Exchange Commission. On August 24, 2021, the Court granted in part and denied in part Defendants’ motion to dismiss Plaintiff’s Third Amended Complaint for Violations of the Federal Securities Laws.

Corcept and the Individual Defendants deny all liability. Lead Plaintiff and Defendants do not agree on the average amount of damages per share that would be recoverable if the Lead Plaintiff were to have prevailed on each claim alleged. The issues on which Lead Plaintiff and Defendants (together the “Settling Parties”) disagree include, among other things: (1) whether any statement made by any Defendant during the Settlement Class Period was false or materially misleading; (2) the extent to which Defendants’ various public statements that Lead Plaintiffs allege were materially false or misleading influenced (if at all) the trading price of Corcept’s common stock and options at various times during the Settlement Class Period; (3) whether Corcept violated relevant FDA rules; (4) the extent to which the various allegedly adverse material facts which were omitted influenced (if at all) the trading price of Corcept’s common stock and options at various times during the Settlement Class Period; (5) the appropriate class period for the surviving claims; (6) whether any of the Defendants acted with the wrongful intent alleged by Lead Plaintiff; and (7) whether, even if liability could be proven, total damages would be more than \$0 per damaged share.

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

Your Legal Rights and Options	
You can:	That Means:
Submit a Claim Form Postmarked by May 13, 2024.	You can show that you are a Settlement Class Member and can get payment from the Settlement. If the proposed Settlement is finally approved by the Court, you may share in the proceeds if your Claim is received, timely and valid, and you meet the other requirements of the Plan of Allocation described on pages 15 to 23 below. This is the only way to get a payment. You will be bound by the Judgment and release described below if you stay in the Settlement Class regardless of whether you submit a Claim.
Exclude Yourself by Submitting a Written Request for Exclusion Postmarked by May 13, 2024.	You can ask to be excluded from the Settlement Class. If excluded, you will get no payment from this Settlement and will not be part of the Settlement Class, and will not be bound by any Judgment. This is the only option that allows you to ever be part of any other separate lawsuit, including your own lawsuit, against any of Defendants about the legal claims being settled in this case.
Object by Filing a Written Objection with the Court no later than May 13, 2024.	If you remain part of the Settlement Class but have an objection to the Settlement, or some part of it, or the requested attorneys' fees or Litigation Expenses or request for an award to Lead Plaintiff for its costs and expenses, you can write to the Court to explain why.
Go to a Hearing on June 6, 2024, at 10:00 a.m.	If you remain part of the Settlement Class, you can write to the Court and ask to speak at the Final Approval Hearing on June 6, 2024, at 10:00 a.m. when the Court considers the fairness of the Settlement, the request for attorneys' fees and reimbursement of Litigation Expenses of Lead Counsel and the request for an award to Lead Plaintiff for its costs and expenses.
Do Nothing.	You will get no payment and give up your rights to sue Defendants about the claims that are resolved by this Settlement. You will be bound by any Judgment entered by the Court.

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

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

WHAT THIS NOTICE CONTAINS

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BASIC INFORMATION

1. Why did I get this Notice package?

You or someone in your family may have purchased Corcept common stock or options to purchase common stock of Corcept during the period between August 2, 2017 and January 31, 2019.

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

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

The Court in charge of the case is the United States District Court for the Northern District of California, and the case is known as *Ferraro Family Foundation, Inc., et al. v. Corcept Therapeutics Incorporated, et al.*, Case No. 3:19-CV-01372-JD. The Honorable James Donato is the Judge in charge of this class action. The person who sued is called the “Lead Plaintiff.” The company being sued, Corcept Therapeutics Incorporated, and the persons who are being sued, Corcept’s officers, Joseph K. Belanoff, Charles Robb, and Sean Maduck, are called the “Defendants.”

2. What is this Action about?

In the Action, Lead Plaintiff alleges that Defendants made materially false and misleading statements concerning Corcept’s marketing and promotional materials of its drug, Korlym, and compliance with FDA regulations for off-label promotions and on-label use of Korlym, which caused the price of Corcept’s stock to become artificially inflated from August 2, 2017 through January 31, 2019. Lead Plaintiff alleges that the misleading nature of Defendants’ scheme and statements remained hidden until a public report published on January 25, 2019 revealed, *inter alia*, Corcept’s alleged use of off-label marketing to increase prescriptions of Korlym and a second public disclosure published on January 31, 2019 that revealed a decline in Corcept’s sales as its alleged off-label marketing scheme came to light. Defendants vigorously contest Lead Plaintiff’s allegations.

This Action was commenced on March 14, 2019 in the United States District Court for the Northern District of California. On April 5, 2019, the Court appointed the Ferraro Group as Lead Plaintiff and approved Lead Plaintiff’s choice of the law firm Levi & Korsinsky, LLP as Lead Counsel (“Lead Counsel”) in the class action.

On December 6, 2019, after extensive investigation by Lead Counsel, Lead Plaintiff filed the First Amended Complaint alleging claims under the Exchange Act and Rule 10b-5. After Defendants moved to dismiss the First Amended Complaint, Lead Plaintiff filed the Second Amended Complaint on May 11, 2020. On May 11, 2020, Defendants moved to dismiss the Second Amended Complaint. On November 20, 2020, the Court granted Defendants’ motion without prejudice, with leave to replead.

On December 21, 2020, Lead Plaintiff filed the Third Amended Complaint. Defendants moved to dismiss the Third Amended Complaint on February 19, 2021, which Lead Plaintiff opposed. On August 24, 2021, the Court denied in part and granted in part Defendants’ motion to dismiss.

Thereafter, the Settling Parties engaged in discovery, including but not limited to: 1) issuing initial disclosures on January 7, 2022; 2) serving initial document requests on January 21, 2022 and serving responses and objections thereto on February 22, 2022; 3) Defendants serving interrogatories on Lead Plaintiff on March 18, 2022, to which Lead Plaintiff responded on April 18, 2022; and 3) Lead Plaintiff serving a second set of requests for production on December 19, 2022. Ultimately, Defendants produced over 757,000 pages of documents and Lead Plaintiff produced over 2,100 pages of documents. The Settling Parties also engaged in third-party discovery, having collectively subpoenaed 47 non-parties who collectively produced over 17,200 documents totaling nearly 146,000 pages of documents. Defendants conducted the deposition of one of Lead Plaintiff's experts and a former Corcept employee cited in the Third Amended Complaint as a confidential witness.

While litigating the Action, the Settling Parties simultaneously explored settlement via intensive, arm's-length settlement negotiations under the close supervision of an experienced mediator. Full-day mediation sessions took place on November 29, 2021, May 12, 2022, and January 24, 2023.

On February 8, 2023, the Settling Parties agreed to a double-blind mediator's proposal to settle the Action for \$14 million cash. On April 11, 2023, the Settling Parties executed a Stipulation of Settlement memorializing the Settlement amount and other key terms to settle this Action.

3. What is a class action?

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

4. Why is there a Settlement?

Instead of litigating the Action through trial, Lead Plaintiff and Defendants, after an intensive, arm's-length negotiation under the supervision of an experienced mediator and in response to a mediator's proposal, agreed to a compromise of the claims for \$14 million in cash. The Court did not decide in favor of Lead Plaintiff or Defendants. Lead Plaintiff believes it could have won at trial; the Defendants believe Lead Plaintiff would not have won anything at trial. But there was no trial. Instead, both sides agreed to a settlement. That way, they avoid the risks and costs of a trial and possible appeals, and Settlement Class Members affected will get compensation. The Lead Plaintiff, as Class Representative, and the Lead Counsel believe the Settlement is best for all Settlement Class Members.

Lead Plaintiff believes that the proposed Settlement is fair, reasonable, adequate and in the best interests of the Settlement Class. Throughout the litigation, Defendants raised a number of arguments and defenses (which they would continue to do through summary judgment and trial) including that their marketing for Korlym was entirely on-label and that Corcept did not violate relevant FDA rules. Defendants would also argue that, even if Lead Plaintiff could establish liability, it could not show which part of the stock-price decline is attributable to the alleged fraud (rather than other Company-specific or general market news) and that Lead Plaintiff could not establish Defendants acted with the requisite state of mind. While Lead Plaintiff believes that these arguments lack merit, there is no guarantee that Defendants would not prevail on one or more of these arguments. In the absence of a Settlement, the Settling Parties would present factual and expert testimony on each of these issues, and there is considerable risk that the Court or jury would resolve these issues against Lead Plaintiff and the Settlement Class.

Lead Counsel and Lead Plaintiff have thoroughly investigated and litigated the case prior to and since its appointment as Lead Counsel in 2019. Based upon their extensive investigation, consultation with multiple

experts, and evaluation of the claims asserted against the Defendants and defenses that might be asserted, Lead Counsel and Lead Plaintiff believe that the Settlement is fair, reasonable, adequate and in the best interests of the Settlement Class. The Settlement provides an immediate and certain monetary recovery. By settling, Lead Plaintiff and Defendants avoid the cost, uncertainty and delay of continued litigation. The Settling Parties engaged in extensive negotiations that led to the Settlement described in this Notice. Lead Counsel and Lead Plaintiff believe the Settlement is fair because there is no guarantee the Settlement Class would win on any of the claims and even if they did win, they might not be awarded any more money than the \$14 million Settlement plus interest, as provided for in the Stipulation, that Defendants have agreed to pay in order to settle the Action. Defendants' lawyers believe the Settlement is fair because even though Defendants deny Lead Plaintiff's claims, Defendants will avoid the cost of continued litigation and risk of losing at trial.

WHO IS INCLUDED IN THE SETTLEMENT?

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

For the purposes of settlement, with the few exceptions listed below, everyone who fits the following description is a Settlement Class Member: All persons who purchased or otherwise acquired common stock or options to purchase common stock of Corcept Therapeutics Incorporated during the Settlement Class Period, August 2, 2017 to January 31, 2019, inclusive.

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

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

- a. You are a Defendant.
- b. You are a member of Defendants' immediate families.
- c. You are a subsidiary or affiliate of Defendants.
- d. You served as an officer, director and/or controlling person of Corcept at any time during the Settlement Class Period.
- e. You are an entity in which Defendants have or had a controlling interest.
- f. You are Defendants' directors' and officers' liability insurance carriers, or any affiliates or subsidiaries thereof.
- g. You are a legal representative, heir, successor or assign of any of the foregoing.
- h. You properly exclude yourself from the Settlement Class.

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

If you are still not sure whether you are included, you can ask for free help. You can contact the Claims Administrator at (877) 390-3297 or email at info@CorceptSecuritiesLitigation.com or you can fill out the Claim Form described in question 10, to see if you qualify. You can also contact Lead Counsel at the addresses and phone numbers listed below. Please do not contact the Court.

THE SETTLEMENT BENEFITS

8. What does the Settlement provide?

Defendants have paid or will pay \$14 million in cash into an escrow account that will earn interest, as provided for in the Stipulation, for the benefit of the Settlement Class (the "Settlement Fund"). After deduction of Taxes, Notice and Administration Costs, Litigation Expenses, attorneys' fees, any award to Lead Plaintiff for its costs

and expenses, and any other costs, expenses or amounts as may be approved by the Court, the balance (the “Net Settlement Fund”) will be distributed to the Settlement Class Members in accordance with the Plan of Allocation, discussed at pages 15 to 23 below.

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

The proposed Settlement represents a compromise of disputed claims and does not mean that any of the Defendants have been found liable for any claims asserted by Lead Plaintiff. The Defendants specifically deny any liability on their part and settled this case to avoid the expense of complex litigation.

9. How much will my payment be?

Your share of the Net Settlement Fund will depend on the number of valid and timely Claim Forms that Settlement Class Members send in, how many shares of Corcept common stock or options to purchase Corcept common stock you bought, and when you bought and sold them. You should look at the Plan of Allocation section of this notice that appears on pages 15 to 23 below for a description of the calculations to be made by the Claims Administrator in computing the amounts to be paid to the “Authorized Claimants,” that is those investors who submit valid and timely Claim Forms establishing that they are Settlement Class Members.

10. How can I get a payment?

To qualify for payment, you must timely send in a Claim Form to the Claims Administrator. A Claim Form is attached to this Notice. Read the Claim Form’s instructions carefully, fill it out, submit to the Claims Administrator all the documents the Claim Form asks for, sign the Claim Form, and mail it postmarked no later than May 13, 2024. Unless the Court orders otherwise, if you do not timely submit a Claim Form, you will be barred from receiving any payments from the Net Settlement Fund but will in all other respects be bound by the final Judgment in the case.

11. When would I get my payment?

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

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

As a member of the Settlement Class, in consideration for the benefits of the Settlement, you will be bound by the terms of the Settlement, and you will release Defendants and the other Released Persons (collectively, the “Released Persons” as defined below) from the Released Claims as defined below.

“Defendant Releasees” means, collectively, each and all of (a) Defendants, (b) the present and former parents, subsidiaries, divisions, and affiliates of Corcept, (c) the present and former employees, officers and directors of each of them, (d) the present and former attorneys, accountants, insurers, and agents of each of them, and (e) the

predecessors, heirs, successors and assigns of each of them.

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

“Plaintiffs’ Released Claims” means, collectively, any and all claims, demands, losses, rights, and causes of action, of any nature whatsoever, whether known or unknown (including, without limitation, Unknown Claims as described below and in ¶1.44 of the Stipulation), that have been or could have been asserted in this Action or could in the future be asserted in any forum, whether foreign or domestic, whether arising under federal, state, common, or foreign law, by Lead Plaintiff, any member of the Settlement Class, or their successors, assigns, executors, administrators, representatives, attorneys, and agents, in their capacities as such, whether brought directly or indirectly against any of the Defendants, which (a) arise out of, are based upon, or relate to in any way any of the allegations, acts, transactions, facts, events, matters, occurrences, representations or omissions involved, set forth, alleged, or referred to, in this Action, or which could have been alleged in this action, and (b) arise out of, are based upon, or relate in any way to the purchase, acquisition, holding, sale, or disposition of any Corcept securities during the Class Period. Notwithstanding the foregoing, “Plaintiffs’ Released Claims” do not include: (i) claims relating to the enforcement of the Settlement; or (ii) claims asserted on behalf of Corcept in any derivative or ERISA action based on similar allegations (collectively, “Excluded Plaintiffs’ Claims”), including: *Williams v. Baker, et al.*, Case No. 1:19-cv-01830-UNA, pending in the United States District Court for the District of Delaware before the Honorable Maryellen Noreika; *Jeweltex Pension Plan v. Wilson, et al.*, pending in the United States District Court for the District of Delaware before the Honorable Maryellen Noreika; and *Ritchie v. Baker, et al.*, Civil Action No. 2022-0102-SG, pending in the Delaware Court of Chancery before the Honorable Sam Glascock III.

“Defendants’ Released Claims” means, collectively, any and all claims, demands, rights, liabilities, suits, debts, obligations, and causes of action of every nature and description whatsoever, whether known or unknown (including, without limitation, Unknown Claims as described in ¶1.44 below), that could have been asserted in this Action or could in the future be asserted in any forum, whether foreign or domestic, whether arising under federal, state, common, or foreign law, by Defendant Releasees against Plaintiff Releasees that arise out of or relate to the commencement, prosecution, or settlement of the claims asserted in the Action. The settlement shall include a waiver of Defendants’ and Defendant Releasees’ rights under California Civil Code §1542 or similar laws. Notwithstanding the foregoing, “Defendants’ Released Claims” does not include: (i) claims relating to the enforcement of the Settlement; or (ii) any claims against any person or entity who submits a request for exclusion from the Settlement Class that is accepted by the Court (collectively, “Excluded Defendants’ Claims”).

“Released Claims” means all Defendants’ Released Claims and all Plaintiffs’ Released Claims.

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

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

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

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

If the Court approves the Settlement, all Settlement Class Members who have not excluded themselves in writing will have fully, finally and forever settled and released any and all Released Claims, contingent or non-contingent, that now exist, or heretofore have existed, upon any theory of law or equity that were asserted or could have been asserted in the Action.

EXCLUDING YOURSELF FROM THE SETTLEMENT

13. How do I get out of the Settlement?

If you do not wish to be included in the Settlement Class and you do not wish to participate in the proposed Settlement described in this Notice, you may request to be excluded. To do so, you must submit a written request for exclusion to the Claims Administrator, postmarked no later than May 13, 2024. The request for exclusion must: (a) state the name, address, and telephone number of the Person requesting exclusion; (b) identify the number of shares of Corcept common stock or options purchased or otherwise acquired during the Settlement Class Period; (c) contain a statement that the Person wishes to be excluded from the Settlement Class; and (d) be signed by the Person requesting exclusion. The request must be addressed as follows:

Corcept Therapeutics Incorporated Securities Litigation
EXCLUSIONS
c/o A.B. Data, Ltd.
P.O. Box 173001
Milwaukee, WI 53217

You cannot exclude yourself by phone.

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

THE LAWYERS REPRESENTING YOU

14. Do I have a lawyer in this case?

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

Shannon L. Hopkins
Gregory M. Potrepka
LEVI & KORSINSKY, LLP
1111 Summer Street, Suite 403
Stamford, CT 06905
Telephone: (203) 992-4523

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

15. How will the lawyers be paid?

At the Final Approval Hearing, Lead Counsel will ask the Court to approve payment of up to 25% of the Settlement Fund, or approximately \$3,500,000, to them for attorneys' fees and a payment of up to \$975,000 to them for reimbursement of Litigation Expenses. These fees and expenses would pay Lead Counsel for investigating the facts, litigating the case and negotiating the Settlement. Lead Plaintiff will also ask for the Court to approve up to \$15,000 in an award to pay the cost and expenses of Lead Plaintiff. The Court may award less than these amounts.

Additionally, at the Final Approval Hearing, Lead Plaintiff will also ask the Court to approve payment of the Claims Administrator's expenses. Those expenses are estimated to be approximately \$210,000 based upon the submission of approximately 15,000 Claim Forms.

OBJECTING TO THE SETTLEMENT

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

You can ask the Court to deny approval by filing an objection. You can't ask the Court to order a different settlement; the Court can only approve or reject the Settlement. If the Court denies approval, no settlement

payments will be sent out and the lawsuit will continue. If that is what you want to happen, you must object.

Any objection to the proposed Settlement, Lead Counsel’s request for fees and Litigation Expenses, or Plaintiffs’ request for reimbursement of cost and expenses must be in writing. If you file a timely written objection, you may, but are not required to, appear at the Final Approval Hearing, either in person or through your own attorney. If you appear through your own attorney, you are responsible for hiring and paying that attorney. All written objections and supporting papers must (a) clearly identify the case name and number *Ferraro Family Foundation, Inc., et al. v. Corcept Therapeutics Incorporated, et al.*, Case No. 3:19-CV-01372-JD, and (b) be submitted to the Court either by mailing them to the Class Action Clerk, United States District Court for the Northern District of California, 450 Golden Gate Avenue, San Francisco, CA 94102, or by filing them in person at any location of the United States District Court for the Northern District of California by May 13, 2024.

Any objection must further: (a) include the full name, address and phone number of the objecting Settlement Class Member; (b) include a list of all of the Settlement Class Member’s Settlement Class Period transactions in Corcept common stock and/or stock options; and (c) include a written statement of all grounds for the objection.

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

Copies of any written objection, Notice of Intention to Appear and all supporting papers and briefs must be mailed by, or delivered by email such that it is **received** by, each of the following no later than May 13, 2024:

<p><i>Lead Counsel</i> Shannon L. Hopkins Gregory M. Potrepka Levi & Korsinsky, LLP 1111 Summer Street, Suite 403 Stamford, CT 06905 Email: shopkins@zlk.com Email: gpotrepka@zlk.com</p>	<p><i>Defendants’ Counsel</i> Corey Worcester Quinn Emanuel Urquhart & Sullivan, LLP 51 Madison Avenue, 22nd Floor New York, NY 10010 Email: coreyworcester@quinnemanuel.com</p>
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If you do not make your objection in the manner provided above, you will be deemed to have waived such objection and forever be foreclosed from making any objection to the fairness or adequacy of the proposed Settlement or any part thereof, or to Lead Counsel’s request for fees and Litigation Expenses, or Plaintiffs’ request for reimbursement of cost and expenses.

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

Objecting is simply telling the Court that you do not like something about the Settlement. You can object only if you stay in the Settlement Class. Excluding yourself is telling the Court that you do not want to be part of the Settlement Class. If you exclude yourself, you have no basis to object because the case no longer affects you.

THE COURT'S FINAL APPROVAL HEARING

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

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

The Final Approval Hearing will be held at 10:00 a.m. on June 6, 2024, before the Honorable Judge James Donato, United States District Court for the Northern District of California, either via telephonic or video conference, or in Courtroom 11, 19th Floor, 450 Golden Gate Avenue, San Francisco, CA 94102. THE FINAL APPROVAL HEARING DATE MAY CHANGE WITHOUT FURTHER NOTICE TO THE SETTLEMENT CLASS, SO PLEASE CHECK THE SETTLEMENT WEBSITE OR THE COURT'S PACER SYSTEM TO CONFIRM THE HEARING DATE. At this hearing, the Court will consider whether the Settlement is fair, reasonable and adequate; whether the proposed plan to distribute the Settlement proceeds (the "Plan of Allocation" described on pages 15 to 23 below) is reasonable; whether to approve the application by Lead Counsel for attorneys' fees and reimbursement of Litigation Expenses; and whether to approve the request for an award to Lead Plaintiff for its costs and expenses. If there are objections, the Court will consider them. The Court has discretion to listen to people who have made a written request to speak at the hearing. After the hearing, the Court will decide whether to approve the Settlement, the attorneys' fees and reimbursement of Litigation Expenses request, and the request for an award to Lead Plaintiff for its costs and expenses. We do not know how long these decisions will take.

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

No. Lead Counsel will answer questions the Judge may have. But, you are welcome to come at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

20. May I speak at the Final Approval Hearing?

Any Settlement Class Member who did not request to be excluded from the Settlement Class by May 13, 2024, is entitled to appear at the Final Approval Hearing, in person or through a duly authorized attorney, and to show cause why the Settlement should not be approved as fair, reasonable, and adequate. However, you may not be heard at the Final Approval Hearing unless, on or before May 13, 2024, you file a Notice of Intention to Appear and a statement of the position that you will assert and the grounds for the position, together with copies of any supporting papers or brief with the Class Action Clerk, United States District Court for the Northern District of California, 450 Golden Gate Avenue, San Francisco, CA 94102, as described in paragraph 16 above.

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

IF YOU DO NOTHING

21. What happens if I do nothing at all?

If you do nothing, you will get no money from this Settlement but you will be bound by the Settlement and you will not be able to start a lawsuit, continue with a lawsuit or be part of any other lawsuit against the Defendants about the legal issues in this case, ever again.

GETTING MORE INFORMATION

22. Are there more details about the Settlement?

Yes. This Notice summarizes the proposed Settlement. More details (including definitions of various terms used in this Notice) are contained in the pleadings and other papers in this Action, including the formal Stipulation, which have been filed with the Court. Lead Plaintiff's submissions in support of the Settlement, Lead Counsel's fee and expense application, and Lead Plaintiff's request for an award to pay the time and expenses of Lead Plaintiff will be filed with the Court prior to the Final Approval Hearing. In addition, information about the Settlement will be posted on the website set up for this case: www.CorceptSecuritiesLitigation.com. If you have any further questions, you may contact Lead Counsel identified in paragraph 14 above. You also can call the Claims Administrator at (877) 390-3297 to find answers to common questions about the Settlement and obtain information about the status of the Settlement approval process.

SPECIAL NOTICE TO NOMINEES

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

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

Corcept Therapeutics Incorporated Securities Litigation
Claims Administrator
c/o A.B. Data, Ltd.
P.O. Box 173029
Milwaukee, WI 53217

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

UNDERSTANDING YOUR PAYMENT – THE PLAN OF ALLOCATION

A. Introduction to the Plan of Allocation

The objective of the Plan of Allocation is to equitably distribute the Net Settlement Fund among Authorized Claimants based on their respective alleged economic losses as a result of the alleged fraud, as opposed to losses caused by market or industry-wide factors, or Company-specific factors unrelated to the alleged fraud. The Claims Administrator shall determine each Authorized Claimant's share of the Net Settlement Fund based upon the recognized loss formula ("Recognized Loss") described below.

A Recognized Loss will be calculated for each share of Corcept common stock ("Common Stock") and each exchange-traded call option on Corcept Common Stock ("Call Option") purchased or otherwise acquired during the Settlement Class Period.^{2,3,4} The calculation of Recognized Loss will depend upon several factors, including when Corcept Securities were purchased or otherwise acquired during the Settlement Class Period and in what amounts, and whether such securities were sold and, if sold, when and for what amounts. The Recognized Loss is not intended to estimate the amount a Settlement Class Member might have been able to recover after a trial, nor to estimate the amount that will be paid to Authorized Claimants pursuant to the Settlement. The Recognized Loss is the basis upon which the Net Settlement Fund will be proportionately allocated to the Authorized Claimants. The Claims Administrator will use its best efforts to administer and distribute the Net Settlement Fund equitably and to the extent it is economically feasible. The Court will be asked to approve the Claims Administrator's determinations before the Net Settlement Fund is distributed to Authorized Claimants.

The Plan of Allocation was created with the assistance of a damages consultant and is based on the assumption that the price of Corcept Common Stock was artificially inflated throughout the Settlement Class Period. The estimated alleged artificial inflation in the price of Corcept Common Stock during the Settlement Class Period is reflected in Table 1 below. The computation of the estimated alleged artificial inflation in the price of Corcept Common Stock during the Settlement Class Period is based on the fraudulent courses of conduct alleged by Lead Plaintiff and the price changes in the stock, net of market and industry-wide factors, in reaction to the public announcements issued on January 25, 2019 and January 31, 2019 that allegedly corrected the fraud alleged by Lead Plaintiff. The Plan of Allocation takes into account that the relevant news on January 25, 2019 was issued prior to the close of market and the relevant news on January 31, 2019 was issued after the close of market and thus these disclosures removed artificial inflation from the price of Corcept Common Stock on January 25, 2019 and February 1, 2019 (the "Corrective Disclosure Dates"). In addition, the measured inflation from the January 31, 2019 disclosure includes a 75% reduction to account for legal issues related to this disclosure.

The U.S. federal securities laws allow investors to recover losses caused by disclosures which corrected the Defendants' alleged fraudulent statements. Thus, in order to have recoverable damages, the corrective disclosure of the alleged fraud must be the cause of the decline in the price or value of Corcept Common Stock. Accordingly, if Corcept Common Stock was sold before January 25, 2019 (the earliest Corrective Disclosure Date), or both purchased and sold between the two Corrective Disclosure Dates, the Recognized Loss for such stock is \$0.00, and any loss suffered is not compensable under the federal securities laws. Likewise, with respect to Call Options purchased during the Settlement Class Period, such options must have been open and outstanding at the opening of trading in the U.S. financial markets on at least one of the Corrective Disclosure Dates in order to have a Recognized Loss amount greater than \$0.00.

² Herein, Corcept Common Stock and Call Options are referred to collectively as "Corcept Securities."

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

⁴ Throughout the Settlement Class Period, Corcept Common Stock was listed on the NASDAQ Capital Market exchange under the symbol CORT.

Table 1		
Artificial Inflation in Corcept Common Stock		
From	To	Per-Share Price Inflation
August 2, 2017	January 24, 2019	\$2.07
January 25, 2019	January 31, 2019	\$0.31
February 1, 2019	Thereafter	\$0.00

The “90-day lookback” provision of the Private Securities Litigation Reform Act of 1995 (“PSLRA”) is incorporated into the calculation of the Recognized Loss for Corcept Common Stock. The limitations on the calculation of the Recognized Loss imposed by the PSLRA are applied such that losses on Corcept Common Stock purchased during the Settlement Class Period and held as of the end of the 90-day period subsequent to the Settlement Class Period (the “90-Day Lookback Period”) cannot exceed the difference between the purchase price paid for such stock and its average price during the 90-Day Lookback Period. The Recognized Loss on Corcept Common Stock purchased during the Settlement Class Period and sold during the 90-Day Lookback Period cannot exceed the difference between the purchase price paid for such stock and its rolling average price during the portion of the 90-Day Lookback Period elapsed as of the date of sale.

In the calculations below, all purchase and sale prices shall exclude any fees, taxes and commissions. If a Recognized Loss amount is calculated to be a negative number, that Recognized Loss shall be set to zero. Any transactions in Corcept Securities executed outside of regular trading hours for the U.S. financial markets shall be deemed to have occurred during the next regular trading session for the U.S. financial markets.

A Recognized Loss will be calculated as set forth below for each share of Corcept Common Stock and each Call Option purchased or otherwise acquired during the Settlement Class Period that is listed in the Claim Form and for which adequate documentation is provided.

Please note that the approval of the Settlement is separate from, and not conditioned on, the Court’s approval of the Plan of Allocation. You do not need to make any of these calculations yourself. The Claims Administrator will make all of these calculations for you.

B. Calculating Recognized Loss for Corcept Common Stock

For each share of Corcept Common Stock purchased or otherwise acquired during the Settlement Class Period, *i.e.*, August 2, 2017 through January 31, 2019, inclusive, the Recognized Loss per share shall be calculated as follows:

- I. For each share of Corcept Common Stock purchased during the Settlement Class Period that was subsequently sold prior to January 25, 2019, the Recognized Loss per share is \$0.00.
- II. For each share of Corcept Common Stock purchased during the Settlement Class Period that was subsequently sold during the period January 25, 2019 through January 31, 2019, inclusive, the Recognized Loss per share is the lesser of:
 - a. the amount of per-share price inflation on the date of purchase as appears in Table 1 above minus the amount of per-share price inflation on the date of sale as appears in Table 1; or
 - b. the purchase price minus the sale price.

- III. For each share of Corcept Common Stock purchased during the Settlement Class Period that was subsequently sold during the period February 1, 2019 through May 1, 2019, inclusive, (*i.e.*, sold during the 90-Day Lookback Period), the Recognized Loss per share is the lesser of:
- the amount of per-share price inflation on the date of purchase as appears in Table 1 above; or
 - the purchase price minus the sale price; or
 - the purchase price minus the “90-Day Lookback Value” on the date of sale provided in Table 2 below.
- IV. For each share of Corcept Common Stock purchased during the Settlement Class Period that was still held as of the close of trading on May 1, 2019, the Recognized Loss per share is the lesser of:
- the amount of per-share price inflation on the date of purchase as appears in Table 1 above; or
 - the purchase price minus the average closing price for Corcept Common Stock during the 90-Day Lookback Period, which is \$11.83.

Sale / Disposition Date	90-Day Lookback Value	Sale / Disposition Date	90-Day Lookback Value	Sale / Disposition Date	90-Day Lookback Value
2/1/2019	\$10.03	3/5/2019	\$11.58	4/3/2019	\$11.71
2/4/2019	\$10.12	3/6/2019	\$11.60	4/4/2019	\$11.71
2/5/2019	\$10.41	3/7/2019	\$11.62	4/5/2019	\$11.72
2/6/2019	\$10.71	3/8/2019	\$11.64	4/8/2019	\$11.73
2/7/2019	\$10.77	3/11/2019	\$11.67	4/9/2019	\$11.73
2/8/2019	\$10.87	3/12/2019	\$11.70	4/10/2019	\$11.74
2/11/2019	\$10.94	3/13/2019	\$11.73	4/11/2019	\$11.75
2/12/2019	\$11.03	3/14/2019	\$11.75	4/12/2019	\$11.76
2/13/2019	\$11.08	3/15/2019	\$11.76	4/15/2019	\$11.76
2/14/2019	\$11.11	3/18/2019	\$11.78	4/16/2019	\$11.76
2/15/2019	\$11.18	3/19/2019	\$11.79	4/17/2019	\$11.76
2/19/2019	\$11.20	3/20/2019	\$11.80	4/18/2019	\$11.76
2/20/2019	\$11.21	3/21/2019	\$11.80	4/22/2019	\$11.77
2/21/2019	\$11.20	3/22/2019	\$11.78	4/23/2019	\$11.78
2/22/2019	\$11.21	3/25/2019	\$11.76	4/24/2019	\$11.79
2/25/2019	\$11.23	3/26/2019	\$11.74	4/25/2019	\$11.80
2/26/2019	\$11.28	3/27/2019	\$11.73	4/26/2019	\$11.80
2/27/2019	\$11.35	3/28/2019	\$11.72	4/29/2019	\$11.81
2/28/2019	\$11.41	3/29/2019	\$11.73	4/30/2019	\$11.82
3/1/2019	\$11.48	4/1/2019	\$11.71	5/1/2019	\$11.83
3/4/2019	\$11.54	4/2/2019	\$11.71		

The Recognized Loss is equal to the Recognized Loss per share multiplied by the number of shares.

C. Calculation of Recognized Loss for Call Options

For each Corcept Call Option purchased or otherwise acquired during the Settlement Class Period, the Recognized Loss per Call Option shall be calculated as follows:

- I. For each Call Option not held at the opening of trading on at least one of the Corrective Disclosure Dates as defined above, the Recognized Loss per Call Option is \$0.00.
- II. For Call Options purchased during the Settlement Class Period that were subsequently sold/closed during the period January 25, 2019 through May 1, 2019, inclusive, the Recognized Loss per Call Option is the lesser of:
 - a. the amount of per-option price inflation on the date of purchase as appears in Table 3, below, minus the amount of per-option price inflation on the date of sale as appears in Table 3; or
 - b. the purchase price minus the sale price.⁵
- III. For Call Options purchased during the Settlement Class Period that were held as of the close of trading on May 1, 2019, inclusive, the Recognized Loss per Call Option is the lesser of:
 - a. the amount of per-option price inflation on the date of purchase as appears in Table 3; or
 - b. the purchase price less the 90-Day Value as set forth in Table 3.

The Recognized Loss is equal to the Recognized Loss per Call Option multiplied by 100 times the number of Call Options.

No Recognized Loss shall be calculated based upon the purchase or acquisition of any Corcept Call Option that had been previously sold or written.

Expiration Date	Exercise Price	Inflation 8/2/2017 - 1/24/2019	Inflation 1/25/2019 - 1/31/2019	90-Day Value	Holding Value
2/15/2019	\$6.00	\$1.90	\$0.28	\$5.36	\$4.30
2/15/2019	\$7.00	\$1.87	\$0.28	\$4.39	\$3.33
2/15/2019	\$8.00	\$1.79	\$0.26	\$3.38	\$2.43
2/15/2019	\$9.00	\$1.72	\$0.25	\$2.39	\$1.55
2/15/2019	\$10.00	\$1.60	\$0.20	\$1.43	\$0.73
2/15/2019	\$11.00	\$1.51	\$0.14	\$0.71	\$0.38
2/15/2019	\$12.00	\$1.29	\$0.10	\$0.26	\$0.15
2/15/2019	\$13.00	\$0.98	\$0.05	\$0.08	\$0.08
2/15/2019	\$14.00	\$0.72	\$0.04	\$0.03	\$0.00
2/15/2019	\$15.00	\$0.44	\$0.02	\$0.04	\$0.00
2/15/2019	\$16.00	\$0.25	\$0.02	\$0.00	\$0.00

⁵ For Call Options that expire without being exercised, the sale/closing price is deemed to be \$0. For Call Options that were exercised, the sale/closing price is equal to the higher of (i) zero; or (ii) the closing price of Corcept Common Stock on the date of exercise less the exercise price of the option.

Table 3					
Call Option Inflation (values are per underlying share)					
Expiration Date	Exercise Price	Inflation 8/2/2017 - 1/24/2019	Inflation 1/25/2019 - 1/31/2019	90-Day Value	Holding Value
2/15/2019	\$17.00	\$0.17	\$0.00	\$0.00	\$0.00
2/15/2019	\$18.00	\$0.10	\$0.00	\$0.00	\$0.00
2/15/2019	\$19.00	\$0.00	\$0.00	\$0.00	\$0.00
2/15/2019	\$20.00	\$0.00	\$0.00	\$0.00	\$0.00
2/15/2019	\$21.00	\$0.00	\$0.00	\$0.00	\$0.00
2/15/2019	\$22.00	\$0.00	\$0.00	\$0.00	\$0.00
2/15/2019	\$23.00	\$0.00	\$0.00	\$0.00	\$0.00
2/15/2019	\$24.00	\$0.00	\$0.00	\$0.00	\$0.00
2/15/2019	\$25.00	\$0.00	\$0.00	\$0.00	\$0.00
2/15/2019	\$26.00	\$0.00	\$0.00	\$0.00	\$0.00
2/15/2019	\$27.00	\$0.00	\$0.00	\$0.00	\$0.00
2/15/2019	\$28.00	\$0.00	\$0.00	\$0.00	\$0.00
2/15/2019	\$29.00	\$0.00	\$0.00	\$0.00	\$0.00
2/15/2019	\$30.00	\$0.00	\$0.00	\$0.00	\$0.00
2/15/2019	\$31.00	\$0.00	\$0.00	\$0.00	\$0.00
2/15/2019	\$32.00	\$0.00	\$0.00	\$0.00	\$0.00
2/15/2019	\$33.00	\$0.00	\$0.00	\$0.00	\$0.00
2/15/2019	\$34.00	\$0.00	\$0.00	\$0.00	\$0.00
2/15/2019	\$35.00	\$0.00	\$0.00	\$0.00	\$0.00
3/15/2019	\$7.00	\$1.90	\$0.26	\$4.97	\$3.58
3/15/2019	\$8.00	\$1.87	\$0.25	\$3.99	\$2.73
3/15/2019	\$9.00	\$1.76	\$0.23	\$3.01	\$1.98
3/15/2019	\$10.00	\$1.59	\$0.19	\$2.08	\$1.45
3/15/2019	\$11.00	\$1.46	\$0.15	\$1.27	\$0.78
3/15/2019	\$12.00	\$1.26	\$0.11	\$0.62	\$0.40
3/15/2019	\$13.00	\$1.03	\$0.07	\$0.28	\$0.33
3/15/2019	\$14.00	\$0.83	\$0.04	\$0.10	\$0.00
3/15/2019	\$15.00	\$0.57	\$0.00	\$0.05	\$0.00
3/15/2019	\$16.00	\$0.50	\$0.00	\$0.00	\$0.00
3/15/2019	\$17.00	\$0.29	\$0.00	\$0.00	\$0.00
3/15/2019	\$18.00	\$0.00	\$0.00	\$0.00	\$0.00
3/15/2019	\$19.00	\$0.00	\$0.00	\$0.00	\$0.00
3/15/2019	\$20.00	\$0.00	\$0.00	\$0.00	\$0.00
3/15/2019	\$21.00	\$0.00	\$0.00	\$0.00	\$0.00
3/15/2019	\$22.00	\$0.00	\$0.00	\$0.00	\$0.00
3/15/2019	\$23.00	\$0.00	\$0.00	\$0.00	\$0.00
5/17/2019	\$5.00	\$2.07	\$0.31	\$6.94	\$5.15
5/17/2019	\$6.00	\$1.94	\$0.28	\$5.98	\$4.20
5/17/2019	\$7.00	\$1.81	\$0.28	\$5.02	\$3.45

Table 3					
Call Option Inflation (values are per underlying share)					
Expiration Date	Exercise Price	Inflation 8/2/2017 - 1/24/2019	Inflation 1/25/2019 - 1/31/2019	90-Day Value	Holding Value
5/17/2019	\$8.00	\$1.73	\$0.25	\$4.11	\$2.73
5/17/2019	\$9.00	\$1.67	\$0.22	\$3.20	\$2.08
5/17/2019	\$10.00	\$1.62	\$0.20	\$2.41	\$1.65
5/17/2019	\$11.00	\$1.46	\$0.17	\$1.68	\$0.78
5/17/2019	\$12.00	\$1.29	\$0.14	\$1.14	\$1.15
5/17/2019	\$13.00	\$1.12	\$0.11	\$0.73	\$1.03
5/17/2019	\$14.00	\$0.95	\$0.08	\$0.45	\$0.40
5/17/2019	\$15.00	\$0.81	\$0.07	\$0.28	\$0.40
5/17/2019	\$16.00	\$0.67	\$0.06	\$0.14	\$0.28
5/17/2019	\$17.00	\$0.52	\$0.06	\$0.07	\$0.30
5/17/2019	\$18.00	\$0.42	\$0.05	\$0.09	\$0.38
5/17/2019	\$19.00	\$0.33	\$0.04	\$0.01	\$0.00
5/17/2019	\$20.00	\$0.25	\$0.03	\$0.06	\$0.38
5/17/2019	\$21.00	\$0.00	\$0.00	\$0.00	\$0.00
5/17/2019	\$22.00	\$0.00	\$0.00	\$0.00	\$0.00
5/17/2019	\$23.00	\$0.00	\$0.00	\$0.00	\$0.00
5/17/2019	\$24.00	\$0.00	\$0.00	\$0.00	\$0.00
5/17/2019	\$25.00	\$0.00	\$0.00	\$0.00	\$0.00
5/17/2019	\$26.00	\$0.00	\$0.00	\$0.00	\$0.00
5/17/2019	\$27.00	\$0.00	\$0.00	\$0.00	\$0.00
5/17/2019	\$28.00	\$0.00	\$0.00	\$0.00	\$0.00
5/17/2019	\$29.00	\$0.00	\$0.00	\$0.00	\$0.00
5/17/2019	\$30.00	\$0.00	\$0.00	\$0.00	\$0.00
5/17/2019	\$31.00	\$0.00	\$0.00	\$0.00	\$0.00
5/17/2019	\$32.00	\$0.00	\$0.00	\$0.00	\$0.00
5/17/2019	\$33.00	\$0.00	\$0.00	\$0.00	\$0.00
8/16/2019	\$5.00	\$1.99	\$0.31	\$6.95	\$5.30
8/16/2019	\$6.00	\$1.93	\$0.28	\$6.02	\$4.45
8/16/2019	\$7.00	\$1.85	\$0.26	\$5.13	\$3.70
8/16/2019	\$8.00	\$1.78	\$0.24	\$4.33	\$2.95
8/16/2019	\$9.00	\$1.66	\$0.22	\$3.58	\$2.48
8/16/2019	\$10.00	\$1.57	\$0.20	\$2.91	\$1.93
8/16/2019	\$11.00	\$1.45	\$0.18	\$2.34	\$1.53
8/16/2019	\$12.00	\$1.32	\$0.15	\$1.82	\$1.20
8/16/2019	\$13.00	\$1.19	\$0.13	\$1.40	\$0.95
8/16/2019	\$14.00	\$1.06	\$0.11	\$1.06	\$1.18
8/16/2019	\$15.00	\$0.93	\$0.09	\$0.81	\$1.03
8/16/2019	\$16.00	\$0.80	\$0.07	\$0.60	\$0.95
8/16/2019	\$17.00	\$0.69	\$0.06	\$0.44	\$0.90

Table 3					
Call Option Inflation (values are per underlying share)					
Expiration Date	Exercise Price	Inflation 8/2/2017 - 1/24/2019	Inflation 1/25/2019 - 1/31/2019	90-Day Value	Holding Value
8/16/2019	\$18.00	\$0.61	\$0.05	\$0.30	\$0.55
8/16/2019	\$19.00	\$0.52	\$0.05	\$0.17	\$0.75
8/16/2019	\$20.00	\$0.44	\$0.04	\$0.08	\$0.00
8/16/2019	\$21.00	\$0.37	\$0.03	\$0.13	\$0.00
8/16/2019	\$22.00	\$0.26	\$0.00	\$0.07	\$0.00
8/16/2019	\$23.00	\$0.22	\$0.00	\$0.00	\$0.00
8/16/2019	\$24.00	\$0.20	\$0.00	\$0.00	\$0.00
8/16/2019	\$25.00	\$0.17	\$0.00	\$0.00	\$0.00
8/16/2019	\$26.00	\$0.16	\$0.00	\$0.00	\$0.00
8/16/2019	\$27.00	\$0.15	\$0.00	\$0.00	\$0.00
8/16/2019	\$28.00	\$0.14	\$0.00	\$0.00	\$0.00
8/16/2019	\$29.00	\$0.00	\$0.00	\$0.00	\$0.00
8/16/2019	\$30.00	\$0.00	\$0.00	\$0.00	\$0.00
1/17/2020	\$3.00	\$2.04	\$0.31	\$8.93	\$7.25
1/17/2020	\$5.00	\$1.98	\$0.28	\$7.12	\$5.55
1/17/2020	\$8.00	\$1.74	\$0.24	\$4.79	\$2.58
1/17/2020	\$10.00	\$1.57	\$0.21	\$3.55	\$2.80
1/17/2020	\$12.00	\$1.37	\$0.17	\$2.57	\$0.00
1/17/2020	\$15.00	\$1.12	\$0.16	\$1.54	\$0.00
1/17/2020	\$17.00	\$1.04	\$0.14	\$1.09	\$2.10
1/17/2020	\$20.00	\$0.68	\$0.12	\$0.60	\$0.48
1/17/2020	\$22.00	\$0.52	\$0.11	\$0.36	\$0.00
1/17/2020	\$25.00	\$0.41	\$0.10	\$0.19	\$0.23
1/17/2020	\$30.00	\$0.00	\$0.00	\$0.00	\$0.00
1/17/2020	\$35.00	\$0.00	\$0.00	\$0.00	\$0.00
1/15/2021	\$3.00	\$2.00	\$0.29	\$9.17	\$7.55
1/15/2021	\$5.00	\$1.92	\$0.28	\$7.68	\$5.95
1/15/2021	\$8.00	\$1.77	\$0.25	\$5.81	\$4.35
1/15/2021	\$10.00	\$1.60	\$0.22	\$4.89	\$4.15
1/15/2021	\$12.00	\$1.46	\$0.20	\$4.05	\$3.35
1/15/2021	\$15.00	\$1.27	\$0.18	\$3.10	\$2.65
1/15/2021	\$17.00	\$1.12	\$0.14	\$2.47	\$1.73
1/15/2021	\$20.00	\$0.93	\$0.12	\$1.97	\$2.25
1/15/2021	\$22.00	\$0.84	\$0.10	\$1.52	\$0.00
1/15/2021	\$25.00	\$0.75	\$0.08	\$1.38	\$0.00
1/15/2021	\$30.00	\$0.61	\$0.06	\$0.89	\$0.00
1/15/2021	\$35.00	\$0.36	\$0.00	\$0.56	\$0.00

D. General Provisions Applicable to the Plan of Allocation

The payment you receive will reflect your proportionate share of the Net Settlement Fund. Such payment will depend on the number of eligible securities that participate in the Settlement, and when those securities were purchased and sold. The number of Claimants who send in Claims varies widely from case to case.

A purchase or sale of Corcept Securities shall be deemed to have occurred on the “contract” or “trade” date as opposed to the “settlement” or “payment” date.

Acquisition by Gift, Inheritance or Operation of Law: If a Settlement Class Member acquired Corcept Securities during the Settlement Class Period by way of gift, inheritance or operation of law, such a claim will be computed by using the date and price of the original purchase and not the date and price of transfer. To the extent that Corcept Common Stock or a Call Option was originally purchased prior to commencement of the Settlement Class Period, the Recognized Loss for that acquisition shall be deemed to be zero (\$0.00).

If a Settlement Class Member made more than one purchase/acquisition or sale of any Corcept Security during the Settlement Class Period, all purchases/acquisitions and sales shall be matched on a First In, First Out (“FIFO”) basis. With respect to Corcept Common Stock and Call Options, Settlement Class Period sales will be matched first against any holdings as of the close of trading on August 1, 2017 (the last day before the Settlement Class Period begins), and then against purchases/acquisitions in chronological order, beginning with the earliest purchase/acquisition made during the Settlement Class Period.

The date of covering a “short sale” of Corcept Common Stock is deemed to be the date of purchase of Corcept shares. The date of a “short sale” of Corcept Common Stock is deemed to be the date of sale of Corcept shares. In accordance with the Plan of Allocation, however, the Recognized Loss on “short sales” is zero. In the event that a claimant has a short position in Corcept Common Stock, the earliest subsequent Settlement Class Period purchases shall be matched against such short position and not be entitled to a recovery until that short position is fully covered.

The Claims Administrator will determine if the Claimant had a “Market Gain” or a “Market Loss” with respect to his, her, or its overall transactions in Corcept Common Stock⁶ and Call Options during the Settlement Class Period. For purposes of making this calculation, the Claims Administrator will determine the difference between: (i) the Claimant’s Total Purchase Amount⁷ and (ii) the sum of the Claimant’s Total Sales Proceeds⁸ and the Claimant’s Holding Value.⁹ If the Claimant’s Total Purchase Amount minus the sum of the Claimant’s Total Sales Proceeds and the Holding Value is a positive number, that number will be the Claimant’s Market Loss; if

⁶ Including transactions in common stock due to the assignment or exercise of options.

⁷ The “Total Purchase Amount” is the total amount the Claimant paid (excluding any fees, commissions, and taxes) for all shares or contracts of Corcept Common Stock and Call Options purchased/acquired during the Settlement Class Period. Purchases of call options or stock that match under FIFO to short or written positions held prior to the Settlement Class Period will be excluded from the calculation. The purchase amount for an assigned call option (*i.e.*, the closing of a written call option due to exercise) shall be equal to the closing stock price on the date of assignment less the exercise price.

⁸ The “Total Sales Proceeds” will be the total amount received (not deducting any fees, commissions, and taxes) for sales of Corcept Common Stock and Call Options that are made by the Claimant during the Settlement Class Period. Sales of call options or stock that match under FIFO to positions held prior to the Settlement Class Period will be excluded from the calculation. The sale amount for an exercised call option (*i.e.*, the closing of a purchased call option due to exercise) shall be equal to the closing stock price on the date of exercise less the exercise price.

⁹ The Claims Administrator will ascribe a “Holding Value” of \$10.03 to each share of Corcept Common Stock purchased/acquired during the Class Period that was still held as of the close of trading on January 31, 2019. For Call Options purchased/acquired during the Settlement Class Period that were still held as of the close of trading on January 31, 2019, the Claims Administrator will ascribe a holding value for that option as listed in Table 3. For common stock sold short or call options written during the Settlement Class Period and still held as of the close of trading on January 31, 2019, the Claims Administrator will ascribe a holding value for that common stock or call option as described above, but such holding value will be multiplied by -1 (*i.e.*, equivalent to a closing purchase of such short/written position).

the number is a negative number or zero, that number will be the Claimant's Market Gain.

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

With respect to Corcept Common Stock purchased through the exercise of a call or put option,¹⁰ the purchase date of the stock shall be the exercise date of the option and the purchase price shall be the closing price of Corcept Common Stock on the exercise date. Any Recognized Loss arising from purchases of Corcept Common Stock acquired during the Settlement Class Period through the exercise of an option on Corcept Common Stock shall be computed as provided for other purchases of Corcept Common Stock in the Plan of Allocation.

Payment according to the Plan of Allocation will be deemed conclusive against all Authorized Claimants. A Recognized Loss will be calculated as defined herein and cannot be less than zero. The Claims Administrator shall allocate to each Authorized Claimant a *pro rata* share of the Net Settlement Fund based on his, her or its total Recognized Losses as compared to the total Recognized Losses of all Authorized Claimants. No distribution will be made to Authorized Claimants who would otherwise receive a distribution of less than \$10.00.

Settlement Class Members who do not submit an acceptable Claim Form will not share in the Settlement proceeds. The Stipulation and Judgment dismissing this Action will nevertheless bind Settlement Class Members who do not submit a request for exclusion or submit an acceptable Claim Form.

Defendants, their respective counsel, and all other Defendant Releasees will have no responsibility for, interest in, or liability whatsoever for the investment of the Settlement Fund, the distribution of the Net Settlement Fund (except insofar as Defendants' insurance carrier retains the right to a potential refund of the Settlement Amount and accrued interest thereon pursuant to the terms of ¶7.3 of the Stipulation), the Plan of Allocation, the determination, administration or calculation of Claims, the payment of any Claim, the payment or withholding of Taxes or Tax Expenses, or any losses incurred in connection therewith. Lead Plaintiff, the Escrow Agent, Plaintiff's Counsel or any Claims Administrator likewise will have no liability for their reasonable efforts to execute, administer and distribute the Settlement.

No Authorized Claimant will have any claim against Lead Plaintiff, Lead Counsel or the Claims Administrator, or any other agent designated by Lead Counsel based on the distributions made substantially in accordance with the Stipulation, the Plan of Allocation or further orders of the Court. In addition, in the interest of achieving substantial justice, Lead Counsel will have the right, but not the obligation, to waive what they deem to be formal or technical defects in any Claim Forms filed.

DATED: JANUARY 26, 2024

THE HONORABLE JAMES DONATO
United States District Court Judge for
The Northern District of California

¹⁰ Including (i) purchases of Corcept Common Stock as the result of the exercise of a call option on Corcept Common Stock; and (ii) purchases of Corcept Common Stock by the seller of a put option on Corcept Common Stock as a result of the buyer of such put option exercising that put option.

EXHIBIT C

IN THE UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

SAN FRANCISCO DIVISION

FERRARO FAMILY FOUNDATION, INC. and JAMES L. FERRARO, on behalf
of themselves and all others similarly situated,

Plaintiffs,

v.

CORCEPT THERAPEUTICS INCORPORATED, JOSEPH K. BELANOFF,
CHARLES ROBB, and SEAN MADUCK,

Defendants.

Case No. 3:19-CV-01372-JD

Honorable James Donato

PROOF OF CLAIM AND RELEASE FORM

A. GENERAL INSTRUCTIONS

1. To be eligible to recover as a member of the Settlement Class based on your claims in the action entitled *Ferraro Family Foundation, Inc., et al. v. Corcept Therapeutics Incorporated, et al.*, Case No. 3:19-CV-01372-JD (the “Action”), you must complete and, on page 8 below, sign this Proof of Claim and Release Form (“Claim Form”). If you fail to submit a timely and properly addressed (as set forth in paragraph 3 below) Claim Form, your claim may be rejected and you may not be eligible to receive any money from the Net Settlement Fund created in connection with the proposed Settlement.

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

3. **THIS CLAIM FORM MUST BE SUBMITTED ONLINE AT WWW.CORCEPTSECURITIESLITIGATION.COM NO LATER THAN MAY 13, 2024, OR, IF MAILED, POSTMARKED NO LATER THAN MAY 13, 2024, ADDRESSED AS FOLLOWS:**

Corcept Therapeutics Incorporated Securities Litigation
Claims Administrator
c/o A.B. Data, Ltd.
P.O. Box 173029
Milwaukee, WI 53217
(877) 390-3297

Online Submissions: www.CorceptSecuritiesLitigation.com

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

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

5. If you are a member of the Settlement Class and you have not timely requested exclusion in response to the Summary Notice (dated February 5, 2024), Notice, or Postcard Notice, you are bound by the terms of any judgment entered in the Action, including the releases provided therein, WHETHER OR NOT YOU SUBMIT A CLAIM FORM OR RECEIVE A PAYMENT.

B. CLAIMANT IDENTIFICATION

1. If you purchased or otherwise acquired common stock or options to purchase common stock of Corcept Therapeutics Incorporated (“Corcept” or the “Company”), during the period from August 2, 2017 through January 31, 2019, inclusive, (the “Settlement Class Period”) and held the securities in your name, you are the beneficial owner as well as the record owner. If, however, you purchased or otherwise acquired the publicly traded common stock and/or options of Corcept through a third party during the Settlement Class Period, such as a brokerage firm, you are the beneficial owner, and the third party is the record owner. For the purposes of this Settlement, you are a Settlement Class Member if you purchased or otherwise acquired Corcept common stock or options between **August 2, 2017 and January 31, 2019, inclusive, and were injured thereby.**

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

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

C. IDENTIFICATION OF TRANSACTIONS

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

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

3. On the schedules, provide all of the requested information with respect to **all** of your holdings, purchases, acquisitions, and sales of Corcept common stock, call options, and put options during the period from August 2, 2017 through and including January 31, 2019, whether such transactions resulted in a profit or a loss. Failure to report all such transactions may result in the rejection of your claim.

4. The date of covering a “short sale” is deemed to be the date of purchase of Corcept common stock. The date of a “short sale” is deemed to be the date of sale of Corcept common stock.

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

6. **NOTICE REGARDING ELECTRONIC FILES:** Certain Claimants with large numbers of transactions may request, or may be requested, to submit information regarding their transactions in electronic files. All Claimants **MUST** submit a manually signed paper Claim Form whether or not they also submit electronic copies. If you wish to file your claim electronically, you must contact the Claims Administrator at (877) 390-3297 to obtain the required file layout. No electronic files will be considered to have been properly submitted unless the Claims Administrator issues to the claimant a written acknowledgment of receipt and acceptance of electronically submitted data.

For Official Use Only

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
Corcept Therapeutics Incorporated Securities Litigation
Civil Action No. 3:19-cv-01372-JD
PROOF OF CLAIM AND RELEASE
PLEASE TYPE OR PRINT

**MUST BE POSTMARKED
OR RECEIVED
NO LATER THAN
MAY 13, 2024**

PART I: CLAIMANT INFORMATION

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

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

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

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

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

Last 4 digits of Social Security Number or Taxpayer Identification Number

Street Address

City	State/Province	ZIP Code
<input type="text"/>	<input type="text"/>	<input type="text"/>

Foreign Postal Code (if applicable)	Foreign Country (if applicable)
<input type="text"/>	<input type="text"/>

Telephone Number (Day)	Telephone Number (Evening)
<input type="text"/>	<input type="text"/>

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

Type of Beneficial Owner:

Specify one of the following:

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

PART II: SCHEDULE OF TRANSACTIONS IN COMMON STOCK

1. HOLDINGS AS OF AUGUST 2, 2017. State the total number of shares of Corcept common stock held as of the opening of trading on August 2, 2017. If none, write “zero” or “0.” _____. (Must be documented.)

Confirm Proof of Position Enclosed

2. PURCHASES FROM AUGUST 2, 2017, THROUGH AND INCLUDING JANUARY 31, 2019. Separately list each and every purchase/acquisition of Corcept common stock from after the opening of trading on August 2, 2017, through the close of trading on January 31, 2019. (Must be documented.)

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

3. NUMBER OF SHARES PURCHASED FROM FEBRUARY 1, 2019 THROUGH MAY 1, 2019. State the total number of shares purchased/acquired from after the opening of trading on February 1, 2019, through the close of trading on May 1, 2019. If none, write “zero” or “0.” _____.¹ (Must be documented.)

4. SALES FROM AUGUST 2, 2017 THROUGH MAY 1, 2019. Separately list each and every sale/disposition of Corcept common stock from after the opening of trading on August 2, 2017, through the close of trading on May 1, 2019. (Must be documented.)

IF NONE, CHECK HERE

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

¹ **Please note:** Information requested with respect to your purchases/acquisitions of Corcept common stock from after the opening of trading on February 1, 2019 through and including the close of trading on May 1, 2019 is needed in order to balance your claim; purchases or acquisitions during this period, however, are not eligible under the Settlement and will not be used for purposes of calculating your Recognized Claim pursuant to the Plan of Allocation.

5. HOLDINGS AS OF MAY 1, 2019. State the total number of shares of Corcept common stock held as of the close of trading on May 1, 2019. If none, write “zero” or “0.” _____. (Must be documented.)	Confirm Proof of Position Enclosed <input type="checkbox"/>
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PART III: SCHEDULE OF TRANSACTIONS IN CALL OPTIONS

1. BEGINNING HOLDINGS – Separately list all positions in Corcept Call Option contracts in which you had an open interest as of the opening of trading on August 2, 2017. (Must be documented.)	IF NONE, CHECK HERE <input type="checkbox"/>
---	--

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

2. PURCHASES OF CORCEPT CALL OPTIONS – Separately list each purchase/acquisition (including free receipts) of Corcept Call Option contracts from after the opening of trading on August 2, 2017 through and including the close of trading on May 1, 2019. (Must be documented.)

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

3. SALES OF CORCEPT CALL OPTIONS – Separately list each sale/disposition (including free deliveries) of Corcept Call Option contracts from after the opening of trading on August 2, 2017 through and including the close of trading on May 1, 2019 (Must be documented.)					IF NONE, CHECK HERE ○		
Date of Sale (Chronologically) (Month/Day/Year)	Strike Price of Call Option Contract	Expiration Date of Call Option Contract (Month/ Day/Year)	Number of Call Option Contracts Sold	Sale Price Per Call Option Contract	Total Sale Price (excluding taxes, commission, and fees)	Insert an “A” if Assigned Insert an “X” if Expired	Assignment Date (Month/ Day/ Year)
/ /	\$	/ /			\$		
/ /	\$	/ /			\$		
/ /	\$	/ /			\$		
/ /	\$	/ /			\$		
4. ENDING HOLDINGS – Separately list all positions in Corcept Call Option contracts that you had as of the close of trading on May 1, 2019, in which you had an open interest as of the expiration date. (Must be documented.)					IF NONE, CHECK HERE ○		
Strike Price of Call Option Contract		Expiration Date of Call Option Contract (Month/Day/Year)		Number of Call Option Contracts in Which You Had an Open Interest			
\$		/ /					
\$		/ /					
\$		/ /					
\$		/ /					

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

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

PART IV – ACKNOWLEDGMENTS AND RELEASE**A. SUBMISSION TO JURISDICTION OF COURT AND ACKNOWLEDGMENTS**

I (We) submit this Proof of Claim and Release under the terms of the Stipulation and Agreement of Settlement, dated April 11, 2023 (the “Stipulation”), described in the Notice. I (We) also submit to the jurisdiction of the United States District Court for the Northern District of California with respect to my (our) claim as a Settlement Class Member, the subject matter of the Settlement, and for purposes of enforcing the release set forth herein. I (We) further acknowledge that I am (we are) bound by and subject to the terms of any judgment that may be entered in the Action. I (We) agree to furnish additional information to the Claims Administrator to support this Claim (including transactions in other Corcept securities) if requested to do so. I (We) have not submitted any other Claim in the Action covering the same purchases or acquisitions of Corcept common stock and/or options and know of no other person having done so on my (our) behalf.

B. RELEASE AND ACKNOWLEDGMENT

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

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

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

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

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

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

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

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

Signature of Claimant

Signature of Joint Claimant, if any

Print Name of Claimant

Print Name of Joint Claimant, if any

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

REMINDER CHECKLIST

- 1. Please sign the above release and acknowledgment.
- 2. If this claim is being made on behalf of Joint Claimants, then both must sign.
- 3. Remember to attach copies of supporting documentation, if available.
- 4. **Do not send** originals of certificates.
- 5. Keep a copy of your Claim Form and all supporting documentation for your records.
- 6. The Claims Administrator will acknowledge receipt of your Claim Form within 60 days. Your claim is not deemed submitted until you receive an acknowledgment email or postcard. If you do not receive an acknowledgment email or postcard within 60 days, please call the Claims Administrator toll-free at (877) 390-3297.
- 7. If you move, please send your new address to:
Corcept Therapeutics Incorporated Securities Litigation
c/o A.B. Data, Ltd.
P.O. Box 173029
Milwaukee, WI 53217
Online Submissions:
www.CorceptSecuritiesLitigation.com
Email: info@CorceptSecuritiesLitigation.com
- 8. **Do not use red pen or highlighter** on the Claim Form or supporting documentation.

EXHIBIT D

Levi & Korsinsky, LLP Announces a Proposed Settlement in the Corcept Therapeutics Incorporated Securities Litigation

NEWS PROVIDED BY
Levi & Korsinsky, LLP →
05 Feb, 2024, 10:00 ET

STAMFORD, Conn., Feb. 5, 2024 /PRNewswire/ --

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

FERRARO FAMILY FOUNDATION, INC. and
JAMES L. FERRARO, on behalf of themselves and
all others similarly situated,

Plaintiffs,

v.

CORCEPT THERAPEUTICS INCORPORATED,
JOSEPH K. BELANOFF, CHARLES ROBB, and
SEAN MADUCK,

Defendants.

Case No. 3:19-CV-01372-JD

**SUMMARY NOTICE OF PENDENCY OF CLASS ACTION AND PROPOSED SETTLEMENT,
FINAL APPROVAL HEARING AND MOTION FOR ATTORNEYS' FEES AND REIMBURSEMENT
OF LITIGATION EXPENSES**

TO: All Persons that during the period from August 2, 2017 through January 31, 2019, inclusive (the "Settlement Class Period"), purchased or otherwise acquired the common stock or options to purchase common stock of Corcept Therapeutics Incorporated (the "Settlement Class").


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

PLEASE DO NOT CONTACT THE COURT, CORCEPT THERAPEUTICS INCORPORATED, OR ANY OTHER DEFENDANT, OR THEIR COUNSEL, REGARDING THIS NOTICE.

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

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

YOU ARE ALSO NOTIFIED that the Ferraro Group (consisting of the Ferraro Family Foundation, Inc. and James L. Ferraro) ("Lead Plaintiff"), on behalf of itself and the proposed Settlement Class, and the Defendants have reached a proposed settlement of the Action for \$14 million in cash (the "Settlement Amount"), that, if approved, will resolve all claims in the Action (the "Settlement").

A hearing (the "Final Approval Hearing") will be held before the Honorable James Donato, United States District Court Judge for the Northern District of California, either via telephonic or video conference, or in Courtroom 11, 19th Floor, San Francisco Courthouse, 450 Golden Gate Avenue, San Francisco, California 94102 at 10:00 a.m. on June 6, 2024, to, among other things, determine whether: (i) the proposed Settlement should be approved by the Court as fair, reasonable and adequate; (ii) the Action against the Defendants should be dismissed with 

prejudice, as set forth in the Stipulation of Settlement ("Stipulation"), dated April 11, 2023; (iii) the proposed Plan of Allocation for distribution of the Settlement Fund, and any interest earned thereon, less Taxes, Notice and Administration Costs, Litigation Expenses awarded by the Court, attorneys' fees awarded by the Court and any other costs, expenses or amounts as may be approved by the Court (the "Net Settlement Fund"), should be approved as fair and reasonable; (iv) the application of Lead Counsel for an award of attorneys' fees and reimbursement of Litigation Expenses should be approved; and (v) the application for an award to pay the time and expenses of Lead Plaintiff should be approved.¹ The Court may change the date of the Final Approval Hearing without providing another notice. You do NOT need to attend the Final Approval Hearing in order to receive a distribution from the Net Settlement Fund.

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

Corcept Therapeutics Incorporated Securities Litigation
Claims Administrator
c/o A.B. Data, Ltd.
P.O. Box 173029
Milwaukee, WI 53217

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

Shannon L. Hopkins
Gregory M. Potrepka
Levi & Korsinsky, LLP

111 Summer Street, Suite 403

Stamford, CT 06905

Telephone: (203) 992-4523

If you are a potential Settlement Class Member, to be eligible to share in the distribution of the Net Settlement Fund, you must timely submit a valid Claim Form, which can be found on the website listed above, **postmarked no later than May 13, 2024**. If you are a potential Settlement Class Member and do not submit a valid Claim Form, you will not be eligible to share in the distribution of the Net Settlement Fund, but you will nevertheless be bound by any judgments or orders entered by the Court in the Action.

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

If you are a potential Settlement Class Member, but wish to exclude yourself from the Settlement Class, you must submit a written request for exclusion in accordance with the instructions set forth in the Notice, which can also be found on the website, **postmarked no later than May 13, 2024**. If you properly exclude yourself from the Settlement Class, you will not be eligible to share in the Net Settlement Fund. If you are a potential Settlement Class Member and do not timely exclude yourself from the Settlement Class, you will be bound by any judgments or orders entered by the Court in the Action.

Any objections to the proposed Settlement, Plan of Allocation, Lead Counsel's application for attorneys' fees and reimbursement of Litigation Expenses, or the application for an award to pay the time and expenses of Lead Plaintiff must be submitted to the Court in accordance with the instructions set forth in the Notice, including by filing with the Court **no later than May 13, 2024**, and **postmarked or emailed to the Settling Parties' counsel no later than May 13, 2024**.

DATED: FEBRUARY 5, 2024 THE HONORABLE JAMES DONATO
United States District Court Judge, United States District Court for
The Northern District of California

EXHIBIT E

FERRARO FAMILY FOUNDATION, INC. and
JAMES L. FERRARO, on behalf of themselves and
all others similarly situated,

Plaintiffs,

v.

CORCEPT THERAPEUTICS INCORPORATED,
JOSEPH K. BELANOFF, CHARLES ROBB, and
SEAN MADUCK,

Defendants.

Case No. 3:19-CV-01372-JD

**SUMMARY NOTICE OF PENDENCY OF CLASS ACTION AND PROPOSED SETTLEMENT,
FINAL APPROVAL HEARING AND MOTION FOR ATTORNEYS' FEES
AND REIMBURSEMENT OF LITIGATION EXPENSES**

TO: All Persons that during the period from August 2, 2017 through January 31, 2019, inclusive (the "Settlement Class Period"), purchased or otherwise acquired the common stock or options to purchase common stock of Corcept Therapeutics Incorporated (the "Settlement Class").

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

PLEASE DO NOT CONTACT THE COURT, CORCEPT THERAPEUTICS INCORPORATED, OR ANY OTHER DEFENDANT, OR THEIR COUNSEL, REGARDING THIS NOTICE.

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

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

YOU ARE ALSO NOTIFIED that the Ferraro Group (consisting of the Ferraro Family Foundation, Inc. and James L. Ferraro) ("Lead Plaintiff"), on behalf of itself and the proposed Settlement Class, and the Defendants have reached a proposed settlement of the Action for \$14 million in cash (the "Settlement Amount"), that, if approved, will resolve all claims in the Action (the "Settlement").

A hearing (the "Final Approval Hearing") will be held before the Honorable James Donato, United States District Court Judge for the Northern District of California, either via telephonic or video conference, or in Courtroom 11, 19th Floor, San Francisco Courthouse, 450 Golden Gate Avenue, San Francisco, California 94102 at 10:00 a.m. on June 6, 2024, to, among other things, determine whether: (i) the proposed Settlement should be approved by the Court as fair, reasonable and adequate; (ii) the Action against the Defendants should be dismissed with prejudice, as set forth in the Stipulation of Settlement ("Stipulation"), dated April 11, 2023; (iii) the proposed Plan of Allocation for distribution of the Settlement Fund, and any interest earned thereon, less Taxes, Notice and Administration Costs, Litigation Expenses awarded by the Court, attorneys' fees awarded by the Court and any other costs, expenses or amounts as may be approved by the Court (the "Net Settlement Fund"), should be approved as fair and reasonable; (iv) the application of Lead Counsel for an award of attorneys' fees and reimbursement of Litigation Expenses should be approved; and (v) the application for an award to pay the time and expenses of Lead Plaintiff should be approved.¹ The Court may change the date of the Final Approval Hearing without providing another notice. You do NOT need to attend the Final Approval Hearing in order to receive a distribution from the Net Settlement Fund.

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

Corcept Therapeutics Incorporated Securities Litigation
Claims Administrator
c/o A.B. Data, Ltd.
P.O. Box 173029
Milwaukee, WI 53217

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

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

If you are a potential Settlement Class Member, to be eligible to share in the distribution of the Net Settlement Fund, you must timely submit a valid Claim Form, which can be found on the website listed above, **postmarked no later than May 13, 2024**. If you are a potential Settlement Class Member and do not submit a valid Claim Form, you will not be eligible to share in the distribution of the Net Settlement Fund, but you will nevertheless be bound by any judgments or orders entered by the Court in the Action.

If you are a potential Settlement Class Member, but wish to exclude yourself from the Settlement Class, you must submit a written request for exclusion in accordance with the instructions set forth in the Notice, which can also be found on the website, **postmarked no later than May 13, 2024**. If you properly exclude yourself from the Settlement Class, you will not be eligible to share in the Net Settlement Fund. If you are a potential Settlement Class Member and do not timely exclude yourself from the Settlement Class, you will be bound by any judgments or orders entered by the Court in the Action.

Any objections to the proposed Settlement, Plan of Allocation, Lead Counsel's application for attorneys' fees and reimbursement of Litigation Expenses, or the application for an award to pay the time and expenses of Lead Plaintiff must be submitted to the Court in accordance with the instructions set forth in the Notice, including by filing with the Court **no later than May 13, 2024**, and **postmarked or emailed to the Settling Parties' counsel no later than May 13, 2024**.

DATED: FEBRUARY 5, 2024

THE HONORABLE JAMES DONATO
United States District Court Judge,
United States District Court for
The Northern District of California

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

Exhibit 2

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LEVI & KORSINSKY, LLP
Shannon L. Hopkins (admitted *pro hac vice*)
Gregory M. Potrepka (admitted *pro hac vice*)
1111 Summer Street, Suite 403
Stamford, CT 06905
Tel: (203) 992-4523
Email: shopkins@zlk.com
Email: gpotrepka@zlk.com

*Counsel for Lead Plaintiff the
Ferraro Family Foundation, Inc.,
and James L. Ferraro*

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

FERRARO FAMILY FOUNDATION, INC. and
JAMES L. FERRARO, on behalf of themselves and
all others similarly situated,

Plaintiff,

v.

CORCEPT THERAPEUTICS INCORPORATED,
JOSEPH K. BELANOFF, CHARLES ROBB, and
SEAN MADUCK,

Defendants.

Case No. 3:19-CV-01372-JD

CLASS ACTION

**DECLARATION OF JAMES L.
FERRARO IN SUPPORT OF LEAD
PLAINTIFF'S UNOPPOSED MOTION
FOR FINAL APPROVAL OF
PROPOSED CLASS ACTION
SETTLEMENT AND LEAD
PLAINTIFF'S MOTION FOR
ATTORNEYS' FEES,
REIMBURSEMENT OF EXPENSES,
AND AWARD OF COSTS AND
EXPENSES TO LEAD PLAINTIFF**

Date: June 6, 2024
Time: 10:00 a.m.
Room: Courtroom 11, 19th Floor
Judge: Honorable James Donato

1 I, JAMES L. FERRARO, pursuant to 28 U.S.C. § 1746, declare and state as follows in support
2 of Lead Plaintiff's Unopposed Motion for Final Approval of Proposed Class Action Settlement and Lead
3 Plaintiff's Motion for Attorneys' Fees, Reimbursement of Expenses, and Award of Costs and Expenses
4 to Lead Plaintiff ("Fee and Expense Application") filed herewith:

5 1. I am over the age of 18, and the statements in this Declaration are true and correct based
6 on my personal knowledge. If called as a witness, I could and would testify to the facts contained herein.

7 **I. LEAD PLAINTIFF'S EXPERIENCE**

8 2. I am the founding partner of the Ferraro Law Firm in Miami, Florida. I am also a co-
9 founder of the law firm of Kelley & Ferraro LLP in Cleveland, Ohio. Collectively, my Miami and
10 Cleveland law firms have represented nearly 50,000 asbestos claimants.

11 3. The Ferraro Law Firm also specializes in corporate tax fraud and tax whistleblower cases.

12 4. I am an equity partner in The Ferraro Law Firm and Kelley & Ferraro LLP.

13 5. In addition, as founder and President of the Ferraro Family Foundation (the "Foundation"
14 and, with Mr. Ferraro, the "Lead Plaintiff"), I am authorized to make this Declaration on its behalf.

15 6. The Foundation is a nonprofit grant-making organization that I oversee and manage. In
16 my capacity as founder and President of the Foundation, I am the only one authorized to, and did, make
17 all investment decisions on behalf of the Foundation. In that capacity, I am also the only person
18 responsible for monitoring and directing this litigation on behalf of the Foundation.

19 7. I obtained my bachelor's degree in business administration and master's degree of
20 Science in Accounting from the University of Miami in 1978 and 1979, respectively. I obtained my J.D.
21 from the University of Miami School of Law in 1983.

22 8. I became a certified public accountant in 1980. I am now inactive.

23 9. In my capacity as a lawyer at the Ferraro Law Firm and Kelley & Ferraro, I have more
24 than 40 years of litigation experience, including representing individuals in mass tort and class action
25 litigation. I also have extensive trial experience and have achieved significant jury awards on behalf of
26 aggrieved clients.

1 10. I have over 20 years of investing experience making investments on my and the
2 Foundation's behalf.

3 **II. LEAD PLAINTIFF'S WORK ON BEHALF OF THE CLASS**

4 11. I retained Levi & Korsinsky, LLP to represent myself in my personal capacity and in my
5 capacity as founder and President of the Foundation.

6 12. On October 7, 2019, pursuant to the lead plaintiff provisions of the Private Securities
7 Litigation Reform Act of 1995 (the "PSLRA"), this Court appointed me in my personal capacity and in
8 my capacity as founder and President of the Foundation as Lead Plaintiff for the Class and approved my
9 choice of the law firm Levi & Korsinsky, LLP as Lead Counsel in the class action.

10 13. Since appointment as Lead Plaintiff and in fulfillment of my responsibilities as the Court-
11 appointed Lead Plaintiff, and on behalf of all members of the Settlement Class, I diligently undertook
12 to perform my role as Lead Plaintiff in pursuit of a favorable resolution of this litigation. In this capacity,
13 I incurred approximately 75 hours carrying out my duties as a lead plaintiff by, *inter alia*: (a) reviewing
14 three amended complaints, three motions to dismiss, two of which were fully briefed, and material
15 prepared in connection with Lead Plaintiff's opening class certification motion; (b) reviewing news and
16 information about Corcept; (c) conferring with Lead Counsel on legal strategy, case status, discovery,
17 and settlement negotiations, among other things; (d) providing written responses to Defendants'
18 discovery requests and producing documents; and (e) participating in three mediations and evaluating
19 the offers and counteroffers.

20 14. With respect to the filing of each of the amended complaints, my attorneys provided me
21 with a draft of the complaints for my review and approval. I closely reviewed the complaints and exhibits
22 thereto. Following the filing of the operative Third Amended Complaint, which totaled 116 pages plus
23 a 98-page false statement chart, I continued to work closely with my attorneys on the litigation.

24 **III. LEAD PLAINTIFF'S ENDORSEMENT OF THE SETTLEMENT AND**
25 **SUPPORT FOR FEE AND EXPENSE APPLICATION**

26 15. I participated with my attorneys in each of the three settlement negotiations and I have
27 actively reviewed the terms of the proposed Settlement. My attorneys explained the specifics of how the

1 settlement would work and I accepted the settlement offer only after I had spent enough time evaluating
2 the proposed outcome to be assured that it was fair. Based on my attorneys' evaluation and
3 recommendation, and my own review, I believe the settlement is fair and reasonable and adequately
4 compensates the Settlement Class. I also believe that the proposed Settlement represents a favorable
5 recovery for the Settlement Class, particularly in light of the risks of continued litigation in this case.
6 Therefore, I endorse the approval of the Settlement.

7 16. I understand that Lead Counsel is asking for a negative multiplier of their time incurred.
8 I believe Lead Counsel's request for an award of attorneys' fees in the amount of 25% of the Settlement
9 Fund, which I understand is the benchmark awarded by courts in this jurisdiction, is fair and reasonable.
10 I have evaluated Lead Counsel's fee request by considering the amount of work they have performed
11 on behalf of the Settlement Class over the past four and a half years, the complexity of the litigation,
12 and the recovery obtained relative to the overall recoverable damages.

13 17. I further believe that the litigation expenses for which reimbursement is requested are
14 reasonable and represent costs and expenses necessary for the prosecution and resolution of this complex
15 securities class action.

16 18. I also understand that reimbursement of a lead plaintiff's reasonable costs and expenses,
17 including lost wages, is authorized under Section 21D(a)(4) of the Private Securities Litigation Reform
18 Act of 1995, 15 U.S.C. § 78u(a)(4). For this reason, I seek a partial reimbursement for the lost income I
19 incurred in connection with my representation of the Settlement Class.

20 19. Since the filing of this Action through the execution of the Stipulation of Settlement on
21 April 11, 2023, as set forth *supra*, I have spent approximately 75 hours of my time in furtherance of the
22 prosecution of this litigation. But for my role in this case, I would have spent all of this time litigating
23 lawsuits that my law firms The Ferraro Law Firm and Kelley & Ferraro LLP were prosecuting.

24 20. My hourly rate while performing all work for this action was \$1,200.00 per hour. This
25 hourly rate is in line with prevailing rates in Miami, Florida and Cleveland, Ohio for lawyers of
26 comparable skill, experience, and reputation. I am a highly regarded member of the bars of Florida and
27 Ohio, among other jurisdictions, with extensive expertise in complex mass torts, class actions, and cases

Case No. 3:19-CV-01372-JD

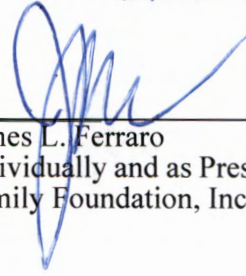
28 DECLARATION OF JAMES L. FERRARO IN SUPPORT OF LEAD PLAINTIFF'S UNOPPOSED MOTION
FOR FINAL APPROVAL OF PROPOSED CLASS ACTION SETTLEMENT AND LEAD COUNSEL'S
MOTION FOR ATTORNEYS' FEES, REIMBURSEMENT OF EXPENSES, AND AWARD OF COSTS AND
EXPENSES TO LEAD PLAINTIFF

1 involving catastrophic personal injury, corporate tax fraud, and whistleblower protections. Further, my
2 hourly rate of \$1,200.00 per hour has been paid by clients on an hourly basis and, as set forth in the Fee
3 and Expense Application, similar or higher billing rates have been approved by other courts in this
4 Circuit.

5 21. Though my lost income is valuable, I understand that not all my efforts can be
6 compensated. Nevertheless, I lost income of approximately \$90,000 due to my efforts on behalf of the
7 class based upon my 75 hours of time spent and hourly rate of \$1,200. Pursuant to the notices distributed
8 to class members, however, I seek only partial reimbursement of my lost income totaling \$15,000. My
9 request for reimbursement of \$15,000 for my 75 hours of lost income represents an hourly rate of only
10 \$200, a fraction of my hourly rate and lost income.

11 22. Based on the foregoing, and most consistent with my obligation to the Settlement Class
12 to obtain the best result at the most efficient cost, I support final approval of the proposed settlement
13 and Lead Counsel’s request for attorneys’ fees, reimbursement of litigation expenses, and
14 reimbursement of my lost income.

15 I declare under the penalty of perjury under the laws of the United States of America that the
16 foregoing is true and correct. Executed this 11th day of March, 2024 in Miami Florida.

17
18 
19 /s/ _____
20 James L. Ferraro
21 Individually and as President of the Ferraro
22 Family Foundation, Inc.
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1 **LEVI & KORSINSKY, LLP**

Shannon L. Hopkins (admitted *pro hac vice*)

2 Gregory M. Potrepka (admitted *pro hac vice*)

1111 Summer Street, Suite 403

3 Stamford, CT 06905

Tel: (203) 992-4523

4 Email: shopkins@zlk.com

Email: gpotrepka@zlk.com

5 *Counsel for Lead Plaintiff the*
6 *Ferraro Family Foundation, Inc.,*
7 *and James L. Ferraro*

8 **UNITED STATES DISTRICT COURT**
9 **NORTHERN DISTRICT OF CALIFORNIA**
10 **SAN FRANCISCO DIVISION**

11 FERRARO FAMILY FOUNDATION, INC. and
12 JAMES L. FERRARO, on behalf of themselves and
13 all others similarly situated,

14 Plaintiff,

15 v.

16 CORCEPT THERAPEUTICS INCORPORATED,
17 JOSEPH K. BELANOFF, CHARLES ROBB, and
18 SEAN MADUCK,

Defendants.

Case No. 3:19-CV-01372-JD

CLASS ACTION

**DECLARATION OF SHANNON L.
HOPKINS IN SUPPORT OF THE FEE
AND EXPENSE APPLICATION**

Date: June 6, 2024

Time: 10:00 a.m.

Room: Courtroom 11, 19th Floor

Judge: Honorable James Donato

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1 I, Shannon L. Hopkins, declare:

2 1. I am a partner at Levi & Korsinsky, LLP (“Levi & Korsinsky”), Court-appointed Lead
3 Counsel for Lead Plaintiff, the Ferraro Group (consisting of Ferraro Family Foundation, Inc. and James
4 L. Ferraro) (“Lead Plaintiff”) and the proposed class in the above-captioned matter. I submit this
5 declaration in support of Lead Plaintiff’s Motion for Attorneys’ Fees, Reimbursement of Expenses, and
6 Award of Costs and Expenses to Lead Plaintiff (“Fee and Expense Application”). I have personal
7 knowledge of the facts set forth herein and, if called upon, could and would testify thereto.

8 2. My firm, Levi and Korsinsky, served as Lead Counsel in the above-captioned action
9 (“Action”). Specifically, over the course of the last four and a half years, Lead Plaintiff, through the
10 efforts of Lead Counsel, *inter alia*: (i) conducted a detailed investigation into the claims asserted in the
11 Action and drafted three amended complaints; (ii) opposed two motions to dismiss; (iii) drafted Lead
12 Plaintiff’s motion for class certification accompanied by a supporting expert report on market efficiency
13 and Lead Plaintiff’s proposed damages methodology; (iv) extensively consulted with experts on
14 Cushing’s Syndrome, the marketing of pharmaceutical drugs and related FDA regulations, market
15 efficiency, loss causation, and damages; (v) conducted a detailed review of Corcept’s public filings,
16 annual reports, press releases, and other publicly available information; (vi) reviewed analyst reports
17 and articles relating to Corcept; (vii) researched applicable law with respect to the claims and defenses
18 asserted in the Action; (viii) drafted and responded to written discovery requests; (ix) reviewed and
19 analyzed over 750,000 pages of documents produced by Defendants, 146,000 pages of documents
20 produced by third-parties, and over 2,100 pages of documents produced by Lead Plaintiff; (x)
21 participated in the depositions of one of Lead Plaintiff’s experts and a former Corcept employee; (xi)
22 drafted and exchanged three detailed mediation statements with Defendants; and (xii) attended three
23 mediation sessions. But for the Settlement, Lead Counsel was prepared to continue fully litigating the
24 Action to trial and beyond, if necessary. This is further detailed in the Declaration of Shannon L.
25 Hopkins in Support of Lead Plaintiff’s Unopposed Motion for Final Approval of Proposed Class Action
26 Settlement and Lead Counsel’s Motion for Attorneys’ Fees, Reimbursement of Expenses, and Award of
27 Costs and Expenses to Lead Plaintiff (“Hopkins Declaration”), submitted herewith.

1 3. The information in this declaration regarding my firm’s time and expenses is taken from
2 time and expense reports and supporting documentation prepared and/or maintained by Levi &
3 Korsinsky in the ordinary course of business. These reports were reviewed by me, in connection with
4 the preparation of this declaration. As a result of this review, reductions were made to time in the exercise
5 of billing judgment. As a result of this review and the adjustments made, I believe that the time reflected
6 in the firm’s lodestar calculation and the expenses for which payment is sought as set forth in this
7 declaration are reasonable in amount and were necessary for the effective and efficient prosecution and
8 resolution of the litigation. In addition, I believe that the expenses are all of a type that would normally
9 be charged to a fee-paying client in the private legal marketplace.

10 4. After the reductions referred to above, the schedule attached hereto as Exhibit A is a
11 summary indicating the amount of time spent by the attorneys and professional support staff members
12 of my firm who were involved in the prosecution of the Action and the lodestar calculation based on my
13 firm’s current rates. For personnel who are no longer employed by my firm, the lodestar calculation is
14 based upon the rates for such personnel in his or her final year of employment by my firm. The schedule
15 was prepared from daily time records regularly prepared and maintained by my firm, which are available
16 at the request of the Court. Time expended in preparing this application for fees and payment of expenses
17 has not been included in this request. These hours do not include time spent on the final approval or fee
18 motions and do not include additional time that will be spent administering the Settlement through
19 distribution.

20 5. The hourly rates for the attorneys and professional support staff of my firm included in
21 Exhibit A are their usual and customary rates. Levi & Korsinsky’s hourly rates for attorneys and
22 professional support staff have been accepted by courts in other complex class actions based on their
23 usual and customary rates as of the time the fee applications. *See, e.g., In re Nutanix, Inc. Sec. Litig.*,
24 No. 3:19-cv-01651, ECF 318-2, 138 (N.D. Cal. Oct. 6, 2023) (approving fee based on lodestar
25 crosscheck consisting of Levi & Korsinsky’s hourly rates of \$900 to \$1,050 for partners and \$500 to
26 \$675 for associates); *In re Aqua Metals, Inc. Sec. Litig.*, 2022 WL 612804, at *8 (N.D. Cal. Mar. 2,
27 2022) (approving hourly rates of \$765-\$1,050 for partners and \$425-\$650 for associates as “in line with
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1 prevailing rates in this district for personnel of comparable experience, skill, and reputation.”); *Purple*
2 *Mountain Trust v. Wells Fargo & Co.*, No. 3:18-cv-03948-JD, ECF 232-1 at 10, 243 (N.D. Cal. Sep. 26,
3 2023) (Donato, J.) (approving fee based on lodestar crosscheck consisting of hourly rates of \$735 to
4 \$1,375 for partners and \$250 to \$550 for associates); *In re Amgen Sec. Litig.*, 2016 WL 10571773, at *9
5 (C.D. Cal. Oct. 25, 2016) (approving rates of \$750-\$985 for partners and \$300-\$725 for associates); *In*
6 *re Volkswagen “Clean Diesel” Mktg., Sales Practices, & Prods. Liab. Litig.*, 2017 WL 1047834, at *5
7 (N.D. Cal. Mar. 17, 2017) (approving fee award following lodestar crosscheck and finding reasonable
8 “billing rates ranging from \$275 to \$1600 for partners, \$150 to \$790 for associates”); *Fleming v. Impax*
9 *Laby’s Inc.*, 2022 WL 278946, at *9 (N.D. Cal. July 15, 2022) (approving hourly rates of \$760 to \$1,325
10 for partners, \$895 to \$1,150 for counsel, and \$175 to \$520 for associates and noting that such “billing
11 rates [are] in line with prevailing rates in this district for personnel of comparable experience, skill, and
12 reputation”); *Hefler v. Wells Fargo & Co.*, 2018 WL 6619983, at *14 (N.D. Cal. Dec. 18, 2018) (finding
13 rates ranging from \$650 to \$1,250 for partners or senior counsel and from \$400 to \$650 for associates
14 as reasonable).

15 6. The total number of hours expended on this Action by Levi & Korsinsky incurred up to
16 and including the Court’s preliminary approval of the Settlement on January 4, 2024 is 16,295 hours.
17 The total lodestar for this time period is \$8,538,061.75.

18 7. Attached as Exhibit B is a task-based summary of the work performed by the attorneys
19 and professional staff members who performed services in this Action.

20 8. Levi & Korsinsky’s lodestar figures are based upon the firm’s hourly rates, which rates
21 do not include charges for expense items. Expense items are recorded separately and are not duplicated
22 in my firm’s hourly rates.

23 9. As detailed in Exhibit C, my firm has incurred a total of \$576,161.71 in expenses and
24 charges in connection with the prosecution of the litigation. The expenses and charges are summarized
25 by category in Exhibit C.

26 10. The following is additional information regarding certain of my firm’s expenses:
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1 a) Filing, Witness, and Other Fees: \$8,285.94. These expenses have been paid to the
2 Court for filing fees and to attorney service firms or individuals who either served process of the
3 complaint or subpoenas on third parties.

4 b) Transportation, Hotels, and Meals: \$16,658.16. In connection with the
5 prosecution of this Action, Levi & Korsinsky has paid for travel expenses to, among other things,
6 attend court hearings, mediations, and depositions. This also includes estimated costs for air fare,
7 hotels, and meals for attending the final approval hearing.

8 c) Court Hearing Transcripts and Deposition Reporting, Transcripts, and
9 Videography: \$5,972.85.

10 d) Experts/Consultants/Investigators: \$267,781.68.

11 i. Lead Plaintiff retained the services of economic consulting firms to analyze
12 data, provide a draft report concerning market efficiency and a common
13 damages methodology in connection with Lead Plaintiff's opening motion for
14 class certification, and provide a report concerning total damage models with
15 respect to the alleged corrective disclosures. These consultants also advised
16 about, *inter alia*, market efficiency, loss causation, aggregate damage
17 calculations based on per share damages scenarios, an appropriate plan of
18 allocation, and a disaggregation analysis with respect to the January 25, 2019
19 corrective disclosure. Lead Counsel incurred costs of \$157,333 for these
20 consulting services.

21 ii. Lead Plaintiff retained the services of experts in two other areas:
22 endocrinology and FDA marketing regulations to, *inter alia*, offer opinions
23 concerning Cushing's Syndrome, endocrinology, the marketing of
24 pharmaceutical drugs, and related FDA regulations. These opinions were
25 critical to Lead Counsel's case development and factual investigation,
26 formulation of discovery requests, review of technical documents, and
27 formulation of arguments in connection with mediation sessions and motion
28

1 practice. Lead Counsel incurred costs of \$31,171.42 for the endocrinologist
2 consulting services and costs of \$5,000 for the FDA marketing and
3 regulations consulting services.

4 iii. Lead Plaintiff also incurred investigative costs of \$74,277.25 associated with
5 its outreach to former Corcept employees and physicians knowledgeable
6 about Corcept's off-label marketing. Lead Counsel retained two investigators
7 for these efforts—one a private investigative firm to contact former Corcept
8 employees and one, a physician himself, to contact other physicians who Lead
9 Counsel believed would be more likely to speak to another physician about
10 the allegations in this Action. Lead Counsel incurred costs of \$21,517.00 and
11 \$52,760.25 with respect to the investigative services of the private firm and
12 physician, respectively.

13 e) Online Legal and Financial Research: \$8,259.22. This category includes vendors
14 such as, *inter alia*, LexisNexis, Westlaw, PACER, and Standard & Poor's Capital IQ
15 platform. Databases maintained by these vendors were used to obtain access to
16 factual databases, legal research, and court filings. It is now standard practice for
17 attorneys to use LexisNexis and Westlaw to assist them in researching legal and
18 factual issues, and, indeed, courts recognize that these tools create efficiencies in
19 litigation and ultimately save money for clients and the class. These expenses
20 represent the expenses incurred by Levi & Korsinsky for use of these services in
21 connection with this Action. The charges for these vendors vary depending upon the
22 type of services requested.

23 f) eDiscovery Database Hosting: \$87,269.24. Levi & Korsinsky incurred these costs to
24 host eDiscovery related to this Action through its vendor providing access to the
25 eDiscovery platform Relativity, which is offered by over 100 vendors and is used by
26 a majority of the AmLaw200 firms. These eDiscovery hosting charges were
27
28

1 necessary, in part, for the hosting of nearly a million pages of documents produced
2 by parties and non-parties in this action.

3 g) Legal Fees for Representation of Confidential Former Corcept Employees and
4 Physicians: \$154,547.49. Lead Counsel incurred these costs on behalf of Lead
5 Plaintiff to secure the independent legal representation of eleven confidential
6 witnesses (“Confidential Witnesses”) cited in the Third Amended Complaint that
7 were either former Corcept employees or physicians with knowledge of Corcept’s
8 alleged off-label marketing scheme. Each of these witnesses were subpoenaed by
9 Defendants to produce documents and appear for depositions. In connection with
10 their subpoena obligations, these Confidential Witnesses chose to retain Frank R.
11 Schirripa of Hach Rose Schirripa & Cheverie LLP (“Independent Counsel”), another
12 nationally recognized firm with experience in complex class actions, including
13 securities fraud class actions such as this Action. Services rendered to Confidential
14 Witnesses by Independent Counsel included, *inter alia*: (i) reviewing, responding to,
15 and negotiating document subpoenas and deposition subpoenas served on
16 Confidential Witnesses; (ii) working with Confidential Witnesses to collect, review,
17 and produce responsive documents; (iii) conferring with and exchanging
18 correspondence with Lead Counsel, counsel for Defendants’, and third-parties, as
19 necessary; and (iv) preparing for and defending the deposition of a Confidential
20 Witness. Courts commonly reimburse such costs incurred for confidential witnesses’
21 representation in similar actions. *See, e.g., In re U. S. Steel Consolidated Cases*, No.
22 2:17-cv-00579, ECF 346-8, 358 (W.D. Pa. Mar. 21, 2023) (approving reimbursement
23 of \$2,711,338.12 in expenses, including \$109,569.43 for legal representation
24 provided to confidential witnesses); *In re Mindbody, Inc. Sec. Litig.*, No. 1:19-cv-
25 08331, ECF 137-4, 144 (S.D.N.Y. Oct. 27, 2022) (approving reimbursement of
26 \$560,715.36 in expenses, including \$33,265.48 for legal fees of counsel for five
27 potential witnesses who were former employees of Defendant Mindbody or sub-
28

1 advisors for the co-lead plaintiffs, which witnesses were subpoenaed by defendants
2 and asked to produce documents and appear for depositions).

3 h) Mediation Fees: \$27,360.00. These expenses are for Lead Plaintiff's share of fees
4 incurred in connection with three separate mediation sessions before Ms. Yoshida,
5 Esq. of ADR Enterprises LLC occurring on November 29, 2021, May 12, 2022, and
6 January 24, 2023. This includes the three mediation sessions themselves, as well as
7 the preparation of extensive mediation statements and multiple pre and post
8 mediation session calls and negotiations for each of the three mediation sessions. This
9 amount is typical of the fees associated with mediators of Ms. Yoshida's caliber and
10 are regularly approved by courts. As noted herein, Ms. Yoshida played a critical role
11 in getting the parties to agree on the essential terms of the Settlement. Accordingly,
12 this cost is reasonable and justified in this case.

13 11. The expenses pertaining to the Action are reflected on the books and records of my firm.
14 These books and records are prepared from expense vouchers, check records, and other source materials
15 and are an accurate record of the expenses.

16 12. With respect to the standing of my firm, attached hereto as Exhibit D is a biography of
17 my firm, Levi & Korsinsky, as well as biographies of the firm's attorneys who worked on this Action
18 and who are currently employed by the firm.

19 I declare under penalty of perjury pursuant to the laws of the United States of America that the
20 foregoing is true and correct.

21 Executed at Stamford, Connecticut, on March 14, 2024.

22
23 /s/ Shannon L. Hopkins
24 Shannon L. Hopkins

EXHIBIT A

Melucci v. Corcept Therapeutics Incorporated, et al.,

Case No. 3:19-cv-1372-JD

Levi & Korsinsky, LLP Lodestar

Inception through January 4, 2024

Name	Position	Hours	Rate	Lodestar
Hopkins, Shannon	(P)	825.70	\$1,000	\$825,700.00
Levi, Joseph	(P)	44.25	\$1,050	\$46,462.50
Nespole, Gregory	(P)	26.70	\$925	\$24,697.50
Potrepka, Gregory	(P)	182.25	\$900	\$164,025.00
Tepper, Daniel	(P)	9.20	\$975	\$8,970.00
Bartone, Stephanie	(A)	22.10	\$525	\$11,602.50
Berger, Rachel	(A)	0.75	\$500	\$375.00
Cargill, Cecille	(A)	7.70	\$495	\$3,811.50
Embleton, Morgan	(A)	190.20	\$600	\$114,120.00
Foley, Amanda	(A)	22.50	\$550	\$12,375.00
Jaynes, David	(A)	219.50	\$600	\$131,700.00
Keating, Michael	(A)	1331.00	\$500	\$665,500.00
Lange, Nicholas	(A)	435.80	\$600	\$261,480.00
Mah, Rosanne	(A)	1.50	\$650	\$975.00
McCall, Adam	(A)	20.50	\$600	\$12,300.00
Meyer, Melissa	(A)	63.70	\$500	\$31,850.00
Rocco, Andrew	(A)	622.60	\$575	\$357,995.00
von Richthofen, P. Cole	(A)	531.70	\$500	\$265,850.00
Weiss, Daniel	(A)	140.50	\$675	\$94,837.50
Lencyk, Andrew	(OC)	0.20	\$850	\$170.00
Mentone, Kristina	(OC)	52.25	\$850	\$44,412.50
Tornatore, Sebastian	(OC)	313.55	\$800	\$250,840.00
Brown, Colin	(SA)	217.60	\$475	\$103,360.00
Campbell, Karolina	(SA)	28.45	\$475	\$13,513.75
Farrar, Leah	(SA)	534.90	\$475	\$254,077.50
Ikpe, Udeme	(SA)	578.05	\$475	\$274,573.75
Chlebus, Joanna	(PL)	1.50	\$265	\$397.50
Elder, Amaranta	(PL)	7.30	\$325	\$2,372.50
Gallaher, Ettienna	(PL)	23.90	\$325	\$7,767.50
Gazzard, Zac	(PL)	7.20	\$265	\$1,908.00
Herda, Amanda	(PL)	48.80	\$325	\$15,860.00
King, Jenn	(PL)	38.15	\$325	\$12,398.75
Papp, Mallory	(PL)	270.55	\$325	\$87,928.75
Phillips, Samantha	(PL)	198.80	\$325	\$64,610.00
Ahwesh, Philip	(DR)	636.80	\$475	\$302,480.00
Ali, Mian	(DR)	500.00	\$475	\$237,500.00

Name	Position	Hours	Rate	Lodestar
Arner, Jonathan	(DR)	402.20	\$475	\$191,045.00
Barlow, Emily	(DR)	64.30	\$475	\$30,542.50
Barr, Burke	(DR)	465.00	\$475	\$220,875.00
Bentley, Kenny	(DR)	486.30	\$475	\$230,992.50
Bly, Paul	(DR)	787.40	\$475	\$374,015.00
Dunteman, Luke	(DR)	7.00	\$475	\$3,325.00
Filiault, Shaun	(DR)	231.70	\$475	\$110,057.50
Flemmings, Audi	(DR)	298.75	\$475	\$141,906.25
Hewlett, Catrina	(DR)	470.40	\$475	\$223,440.00
Hoskins, Anne	(DR)	274.50	\$475	\$130,387.50
Laing, Loi	(DR)	384.00	\$475	\$182,400.00
Lyle, Alex	(DR)	413.80	\$475	\$196,555.00
Marquez, Ruben	(DR)	82.00	\$475	\$38,950.00
Marzbanian, Trevor	(DR)	335.00	\$475	\$159,125.00
Mossotti, Robert	(DR)	585.80	\$475	\$278,255.00
Murphy, Ryan	(DR)	698.40	\$475	\$331,740.00
Orta, Lawrence	(DR)	306.30	\$475	\$145,492.50
Patel, Fal	(DR)	213.65	\$475	\$101,483.75
Phillips, Melissa	(DR)	371.36	\$475	\$176,396.00
Sawyer, Shannon	(DR)	483.36	\$475	\$229,596.00
Shaw, Dylan	(DR)	2.00	\$475	\$950.00
Voicu, Razvan	(DR)	530.82	\$475	\$252,139.50
Daniel, Nolan	(I)	142.60	\$325	\$46,345.00
Goetten, Kaitlyn	(I)	48.00	\$325	\$15,600.00
Kemp, Jeremy	(I)	54.31	\$325	\$17,650.75
<i>TOTAL:</i>		16295.10		\$8,538,061.75

(P) Partner

(A) Associate

(OC) Of Counsel

(SA) Staff Attorney

(PL) Paralegal

(DR) Document Review Attorney

(I) Intern

EXHIBIT B

*Melucci v. Corcept Therapeutics Incorporated, et al. , No. 3:19-cv-1372-JD***Firm Name: Levi & Korsinsky, LLP**

Reporting Period: Inception through January 4, 2024

Categories:

- | | | |
|--|------------------------------|-----------------|
| (1) Lead Plaintiff Motion | (6) Document Review | (11) Settlement |
| (2) Amended Complaint Research and Drafting | (7) Discovery Legal Research | |
| (3) Motion to Dismiss Research and Drafting | (8) Depositions | |
| (4) Class Certification Motion Research and Drafting | (9) Administrative | |
| (5) Written Discovery | (10) Filings | |

Name		1	2	3	4	5	6	7	8	9	10	11	Current Hours	Rate	Current Lodestar
Hopkins, Shannon	(P)		231.40	102.80	22.50	86.30	108.25	3.80	56.50	3.80	12.10	198.25	825.70	1,000	\$ 825,700.00
Levi, Joseph	(P)			31.50								12.75	44.25	1,050	46,462.50
Nespole, Gregory	(P)	20.90	5.30	0.20		0.10				0.20			26.70	925	24,697.50
Potrepka, Gregory	(P)					3.25	38.50	8.50	7.25	2.25		122.50	182.25	900	164,025.00
Tepper, Daniel	(P)			9.20									9.20	975	8,970.00
Bartone, Stephanie	(A)		22.10										22.10	525	11,602.50
Berger, Rachel	(A)											0.75	0.75	500	375.00
Cargill, Cecille	(A)	7.70											7.70	495	3,811.50
Embleton, Morgan	(A)					18.90	79.20	25.70	62.50	1.80		2.10	190.20	600	114,120.00
Foley, Amanda	(A)					1.50	6.00	9.00			0.25	5.75	22.50	550	12,375.00
Jaynes, David	(A)					38.25	99.50		2.75	0.25		78.75	219.50	600	131,700.00
Keating, Michael	(A)		422.60	208.40	17.40	123.80	392.70	14.90		1.60		149.60	1331.00	500	665,500.00
Lange, Nicholas	(A)					40.20	99.50	32.20	22.70	1.20		240.00	435.80	600	261,480.00
Mah, Rosanne	(A)		1.50										1.50	650	975.00
McCall, Adam	(A)	14.20	1.60	0.30						4.40			20.50	600	12,300.00
Meyer, Melissa	(A)	63.70											63.70	500	31,850.00
Rocco, Andrew	(A)		1.33		58.11	224.97	201.26	43.35	0.33	3.54	0.32	89.39	622.60	575	357,995.00
von Richthofen, P. Cole	(A)				43.00	39.25	271.20	19.75	38.50	1.50		118.50	531.70	500	265,850.00
Weiss, Daniel	(A)					11.00	79.75	18.75	29.50			1.50	140.50	675	94,837.50
Lencyk, Andrew	(OC)					0.10			0.10				0.20	850	170
Mentone, Kristina	(OC)						4.75					47.50	52.25	850	44,412.50
Tornatore, Sebastian	(OC)		178.70	125.95			2.50	0.20		6.20			313.55	800	250,840.00
Brown, Colin	(SA)						217.60						217.60	475	103,360.00
Campbell, Karolina	(SA)						4.20	22.15				2.10	28.45	475	13,513.75
Farrar, Leah	(SA)						534.90						534.90	475	254,077.50
Ikpe, Udeme	(SA)						578.05						578.05	475	274,573.75
Chlebus, Joanna	(PL)	1.50											1.50	265	397.50
Elder, Amaranta	(PL)	7.30											7.30	325	2,372.50
Gallaher, Ettienna	(PL)		10.60	3.00						10.30			23.90	325	7,767.50
Gazzard, Zac	(PL)	5.90								1.30			7.20	265	1,908.00
Herda, Amanda	(PL)		1.00	5.45		16.90	13.55	0.75		2.55		8.60	48.80	325	15,860.00
King, Jenn	(PL)	1.20	0.30		0.50	0.30	34.35			0.20		1.30	38.15	325	12,398.75
Papp, Mallory	(PL)		6.30	60.00		158.50	10.25	33.00		0.50		2.00	270.55	325	87,928.75

Categories:

- | | | |
|--|------------------------------|-----------------|
| (1) Lead Plaintiff Motion | (6) Document Review | (11) Settlement |
| (2) Amended Complaint Research and Drafting | (7) Discovery Legal Research | |
| (3) Motion to Dismiss Research and Drafting | (8) Depositions | |
| (4) Class Certification Motion Research and Drafting | (9) Administrative | |
| (5) Written Discovery | (10) Filings | |

Name		1	2	3	4	5	6	7	8	9	10	11	Current Hours	Rate	Current Lodestar
Phillips, Samantha	(PL)		16.70	16.20	1.75	34.65	24.05	16.25	3.50	28.20		57.50	198.80	325	64,610.00
Ahwesh, Philip	(DR)						636.80						636.80	475	302,480.00
Ali, Mian	(DR)						500.00						500.00	475	237,500.00
Arner, Jonathan	(DR)						402.20						402.20	475	191,045.00
Barlow, Emily	(DR)						64.30						64.30	475	30,542.50
Barr, Burke	(DR)						465.00						465.00	475	220,875.00
Bentley, Kenny	(DR)						486.30						486.30	475	230,992.50
Bly, Paul	(DR)						787.40						787.40	475	374,015.00
Dunteman, Luke	(DR)						7.00						7.00	475	3,325.00
Filiault, Shaun	(DR)						231.70						231.70	475	110,057.50
Flemmings, Audi	(DR)						298.75						298.75	475	141,906.25
Hewlett, Catrina	(DR)						470.40						470.40	475	223,440.00
Hoskins, Anne	(DR)						274.50						274.50	475	130,387.50
Laing, Loi	(DR)						384.00						384.00	475	182,400.00
Lyle, Alex	(DR)						413.80						413.80	475	196,555.00
Marquez, Ruben	(DR)						82.00						82.00	475	38,950.00
Marzbanian, Trevor	(DR)						335.00						335.00	475	159,125.00
Mossotti, Robert	(DR)						585.80						585.80	475	278,255.00
Murphy, Ryan	(DR)						698.40						698.40	475	331,740.00
Orta, Lawrence	(DR)						306.30						306.30	475	145,492.50
Patel, Fal	(DR)						213.65						213.65	475	101,483.75
Phillips, Melissa	(DR)						371.36						371.36	475	176,396.00
Sawyer, Shannon	(DR)						483.36						483.36	475	229,596.00
Shaw, Dylan	(DR)			2.00									2.00	475	950.00
Voicu, Razvan	(DR)						530.82						530.82	475	252,139.50
Daniel, Nolan	(I)				25.10	26.60	10.50	80.40					142.60	325	46,345.00
Goetten, Kaitlyn	(I)						20.00	25.00	3.00				48.00	325	15,600.00
Kemp, Jeremy	(I)			54.31									54.31	325	17,650.75
TOTAL:		122.40	899.43	619.31	168.36	824.57	11859.40	353.70	226.63	69.79	12.67	1138.84	16295.10		8,538,061.75

- (P) Partner
(A) Associate
(OC) Of Counsel
(SA) Staff Attorney
(PL) Paralegal
(DR) Doc Review
(I) Intern

EXHIBIT C

Melucci v. Corcept Therapeutics Incorporated, et al.,

Case No.: 3:19-cv-01372-JD

Levi & Korsinsky, LLP Expenses

Inception – February 15, 2024

Expense Type	Amount
Filing, Witness, and Other Fees	\$8,285.94
Transportation, Hotels, and Meals ¹	\$16,658.16
Court Hearing Transcripts and Deposition Reporting, Transcripts, and Videography	\$5,972.85
Experts/Consultants/Investigators	\$267,781.68
Online Legal and Financial Research	\$8,259.22
eDiscovery Database Hosting	\$87,269.24
Legal Fees for Representation of Confidential Former Corcept Employees and Physicians	\$154,547.49
Mediation	\$27,360.00
Postage	\$27.13
TOTAL	\$576,161.71

¹ Includes estimated costs for air fare, hotels, and meals for attending the final approval hearing.

EXHIBIT D



Firm Resume

**Representation.
where & When you need.**

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Fax : 212-363-7171

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Fax: 202-333-2121

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 Levi & Korsinsky, LLP

 Merger Alerts

 www.ZLK.com

About the Firm

Practice Areas

Securities Fraud Class Actions

Derivative, Corporate Governance &
Executive Compensation

Mergers & Acquisitions

Consumer Litigation

Our Attorneys

Managing Partners

- EDUARD KORSINSKY
 - JOSEPH E. LEVI
-

Partners

- ADAM M. APTON
- DONALD J. ENRIGHT
- SHANNON L. HOPKINS
- GREGORY M. NESPOLE
- GREGORY M. POTREPKA
- NICHOLAS I. PORRITT
- MARK S. REICH
- DANIEL TEPPER
- ELIZABETH K. TRIPODI

Partners

- ANDREW E. LENCYK
 - COURTNEY E. MACCARONE
 - BRIAN STEWART
-

Senior Associates

- JORDAN A. CAFRITZ
 - MORGAN EMBLETON
 - DAVID C. JAYNES
 - ADAM C. MCCALL
 - CORREY A. SUK
-

Associates

- RACHEL BERGER
 - AMANDA FOLEY
 - NOAH GEMMA
 - DEVYN R. GLASS
 - GARY ISHIMOTO
 - ALEXANDER KROT
 - NICHOLAS LANGE
 - MELISSA MEYER
 - CINAR ONEY
 - COLE VON RICHTHOFEN
 - MAX WEISS
 - AARON PARNAS
-

Staff Attorneys

- KATHY AMES-VALDIVIESO
- KAROLINA CAMPBELL
- CHRISTINA FUHRMAN
- RUBEN MARQUEZ
- COLIN BROWN
- LEAH FARRAR

Levi & Korsinsky, LLP is a national law firm with decades of combined experience litigating complex securities, class, and consumer actions in state and federal courts throughout the country. Our main office is located in New York City and we also maintain offices in Connecticut, California, and Washington, D.C.

We represent the interests of aggrieved shareholders in class action and derivative litigation through the vigorous prosecution of corporations that have committed securities fraud and boards of directors who have breached their fiduciary duties. We have served as Lead and Co-Lead Counsel in many precedent-setting litigations, recovered hundreds of millions of dollars for shareholders via securities fraud lawsuits, and obtained fair value, multi-billion dollar settlements in merger transactions.

We also represent clients in high-stakes consumer class actions against some of the largest corporations in America. Our legal team has a long and successful track record of litigating high-stakes, resource-intensive cases and consistently achieving results for our clients.

Our attorneys are highly skilled and experienced in the field of securities class action litigation. They bring a vast breadth of knowledge and skill to the table and, as a result, are frequently appointed Lead Counsel in complex shareholder and consumer litigations in various jurisdictions. We are able to allocate substantial resources to each case, reviewing public documents, interviewing witnesses, and consulting with experts concerning issues particular to each case. Our attorneys are supported by exceptionally qualified professionals including financial experts, investigators, and administrative staff, as well as cutting-edge technology and e-discovery systems. Consequently, we are able to quickly mobilize and produce excellent litigation results. Our ability to try cases, and win them, results in substantially better recoveries than our peers.

We do not shy away from uphill battles – indeed, we routinely take on complex and challenging cases, and we prosecute them with integrity, determination, and professionalism.



Practice Areas

- Securities Fraud Class Actions
- Derivative, Corporate Governance & Executive Compensation
- Mergers & Acquisitions
- Consumer Litigation



Securities Class Action

Over the last four years, Levi & Korsinsky has been lead, or co-lead counsel in 35 separate settlements that have resulted in nearly \$200 million in recoveries for shareholders. During that time, Levi & Korsinsky has consistently ranked in the Top 10 in terms of number of settlements achieved for shareholders each year, according to reports published by ISS. In Lex Machina's Securities Litigation Report, Levi & Korsinsky ranked as one of the Top 5 Securities Firms for the period from 2018 to 2020. Law360 dubbed the Firm one of the "busiest securities firms" in what is "on track to be one of the busiest years for federal securities litigation" in 2018. In 2019, Lawdragon Magazine ranked multiple members of Levi & Korsinsky among the 500 Leading Plaintiff Financial Lawyers in America. Our firm has been appointed Lead Counsel in a significant number of class actions filed in both federal and state courts across the country.

In **In re U.S. Steel Consolidated Cases**, No. 2:17-579-CB (W.D. Pa.), the firm represents a certified class of U.S. Steel investors who sustained damages in connection with the company's false and materially misleading statements about its Carnegie Way initiative.

In two related actions, **In re Nutanix, Inc. Securities Litigation**, No. 3:19-cv-01651-WHO (the "Stock Case") and **John P. Norton, on Behalf of the Norton Family Living Trust UAD 11/15/2002 v. Nutanix, Inc., et. al.**, No. 3:21-cv-04080-WHO (the "Options Case") Levi & Korsinsky achieved a settlement providing for the payment of \$71 million to eligible class members. Lead Plaintiff of the Stock Case, California Ironworkers Field Pension Trust, and Lead Plaintiff of the Options Case, John P. Norton, alleged violations of §§ 10(b) and 20(a) of the Securities Exchange Act of 1934 based on false and misleading misstatements that the company made that allegedly concealed from shareholders its rapidly declining sales pipeline, revenue, and billings.



Securities Class Action

As Lead Counsel in **In re Avon Products Inc. Securities Litigation**, No. 1:19-cv-1420-MKV (S.D.N.Y.), having been commenced in the U.S. District Court for the Southern District of New York, the Firm achieved a \$14.5 million cash settlement to successfully end claims alleged by a class of investors that the beauty company loosened its recruiting standards in its critical market in Brazil, eventually causing the company's stock price to crater. The case raised important issues concerning the use of confidential witnesses located abroad in support of scienter allegations and the scope of the attorney work product doctrine with respect to what discovery could be sought of confidential sources who are located in foreign countries.

In **Rougier v. Applied Optoelectronics, Inc.**, No. 4:17-cv-2399-GHC-CAB (S.D. Tex.), the Firm served as sole Lead Counsel, prevailed against Defendants' Motion to Dismiss, and achieved class certification before the Parties reached a settlement. The Court granted final approval of a \$15.5 million settlement on November 24, 2020.

“Plaintiffs' selected Class Counsel, the law firm of Levi & Korsinsky, LLP, has demonstrated the zeal and competence required to adequately represent the interests of the Class. The attorneys at Levi & Korsinsky have experience in securities and class actions issues and have been appointed lead counsel in a significant number of securities class actions

The Honorable Christina Bryan in *Rougier v. Applied Optoelectronics, Inc.*, No. 4:17-cv-02399-GHC-CAB (S.D. Tex. Nov. 13, 2019)

In **In Re Helios and Matheson Analytics, Inc. Sec. Litig.**, No. 1:18-cv-6965-JGK (S.D.N.Y.), the Firm served as sole Lead Counsel. Although the company had filed a voluntary Bankruptcy petition for liquidation and had numerous creditors (including private parties and various state and federal regulatory agencies), the Firm was able to reach a settlement. The settlement was obtained at a time when a motion to dismiss filed by the defendants was still pending and a risk to the Class. In its role as Lead Counsel, the Firm achieved a settlement of \$8.25 million on behalf of the class. The Court granted final approval of the settlement on May 13, 2021.



Securities Class Action

In **In re Restoration Robotics, Inc. Sec. Litig.**, No. 5:18-cv-3712-EJD (N.D. Cal.), the Firm was sole Lead Counsel and achieved a settlement of \$4,175,000 for shareholders.

In **Kirkland, et al. v. WideOpenWest, Inc.**, et al., Index No. 653248/2018 (N.Y. Sup.) the Firm was Co-Lead Counsel and achieved a settlement of \$7,025,000 for shareholders.

In **Stein v. U.S. Xpress Enterprises, Inc., et al.**, No. 1:19-cv-98-TRM-CHS (E.D. Tenn.), the Firm is Co-Lead Counsel representing a certified class of USX investors and has prevailed on a Motion to Dismiss. The class action is in the early stages of discovery and shareholders stand to recover damages in connection with an Initial Public Offering.



“I find the firm to be well-qualified to serve as Lead Counsel.”

The Honorable Andrew L. Carter, Jr. In *Snyder v. Baozun Inc.*, No. 1:19-cv-11290-ALC-KNF (S.D.N.Y. Sept. 8, 2020)



Securities Class Action

Levi & Korsinsky has been appointed lead or co-lead counsel in the following securities actions:

- **Wilhite v. Expensify, Inc., et al.**,
3:23-cv-01784-JR (D. Or. February 29, 2024)
- **Walling v. Generac Holdings, Inc. et al.**,
1:23-cv-1429-GBW (D. De. February 29, 2024)
- **Hubacek v. ON Semiconductor Corporation et al.**,
23-cv-808-wmc (E.D. Wis February 7, 2024)
- **Ragan v. Farfetch Limited, et al.**,
8:23-cv-2857-MJM (D. Md. January 19, 2024)
- **Gurevitch v. KeyCorp et al.**,
1:23-cv-01520-DCN (N.D. Ohio December 26, 2023)
- **Lowe v. Tandem Diabetes Care, Inc. et al.**,
3:23-cv-01657-H-BLM (S.D. Cal. December 5, 2023)
- **Perez v. Target Corporation et al.**,
0:23-cv-00769-PJS-TNL (D. Minn. November 13, 2023)
- **Thant v. Rain Oncology Inc. et al.**,
5:23-cv-03518-EJD (N.D. Cal. November 1, 2023)
- **Villanueva v. Proterra Inc. et al.**,
No. 5:23-cv-03519-BLF (N.D. Cal. October 23, 2023)
- **Martin v. BioXcel Therapeutics, Inc. et al.**,
No. 3:23-cv-00915-SVN (D. Conn. October 4, 2023)
- **Scott Petersen v. Stem, Inc., et al.**,
No. 3:23-cv-02329-MMC (N.D. Cal. August 22, 2023)
- **Solomon v. Peloton Interactive, Inc. et al.**,
No. 1:23-cv-04279-MKB-JRC (E.D.N.Y. September 7, 2023)



In appointing the Firm Lead Counsel, the Honorable Analisa Torres noted our “extensive experience” in securities litigation.

White Pine Invs. v. CVR Ref., LP, No. 1:20-CV-2863-AT (S.D.N.Y. Jan. 5, 2021)

- **Thant v. Veru, Inc., et al.**,
No. 1:22-cv-23960-KMW (S.D. Fla. July 27, 2023)
- **Zhang V. Gaotu Techedu Inc., et al.**,
No. 1:22-cv-07966-PKC-CLP (E.D.N.Y. July 16, 2023)
- **Jaramillo v. Dish Network Corporation, et al.**,
No. 1:23-cv-00734-GPG-SKC (D. Colo. July 16, 2023)
- **Howard M. Rensin, Trustee Of The Rensin Joint Trust v. United States Cellular Corporation, et al.**,
No. 1:23-cv-02764-MMR (N.D. Ill. July 11, 2023)
- **Holland v. Rite Aid Corporation, et al.**,
No. 23-cv-589 (N.D. Ohio June 22, 2023)
- **Baylor v. Honda Motor Co., Ltd., et al.**,
No. 2:23-cv-00794-GW-AGR (C.D. Cal. May 8, 2023)
- **Olsson v. PLDT Inc. et al.**,
No. 2:23-cv-00885-CJC-MAA (C.D. Cal. April 26, 2023)
- **Ryan v. FIGS, Inc. et al.**,
No. 2:22-cv-07939-ODW (C.D. Cal. February 14, 2023)
- **Schoen v. Eiger Biopharmaceuticals, Inc., et al.**,
No. 3:22-cv-6985-RS (N.D. Cal. February 3, 2023)



Securities Class Action

- **Fernandes v. Centessa Pharmaceuticals plc, et al.**,
No. 1:22-cv-08805-GHW-SLC (S.D.N.Y. December 12, 2022)
- **Gilbert v. Azure Power Global Limited, et al.**,
No. 1:22-cv-07432-GHW (S.D.N.Y. December 8, 2022)
- **Pugley v. Fulgent Genetics, Inc. et al.**,
No. 2:22-cv-06764-CAS-KLS (C.D. Cal. November 30, 2022)
- **Michalski v. Weber Inc., et al.**,
No. 1:22-cv-03966-EEB (N.D. Ill. November 29, 2022)
- **Edge v. Tupperware Brands Corporation, et al.**,
No. 6:22-cv-1518-RBD-LHP (M.D. Fla. September 16, 2022)
- **Carpenter v. Oscar Health, Inc., et al.**,
No. 1:22-cv-03885-VSB-VF (S.D.N.Y. September 27, 2022)
- **In re Nano-X Imaging Ltd. Securities Litigation**,
No. 1:20-cv-04355-WFK-MMH (E.D.N.Y. August 30, 2022)
- **Patterson v. Cabaletto Bio, Inc., et al.**,
No. 2:22-cv-00737-JMY (E.D. Pa. August 10, 2022)
- **Rose v. Butterfly Network, Inc., et al.**,
No. 2:22-cv-00854-MEF-JBC (D.N.J. August 8, 2022)
- **Winter v. Stronghold Digital Mining, Inc., et al.**,
No. 1:22-cv-03088-RA (S.D.N.Y. August 4, 2022)
- **Poirer v. Bakkt Holdings, Inc.**,
No. 1:22-cv-02283-EK-PK (E.D.N.Y. August 3, 2022)



“I find the firm to be well-qualified to serve as Lead Counsel.”

The Honorable Andrew L. Carter, Jr. In *Snyder v. Baozun Inc.*, No. 1:19-CV-11290 (S.D.N.Y. Sept. 8, 2020)

- **In re Meta Materials Inc. Securities Litigation**,
No. 1:21-cv-07203-CBA-JRC (E.D.N.Y. July 15, 2022)
- **Deputy v. Akebia Therapeutics, Inc. et al.**,
No. 1:22-cv-01411-AMD-VMS (E.D.N.Y. June 28, 2022)
- **In re Grab Holdings Limited Securities Litigation**,
No. 1:22-cv-02189-JLR (S.D.N.Y. June 7, 2022)
- **Jiang v. Bluecity Holdings Limited et al.**,
No. 1:21-cv-04044-FB-CLP (E.D.N.Y. December 22, 2021)
- **In re AppHarvest Securities Litigation**,
No. 1:21-cv-07985-LJL (S.D.N.Y. December 13, 2021)
- **In re Coinbase Global, Inc. Securities Litigation**,
No. 3:21-cv-05634-TLT (N.D. Cal. November 5, 2021)
- **Miller v. Rekor Systems, Inc. et al.**,
No. 1:21-cv-01604-GLR (D. Md. September 16, 2021)
- **Zaker v. Ebang International Holdings Inc. et al.**,
No. 1:21-cv-03060-KPF (S.D.N.Y. July 21, 2021)
- **Valdes v. Kandi Technologies Group, Inc. et al.**,
No. 2:20-cv-06042-LDH-AYS (E.D.N.Y. April 20, 2021)
- **John P. Norton, On Behalf Of The Norton Family Living Trust UAD 11/15/2002 V. Nutanix, Inc. Et Al**,
No. 3:21-cv-04080-WHO (N.D. Cal. September 8, 2021)
- **The Daniels Family 2001 Revocable Trust v. Las Vegas Sands Corp., et al.**,
No. 1:20-cv-08062-JMF (D. Nev. Jan. 5, 2021)



Securities Class Action

- **In re QuantumScape Securities Class Action Litigation**,
No. 3:21-cv-00058-WHO (N.D. Cal. April 20, 2021)
- **In re Minerva Neurosciences, Inc. Sec. Litig.**,
No. 1:20-cv-12176-GAO (D. Mass. March 5, 2021)
- **White Pine Investments v. CVR Refining, LP, et al.**,
No. 1:20-cv-02863-AT (S.D.N.Y. Jan. 5, 2021)
- **Yaroni v. Pintec Technology Holdings Limited, et al.**,
No. 1:20-cv-08062-JMF (S.D.N.Y. Dec. 15, 2020)
- **Nickerson v. American Electric Power Company, Inc., et al.**,
No. 2:20-cv-04243-SDM-EPD (S.D. Ohio Nov. 24, 2020)
- **Ellison v. Tufin Software Technologies Ltd., et al.**,
No. 1:20-cv-05646-GHW (S.D.N.Y. Oct. 19, 2020)
- **Hartel v. The GEO Group, Inc., et al.**,
No. 9:20-cv-81063-RS-SMM (S.D. Fla. Oct. 1, 2020)
- **Posey v. Brookdale Senior Living, Inc., et al.**,
No. 3:20-cv-00543-AAT (M.D. Tenn. Sept. 14, 2020)
- **Snyder v. Baozun Inc.**,
No. 1:19-cv-11290-ALC-KNF (S.D.N.Y. Sept. 8, 2020)
- **Mehdi v. Karyopharm Therapeutics Inc.**,
No. 1:19-cv-11972-NMG (D. Mass. Apr. 29, 2020)
- **Brown v. Opera Ltd.**,
No. 1:20-cv-00674-JGK (S.D.N.Y. Apr. 17, 2020)
- **In re Dropbox Sec. Litig.**,
No. 5:19-cv-06348-BLF-SVK (N.D. Cal. Jan. 16, 2020)



“Class Counsel have demonstrated that they are skilled in this area of the law and therefore adequate to represent the Settlement Class as

The Honorable Barry Ted Moskowitz in In re Regulus Therapeutics Inc. Sec. Litig., No. 3:17-CV-182-BTM-RBB (S.D. Cal. Oct. 30, 2020)

- **In re Yunji Inc. Sec. Litig.**,
No. 1:19-cv-6403-LDH-RML (E.D.N.Y. Feb. 3, 2020)
- **Zhang v. Valaris plc**,
No. 1:19-cv-7816-NRB (S.D.N.Y. Dec. 23, 2019)
- **In re Sundial Growers Inc. Sec. Litig.**,
No. 1:19-cv-08913-ALC-SN (S.D.N.Y. Dec. 20, 2019)
- **Costanzo v. DXC Technology Co.**,
No. 5:19-cv-05794-BLF-VKD (N.D. Cal. Nov. 20, 2019)
- **Ferraro Family Foundation, Inc. v. Corcept Therapeutics Incorporated**,
No. 5:19-cv-1372-LHK-SVK (N.D. Cal. Oct. 7, 2019)
- **Roberts v. Bloom Energy Corp.**,
No. 4:19-cv-02935-HSG (N.D. Cal. Sept. 3, 2019)
- **Luo v. Sogou Inc.**,
No. 1:19-cv-00230-LJL (S.D.N.Y. Apr. 2, 2019)
- **In re Aphria Inc. Sec. Litig.**,
No. 1:18-cv-11376-GBD-JEW (S.D.N.Y. Mar. 27, 2019)
- **Chew v. MoneyGram International, Inc.**,
No. 1:18-cv-07537-MMP (N.D. Ill. Feb. 12, 2019)
- **Johnson v. Costco Wholesale Corp.**,
No. 2:18-cv-01611-TSZ (W.D. Wash. Jan. 30, 2019)



Securities Class Action

- **Tung v. Dycorn Industries, Inc.,**
No. 9:18-cv-81448-RS-WM (S.D. Fla. Jan. 11, 2019)
- **Guyer v. MGT Capital Investments, Inc.,**
No. 1:18-cv-09228-ER (S.D.N.Y. Jan. 9, 2019)
- **In re Adient plc Sec. Litig.,**
No. 1:18-cv-09116-RA (S.D.N.Y. Dec. 21, 2018)
- **In re Prothena Corp. plc Sec. Litig.,**
No. 1:18-cv-06425-ALC (S.D.N.Y. Oct. 31, 2018)
- **Pierrelouis v. Gogo Inc.,**
No. 1:18-cv-04473-JLA (N.D. Ill. Oct. 10, 2018)
- **Balestra v. Cloud With Me Ltd.,**
No. 2:18-cv-00804-MRH-LPL (W.D. Pa. Oct. 18, 2018)
- **Balestra v. Giga Watt, Inc.,**
No. 2:18-cv-00103-MKD (E.D. Wash. June 28, 2018)
- **Chandler v. Ulta Beauty, Inc.,**
No. 1:18-cv-01577-MMP (N.D. Ill. June 26, 2018)
- **In re Longfin Corp. Sec. Litig.,**
No. 1:18-cv-2933-DLC (S.D.N.Y. June 25, 2018)
- **Chahal v. Credit Suisse Group AG,**
No. 1:18-cv-02268-AT-SN (S.D.N.Y. June 21, 2018)
- **In re Bitconnect Sec. Litig.,**
No. 9:18-cv-80086-DMM-DLB (S.D. Fla. June 19, 2018)
- **In re Aqua Metals Sec. Litig.,**
No. 4:17-cv-07142-HSG (N.D. Cal. May 23, 2018)
- **Davy v. Paragon Coin, Inc.,**
No. 4:18-cv-00671-JSW (N.D. Cal. May 10, 2018)
- **Rensel v. Centra Tech, Inc.,**
No. 1:17-cv-24500-RNS-JB (S.D. Fla. Apr. 11, 2018)
- **Cullinan v. Cemtrex, Inc.,**
No. 2:17-cv-01067-SJF-AYS (E.D.N.Y. Mar. 3, 2018)
- **In re Navient Corporation Sec. Litig.,**
No. 1:17-cv-08373-RBK-AMD (D.N.J. Feb. 2, 2018)
- **Huang v. Depomed, Inc.,**
No. 3:17-cv-04830-JST (N.D. Cal. Dec. 8, 2017)
- **In re Regulus Therapeutics Inc. Sec. Litig.,**
No. 3:17-cv-00182-BTM-RBB (S.D. Cal. Oct. 26, 2017)
- **Murphy III v. JBS S.A.,**
No. 1:17-cv-03084-ILG-RER (E.D.N.Y. Oct. 10, 2017)
- **Ohren v. Amyris, Inc.,**
No. 3:17-cv-002210-WHO (N.D. Cal. Aug. 8, 2017)
- **Beezley v. Fenix Parts, Inc.,**
No. 2:17-cv-00233-SRC-CLW (D.N.J. June 28, 2017)
- **M & M Hart Living Trust v. Global Eagle Entertainment, Inc.,**
No. 2:17-cv-01479-PA-MRW (C.D. Cal. June 26, 2017)
- **In re Insys Therapeutics, Inc.,**
No. 1:17-cv-1954-PAC (S.D.N.Y. May 31, 2017)
- **Clevlen v. Anthera Pharmaceuticals, Inc.,**
No. 3:17-cv-00715-RS (N.D. Cal. May 18, 2017)
- **In re Agile Therapeutics, Inc. Sec. Litig.,**
No. 3:17-cv-00119-AET-LHG (D.N.J. May 15, 2017)
- **Roper v. SITO Mobile Ltd.,**
No. 2:17-cv-01106-ES-MAH (D.N.J. May 8, 2017)
- **In re Illumina, Inc. Sec. Litig.,**
No. 3:16-cv-03044-JL-MSB (S.D. Cal. Mar. 30, 2017)



Securities Class Action

- **In re PTC Therapeutics, Inc.,**
No. 2:16-cv-01224-KM-MAH (D.N.J. Nov. 14, 2016)
- **The TransEnterix Investor Group v. TransEnterix, Inc.,**
No. 5:16-cv-00313-JCD (E.D.N.C. Aug. 30, 2016)
- **Gormley v. magicJack Vocaltec Ltd.,**
No. 1:16-cv-01869-VM (S.D.N.Y. July 12, 2016)
- **Azar v. Blount Int'l Inc.,**
No. 3:16-cv-00483-MHS (D. Or. July 1, 2016)
- **Plumley v. Sempra Energy,**
No. 3:16-cv-00512-RTB-AGS (S.D. Cal. June 6, 2016)
- **Francisco v. Abengoa, S.A.,**
No. 1:15-cv-06279-ER (S.D.N.Y. May 24, 2016)
- **De Vito v. Liquid Holdings Group, Inc.,**
No. 2:15-cv-06969-KM-JBC (D.N.J. Apr. 7, 2016)
- **Ford v. Natural Health Trends Corp.,**
No. 2:16-cv-00255-TJH-AFM (C.D. Cal. Mar. 29, 2016)
- **Levin v. Resource Capital Corp.,**
No. 1:15-cv-07081-LLS (S.D.N.Y. Nov. 24, 2015)
- **Martin v. Altisource Residential Corp.,**
No. 1:15-cv-00024-AET-GWC (D.V.I. Oct. 7, 2015)
- **Paggos v. Resonant, Inc.,**
No. 2:15-cv-01970-SJO-MRW (C.D. Cal. Aug. 7, 2015)
- **Fragala v. 500.com Ltd.,**
No. 2:15-cv-01463-JFW-CFE (C.D. Cal. July 7, 2015)
- **Stevens v. Quiksilver Inc.,**
No. 8:15-cv-00516-JVS-JCG (C.D. Cal. June 26, 2015)
- **In re Ocean Power Technologies, Inc. Sec. Litig.,**
No. 3:14-cv-3799-FLW-LHG (D.N.J. Mar. 17, 2015)
- **In re Energy Recovery Inc. Sec. Litig.,**
No. 3:15-cv-00265-EMC-LB (N.D. Cal. Jan. 20, 2015)
- **Ford v. TD Ameritrade Holding Corporation, et al.,**
No. 8:14-cv-00396-JFB-SMB (D. Neb. Dec. 2, 2014)
- **In re China Commercial Credit Sec. Litig.,**
No. 1:15-cv-00557-ALC (D.N.J. Oct. 31, 2014)
- **In re Violin Memory, Inc. Sec. Litig.,**
No. 4:13 cv-05486-YGR (N.D. Cal. Feb. 26, 2014)
- **Berry v. KiOR, Inc.,**
No. 4:13-cv-02443-LHR (S.D. Tex. Nov. 25, 2013)
- **In re OCZ Technology Group, Inc. Sec. Litig.,**
No. 3:12-cv-05265-RS (N.D. Cal. Jan. 4, 2013)
- **In re Digital Domain Media Group, Inc. Sec. Litig.,**
No. 2:12-cv-14333-JEM-FJL (S.D. Fla. Sept. 20, 2012)



Derivative, Corporate Governance & Executive Compensation

As a leader in achieving important corporate governance reforms for the benefit of shareholders, the Firm protects shareholders by enforcing the obligations of corporate fiduciaries. Our efforts include the prosecution of derivative actions in courts around the country, making pre-litigation demands on corporate boards to investigate misconduct, and taking remedial action for the benefit of shareholders. In situations where a company's board responds to a demand by commencing its own investigation, we frequently work with the board's counsel to assist with and monitor the investigation, ensuring that the investigation is thorough and conducted in an appropriate manner.

We have also successfully prosecuted derivative and class action cases to hold corporate executives and board members accountable for various abuses and to help preserve corporate assets through longlasting and meaningful corporate governance changes, thus ensuring that prior misconduct does not reoccur. We have extensive experience challenging executive compensation and recapturing assets for the benefit of companies and their shareholders. We have secured corporate governance changes to ensure that executive compensation is consistent with shareholder-

approved compensation plans, company performance, and federal securities laws.

In **Franchi v. Barabe**, No. 2020-0648-KSJM (Del. Ch.), the Firm secured \$6.7 million in economic benefits for Selecta Biosciences, Inc. in connection with insiders' participation in a private placement while in possession of material non-public information as well as the adoption of significant governance reforms designed to prevent a recurrence of the alleged misconduct.

The Firm was lead counsel in the derivative action styled **Police & Retirement System of the City of Detroit et al. v. Robert Greenberg et al., C.A No. 2019-0578-MTZ** (Del. Ch.). The action resulted in a settlement where Skechers Inc. cancelled approximately \$20 million in equity awards issued to Skechers' founder Robert Greenberg and two top officers in 2019 and 2020. Also, under the settlement, Skechers' board of directors must retain a consultant to advise on compensation decisions going forward.



Derivative, Corporate Governance & Executive Compensation

In **In re Google Inc. Class C Shareholder Litigation**, C.A. No. 7469-CS (Del. Ch.), we challenged a stock recapitalization transaction to create a new class of nonvoting shares and strengthen the corporate control of the Google founders. We helped achieve an agreement that provided an adjustment payment to existing shareholders harmed by the transaction as well as providing enhanced board scrutiny of the Google founders' ability to transfer stock. Ultimately, Google's shareholders received payments of \$522 million.

In **In re Activision, Inc. Shareholder Derivative Litigation**, No. 06-cv-04771-MRP-JTL (C.D. Cal.), we were Co-Lead Counsel and challenged executive compensation related to the dating of options. This effort resulted in the recovery of more than \$24 million in excessive compensation and expenses, as well as the implementation of substantial corporate governance changes.

“...a model for how [the] great legal profession should conduct itself.”

Justice Timothy S. Driscoll in *Grossman v. State Bancorp, Inc.*, Index No. 600469/2011 (N.Y. Sup. Ct. Nassau Cnty. Nov. 29, 2011)

In **Pfeiffer v. Toll** (Toll Brothers Derivative Litigation), No. 4140-VCL (Del. Ch.), we prevailed in defeating defendants' motion to dismiss in a case seeking disgorgement of profits that company insiders reaped through a pattern of insider-trading. After extensive discovery, we secured a settlement returning \$16.25 million in cash to the company, including a significant contribution from the individuals who traded on inside information.

In **Rux v. Meyer**, No. 11577-CB (Del. Ch.), we challenged the re-purchase by Sirius XM of its stock from its controlling stockholder, Liberty Media, at an inflated, above-market price. After defeating a motion to dismiss and discovery, we obtained a settlement where SiriusXM recovered \$8.25 million, a substantial percentage of its over-payment.

In **In re EZCorp Inc. Consulting Agreement Derivative Litig.**, C.A. No. 9962-VCL (Del. Ch.), we challenged lucrative consulting agreements between EZCorp and its controlling stockholders. After surviving multiple motions to dismiss. We obtained a settlement where EZCorp was repaid \$6.45 million it had paid in consulting fees, or approximately 33% of the total at issue and the consulting agreements were discontinued.



Derivative, Corporate Governance & Executive Compensation

In **Scherer v. Lu** (Diodes Incorporated), No. 13-358-GMS (D. Del.), we secured the cancellation of \$4.9 million worth of stock options granted to the company's CEO in violation of a shareholder-approved plan, and obtained additional disclosures to enable shareholders to cast a fullyinformed vote on the adoption of a new compensation plan at the company's annual meeting.

In **MacCormack v. Groupon, Inc.**, No. 13-940-GMS (D. Del.), we caused the cancellation of \$2.3 million worth of restricted stock units granted to a company executive in violation of a shareholder-approved plan, as well as the adoption of enhanced corporate governance procedures designed to ensure that the board of directors complies with the terms of the plan; we also obtained additional material disclosures to shareholders in connection with a shareholder vote on amendments to the plan.

In **Edwards v. Benson** (Headwaters Incorporated), No. 13-cv-330 (D. Utah), we caused the cancellation of \$3.2 million worth of stock appreciation rights granted to the company's CEO in violation of a shareholder-approved plan and the adoption of enhanced corporate governance procedures designed to ensure that the board of directors complies with the terms of the plan.

In **Pfeiffer v. Begley** (DeVry, Inc.), No. 12-CH-5105 (Ill. Cir. Ct. DuPage Cty.), we secured the cancellation of \$2.1 million worth of stock options granted to the company's CEO in 2008-2012 in violation of a shareholder-approved incentive plan.

In **Basch v. Healy** (EnerNOC), No. 13-cv-766 (D. Del.), we obtained a cash payment to the company to compensate for equity awards issued to officers in violation of the company's compensation plan and caused significant changes in the company's compensation policies and procedures designed to ensure that future compensation decisions are made consistent with the company's plans, charters and policies. We also impacted the board's creation of a new compensation plan and obtained additional disclosures to stockholders concerning the board's administration of the company's plan and the excess compensation.

In **Kleba v. Dees**, No. 3-1-13 (Tenn. Cir. Ct. Knox Cty.), we recovered approximately \$9 million in excess compensation given to insiders and the cancellation of millions of shares of stock options issued in violation of a shareholder-approved compensation plan. In addition, we obtained the adoption of formal corporate governance procedures designed to ensure that future compensation decisions are made independently and consistent with the plan.



Derivative, Corporate Governance & Executive Compensation

In **Lopez v. Nudelman** (CTI BioPharma Corp.), No. 14-2-18941-9 SEA (Wash. Super. Ct. King Cty.), we recovered approximately \$3.5 million in excess compensation given to directors and obtained the adoption of a cap on director compensation, as well as other formal corporate governance procedures designed to implement best practices with regard to director and executive compensation.

In **In re Corinthian Colleges, Inc. Shareholder Derivative Litigation**, No. 06-cv-777-AHS (C.D. Cal.), we were Co-Lead Counsel and achieved a \$2 million benefit for the company, resulting in the re-pricing of executive stock options and the establishment of extensive corporate governance changes.

In **In re Corinthian Colleges, Inc. Shareholder Derivative Litigation**, No. 06-cv-777-AHS (C.D. Cal.), we were Co-Lead Counsel and achieved a \$2 million benefit for the company, resulting in the re-pricing of executive stock options and the establishment of extensive corporate governance changes.

In **Pfeiffer v. Alpert (Beazer Homes Derivative Litigation)**, No. 10-cv-1063-PD (D. Del.), we successfully challenged certain aspects of the company's executive compensation structure, ultimately forcing the company to improve its compensation practices.

In **In re Cincinnati Bell, Inc., Derivative Litigation**, No. A1105305 (Ohio, Hamilton Cty. C.P.), we achieved significant corporate governance changes and enhancements related to the company's compensation policies and practices in order to better align executive compensation with company performance. Reforms included the formation of an entirely independent compensation committee with staggered terms and term limits for service.

In **Woodford v. Mizel** (M.D.C. Holdings, Inc.), No. 1:11-cv-879 (D. Del.), we challenged excessive executive compensation, ultimately obtaining millions of dollars in reductions of that compensation, as well as corporate governance enhancements designed to implement best practices with regard to executive compensation and increased shareholder input.



Mergers & Acquisitions

Levi & Korsinsky has achieved an impressive record in obtaining injunctive relief for shareholders, and we are one of the premier law firms engaged in mergers & acquisitions and takeover litigation, consistently striving to maximize shareholder value. In these cases, we regularly fight to obtain settlements that enable the submission of competing buyout bid proposals, thereby increasing consideration for shareholders.

We have litigated landmark cases that have altered the landscape of mergers & acquisitions law and resulted in multi-million dollar awards to aggrieved shareholders.

In **In re Schuff International, Inc. Stockholders Litigation**, No. 10323-VCZ (Del. Ch.), we served as Co-Lead Counsel for the plaintiff class in achieving the largest recovery as a percentage of the underlying transaction consideration in Delaware Chancery Court merger class action history, obtaining an aggregate recovery of more than \$22 million -- a gross increase from \$31.50 to \$67.45 in total consideration per share (a 114% increase) for tendering stockholders.

“ Vice Chancellor Sam Glasscock, III said “it’s always a pleasure to have counsel who are articulate and exuberant...” and referred to our approach to merger litigation as “wholesome” and “a model of... plaintiffs’ litigation in the merger arena.”

Ocieczanek v. Thomas Properties Group, C.A. No. 9029-VCG (Del. Ch. May 15, 2014)

In **In re Bluegreen Corp. Shareholder Litigation**, No. 502011CA018111 (Cir. Ct. for Palm Beach Cty., FL), as Co-Lead Counsel, we achieved a common fund recovery of \$36.5 million for minority shareholders in connection with a management-led buyout, increasing gross consideration to shareholders in connection with the transaction by 25% after three years of intense litigation.

In **In re CNX Gas Corp. Shareholder Litigation**, No. 5377-VCL (Del. Ch.), as Plaintiffs’ Executive Committee Counsel, we obtained a landmark ruling from the Delaware Chancery Court that set forth a unified standard for assessing the rights of shareholders in the context of freeze-out transactions and ultimately led to a common fund recovery of over \$42.7 million for the company’s shareholders.

 **Mergers & Acquisitions**

In **Chen v. Howard-Anderson**, No. 5878-VCL (Del. Ch.), we represented shareholders in challenging the merger between Occam Networks, Inc. and Calix, Inc., obtaining a preliminary injunction against the merger after showing that the proxy statement by which the shareholders were solicited to vote for the merger was materially false and misleading. Post-closing, we took the case to trial and recovered an additional \$35 million for the shareholders.

In **In re Sauer-Danfoss Stockholder Litig.**, No. 8396 (Del. Ch.), as one of plaintiffs' co-lead counsel, we recovered a \$10 million common fund settlement in connection with a controlling stockholder merger transaction.

In **In re Yongye International, Inc. Shareholders' Litigation**, No. A-12-670468-B (District Court, Clark County, Nevada), as one of plaintiffs' co-lead counsel, we recovered a \$6 million common fund settlement in connection with a management-led buyout of minority stockholders in a China-based company incorporated under Nevada law.

In **In re Great Wolf Resorts, Inc. Shareholder Litigation**, No. 7328-VCN (Del. Ch.), we achieved tremendous results for shareholders, including partial responsibility for a \$93 million (57%) increase in merger consideration and the waiver of several "don't-ask-don't-waive" standstill agreements that were restricting certain potential bidders from making a topping bid for the company.

In **In re Talecris Biotherapeutics Holdings Shareholder Litigation**, C.A. No. 5614-VCL (Del. Ch.), we served as counsel for one of the Lead Plaintiffs, achieving a settlement that increased the merger consideration to Talecris shareholders by an additional 500,000 shares of the acquiring company's stock and providing shareholders with appraisal rights.

In **In re Minerva Group LP v. Mod-Pac Corp.**, Index No. 800621/2013 (N.Y. Sup. Ct. Erie Cty.), we obtained a settlement in which defendants increased the price of an insider buyout from \$8.40 to \$9.25 per share, representing a recovery of \$2.4 million for shareholders.

In **Stephen J. Dannis v. J.D. Nichols**, No. 13-CI-00452 (Ky. Cir. Ct. Jefferson Cty.), as Co-Lead Counsel, we obtained a 23% increase in the merger consideration (from \$7.50 to \$9.25 per unit) for shareholders of NTS Realty Holdings Limited Partnership. The total benefit of \$7.4 million was achieved after two years of hard-fought litigation, challenging the fairness of the going-private, squeeze-out merger by NTS's controlling unitholder and Chairman, Defendant Jack Nichols. The unitholders bringing the action alleged that Nichols' proposed transaction grossly undervalued NTS's units. The 23% increase in consideration was a remarkable result given that on October 18, 2013, the Special Committee appointed by the Board of Directors had terminated the existing merger agreement with Nichols. Through counsel's tenacious efforts the transaction was resurrected and improved.



Mergers & Acquisitions

In **Dias v. Purches**, No. 7199-VCG (Del. Ch.), Vice Chancellor Sam Glasscock, III of the Delaware Chancery Court partially granted shareholders' motion for preliminary injunction and ordered that defendants correct a material misrepresentation in the proxy statement related to the acquisition of Parlux Fragrances, Inc. by Perfumania Holding, Inc.

In **In re Complete Genomics, Inc. Shareholder Litigation**, No. 7888-VCL (Del. Ch.), we obtained preliminary injunctions of corporate merger and acquisition transactions, and Plaintiffs successfully enjoined a "don't-ask-don't-waive" standstill agreement.

In **In re Pamrapo Bancorp Shareholder Litigation**, Docket C-89-09 (N.J. Ch. Hudson Cty.) & HUD-L-3608-12 (N.J. Law Div. Hudson Cty.), we defeated defendants' motion to dismiss shareholders' class action claims for money damages arising from the sale of Pamrapo Bancorp to BCB Bancorp at an allegedly unfair price through an unfair process. We then survived a motion for summary judgment, ultimately securing a settlement recovering \$1.95 million for the Class plus the Class's legal fees and expenses up to \$1 million (representing an increase in consideration of 15-23% for the members of the Class).

In **Forgo v. Health Grades, Inc.**, No. 5716-VCS (Del. Ch.), as Co-Lead Counsel, our attorneys established that defendants had likely breached their fiduciary duties to Health Grades' shareholders by failing to maximize value as required under *Revlon, Inc. v. MacAndrews & Forbes Holdings, Inc.*, No. 506 A.2d 173 (Del. 1986). We secured an agreement with defendants to take numerous steps to seek a superior offer for the company, including making key modifications to the merger agreement, creating an independent committee to evaluate potential offers, extending the tender offer period, and issuing a "Fort Howard" release affirmatively stating that the company would participate in good faith discussions with any party making a bona fide acquisition proposal.

In **In re Integrated Silicon Solution, Inc. Stockholder Litigation**, No. 115CV279142 (Super. Ct. Santa Clara, Cal.), we won an injunction requiring corrective disclosures concerning "don't-ask-don't-waive" standstill agreements and certain financial advisor conflicts of interests, and contributed to the integrity of a post-agreement bidding contest that led to an increase in consideration from \$19.25 to \$23 per share, a bump of almost 25 percent.

“I think you've done a superb job and I really appreciate the way this case was handled.”

Justice Timothy S. Driscoll in *Grossman v. State Bancorp, Inc.*, Index No. 600469/2011 (N.Y. Sup. Ct. Nassau Cnty. Nov. 29, 2011)



Consumer Litigation

Levi & Korsinsky works hard to protect consumers by holding corporations accountable for defective products, false and misleading advertising, unfair or deceptive business practices, antitrust violations, and privacy right violations.

Our litigation and class action expertise combined with our in-depth understanding of federal and state laws enable us to fight for consumers who have been aggrieved by deceptive and unfair business practices and who purchased defective products, including automobiles, appliances, electronic goods, and other consumer products. The Firm also represents consumers in cases involving data breaches and privacy right violations. The Firm's attorneys have received a number of leadership appointments in consumer class action cases, including multidistrict litigation ("MDL"). Recently, Law.com identified the Firm as one of the top firms with MDL leadership appointments in the article titled, "There Are New Faces Leading MDLs. And They Aren't All Men" (July 6, 2020). Representative settled and ongoing cases include:

In **NV Security, Inc. v. Fluke Networks**, No. CV05-4217 GW (SSx) (C.D. Cal. 2005), we negotiated a settlement on behalf of purchasers of Test Set telephones in an action alleging that the Test Sets contained a defective 3-volt battery. We benefited the consumer class by obtaining the following relief: free repair of the 3-volt battery, reimbursement for certain prior repair, an advisory concerning the 3-volt battery on the outside of packages of new Test Sets, an agreement that defendants would cease to market and/or sell certain Test Sets, and a 42-month warranty on the 3-volt battery contained in certain devices sold in the future.

In re: Apple Inc. Device Performance Litig., No. 5:18-md-02827-EJD (N.D. Cal.): Plaintiffs' Executive Committee Counsel in proposed nationwide class action alleging that Apple purposefully throttled iPhone; Apple has agreed to pay up to \$310 million in cash (proposed settlement pending).

In re: Intel Corp. CPU Marketing, Sales Practices and Products Liability Litig., No. 3:18-MD-02828 (D. Or.): Co-Lead Interim Class Counsel in proposed nationwide class action alleging that Intel manufactured and sold defective central processing units that allowed unauthorized access to consumer stored confidential information.



Consumer Litigation

In re: ZF-TRW Airbag Control Units Products Liability Litig., No. 2:19-ML-02905-JAK-FFM (C.D. Cal.): Plaintiffs' Steering Committee Counsel in proposed nationwide class action alleging that defendant auto manufacturers sold vehicles with defective airbags.

In re: EpiPen (Epinephrine Injection, USP) Marketing, Sales Practices and Antitrust Litig., No. 2:17-MD-02785 (D. Kan.): Plaintiffs' Executive Committee Counsel in action alleging that Mylan and Pfizer violated antitrust laws and committed other violations relating to the sale of EpiPens. Nationwide class and multistate classes certified.

Sung, et al. v. Schurman Retail Group, No. 3:17-cv-02760-LB (N.D. Cal.): Co-Lead Class Counsel in nationwide class action alleging unauthorized disclosure of employee financial information; obtained final approval of nationwide class action settlement providing credit monitoring and identity theft restoration services through 2022 and cash payments of up to \$400.

Scott, et al. v. JPMorgan Chase Bank, N.A., No. 1:17-cv-00249-APM (D.D.C.): Co-Lead Class Counsel in nationwide class action settlement of claims alleging improper fees deducted from payments awarded to jurors; 100% direct refund of improper fees collected.

In re: Citrix Data Breach Litig., No. 19-cv-61350-RKA-PMH (S.D. Fla.): Interim Class Counsel in action alleging company failed to implement reasonable security measures to protect employee financial information; common fund settlement of \$2.25 million pending.

Bustos v. Vonage America, Inc., No. 2:06-cv-2308-HAA-ES (D.N.J.): Common fund settlement of \$1.75 million on behalf of class members who purchased Vonage Fax Service in an action alleging that Vonage made false and misleading statements in the marketing, advertising, and sale of Vonage Fax Service by failing to inform consumers that the protocol defendant used for the Vonage Fax Service was unreliable and unsuitable for facsimile communications.

Masterson v. Canon U.S.A., No. BC340740 (Cal. Super. Ct. L.A. Cty.): Settlement providing refunds to Canon SD camera purchasers for certain broken LCD repair charges and important changes to the product warranty.



Our Attorneys

Managing Partners

- EDUARD KORSINSKY
- JOSEPH E. LEVI

EDUARD KORSINSKY

Managing Partner



Eduard Korsinsky is the Managing Partner and Co-Founder of Levi & Korsinsky, LLP, a national securities firm that has recovered billions of dollars for investors since its formation in 2003. For more than 24 years Mr. Korsinsky has represented investors and institutional shareholders in complex securities matters. He has achieved significant recoveries for stockholders, including a \$79 million recovery for investors of E-Trade Financial Corporation and a payment ladder indemnifying investors of Google, Inc. up to \$8 billion in losses on a ground-breaking corporate governance case. His firm serves as lead counsel in some of the largest securities matters involving Tesla, US Steel, Kraft Heinz and others. He has been named a New York "Super Lawyer" by Thomson Reuters and is recognized as one of the country's leading practitioners in class action and derivative matters.

Mr. Korsinsky is also a co-founder of CORE Monitoring Systems LLC, a technology platform designed to assist institutional clients more effectively monitor their investment portfolios and maximize recoveries on securities litigation.

Cases he has litigated include:

- **E-Trade Financial Corp. Sec. Litig.**, No. 07-cv-8538 (S.D.N.Y. 2007), \$79 million recovery
- **In re Activision, Inc. S'holder Derivative Litig.**, No. 06-cv-04771-MRP (JTLX)(C.D. Cal. 2006), recovered \$24 million in excess compensation
- **Corinthian Colleges, Inc., S'holder Derivative Litig.**, No. SACV-06-0777-AHS (C.D. Cal. 2009), obtained repricing of executive stock options providing more than \$2 million in benefits to the company
- **Pfeiffer v. Toll**, No. 4140-VCL (Del. Ch. 2010), \$16.25 million in insider trading profits recovered
- **In re NetzPhone, Inc. S'holder Litig.**, No. 1467-N (Del. Ch. 2005), obtained increase in tender offer price from \$1.70 per share to \$2.05 per share
- **In re Pamrapo Bancorp S'holder Litig.**, No. C-89-09 (N.J. Ch. Hudson Cty. 2011) & No. HUD-L-3608-12 (N.J. Law Div. Hudson Cty. 2015), obtained supplemental disclosures following the filing of a motion for preliminary injunction, pursued case post-closing, secured key rulings on issues of first impression in New Jersey and defeated motion for summary judgment

EDUARD KORSINSKY

Managing Partner

Cases he has litigated include:

- **In re Google Inc. Class C S'holder Litig.**, No. 19786 (Del. Ch. 2012), obtained payment ladder indemnifying investors up to \$8 billion in losses stemming from trading discounts expected to affect the new stock
- **Woodford v. M.D.C. Holdings, Inc.**, No. 1:2011cv00879 (D. Del. 2012), one of a few successful challenges to say on pay voting, recovered millions of dollars in reductions to compensation

PUBLICATIONS

- "Board Diversity: The Time for Change is Now, Will Shareholders Step Up?," National Council on Teacher Retirement. FYI Newsletter May 2021
- "The Dangers of Relying on Custodians to Collect Class Action Settlements.," The Texas Association of Public Employee Retirement Systems (TEXPERS) Investment Insights April-May Edition (2021)
- "The Dangers of Relying on Custodians to Collect Class Action Settlements.," Michigan Association of Public Employee Retirement Systems (MAPERS) Newsletter (2021)
- "The Dangers of Relying on Custodians to Collect Class Action Settlements.," Florida Public Pension Trustees Association (FPPTA) (2021)
- "NY Securities Rulings Don't Constitute Cyan Backlash", Law360 (March 8, 2021)
- "Best Practices for Monitoring Your Securities Portfolio in 2021.," Building Trades News Newsletter (2020-2021)

- **Pfeiffer v. Alpert (Beazer Homes)**, No. 10-cv-1063-PD (D. Del. 2011), obtained substantial revisions to an unlawful executive compensation structure
- **In re NCS Healthcare, Inc. Sec. Litig.**, No. CA 19786, (Del. Ch. 2002), case settled for approximately \$100 million
- **Paraschos v. YBM Magnex Int'l, Inc.**, No. 98-CV-6444 (E.D. Pa.), United States and Canadian cases settled for \$85 million Canadian

- "Best Practices for Monitoring Your Securities Portfolio in 2021.," The Texas Association of Public Employee Retirement Systems (TEXPERS) Monitor (2021)
- "Best Practices for Monitoring Your Securities Portfolio in 2021.," Michigan Association of Public Employee Retirement Systems (MAPERS) Newsletter (2021)
- "Best Practices for Monitoring Your Securities Portfolio in 2021.," Florida Public Pension Trustees Association (FPPTA) (2021)
- Delaware Court Dismisses Compensation Case Against Goldman Sachs, ABA Section of Securities Litigation News & Developments (Nov. 7, 2011)
- SDNY Questions SEC Settlement Practices in Citigroup Settlement, ABA Section of Securities Litigation News & Developments (Nov. 7, 2011)
- New York Court Dismisses Shareholder Suit Against Goldman Sachs, ABA Section of Securities Litigation News & Developments (Oct. 31, 2011)

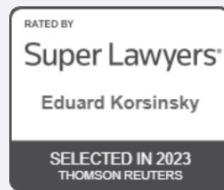
EDUARD KORSINSKY

Managing Partner

EDUCATION

- New York University School of Law, LL.M. Master of Law(s) Taxation (1997)
- Brooklyn Law School, J.D. (1995)
- Brooklyn College, B.S., Accounting, summa cum laude (1992)

AWARDS



ADMISSIONS

- New York (1996)
- New Jersey (1996)
- United States District Court for the Southern District of New York (1998)
- United States District Court for the Eastern District of New York (1998)
- United States Court of Appeals for the Second Circuit (2006)
- United States Court of Appeals for the Third Circuit (2010)
- United States District Court for the Northern District of New York (2011)
- United States District Court of New Jersey (2012)
- United States Court of Appeals for the Sixth Circuit (2013)
- Arizona (2024)

JOSEPH E. LEVI

Managing Partner



Joseph E. Levi is a central figure in shaping and managing the Firm's securities litigation practice. Mr. Levi has been lead or co-lead in dozens of cases involving the enforcement of shareholder rights in the context of mergers & acquisitions and securities fraud. In addition to his involvement in class action litigation, he has represented numerous patent holders in enforcing their patent rights in areas including computer hardware, software, communications, and information processing, and has been instrumental in obtaining substantial awards and settlements.

Mr. Levi and the Firm achieved success on behalf of the former shareholders of Occam Networks in litigation challenging the Company's merger with Calix, Inc., obtaining a preliminary injunction against the merger due to material representations and omissions in the proxy solicitation. **Chen v. Howard-Anderson**, No. 5878-VCL (Del. Ch.). Vigorous litigation efforts continued to trial, resulting in a \$35 million recovery for shareholders.

Mr. Levi and the Firm served as lead counsel in **Weigard v. Hicks**, No. 5732-VCS (Del. Ch.), which challenged the acquisition of Health Grades by affiliates of Vestar Capital Partners. Mr. Levi successfully demonstrated to the Court of Chancery that the defendants had likely breached their fiduciary duties to Health Grades' shareholders by failing to maximize shareholder value. This ruling was used to reach a favorable settlement where defendants agreed to a host of measures designed to increase the likelihood of superior bid. Vice Chancellor Strine "applaud[ed]" the litigation team for their preparation and the extraordinary high-quality of the briefing.

“ [The court] appreciated very much the quality of the argument..., the obvious preparation that went into it, and the ability of counsel...”

Justice Timothy S. Driscoll in *Grossman v. State Bancorp, Inc.*, Index No. 600469/2011 (N.Y. Sup. Ct. Nassau Cnty. Nov. 29, 2011)

JOSEPH E. LEVI

Managing Partner

EDUCATION

- Brooklyn Law School, J.D., magna cum laude (1995)
- Polytechnic University, B.S., Electrical Engineering, summa cum laude (1984); M.S. Systems Engineering (1986)

AWARDS



ADMISSIONS

- New York (1996)
- New Jersey (1996)
- United States Patent and Trademark Office (1997)
- United States District Court for the Southern District of New York (1997)
- United States District Court for the Eastern District of New York (1997)



Our Attorneys

Partners

- ADAM M. APTON
- DONALD J. ENRIGHT
- SHANNON L. HOPKINS
- GREGORY M. NESPOLE
- GREGORY M. POTREPKA
- NICHOLAS I. PORRITT

ADAM M. APTON

Partner



Adam M. Apton focuses his practice on investor protection. He represents institutional investors and high net worth individuals in securities fraud, corporate governance, and shareholder rights litigation. Prior to joining the firm, Mr. Apton defended corporate clients against complex mass tort, commercial, and products liability lawsuits. Thomson Reuters has selected Mr. Apton to the Super Lawyers "Rising Stars" list every year since 2016, a distinction given to only the top 2.5% of lawyers. He has also been awarded membership to the prestigious Lawyers of Distinction for his excellence in the practice of law and named to the "Lawdragon 500 X" list out of thousands of candidates in recognition of his place at the forefront of the legal profession.

Mr. Apton's past representations and successes include:

- **In re Tesla, Inc. Securities Litigation**, No. 3:18-cv-04865-EMC (N.D. Cal.) (trial counsel in class action representing Tesla investors who were harmed by Elon Musk's "funding secured" tweet from August 7, 2018)
- **In re Navient Corp. Securities Litigation**, No. 17-8373 (RBK/AMD) (D.N.J.) (lead counsel in class action against leading provider of student loans for alleged false and misleading statements about compliance with consumer protection laws)
- **In re Prothena Corporation Plc Securities Litigation**, No. 1:18-cv-06425-ALC (S.D.N.Y.) (\$15.75 million settlement fund against international drug company for false statements about development of lead biopharmaceutical product)
- **Martin v. Altisource Residential Corporation**, et al., No. 15-00024 (AET) (GWC) (D.V.I.) (\$15.5 million settlement fund against residential mortgage company for false statements about compliance with consumer regulations and corporate governance protocols)
- **Levin v. Resource Capital Corp., et al.**, No. 1:15-cv-07081-LLS (S.D.N.Y.) (\$9.5 million settlement in class action over fraudulent statements about toxic mezzanine loan assets)

ADAM M. APTON

Partner

- **Rux v. Meyer (Sirius XM Holdings Inc.)**, No. 11577 (Del. Ch.) (recovery of \$8.25 million against SiriusXM's Board of Directors for engaging in harmful related-party transactions with controlling stockholder, John. C. Malone and Liberty Media Corp.)

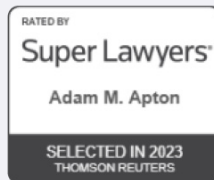
PUBLICATIONS

- "Pleading Section 11 Liability for Secondary Offerings" American Bar Association: Practice Points (Jan. 4, 2017)
- "Second Circuit Rules in Indiana Public Retirement System v. SAIC, Inc." American Bar Association: Practice Points (Apr. 4, 2016)
- "Second Circuit Applies Omnicare to Statements of Opinion in Sanofi" American Bar Association: Practice Points (Mar. 30, 2016)
- "Second Circuit Rules in Action AG v. China North" American Bar Association: Practice Points (Sept. 14, 2015)

EDUCATION

- New York Law School, J.D., cum laude (2009), where he served as Articles Editor of the New York Law School Law Review and interned for the New York State Supreme Court, Commercial Division
- University of Minnesota, B.A., Entrepreneurial Management & Psychology, With Distinction (2006)

AWARDS



ADMISSIONS

- New York (2010)
- United States District Court for the Southern District of New York (2010)
- United States District Court for the Eastern District of New York (2010)
- United States Court of Appeals for the Ninth Circuit (2015)
- United States Court of Appeals for the Second Circuit (2016)
- United States Court of Appeals for the Third Circuit (2016)
- California (2017)
- United States District Court for the Northern District of California (2017)
- United States District Court for the Central District of California (2017)
- United States District Court for the Southern District of California (2017)
- New Jersey (2020)
- United States District Court for the District of New Jersey (2020)

DONALD J. ENRIGHT

Partner



During his 26 years as a litigator and trial lawyer, Mr. Enright has handled matters in the fields of securities, commodities, consumer fraud and commercial litigation, with a particular emphasis on shareholder M&A and securities fraud class action litigation. He has been named as one of the leading financial litigators in the nation by Lawdragon, as a Washington, DC "Super Lawyer" by Thomson Reuters, and as one of the city's "Top Lawyers" by Washingtonian magazine.

Mr. Enright has shown a track record of achieving victories in federal trials and appeals, including:

- **Nathenson v. Zonagen, Inc.**, No. 267 F. 3d 400, 413 (5th Cir. 2001)
- **SEC v. Butler**, No. 2005 U.S. Dist. LEXIS 7194 (W.D. Pa. April 18, 2005)
- **Belizan v. Hershon**, No. 434 F. 3d 579 (D.C. Cir. 2006)
- **Rensel v. Centra Tech, Inc.**, No. 2021 WL 2659784 (11th Cir. June 29, 2021)

Most recently, in **In re Schuff International, Inc. Stockholders Litigation**, No. 10323-VCZ, Mr. Enright served as Co-Lead Counsel for the plaintiff class in achieving the largest recovery as a percentage of the underlying transaction consideration in Delaware Chancery Court merger class action history, obtaining an aggregate recovery of more than \$22 million -- a gross increase from \$31.50 to \$67.45 in total consideration per share (a 114% increase) for tendering stockholders.

Similarly, as Co-Lead Counsel in **In re Bluegreen Corp. Shareholder Litigation**, No. 502011CA018111 (Cir. Ct. for Palm Beach Cnty., Fla.), Mr. Enright achieved a \$36.5 million common fund settlement in the wake of a majority shareholder buyout, representing a 25% increase in total consideration to the minority stockholders.

DONALD J. ENRIGHT

Partner

Also, in **In re CNX Gas Corp. Shareholders Litigation**, No. 53377-VCL (Del. Ch. 2010), in which Levi & Korsinsky served upon plaintiffs' Executive Committee, Mr. Enright helped obtain the recovery of a common fund of over \$42.7 million for stockholders.

Mr. Enright has also played a leadership role in numerous securities and shareholder class actions from inception to conclusion. Most recently, he has served as lead counsel in several cryptocurrency-related securities class actions. His leadership has produced multi-million-dollar recoveries in shareholder class actions involving such companies as:

- Allied Irish Banks PLC
- Iridium World Communications, Ltd.
- En Pointe Technologies, Inc.
- PriceSmart, Inc.
- Polk Audio, Inc.
- Meade Instruments Corp.
- Xicor, Inc.
- Streamlogic Corp.
- Interbank Funding Corp.
- Riggs National Corp.
- UTStarcom, Inc.
- Manugistics Group, Inc.

Mr. Enright also has a successful track record of obtaining injunctive relief in connection with shareholder M&A litigation, having won preliminary injunctions or other injunctive relief in the cases of:

- **In re Portec Rail Products, Inc. S'holder Litig.**, No. G.D. 10-3547 (Ct. Com. Pleas Pa. 2010)
- **In re Craftmade International, Inc. S'holder Litig.**, No. 6950-VCL (Del. Ch. 2011)
- **Dias v. Purches**, No. 7199-VCG (Del. Ch. 2012)
- **In re Complete Genomics, Inc. S'holder Litig.**, No. 7888-VCL (Del. Ch. 2012)
- **In re Integrated Silicon Solution, Inc. Stockholder Litig.**, No. 115CV279142 (Sup. Ct. Santa Clara, CA 2015)

DONALD J. ENRIGHT

Partner

Mr. Enright has also demonstrated considerable success in obtaining deal price increases for shareholders in M&A litigation. As Co-Lead Counsel in the matter of **In re Great Wolf Resorts, Inc. Shareholder Litigation**, No. 7328-VCN (Del. Ch. 2012), Mr. Enright was partially responsible for a \$93 million (57%) increase in merger consideration and waiver of several “don’t-ask-don’t-waive” standstill agreements that were precluding certain potential bidders from making a topping bid for the company.

Similarly, Mr. Enright served as Co-Lead Counsel in the case of **Berger v. Life Sciences Research, Inc.**, No. SOM-C-12006-09 (NJ Sup. Ct. 2009), which caused a significant increase in the transaction price from \$7.50 to \$8.50 per share, representing additional consideration for shareholders of approximately \$11.5 million.

Mr. Enright also served as Co-Lead Counsel in **Minerva Group, LP v. Keane**, Index No. 800621/2013 (NY Sup. Ct. of Erie Cnty.) and obtained a settlement in which Defendants increased the price of an insider buyout from \$8.40 to \$9.25 per share.

The courts have consistently recognized and praised the quality of Mr. Enright’s work. In **In re Interbank Funding Corp. Securities Litigation** (D.D.C. 02-1490), Judge Bates of the United States District Court for the District of Columbia observed that Mr. Enright had “...skillfully, efficiently, and zealously represented the class, and... worked relentlessly throughout the course of the case.”

Similarly, in **Freeland v. Iridium World Communications, LTD.** (D.D.C. 99-1002), Judge Nanette Laughrey stated that Mr. Enright had done “an outstanding job” in connection with the recovery of \$43.1 million for the shareholder class.

And, in the matter of **Osieczanek v. Thomas Properties Group**, No. 9029-VCG (Del. Ch. 2013), Vice Chancellor Sam Glasscock of the Chancery Court of Delaware observed that “it’s always a pleasure to have counsel [like Mr. Enright] who are articulate and exuberant in presenting their position,” and that Mr. Enright’s prosecution of a merger case was “wholesome” and served as “a model of . . . plaintiffs’ litigation in the merger arena.”

DONALD J. ENRIGHT

Partner

PUBLICATIONS

- "SEC Enforcement Actions and Investigations in Private and Public Offerings," Securities: Public and Private Offerings, Second Edition, West Publishing 2007
- "Dura Pharmaceuticals: Loss Causation Redefined or Merely Clarified?" J. Tax'n & Reg. Fin. Inst. September/October 2007, Page 5

EDUCATION

- George Washington University School of Law, J.D. (1996), where he was a Member Editor of The George Washington University Journal of International Law and Economics from 1994 to 1996
- Drew University, B.A., Political Science and Economics, cum laude (1993)

AWARDS



ADMISSIONS

- Maryland (1996)
- New Jersey (1996)
- United States District Court for the District of Maryland (1997)
- United States District Court for the District of New Jersey (1997)
- District of Columbia (1999)
- United States Court of Appeals for the Fourth Circuit (1999)
- United States Court of Appeals for the Fifth Circuit (1999)
- United States District Court for the District of Columbia (1999)
- United States Court of Appeals for the District of Columbia (2004)
- United States Court of Appeals for the Second Circuit (2005)
- United States Court of Appeals for the Third Circuit (2006)
- United States District Court for the District of Colorado (2017)

SHANNON L. HOPKINS

Partner



Shannon L. Hopkins manages the Firm's Connecticut office. She was selected in 2013 as a New York "Super Lawyer" by Thomson Reuters. For more than two decades Ms. Hopkins has been prosecuting a wide range of complex class action matters in securities fraud, mergers and acquisitions, and consumer fraud litigation on behalf of individuals and large institutional clients. Ms. Hopkins has played a lead role in numerous shareholder securities fraud and merger and acquisition matters and has been involved in recovering multimillion-dollar settlements on behalf of shareholders, including:

- **E-Trade Financial Corp. S'holder Litig.**, No. 07-cv-8538 (S.D.N.Y. 2007), \$79 million recovery for the shareholder class
- **In re U.S. Steel Consolidated Cases**, No. 17-559-CB (W.D. Pa.), \$40 million recovery for shareholder class
- **In re Nutanix, Inc. Securities Litigation**, No. 3:19-cv-01651-WHO (the "Stock Case"), \$71 million for shareholder class
- **Rougier v. Applied Optoelectronics, Inc.**, No. 17-cv-2399 (S.D. Tex.), \$15.5 million recovery for shareholder class
- **In Re Helios and Matheson Analytics, Inc. Sec. Litig.**, No. 18-cv-6965-JGK (S.D.N.Y.), \$8.25 Million shareholder recovery
- **In re Restoration Robotics, Inc. Sec. Litig.**, No. 18-cv-03712-EJD (N.D. Cal.), \$4.175 million shareholder recovery
- **In Stein v. U.S. Xpress Enterprises, Inc.**, et al., No. 1:19-cv-98-TRM-CHS (E.D. Tenn.), \$4.3 million shareholder recovery
- **Kirkland, et al. v. WideOpenWest, Inc.**, et al., Index No. 653248/2018, \$7.025 million recovery for shareholder class

SHANNON L. HOPKINS

Partner

- “Plaintiffs’ selected Class Counsel, the law firm of Levi & Korsinsky, LLP, has demonstrated the zeal and competence required to adequately represent the interests of the Class. The attorneys at Levi & Korsinsky have experience in securities and class actions issues and have been appointed lead counsel in a significant number of securities class actions across the country.”

The Honorable Christina Bryan in *Rougier v. Applied Optoelectronics, Inc.*, No. 4:17-CV-02399 (S.D. Tex. Nov. 13, 2019)

In addition to her legal practice, Ms. Hopkins is a Certified Public Accountant (1998 Massachusetts). Prior to becoming an attorney, Ms. Hopkins was a senior auditor with PricewaterhouseCoopers LLP, where she led audit engagements for large publicly held companies in a variety of industries.

- “In appointing the Firm Lead Counsel, the Honorable Gary Allen Feess noted our “significant prior experience in securities litigation and complex class actions.”

Zaghian v. THQ, Inc., No. 2:12-cv-05227-GAF-JEM (C.D. Cal. Sept. 14, 2012)

SHANNON L. HOPKINS

Partner

PUBLICATIONS

- "Cybercrime Convention: A Positive Beginning to a Long Road Ahead," 2 J. High Tech. L. 101 (2003)

EDUCATION

- Suffolk University Law School, J.D., magna cum laude (2003), where she served on the Journal for High Technology and as Vice Magister of the Phi Delta Phi International Honors Fraternity
- Bryant University, B.S.B.A., Accounting and Finance, cum laude (1995), where she was elected to the Beta Gamma Sigma Honor Society

AWARDS



ADMISSIONS

- Massachusetts (2003)
- United States District Court for the District of Massachusetts (2004)
- New York (2004)
- United States District Court for the Southern District of New York (2004)
- United States District Court for the Eastern District of New York (2004)
- United States District Court for the District of Colorado (2004)
- United States Court of Appeals for the First Circuit (2008)
- United States Court of Appeals for the Third Circuit (2010)
- Connecticut (2013)
- United States Court of Appeals for the Ninth Circuit (2023)

GREGORY M. NESPOLE

Partner



Gregory Mark Nespole is a Partner of the Firm, having been previously a member of the management committee of one of the oldest firms in New York, as well as chair of that firm's investor protection practice. He specializes in complex class actions, derivative actions, and transactional litigation representing institutional investors such as public and labor pension funds, labor health and welfare benefit funds, and private institutions. Prior to practicing law, Mr. Nespole was a strategist on an arbitrage desk and an associate in a major international investment bank where he worked on structuring private placements and conducting transactional due diligence.

For over twenty years, Mr. Nespole has played a lead role in numerous shareholder securities fraud and merger and acquisition matters and has been involved in recovering multi-million-dollar settlements on behalf of shareholders, including:

- Served as co-chair of a Madoff Related Litigation Task Force that recovered over several hundred million dollars for wronged investors;
- Obtained a \$90 million award on behalf of a publicly listed company against a global bank arising out of fraudulently marketed auction rated securities;
- Successfully obtained multi-million-dollar securities litigation recoveries and/or corporate governance reforms from Cablevision, JP Morgan, American Pharmaceutical Partners, Sepracor, and MBIA, among many others.

Mr. Nespole is a member of the Federal Bar Council and the FBC's Securities Litigation Committee. Mr. Nespole's peers have elected him a "Super Lawyer" in the class action field annually since 2009. He is active in his community as a youth sports coach.

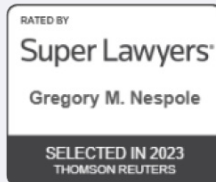
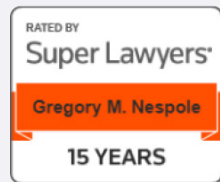
GREGORY M. NESPOLE

Partner

EDUCATION

- Brooklyn Law School, J.D. (1993)
- Bates College, B.A. (1989)

AWARDS



ADMISSIONS

- New York (1994)
- United States District Court for the Southern District of New York (1994)
- United States District Court for the Eastern District of New York (1994)
- United States Court of Appeals for the Second Circuit (1994)
- United States Court of Appeals for the Fourth Circuit (1994)
- United States Court of Appeals for the Fifth Circuit (1994)
- United States District Court for the Northern District of New York (2018)
- United States Court of Appeals for the Eighth Circuit (2019)
- United States Court of Appeals for the Third Circuit (2020)

GREGORY POTREPKA

Partner



Gregory M. Potrepka is a partner of the Firm in its Connecticut office. Mr. Potrepka's practice specializes in vindicating investor rights, including the interests of shareholders of publicly traded companies. Specifically, Mr. Potrepka has considerable experience prosecuting complex class actions, securities fraud matters, and similar commercial litigation. Mr. Potrepka's role in the Firm's securities litigation practice has significantly contributed to many of the Firm's successes, including the following representative matters:

- **In re Nutanix, Inc. Sec. Litig.**, No. 3:19-01651-WHO (N.D. Cal.); **Norton v. Nutanix, Inc.**, 3:21-cv-04080-WHO (N.D. Cal.) (\$71 million recovery)
- **In re U.S. Steel Consolidated Cases**, No. 17-579 (W.D. Pa.) (\$40 million recovery)
- **Rougier v. Applied Optoelectronics, Inc.**, No. 4:17-cv-2399 (S.D. Tex.) (\$15.5 million recovery)
- **In re Helios and Matheson Analytics, Inc. Securities Litigation**, No. 1:18-cv-06965 (S.D.N.Y.) (\$8.25 million recovery)
- **In re Aqua Metals Securities Litigation**, No. 17-cv-07142-HSG (N.D. Cal.) (\$7

EDUCATION

- University of Connecticut School of Law, J.D. (2015)
- University of Connecticut Department of Public Policy, M.P.A. (2015)
- University of Connecticut, B.A., Political Science (2010)

AWARDS



ADMISSIONS

- Connecticut (2015)
- Mashantucket Pequot Tribal Court (2015)
- United States District Court for the District of Connecticut (2016)
- United States District Court for the Southern District of New York (2018)
- United States District Court for the Eastern District of New York (2018)
- United States Court of Appeals for the Third Circuit (2020)
- New York (2023)
- United States District of Colorado (2023)

NICHOLAS I. PORRITT

Partner



Nicholas Porritt prosecutes securities class actions, shareholder class actions, derivative actions, and mergers and acquisitions litigation. He has extensive experience representing plaintiffs and defendants in a wide variety of complex commercial litigation, including civil fraud, breach of contract, and professional malpractice, as well as defending SEC investigations and enforcement actions. Mr. Porritt has helped recover hundreds of millions of dollars on behalf of shareholders. He was one of the Lead Counsel in **In re Google Inc. Class C Shareholder Litigation**, No. 7469-CS (Del. Ch.), which resulted in a payment of \$522 million to shareholders and overall benefit of over \$3 billion to Google's minority shareholders. He was one of the lead counsel in **Chen v. Howard-Anderson**, No. 5878-VCL (Del. Ch.) that settled during trial resulting in a \$35 million payment to the former shareholders of Occam Networks, Inc., one of the largest quasi-appraisal recoveries for shareholders. Amongst other cases, he is currently lead counsel in **In re Tesla, Inc. Securities Litigation**, No. 3:18-cv-04865-EMC (N.D. Cal.), representing Tesla investors who were harmed by Elon Musk's "funding secured" tweet from August 7, 2018 as well as lead counsel in **Ford v. TD Ameritrade Holding Corp.**, No. 14-cv-396 (D. Neb.), representing TD Ameritrade customers harmed by its improper routing of their orders. Both cases involve over \$1 billion in estimated damages.

Some of Mr. Porritt's recent cases include:

- **In re Tesla, Inc. Sec. Litig.**, No. 2020 WL 1873441 (N.D. Cal.2020)
- **In Re Aphria, Inc. Securities Litigation**, No. 2020 WL 5819548 (S.D.N.Y. 2020)
- **Voulgaris, v. Array Biopharma Inc.**, No. 17CV02789KLMCONSOLID, 2020 WL 8367829 (D. Colo.2020)
- **In Re Aphria, Inc. Securities Litigation**, No. 18 CIV. 11376 (GBD), 2020 WL 5819548 (S.D.N.Y. 2020)
- **In re Clovis Oncology, Inc. Deriv. Litig.**, No. 2019 WL 4850188 (Del. Ch. 2019)
- **Martin v. Altisource Residential Corp.**, No. 2019 WL 2762923 (D.V.I. 2019)
- **In re Navient Corp. Sec. Litig.**, No. 2019 WL 7288881 (D.N.J.2019)
- **In re Bridgestone Inv. Corp.**, No. 789 Fed. App'x 13 (9th Cir. 2019)
- **Klein v. TD Ameritrade Holding Corp.**, No. 327 F.R.D. 283 (D. Neb. 2018)

NICHOLAS I. PORRITT

Partner

Some of Mr. Porritt's recent cases include:

- **Beezley v. Fenix Parts, Inc.**, No. 2018 WL 3454490 (N.D. Ill. 2018)
- **In re PTC Therapeutics Sec. Litig.**, No. 2017 WL 3705801 (D.N.J. 2017)
- **Zaghian v. Farrell**, No. 675 Fed. Appx. 718, (9th Cir. 2017)
- **SEC v. Cuban**, No. 620 F.3d 551 (5th Cir. 2010)
- **Cozzarelli v. Inspire Pharmaceuticals, Inc.**, No. 549 F.3d 618 (4th Cir. 2008)
- **Teachers' Retirement System of Louisiana v. Hunter**, No. 477 F.3d 162 (4th Cir. 2007)
- **In re PTC Therapeutics Sec. Litig.**, No. 2017 WL 3705801 (D.N.J. Aug. 28, 2017)

PUBLICATIONS

- "Current Trends in Securities Litigation: How Companies and Counsel Should Respond," Inside the Minds. Recent Developments in Securities Law (Aspatore Press 2010)

EDUCATION

- University of Chicago Law School, J.D., With Honors (1996)
- University of Chicago Law School, LL.M. (1993)
- Victoria University of Wellington, LL.B. (Hons.), With First Class Honors, Senior Scholarship (1990)

AWARDS



- **Gormley magicJack VocalTec Ltd.**, No. 220 F. Supp. 3d 510 (S.D.N.Y. 2016)
- **Carlton v. Cannon**, No. 184 F. Supp. 3d 428 (S.D. Tex. 2016)
- **Zola v. TD Ameritrade, Inc.**, No. 172 F. Supp. 3d 1055 (D. Neb. 2016)
- **In re Energy Recovery Sec. Litig.**, No. 2016 WL 324150 (N.D. Cal. Jan. 27, 2016)
- **In re EZCorp Inc. Consulting Agreement Deriv. Litig.**, No. 2016 WL 301245 (Del. Ch. Jan. 25, 2016)
- **In re Violin Memory Sec. Litig.**, No. 2014 WL 5525946 (N.D. Cal. Oct. 31, 2014)
- **Garnitschnig v. Horovitz**, No. 48 F. Supp. 3d 820 (D. Md. 2014)

ADMISSIONS

- New York (1997)
- District of Columbia (1998)
- United States District Court for the District of Columbia (1999)
- United States District Court for the Southern District of New York (2004)
- United States Court of Appeals for the Fourth Circuit (2004)
- United States Court of Appeals for the District of Columbia Circuit (2006)
- United States Supreme Court (2006)
- United States District Court for the District of Maryland (2007)
- United States District Court for the Eastern District of New York (2012)
- United States Court of Appeals for the Second Circuit (2014)
- United States Court of Appeals for the Ninth Circuit (2015)
- United States District Court for the District of Colorado (2015)
- United States Court of Appeals for the Tenth Circuit (2016)
- United States Court of Appeals for the Eleventh Circuit (2017)
- United States Court of Appeals for the Eighth Circuit (2019)
- United States Court of Appeals for the Third Circuit (2019)

MARK S. REICH

Partner



Mark Samuel Reich is a Partner of the Firm. Mark's practice focuses on consumer class actions, including cases involving privacy and data breach issues, deceptive and unfair trade practices, advertising injury, product defect, and antitrust violations. Mark, who has experience and success outside the consumer arena, also supports the Firm's securities and derivative practices.

Mark is attentive to clients' interests and fosters their activism on behalf of class members. Clients he has worked with consistently and enthusiastically endorse Mark's work:

“ Mark attentively guided me through each stage of the litigation, prepared me for my deposition, and ensured that I and other wronged consumers were compensated and that purchasers in the future could not be duped by the appliance manufacturer's misleading marketing tactics.”

Katherine Danielkiewicz, Michigan (S.D. Tex. Nov. 13, 2019)

“ After my experience working with Mark and his colleague, any hesitancy I may have had in the past about leading or participating in a class action has gone away. Mark expertly countered every roadblock that the corporate defendant tried using to dismiss our case and we ultimately reached a resolution that exceeded my expectations”

Barry Garfinkle, Pennsylvania

MARK S. REICH

Partner

Before joining Levi & Korsinsky, Mark practiced at the largest class action firm in the country for more than 15 years, including 8 years as a Partner. Prior to becoming a consumer and shareholder advocate, Mark practiced commercial litigation with an international law firm based in New York, where he defended litigations on behalf of a variety of corporate clients.

Mark has represented investors in securities litigation, devoted to protecting the rights of institutional and individual investors who were harmed by corporate misconduct. His case work involved **State Street Yield Plus Fund Litig.** (\$6.25 million recovery); **In re Doral Fin. Corp. Sec. Litig.**, SDNY (\$129 million recovery); **Lockheed Martin Corp. Sec. Litig.** (\$19.5 million recovery); **Tile Shop Holdings, Inc.** (\$9.5 million settlement); **Curran v. Freshpet Inc.** (\$10.1 million settlement); **In re Jakks Pacific, Inc.** (\$3,925,000 settlement); **Fidelity Ultra Short Bond Fund Litig.** (\$7.5 million recovery); and **Cha v. Kinross Gold Corp.** (\$33 million settlement).

“ Never having been involved in a class action, I was uninformed and apprehensive. Mark and his colleagues not only explained the complexities, but maintained extensive ongoing, communications, involved us fully in all phases of the process; provided appropriate professional counsel and guidance to each participant, and achieved results that satisfied the original goals of the litigation”

Fred Sharp, New York

“ It was a pleasure being represented by Mark. Above all he was patient throughout the tedious process of litigation. He is a good listener and a good communicator, which enhanced my participation and understanding of the process. He also provided excellent follow up throughout, making the process feel more like a team effort.”

Louise Miljenovic, New Jersey

MARK S. REICH

Partner

At his prior firm, Mark achieved notable success challenging unfair mergers and acquisitions in courts throughout the country. Among the M&A litigation that Mark handled or participated in, his notable cases include: **In re Aramark Corp. S'holders Litig.**, where he attained a \$222 million increase in consideration paid to shareholders of Aramark and a substantial reduction to management's voting power – from 37% to 3.5% – in connection with the approval of the going-private transaction; **In re Delphi Fin. Grp. S'holders Litig.**, resulting in a \$49 million post-merger settlement for Class A Delphi shareholders; **In re TD Banknorth S'holders Litig.**, where Mark played a significant role in raising the inadequacy of the \$3 million initial settlement, which the court rejected as wholly inadequate, and later resulted in a vastly increased \$50 million recovery. Mark has also been part of ERISA litigation teams that led to meaningful results, including **In re Gen. Elec. Co. ERISA Litig.**, which resulting in structural changes to company's 401(k) plan valued at over \$100 million, benefiting current and future plan participants.

“ We contacted Mark about our concerns about our oven's failure to perform as advertised. He worked with us to formulate a strategy that ultimately led to a settlement that achieved our and others' goals and specific needs.”

Candace Oliarny, Idaho

“ My wife and I never having been involved with a law firm or Class Action had no idea what to expect. Within the first few phone meetings with Mark, we became assured as Mark explained in detail how the process worked, Mark is a great communicator. Mr. Reich is a true professional, his integrity through the years he worked with us was impeccable. Working with Mark was a truly positive experience, and have no reservations if we ever had to call on his services again.”

Louise Miljenovic, New Jersey

MARK S. REICH

Partner

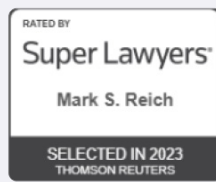
Before joining the Firm, Mark graduated with a Bachelor of Arts degree from Queens College in New York. He earned his Juris Doctor degree from Brooklyn Law School, where he served on the Moot Court Honor Society and The Journal of Law and Policy.

Mark regularly practices in federal and state courts throughout the country and is a member of the bar in New York. He has been recognized for his legal work by being named a New York Metro Super Lawyer by Super Lawyers Magazine every year since 2013. Mark is active in his local community and has been distinguished for his neighborhood support with a Certificate of Recognition by the Town of Hempstead.

EDUCATION

- Brooklyn Law School, J.D. (2000)
- Queens College, B.A., Psychology and Journalism (1997)

AWARDS



ADMISSIONS

- New York (2001)
- United States District Court for the Southern District of New York (2001)
- United States District Court for the Eastern District of New York (2001)
- United States District Court for the Northern District of New York (2005)
- United States District Court for the Eastern District of Michigan (2017)

DANIEL TEPPER

Partner



Daniel Tepper is a Partner of the Firm with extensive experience in shareholder derivative suits, class actions and complex commercial litigation. Before he joined Levi & Korsinsky, Mr. Tepper was a partner in one of the oldest law firms in New York. He is an active member of the CPLR Committee of the New York State Bar Association and was an early member of its Electronic Discovery Committee. Mr. Tepper has been selected as a New York "Super Lawyer" in 2016 – 2023.

Some of the notable matters where Mr. Tepper had a leading role include:

- **Siegmund v. Bian**, No. 16-62506 (S.D. Fla.), achieving an estimated recovery of \$29.93 per share on behalf of a class of public shareholders of Linkwell Corp. who were forced to sell their stock at \$0.88 per share.
- **In re Platinum-Beechwood Litigation**, No. 18-06658 (S.D.N.Y.), achieved dismissal on behalf of an individual investor in Platinum Partners-affiliated investment fund.
- **Lakatamia Shipping Co. Ltd. v. Nobu Su**, Index No. 654860/2016 (Sup. Ct., N.Y. Co. 2016), achieved dismissal on suit attempting to domesticate a \$40 million UK judgment in New York State.
- **Zelouf Int'l Corp. v. Zelouf**, No. 45 Misc.3d 1205(A) (Sup.Ct. N.Y. Co., 2014), representing the plaintiff in an appraisal proceeding triggered by freeze-out merger of closely-held corporation. Achieved a \$10 million verdict after eleven day trial, with the Court rejecting a discount for lack of marketability.
- **Sacher v. Beacon Assocs. Mgmt. Corp.**, No. 114 A.D.3d 655 (2d Dep't 2014), affirming denial of defendants' motion to dismiss shareholder derivative suit by Madoff feeder fund against fund's auditor for accounting malpractice.
- **In re Belzberg**, No. 95 A.D.3d 713 (1st Dep't 2012), compelling a non-signatory to arbitrate brokerage agreement dispute arising under doctrine of direct benefits estoppel.
- **Estate of DeLeo**, No. 353758/A (Surrog. Ct., Nassau Co. 2011), achieving a full plaintiff's verdict after a seven day trial which restored a multi-million dollar family business to its rightful owner.

DANIEL TEPPER

Partner

- **CMIA Partners Equity Ltd. v. O'Neill**, No. 2010 NY Slip Op 52068(U) (Sup. Ct. N.Y. Co., 2010). Representing the independent directors of a Cayman Islands investment fund, won a dismissal on the pleadings in the first New York State case examining shareholder derivative suits under Cayman Islands law.
- **Hecht v. Andover Assocs. Mgmt. Corp.**, No. 27 Misc 3d 1202(A) (Sup. Ct. Nassau Co., 2010), aff'd, 114 A.D.3d 638 (2d Dep't 2014). Participated in a \$213 million global settlement in the first Madoff related lawsuit in the country to defeat a motion to dismiss.

EDUCATION

- New York University School of Law, J.D. (2000)
- The University of Texas at Austin, B.A. with Honors (1997), National Merit Scholar

AWARDS



ADMISSIONS

- Massachusetts (2001)
- New York (2002)
- United States District Court for the Eastern District of New York (2004)
- United States District Court for the Southern District of New York (2010)
- United States District Court for the Western District of New York (2019)

ELIZABETH K. TRIPODI

Partner



Elizabeth K. Tripodi focuses her practice on shareholder protection, representing investors in securities fraud litigation, corporate derivative litigation, and litigation involving mergers, acquisitions, tender offers, and change-in-control transactions. Ms. Tripodi has been named as a Washington, D.C. "Super Lawyer" in the securities field and was selected as a "Rising Star" by Thomson Reuters for several consecutive years.

Ms. Tripodi's current representations include:

- **In re Tesla, Inc. Securities Litigation**, No. 3:18-cv-04865-EMC (N.D. Cal.) (lead counsel in class action representing Tesla investors who were harmed by Elon Musk's "funding secured" tweet from August 7, 2018)

Ms. Tripodi has played a lead role in obtaining monetary recoveries for shareholders in M&A litigation:

- **In re Schuff International, Inc. Stockholders Litigation**, No. 10323-VCZ, achieving the largest recovery as a percentage of the underlying transaction consideration in Delaware Chancery Court merger class action history, obtaining an aggregate recovery of more than \$22 million -- a gross increase from \$31.50 to \$67.45 in total consideration per share (a 114% increase) for tendering stockholders
- **In re Bluegreen Corp. S'holder Litig.**, No. 502011CA018111 (Circuit Ct. for Palm Beach Cty., FL), creation of a \$36.5 million common fund settlement in the wake of a majority shareholder buyout, representing a 25% increase in total consideration to the minority stockholders
- **In re Cybex International S'holder Litig**, Index No. 653794/2012 (N.Y. Sup. Ct. 2014), recovery of \$1.8 million common fund, which represented an 8% increase in stockholder consideration in connection with management-led cash-out merger
- **In re Great Wolf Resorts, Inc. S'holder Litig**, No. 7328-VCN (Del. Ch. 2012), where there was a \$93 million (57%) increase in merger consideration

ELIZABETH K. TRIPODI

Partner

- **Minerva Group, LP v. Keane**, Index No. 800621/2013 (N.Y. Sup. Ct. 2013), settlement in which Defendants increased the price of an insider buyout from \$8.40 to \$9.25 per share

Ms. Tripodi has played a key role in obtaining injunctive relief while representing shareholders in connection with M&A litigation, including obtaining preliminary injunctions or other injunctive relief in the following actions:

- **In re Portec Rail Products, Inc. S'holder Litig**, No. G.D. 10-3547 (Ct. Com. Pleas Pa. 2010)
- **In re Craftmade International, Inc. S'holder Litig**, No. 6950-VCL (Del. Ch. 2011) • **Dias v. Purches, et al.**, No. 7199-VCG (Del. Ch. 2012)
- **In re Complete Genomics, Inc. S'holder Litig**, No. 7888-VCL (Del. Ch. 2012)
- **In re Integrated Silicon Solution, Inc. Stockholder Litig.**, No. 115CV279142 (Sup. Ct. Santa Clara, CA 2015)

Prior to joining Levi & Korsinsky, Ms. Tripodi was a member of the litigation team that served as Lead Counsel in, and was responsible for, the successful prosecution of numerous class actions, including: **Rudolph v. UTStarcom** (stock option backdating litigation obtaining a \$9.5 million settlement); **Grecian v. Meade Instruments** (stock option backdating litigation obtaining a \$3.5 million settlement).

ELIZABETH K. TRIPODI

Partner

EDUCATION

- American University Washington College of Law, cum laude (2006), where she served as Co-Editor in Chief of the Business Law Journal (f/k/a Business Law Brief), was a member of the National Environmental Moot Court team, and interned for Environmental Enforcement Section at the Department of Justice
- Davidson College, B.A., Art History (2000)

AWARDS



ADMISSIONS

- Virginia (2006)
- United States District Court for the Eastern District of Virginia (2006)
- District of Columbia (2008)
- United States District Court for the District of Columbia (2010)
- United States Court of Appeals for the Seventh Circuit (2018)



Our Attorneys

Counsel

- ANDREW E. LENCYK
- COURTNEY E. MACCARONE
- BRIAN STEWART

ANDREW E. LENCYK

Counsel



Andrew E. Lencyk is Counsel to the Firm. Prior to joining the Firm, Mr. Lencyk was a partner in an established boutique firm in New York specializing in securities litigation. He was graduated magna cum laude from Fordham College, New York, with a B.A. in Economics and History, where he was a member of the College's Honors Program, and was elected to Phi Beta Kappa. Mr. Lencyk received his J.D. from Fordham University School of Law, where he was a member of the Fordham Urban Law Journal. He was named to the 2013, 2014, 2015, 2016, 2017, 2018 and 2019 Super Lawyers®, New York Metro Edition.

Mr. Lencyk has co-authored the following articles for the Practicing Law Institute's Accountants' Liability Handbooks:

- *Liability in Forecast and Projection Engagements: Impact of Luce v. Edelstein*
 - *An Accountant's Duty to Disclose Internal Control Weaknesses*
 - *Whistle-blowing: An Accountants' Duty to Disclose A Client's Illegal Acts*
 - *Pleading Motions under the Private Securities Litigation Reform Act of 1995*
- *Discovery Issues in Cases Involving Auditors (co-authored and appeared in the 2002 PLI Handbook on Accountants' Liability After Enron.)*

In addition, he co-authored the following article for the Association of the Bar of the City of New York, Corporate & Securities Law Updates:

- *Safe Harbor Provisions for Forward-Looking Statements (co-authored and published by the Association of the Bar of the City of New York, Corporate & Securities Law Updates, Vol. II, May 12, 2000)*

ANDREW E. LENCYK

Counsel

Cases in which Mr. Lencyk actively represented plaintiffs include:

- **Kirkland et al. v. WideOpenWest, Inc.**, No. 653248/2018 (Sup. Ct, NY County) (substantially denying defendants' motion to dismiss Section 11 and 12(a)(2) claims)
- **In re Community Psychiatric Centers Securities Litigation**, No. SA CV-91-533-AHS (Eex) (C.D. Cal.) and McGann v. Ernst & Young, SA CV-93-0814-AHS (Eex) (C.D. Cal.) (recovery of \$54.5 million against company and its outside auditors)
- **In re Danskin Securities Litigation**, Master File No. 92 CIV. 8753 (JSM) (S.D.N.Y.);
- **In re JWP Securities Litigation**, Master File No. 92 Civ. 5815 (WCC) (S.D.N.Y.) (class recovery of approximately \$36 million)
- **In re Porta Systems Securities Litigation**, Master File No. 93 Civ. 1453 (TCP) (E.D.N.Y.);
- **In re Leslie Fay Cos. Securities Litigation**, No. 92 Civ. 8036 (S.D.N.Y.) (\$35 million recovery)
- **Berke v. Presstek, Inc.**, No. 96-347-M (MDL Docket No. 1140) (D.N.H.) (\$22 million recovery)
- **In re Micro Focus Securities Litigation**, No. C-01-01352-SBA-WDB (N.D. Cal.)
- **Dusek v. Mattel, Inc.**, et al., No. CV99-10864 MRP (C.D. Cal.) (\$122 million global settlement)
- **In re Sonus Networks, Inc. Securities Litigation-II**, No. 06-CV-10040 (MLW) (D. Mass.)
- **In re AIG ERISA Litigation**, No. 04 Civ. 9387 (JES) (S.D.N.Y.) (\$24.2 million recovery)
- **In re Mutual Funds Investment Litigation**, MDL No. 1586 (D. Md.)
- In re Alger, Columbia, Janus, MFS, One Group, Putnam, Allianz Dresdner, MDL No. 15863-JFM - Allianz Dresdner subtrack (D. Md.)
- **In re Alliance, Franklin/Templeton, Bank of America/Nations Funds and Pilgrim Baxter**, MDL No. 15862-AMD – Franklin/Templeton subtrack (D. Md.)
- **In re AIG ERISA Litigation II**, No. 08 Civ. 5722 (LTS) (S.D.N.Y.) (\$40 million recovery); and
- **Flynn v. Sientra, Inc.**, No. CV-15-07548 SJO (RAOx) (C.D. Cal.) (\$10.9 million recovery) (co-lead counsel) Court decisions in which Mr. Lencyk played an active role on behalf of plaintiffs include:
 - **Pub. Empls' Ret. Sys. of Miss. v. TreeHouse Foods**, No. 2018 U.S. Dist. LEXIS 22717 (N.D. Ill. Feb. 12, 2018) (denying defendants' motion to dismiss in its entirety)

ANDREW E. LENCYK

Counsel

- **Flynn v. Sientra, Inc.**, No. 2016 U.S. Dist. LEXIS 83409 (C.D. Cal. June 9, 2016) (denying in substantial part defendants' motions to dismiss Section 10(b), Section 11 and 12(b)(2) claims), motion for reconsideration denied, slip op. (C.D. Cal. Aug 12, 2016)
- **In re Principal U.S. Property Account ERISA Litigation**, No. 274 F.R.D. 649 (S.D. Iowa 2011) (denying defendants' motion to dismiss)
- **In re AIG ERISA Litigation II**, No. 08 Civ. 5722(LTS), 2011 U.S. Dist. LEXIS 35717 (S.D.N.Y. May 31, 2011) (denying in substantial part defendants' motions to dismiss), renewed motion to dismiss denied, slip op. (S.D.N.Y. June 26, 2014)
- **In re Mutual Funds Investment Litigation**, No. 384 F. Supp. 2d 845 (D. Md. 2005) (denying in substantial part defendants' motions to dismiss), *In re Alger, Columbia, Janus, MFS, One Group, Putnam, Allianz Dresdner*, MDL No. 15863-JFM - Allianz Dresdner subtrack (D. Md. Nov. 3, 2005) (denying in substantial part defendants' motions to dismiss), and *In re Alliance, Franklin/Templeton, Bank of America/Nations Funds and Pilgrim Baxter*, MDL No. 15862-AMD - Franklin/Templeton subtrack (D. Md. June 27, 2008) (same)
- **In re AIG ERISA Litigation**, No. 04 Civ. 9387 (JES) (S.D.N.Y. Dec. 12, 2006) (denying defendants' motions to dismiss in their entirety)
- **Dusek v. Mattel, Inc.**, et al., No. CV99-10864 MRP (C.D. Cal. Dec. 17, 2001) (denying defendants' motions to dismiss Section 14(a) complaint in their entirety)
- **In re Micro Focus Sec. Litig.**, Case No. C-00-20055 SW (N.D. Cal. Dec. 20, 2000) (denying motion to dismiss Section 11 complaint);
- **Zuckerman v. FoxMeyer Health Corp.**, No. 4 F. Supp.2d 618 (N.D. Tex. 1998) (denying defendants' motion to dismiss in its entirety in one of the first cases decided in the Fifth Circuit under the Private Securities Litigation Reform Act of 1995)
- **In re U.S. Liquids Securities Litigation**, Master File No. H-99-2785 (S.D. Tex. Jan. 23, 2001) (denying motion to dismiss Section 11 claims)
- **Sands Point Partners, L.P., et al. v. Pediatrix Medical Group, Inc.**, et al., No. 99-6181-CIV-Zloch (S.D. Fla. June 6, 2000) (denying defendants' motion to dismiss in its entirety)
- **Berke v. Presstek, Inc.**, No. 96-347-M (MDL Docket No. 1140) (D.N.H. Mar. 30, 1999) (denying defendants' motion to dismiss)

ANDREW E. LENCYK

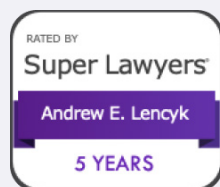
Counsel

- **Chalverus v. Pegasystems, Inc.**, No. 59 F. Supp. 2d 226 (D. Mass. 1999) (denying defendants' motion to dismiss);
- **Danis v. USN Communications, Inc.**, No. 73 F. Supp. 2d 923 (N.D. Ill. 1999) (denying defendants' motion to

EDUCATION

- Fordham University School of Law, J.D. (1992)
- Fordham College, B.A. magna cum laude, 1988)

AWARDS



ADMISSIONS

- Connecticut (1992)
- New York (1993)
- United States District Court for the Southern District of New York (2004)
- United States District Court for the Eastern District of New York (2004)
- United States Court of Appeals for the Second Circuit (2015)

COURTNEY E. MACCRONE

Counsel



Courtney E. MacCarone focuses her practice on prosecuting consumer class actions. Prior to joining Levi & Korsinsky, Ms. MacCarone was an associate at a boutique firm in New York specializing in class action litigation. While attending Brooklyn Law School, Ms. MacCarone served as the Executive Symposium Editor of the Brooklyn Journal of International Law and was a member of the Moot Court Honor Society. Her note, "Crossing Borders: A TRIPS-Like Treaty on Quarantines and Human Rights" was published in the Spring 2011 edition of the Brooklyn Journal of International Law.

Ms. MacCarone also gained experience in law school as an intern to the Honorable Martin Glenn of the Southern District of New York Bankruptcy Court and as a law clerk at a New York City-based class action firm. Ms. MacCarone has been recognized as a Super Lawyer "Rising Star" for the New York Metro area every year since 2014.

EDUCATION

- Brooklyn Law School, J.D., magna cum laude (2011)
- New York University, B.A., magna cum laude (2008)

AWARDS



ADMISSIONS

- New Jersey (2011)
- New York (2012)
- United States District Court for the District of New Jersey (2012)
- United States District Court for the Eastern District of New York (2012)
- United States District Court for the Southern District of New York (2012)

BRIAN STEWART

Counsel



Brian Stewart is an Associate with the Firm practicing in the Washington, D.C. office. Prior to joining the firm, Mr. Stewart was an associate at a small litigation firm in Washington D.C. and a regulatory analyst at the Financial Industry Regulatory Authority (FINRA). During law school, he interned for the Enforcement Divisions of the SEC and CFPB.

EDUCATION

- American University Washington College of Law, J.D. (2012)
- University of Washington, B.S., Economics and Mathematics (2008)

ADMISSIONS

- Maryland (2012)
- District of Columbia (2014)
- United States District Court for the District of Maryland (2017)
- United States District Court for the District of Colorado (2017)



Our Attorneys

Senior Associates

- **JORDAN A. CAFRITZ**
- **MORGAN EMBLETON**
- **DAVID C. JAYNES**
- **ADAM C. MCCALL**
- **CORREY A. SUK**

JORDAN A. CAFRITZ

Senior Associate



Jordan Cafritz is an Associate with the Firm's Washington, D.C. office. While attending law school at American University he was an active member of the American University Business Law Review and worked as a Rule 16 attorney in the Criminal Justice Defense Clinic. After graduating from law school, Mr. Cafritz clerked for the Honorable Paul W. Grimm in the U.S. District Court for the District of Maryland.

EDUCATION

- American University Washington College of Law, J.D. (2014)
- University of Wisconsin-Madison, B.A., Economics & History (2010)

ADMISSIONS

- Maryland (2014)
- District of Columbia (2018)

MORGAN EMBLETON

Senior Associate



Morgan M. Embleton is an associate in the Firm's Connecticut office. Since 2018, Ms. Embleton has focused her practice on federal securities class actions and protecting the interests of shareholders of publicly traded companies.

Prior to that, Ms. Embleton litigated matters arising under the False Claims Act, Jones Act, Longshore Harbor Workers' Compensation Act, Louisiana Whistleblower Act, and Louisiana Environmental Whistleblower Act, as well as pharmaceutical mass torts and products liability claims. Ms. Embleton has extensive experience prosecuting securities fraud matters, complex class actions, and multidistrict litigations.

Ms. Embleton received her J.D. and Environmental Law Certificate from Tulane University Law School in 2014. During her time in law school, Ms. Embleton was a student attorney in the Tulane Environmental Law Clinic, a member of the Journal of Technology and Intellectual Property, and the Assistant Director of Research and Development for the Durationator.

EDUCATION

- Tulane University Law School, J.D. and Environmental Law Certificate (2014)
- University of Colorado at Boulder, B.A., cum laude, Sociology (2010)

ADMISSIONS

- Louisiana (2014)
- United States District Court for the Eastern District of Louisiana (2015)
- United States District Court for the Middle District of Louisiana (2016)
- United States District Court for the Western District of Louisiana (2016)
- United States Court of Federal Claims (2016)
- United States Court of Appeals for the Fifth Circuit (2016)
- United States Court of Appeals for the Ninth Circuit (2017)
- United States District Court for the Eastern District of Michigan (2020)

DAVID C. JAYNES

Senior Associate



David C. Jaynes focuses his practice on investor protection and securities fraud litigation. In addition to his law degree, Mr. Jaynes has graduate degrees in business administration and finance. Prior to joining the firm, David worked in the Enforcement Division of the U.S. Securities and Exchange Commission in the Salt Lake Regional Office as part of the Student Honors Program. Mr. Jaynes began his career as a prosecutor and has significant trial experience.

While at Levi & Korsinsky, Mr. Jaynes has actively represented plaintiffs in the following securities class actions:

- **In re U. S. Steel Consolidated Cases**, No. 17-579 (W.D. Pa.)
- **Stein v. U.S. Xpress Enterprises, Inc.**, et al., No. 1:19-cv-98-TRM-CHS (E.D. Tenn.)
- **John P. Norton, On Behalf Of The Norton Family Living Trust** UAD 11/15/2002 v. Nutanix, Inc. et al, No. 3:21-cv-04080 (N.D. Cal.)

Mr. Jaynes has also had a role in litigating the following securities actions:

- **Ferraro Family Foundation, Inc. v. Corcept Therapeutics Incorporated**, No.5:19-cv-1372-LHK (N.D. Cal.)
- **The Daniels Family 2001 Revocable Trust v. Las Vegas Sands Corp.**, et al., No. 1:20-cv-08062-JMF (D. Nev.)
- **Dan Kohl v. Loma Negra Compania Industrial Argentina Sociedad Anonima**, et al., Index No. 653114/2018 (Sup. Ct., County of New York)

EDUCATION

- University of Utah, M.S., Finance (2020)
- University of Utah, M.B.A (2020)
- The George Washington University Law School, J.D. (2015)
- Brigham Young University, B.A., Middle East Studies and Arabic (2009)

ADMISSIONS

- Maryland (2015)
- Utah (2016)
- United States District Court for the District of Utah (2016)
- California (2021)
- United States District Court for the Northern District of California (2022)
- United States District Court for the Central District of California (2023)
- District of Colorado (2023)

ADAM C. MCCALL

Senior Associate



Mr. McCall is an Associate with the Firm. Prior to joining Levi & Korsinsky, Mr. McCall was an extern at the Securities and Exchange Commission's Division of Corporate Finance.

EDUCATION

- Georgetown University Law Center, LL.M., Securities and Financial Regulation (2015)
- California Western School of Law, J.D., cum laude (2013)
- Santa Clara University, Certificate of Advanced Accounting Proficiency (2010)
- University of Southern California, B.A. Economics (2008)

ADMISSIONS

- California (2014)
- United States District Court for the Central District of California (2015)
- United States District Court for the Eastern District of California (2015)
- United States District Court for the Northern District of California (2015)
- United States District Court for the Southern District of California (2015)
- United States Court of Appeals for the Ninth Circuit (2016)
- District of Columbia (2017)

CORREY A. SUK

Senior Associates



Correy A. Suk is an experienced litigator with a focus on shareholder derivative suits, class actions, and complex commercial litigation. Correy began her career with the Investor Protection Bureau of the Office of the New York State Attorney General and spent four years prosecuting shareholder derivative actions and securities fraud litigation at one of the oldest firms in the country. Prior to joining Levi & Korsinsky, Correy represented both individuals and corporations in complex business disputes at a New York litigation boutique. Correy's unflappable disposition and composure reflect a pragmatic approach to both litigation and negotiation. She thrives under pressure and serves as an aggressive advocate for her clients in the most high-stakes situations. Correy has been recognized as a Super Lawyers Rising Star every year since 2017.

PUBLICATIONS

- "Unsafe Sexting: The Dangerous New Trend and the Need for Comprehensive Legal Reform," 9 Ohio St. J. Crim. L. 405 (2011)

EDUCATION

- The Ohio State University Moritz College of Law, J.D. (2011)
- Georgetown University, B.S.B.A. (2008)

AWARDS



ADMISSIONS

- New Jersey (2011)
- New York (2012)
- United States District Court for the Southern District of New York (2015)
- United States District Court for the Eastern District of New York (2015)
- United States District Court for the District of New Jersey (2016)



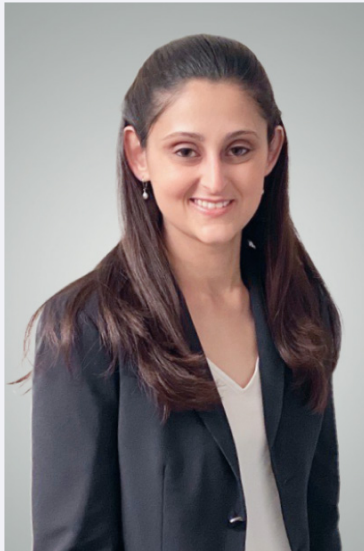
Our Attorneys

Associates

- RACHEL BERGER
- AMANDA FOLEY
- NOAH GEMMA
- DEVYN R. GLASS
- GARY ISHIMOTO
- ALEXANDER KROT
- NICHOLAS R. LANGE
- MELISSA MEYER
- CINAR ONEY
- AARON PARNAS
- COLE VON RICHTHOEFEN
- MAX WEISS

RACHEL BERGER

Associate



Rachel Berger is an Associate with the Firm's Connecticut office. Her practice focuses on prosecuting securities fraud class actions on behalf of aggrieved investors.

Prior to joining Levi & Korsinsky, Ms. Berger practiced securities litigation with another top New York class action firm, where she represented classes of aggrieved shareholders and cryptocurrency purchasers against prominent defendants, including multiple Fortune 500 companies.

While in law school, Ms. Berger interned with a leading ESG institute, focusing on the intersection of ESG and securities law. She was also a member of the Fordham Urban Law Journal, the Fordham Mediation and Tax Clinics, and the Immigration Advocacy Project. Ms. Berger received the Paul R. Brenner Scholarship Award, as well as the Archibald R. Murray Public Service Award, cum laude, in recognition of her significant pro bono work.

Ms. Berger practices remotely from her home in St. Louis, Missouri.

EDUCATION

- Fordham University School of Law, J.D. (2019)
- Stern College for Women, Yeshiva University, B.A. Economics (2015)

ADMISSIONS

- New York (2020)
- United States District Court for the Southern District of New York (2020)
- District of Colorado (2023)

AMANDA FOLEY

Associate



Amanda Foley is an Associate in Levi & Korsinsky's Stamford office where she focuses her practice on federal securities litigation. Prior to joining Levi & Korsinsky, Amanda gained substantial experience at a boutique Boston firm where she was trained in securities and business litigation.

Amanda received her Juris Doctorate degree from Suffolk University Law School with an International Law concentration with Distinction and was selected to join the International Legal Honor Society of Phi Delta Phi. While in law school, Amanda focused her legal education on securities law & regulation, international investment law & arbitration, and business law.

EDUCATION

- Suffolk University Law School, J.D. (2021)
- Colorado State University, B.S. (2011)

ADMISSIONS

- Massachusetts (2021)
- United States District Court for the District of Massachusetts (2022)

NOAH GEMMA

Associate



Noah Gemma worked previously as a summer associate at a boutique commercial litigation firm. There, Mr. Gemma drafted briefs and other legal memoranda on behalf of national and closely held corporations in complex federal and state court litigation. In particular, Mr. Gemma helped the firm: (i) win multiple motions to dismiss on behalf of a national bank and a national bonding company in federal court cases involving alleged fraud and other alleged improprieties; (ii) settle an avoidable preference action on behalf of a national hauling company in a federal bankruptcy proceeding for a small fraction of the alleged damages; (iii) settle a negligence action on behalf of a court appointed fiduciary against officers of a defunct company and its insurance carrier on advantageous terms; and (iv) secure a favorable decision on behalf of a national bonding company before the state supreme court.

Mr. Gemma also served as a judicial intern for the Honorable Judge Bruce M. Selya in the United States Court of Appeals for the First Circuit and for the Honorable Judge Virginia M. Hernandez Covington in the United States District Court for the Middle District of Florida. Using his experience representing the interests of national and closely held corporations to analyze and assess potential cases of corporate impropriety, Mr. Gemma currently prosecutes corporate and director malfeasance through the preparation and filing of shareholder mergers and acquisitions actions and corporate governance litigation.

EDUCATION

- Georgetown University Law Center, J.D., Editor for The Georgetown Law Journal (2021)
- Providence College, B.A. (2018)

ADMISSIONS

- Rhode Island (2021)
- District of Columbia (2022)

DEVYN R. GLASS

Associate



Devyn R. Glass currently focuses her practice on representing investors in federal securities fraud litigation.

Prior to joining the firm, Ms. Glass gained substantial experience at a national boutique firm specializing in complex litigation across a variety of practice areas representing both plaintiffs and defendants. Since 2017, Ms. Glass has focused her practice on consumer and shareholder protection, litigating numerous class action lawsuits across the country that involved data privacy and data breach, deceptive and unfair trade practices, and securities fraud.

At her prior firms, Ms. Glass played a pivotal role in obtaining monetary recoveries and/or injunctive relief on behalf of shareholders and consumers. Notable cases include: *Lowry v. RTI Surgical Holdings, Inc. et al.*, (D. Ill.) (obtaining \$10.5 million on behalf of a shareholder class alleging violations of the federal securities laws); *In re Google Plus Profile Litigation*, (N.D. Cal.) (obtaining \$7.5 million on behalf of a consumer class exposed to a years-long data breach); and *Barrett v. Pioneer*

Natural Resources USA, Inc., (D. Colo.) (obtaining \$500,000 on behalf of more than 8,000 current and former 401(k) plan participants alleging violations of the Employee Retirement Income Security Act).

EDUCATION

- Loyola University College of Law, New Orleans, J.D., cum laude (2016), where she received a Certificate of Concentration in Law, Technology and Entrepreneurship, served as a member of the Loyola Journal of Public Interest Law, and interned for the Louisiana Second Circuit Court of Appeals
- Louisiana Tech University, B.A., cum laude (2013), Political Science, minor in English

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- New York (2017)
- District of Columbia (2017)
- United States District Court District of Columbia (2018)
- United States District Court District of Colorado (2018)
- United States Court of Appeals for the Ninth Circuit (2022)

GARY ISHIMOTO

Associate



Gary Ishimoto is an Associate working remotely with Levi and Korsinsky's Consumer Litigation Team. During law school, he worked at the Small Business Law Clinic helping to draft incorporation papers, non-compete clauses, IP assignments, board consent, and stock purchase agreements for start-up businesses. He also interned for the Rossi Law Group.

EDUCATION

- Pepperdine School of Law, J.D. (2020)
- California State University, Northridge, B.S. (2013)

ADMISSIONS

- Massachusetts (2021)
- New Hampshire (2022)

ALEXANDER KROT

Associate



EDUCATION

- American University, Kogod School of Business, M.B.A. (2012) • Georgetown University Law Center, LL.M., Securities and Financial Regulation, With Distinction (2011)
- American University Washington College of Law, J.D. (2010)
- The George Washington University, B.B.A., concentrations in Finance and International Business (2003)

ADMISSIONS

- Maryland (2011)
- District of Columbia (2014)
- United States District Court for the District of Colorado (2015)
- United States Court of Appeals for the Tenth Circuit (2016)
- United States District Court for the Eastern District of Wisconsin (2017)
- United States Court of Appeals for the Third Circuit (2018)
- United States Court of Appeals for the Ninth Circuit (2020)

NICHOLAS R. LANGE

Associate



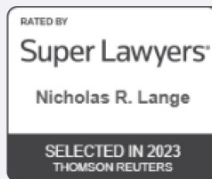
Based in Chicago, Illinois, Nicholas R. Lange is a remote member of the Firm's Connecticut office, where he focuses his practice in investor fraud and federal securities litigation. Prior to joining the Firm, Nicholas specialized in complex class action litigation and multi-district proceedings, including participation in some of the country's largest actions, with a focus in technology and consumer privacy.

As recognition for his class action work, Nicholas R. Lange received the Super Lawyers Rising Star award for 2023 (Class Action/Mass Torts).

EDUCATION

- DePaul University College of Law, J.D. (2014)
- University of Illinois and Urbana/Champaign, B.A. (2011)

AWARDS



ADMISSIONS

- Illinois (2014)
- United States District Court for the Northern District of Illinois (2016)
- United States District Court for the Southern District of Illinois (2020)
- United States District Court for the District of Colorado (2020)

MELISSA MEYER

Associate



Melissa Meyer is an Associate with the Firm's New York Office focusing on federal securities litigation. Ms. Meyer previously worked as a paralegal for the New York office while attending law school.

EDUCATION

80

- New York Law School, J.D., Dean's Scholar Award, member of the Dean's Leadership Council (2018)
- John Jay College of Criminal Justice, B.A. (2013), magna cum laude

ADMISSIONS

- New York (2019)
- United States District Court for the Southern District of New York (2020)

CINAR ONEY

Associate



Cinar Oney is an Associate in Levi & Korsinsky's New York office. His practice focuses on investigation and analysis of various forms of corporate misconduct, including excessive compensation, insider trading, unfair self-dealing, and corporate waste. He develops litigation strategies through which shareholders can pursue recoveries.

Prior to joining Levi & Korsinsky, Mr. Oney practiced with top firms in Turkey, where he represented shareholders, corporations, and governmental entities in commercial disputes and transactional matters.

PUBLICATIONS

- *FinTech Industrial Banks and Beyond: How Banking Innovations Affect the Federal Safety Net*, 23 FORDHAM J. CORP. & FIN. L. 541 (2018)

EDUCATION

- Fordham University School of Law, J.D. (2019)
- International University College of Turin, LL.M. (2014)
- Istanbul University Faculty of Law, Undergraduate Degree in Law (2011)

ADMISSIONS

- New York (2020)

AARON PARNAS

Associate



Aaron Parnas is an Associate in the firm's Washington, D.C. office. Prior to joining Levi & Korsinsky, Aaron served as a law clerk for the Honorable Sheri Polster Chappell in the United States District Court for the Middle District of Florida.

While in law school, Aaron was a student attorney for the Criminal Appeals and Post-Conviction Series Clinic along with the Vaccine Injury Litigation Clinic, where he litigated matters in front of the Maryland Court of Special Appeals and the Court of Federal Claims, respectively. As a result of his successes, Aaron was named the top advocate in his graduating class and received the Graduation Award for Excellence in Pre-Trial and Trial Advocacy.

EDUCATION

- The George Washington University Law School, with Honors (2020), where he served as the Managing Editor, Vol. 52 of The George Washington International Law Review
- Florida Atlantic University, B.A., Political Science and Criminal Justice, with Honors (2017)

ADMISSIONS

- Florida (2020)
- United States District Court for the Southern District of Florida (2021)
- District of Columbia (pending)*

*Pending admission to the D.C. bar, practicing under the supervision of a D.C. licensed attorney

COLE VON RICHTOFEN

Associate



Cole von Richthofen is an Associate in Levi & Korsinsky's Connecticut office. As a law student, he interned with the honorable Judge Thomas Farrish in the District of Connecticut's Hartford courthouse with an emphasis on settlements. He has also interned with the Office of the Attorney General for the State of Connecticut in the Employment Rights Division. While attending law school, Cole served as an Executive Editor of the Connecticut Public Interest Law Journal and as a member of the Connecticut Moot Court Board.

EDUCATION

- University of Connecticut School of Law, J.D. (2022)
- University of Connecticut, B.S., Business & Marketing (2015)

ADMISSIONS

- Connecticut (2022)

MAX WEISS

Associate



Max Weiss focuses his practice on investor protection and securities fraud litigation. He is proficient in litigation, legal research, motion practice, case evaluation and settlement negotiation. Prior to joining the firm, Max practiced in the general liability area and has extensive experience litigating high-exposure personal injury claims in New York State and federal trial and appellate courts. While in law school, Max gained experience helping pro se debtors prepare and file Chapter 7 and Chapter 13 petitions with the New York Legal Assistance Group (**NYLAG**) Bankruptcy Project and served as an intern to the Honorable Sean Lane of the Southern District of New York Bankruptcy Court.

EDUCATION

- St. John's School of Law, J.D. (2018), where he served as the Senior Executive Editor of the Journal of Civil Rights & Economic Development
- Colgate University, B.A., Political Science (2011)

ADMISSIONS

- New York (2019)
- United States District Court for the Southern District of New York (2019)
- United States District Court for the Eastern District of New York (2019)

Exhibit 4

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

FERRARO FAMILY FOUNDATION, INC. and
JAMES L. FERRARO, on behalf of themselves
and all other similarly situated,

Plaintiffs,

v.

CORCEPT THERAPEUTICS
INCORPORATED, JOSEPH K. BELANOFF,
CHARLES ROBB, and SEAN MADUCK,

Defendants.

Case No. 3:19-CV-01372-JD

DECLARATION OF KENNETH N. KOTZ

I, Kenneth N. Kotz, declare as follows:

1. I have been retained by Levi & Korsinsky, LLP (“Counsel”) in this matter to explain the methodology used to calculate aggregate damages and to provide and calculate aggregate damages based on certain per share damages scenarios that had previously been requested on a preliminary basis or, as I understand it, in connection with the proposed Settlement. Forensic Economics, Inc. (“Forensic Economics”) previously provided Counsel preliminary calculations of aggregate damages for this matter under certain assumptions. I first provide my qualifications, compensation, and materials reviewed.

QUALIFICATIONS, COMPENSATION, AND MATERIALS REVIEWED

2. I am Chief Operating Officer and a Vice President of Forensic Economics, located in Rochester, New York. I have been employed by Forensic Economics since 1999. I have consulted on issues pertaining to financial valuations, financial-economic analysis, and the analysis of stock price reactions to public information in securities fraud lawsuits during this time period. Forensic Economics has been retained by both plaintiffs and defendants in such securities cases.

3. I hold an M.S. in Applied Economics (1999) from the University of Rochester’s William E. Simon Graduate School of Business Administration. I hold an M.B.A. in Finance (1996) from the Loyola University Chicago Graduate School of Business, where I also received an Outstanding Student award. I have co-taught a corporate finance class and served as a teaching assistant at the University of Rochester. I have also served as a research assistant to the finance faculty of the Loyola University Chicago Graduate School of Business. I was awarded the CFA® Charter and the right to use the Chartered Financial Analyst® designation as authorized by the CFA Institute in 2006. My resume is attached to this Declaration as Exhibit 1.

4. My compensation is based on the number of hours worked plus out-of-pocket expenses. Forensic Economics is compensated at an hourly rate of \$550 for my work on this Declaration. My compensation is not contingent on an action or event resulting from the analyses, opinion, or conclusions in, or the use of, this Declaration. I was assisted by employees of Forensic Economics, who worked under my supervision and direction in connection with this assignment. Forensic Economics' hourly rates for employees range from \$200 to \$675.

5. For this Declaration, I relied on assumptions provided by Counsel as stated below, data regarding Corcept Therapeutics Incorporated's ("Corcept") common stock, market indexes and industry indexes obtained from Bloomberg, data regarding Corcept shareholdings and insider transactions obtained from Standard & Poor's Capital IQ platform and Corcept's filings with the U.S. Securities & Exchange Commission ("SEC"), data on call options on Corcept common stock from the Chicago Board Option Exchange's ("Cboe") DataShop platform, and interest rate data from U.S. Federal Reserve System. I have attempted to cite in the text of this Declaration specific documents which I relied on in preparing this Declaration.

AGGREGATE DAMAGES METHODOLOGY

6. I have been asked to describe certain calculations of aggregate damages under Section 10(b) of the Exchange Act of 1934 and SEC Rule 10b-5 adopted thereunder (collectively, "Section 10(b)") under varying sets of assumptions. Damages under Section 10(b) are generally calculated based on an "out-of-pocket" measure. Damages are generally considered the artificial inflation present in the security on the date of purchase less the artificial inflation in the security on the date of sale, subject to certain legal limitations.¹

¹ Under the Private Securities Litigation Reform Act of 1995 ("PSLRA"), an investor cannot recover more than the difference between the purchase price and the mean trading price of the

7. Thus, the first step in calculating aggregate damages is to calculate the daily level of artificial inflation in the security in question. Artificial inflation is measured based on the decline in Corcept's common stock due to curative disclosures. Here, Plaintiff alleged two curative disclosures that affected Corcept's stock price – one on January 25, 2019 and one on February 1, 2019.² A market model regression analysis was then run in order to isolate Corcept's company-specific stock price movements on these dates from general market and industry movements. The analysis yielded a decline (net of market and industry movements) of \$1.76 per share on January 25, 2019 and \$1.22 per share on February 1, 2019.

8. Previously, Plaintiff's Counsel requested that Forensic Economics calculate aggregate damages based on three scenarios: (i) assuming that 100% of both stock declines were used in the calculation of artificial inflation throughout the Class Period; (ii) 100% of the decline on January 25, 2019 was used in the calculation of artificial inflation throughout the Class Period; and (iii) 100% of the decline on January 25, 2019 and 25% of the decline on February 1, 2019.

9. For purposes of this Declaration, I have also been asked to provide an aggregate damages estimate, considering only the January 25, 2019 corrective disclosure that I understand disaggregates certain information arguably unrelated to the alleged fraud from estimated damages. Plaintiff's Counsel has asked me to assume that a range of 50% to 83% of the decline in Corcept's stock price on January 25, 2019 should be excluded from the damages estimate because it is unrelated to the allegations in this Action. Counsel represented to me that these assumptions

stock during the 90-day "look-back" period. *See* 15 U.S.C. § 78u-4(e)(1). As discussed later, for purchases sold prior to the end of the Class Period, it was assumed that damages are limited to the difference between the purchase price and the sale price.

² Third Amended Complaint, ECF No. 127 filed December 21, 2020 (the "TAC"), ¶¶348, 350.

(relating in some way to Korlym’s off-label marketing that may relate to Plaintiff’s remaining allegations) were based on the following discovery to date:

- CW14 estimated that approximately 50% of Korlym prescriptions came from three physicians known to prescribe large volumes of Korlym off-label in exchange for honoraria payments. TAC ¶392.
- According to the January 25, 2019 SIRF Report, of the 103 deaths reported since 2012, approximately 17, or 17%, Korlym was “used for [an] unknown indication,” indicating off-label use. TAC ¶322.
- The chart of Medicare Part D prescriptions by state supports the inference that at least 50% of Korlym prescriptions were the result of improper off-label marketing. TAC ¶311.
- CW11 estimated that approximately 40% of Korlym prescriptions were the result of improper off-label marketing.

10. I note that the range of percentages in the list above is 17% to 50%. The following table provides each of the five scenarios for which I have been asked to calculate damages and the resulting per share decline used to calculate artificial inflation for each (ordered by declining amount of total artificial inflation, i.e., the sum of the price declines):

Scenario	January 25, 2019		February 1, 2019	
	% of Decline	Price Decline for Inflation	% of Decline	Price Decline for Inflation
1	100%	\$1.76	100%	\$1.22
2	100%	\$1.76	25%	\$0.31
3	100%	\$1.76	0%	---
4	50%	\$0.88	0%	---
5	17%	\$0.30	0%	---

11. The second step in calculating aggregate damages is estimating the timing of purchases and sales of Corcept common stock. Once calculated, damages are calculated based on the following formula:

Damages are equal to the number of shares purchased and sold multiplied by the damages per share, which is the lesser of:

- (a) artificial inflation per share on date of purchase less artificial inflation per share on date of sale; and
- (b) purchase price (here, the closing price) less the sale price, however, based on the PSLRA, for shares sold within 90 days following the last disclosure, the sale price will be set equal to the higher of the actual sale price (here, the closing price) and the rolling average price from the price impact of the last disclosure date through the date of sale and, for shares held as of 90 days after the last disclosure, the sale price will be set to the 90-day average price.³

12. The timing for purchases and sales were estimated using a “multi-sector” model approach.⁴ For this approach, an “institutional model” is estimated and a trading model is used to estimate damages for the remaining “retail” volume. An institutional trading model uses reported quarterly holdings data by institutional investors.⁵ For each institution the change in quarterly holdings is used to determine an institution’s net purchases or sales within a quarter. These net purchases or sales are then pro-rated on a daily basis based on daily volume (adjusted for insider

³ Securities must also be held over a corrective disclosure to recover damages. The start of the 90-day “look-back” period was set based on the last disclosure used in the artificial scenario (i.e., beginning on February 1, 2019 for Scenarios 1 and 2 and beginning on January 25, 2019 for Scenarios 3, 4 and 5). In the initial preliminary analysis provided, the PSLRA limitation was applied based solely on rolling average prices and not the higher of the actual sale price and rolling average price during the 90-day period. A later update was requested to match the terms of the Plan of Allocation in this matter, which implemented the higher of the actual sale price and the rolling average price on the date of sale for shares sold during the 90 days after the last disclosure. See Notice of Pendency of Class Action and Proposed Settlement, Final Approval Hearing and Motion for Attorneys’ Fees and Reimbursement of Litigation Expenses, dated January 26, 2024, p. 17.

⁴ For example, see Marcia Kramer Mayer, “Best-Fit Estimation of Damaged Volume in Shareholder Class Actions: The Multi-Sector, Multi-Trader Model of Investor Behavior,” NERA white paper, October 2020.

⁵ The institutional data accounts for approximately 74% of Corcept’s public float (shares outstanding less insiders plus short interest) during the Class Period based on end of quarter data points from September 30, 2017 to December 31, 2018 (ranging from approximately 71% - 78% with an average of 74%).

transactions and company repurchases, if any). Thus, for each institution a series of daily purchases and sales is created. These purchases and sales are then matched based on a standard share matching methodology. For the aggregate damages calculations, both the “First-In-First-Out” (“FIFO”) and the “Last-In-First-Out” (“LIFO”) share matching methodologies were used. Working in chronological order by sales, under FIFO (LIFO) a sale is matched to the earliest (most recent) purchase of shares (occurring prior to the sale).⁶

13. Next, damages are estimated for “retail” investors that are not accounted for by the institutional data, which requires assumptions regarding relative trading propensities and proportion of float assigned to different trader groups, intraday trading percentage, and other assumptions used to create the requisite daily float and volume. Among other assumptions, this model includes short interest in the calculation of float, an assumption for intraday trading of 60%, and the following assumptions for the trading model: 37.1% of the float are active traders that trade 8.56x more than the passive trader group.

14. The following table provides the estimated aggregate damages for each scenario given the share matching assumption employed in the institutional model.

in millions

Scenario	Jan. 25, 2019 %	Feb. 5, 2019 %	FIFO-Matched Institutional Damages + Retail	LIFO-Matched Institutional Damages + Retail
1	100%	100%	\$185.2	\$161.4
2	100%	25%	\$138.7	\$121.4
3	100%	0%	\$120.3	\$105.4
4	50%	0%	\$63.5	\$55.8
5	17%	0%	\$22.1	\$19.5

⁶ The methodologies are reversed in the case of a short sale (by matching the first (last) available short sale to the first cover purchase under FIFO (LIFO), working in chronological order by covering purchases). If an institution sold short (i.e., had a negative balance of securities), these shares were matched but would not be considered to have any recoverable damages.

15. In addition, I have been asked by Counsel to provide a previous estimate of aggregate damages for purchasers of call options on Corcept common stock that was based on Scenario 2. For this calculation, inflation was measured for each alleged disclosure date for each call option series using the Black-Scholes option pricing formula and adjusting Corcept's common stock price by the assumed price declines in Scenario 2. Next, aggregate damages were calculated by multiplying the measured inflation for each alleged disclosure by open interest in the call options (i.e., outstanding call option) as of the respective disclosure dates. This resulted in aggregate damages of less than \$1 million.⁷

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge.

Executed this 11th day of March 2024


Kenneth N. Kotz

⁷ I note that this could be considered a “maximum” measure of damages given the inflation because it assumes all outstanding options were damaged and does not apply the PSLRA limitation on recoverable damages.

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Employment and Education

- 8/99-present **Forensic Economics, Inc.**, Rochester, NY.
Chief Operating Officer (9/2023-present); Vice President (3/2005-present); Senior Economist (5/2000-3/2005); Consultant (8/1999-4/2000). Consulting in financial-economic analysis in securities litigation and business disputes.
- 6/96-12/99 **M.S. in Applied Economics, Finance and Accounting**, William E. Simon Graduate School of Business Administration, University of Rochester, Rochester, NY.
- 9/97-12/99 **William E. Simon Graduate School of Business Administration, University of Rochester**, Rochester, NY.
Instructor and Teaching Assistant.
- 1994-1996 **M.B.A., Finance**, Loyola University Chicago, Chicago, IL.
- 1994-1996 **Loyola University Chicago**, Chicago, IL.
Research Assistant, Finance Department.
- 1995-1996 **Financial and Economics Strategies Corporation**, Chicago IL.
Research Assistant.
- 1991-1994 **Midwest European Publications, Inc.**, Evanston, IL.
Assistant Manager.
- 1986-1989 **B.A., History**, University of Pennsylvania, Philadelphia, PA.

Publications

Automation versus intermediation: Evidence from treasuries going off the run (with M. Barclay and T. Hendershott), *The Journal of Finance*, vol. 61 no. 5, October 2006, 2395-2414.

Working Papers

Stock price effects of changes in the accounting procedure set, October 1999.

IPO underpricing, information asymmetry, and dividend policy, June 1999.

Determinants of payout policy choice: Stock repurchases versus dividend initiations, October 1998.

The stock price reaction to shareholder proposals, June 1998.

The investment opportunity set and the stock price reaction to dividend changes, January 1998.

Awards

CFA® charterholder, CFA Institute (2006).

Fellowship, William E. Simon Graduate School of Business Administration, University of Rochester (1996-1999).

Outstanding Student Award, Loyola University Chicago (1996).

Phi Beta Kappa, Loyola University Chicago (1996).

Graduate Scholarship, Loyola University Chicago (1994-1996).

Testimonial and Expert Report Experience

Lisa Wiley et al. v. Paysafe Limited et al. and John Paul O' Brien et al. v. Paysafe Limited et al. in the United States District Court Southern District of New York, Case Nos. 1:21-cv-10611-AJN-KHP and 1:22-cv-00567-AJN-KHP (Declaration, March 1, 2022).

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Angela Lewis et al. v. CytoDyn, Inc. et al. in the United States District Court Western District of Washington at Tacoma, Case No. 3-21-cv-05190-BHS (Declaration, July 29, 2021; Supplemental Declaration, September 3, 2021).

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Daniel Plaut et al. v. The Goldman Sachs Group, Inc. et al. in United States District Court Southern District of New York, Case No. 1:18-cv-12084-VSB (Declaration, March 4, 2019; Supplemental Declaration, March 11, 2019).

In the Matter of the Accounting by David Ott as Trustee of the Ott Living Trust Under Instrument Dated March 4, 1997 in State of New York, Surrogate's Court, County of Ontario, File No. 2014-264/A (Affidavit, January 29, 2018).

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City of Monroe Employees' Retirement System et al. vs. The Hartford Financial Services Group, Inc. et al. in the United States District Court Southern District of New York, Civil Action No. 10 cv 2835 (NRB) (Declaration, June 28, 2010).

Harry Stackhouse et al. vs. Toyota Motor Corporation et al., Tom Mustric et al. vs. Toyota Motor Corporation et al., Kathryn A. Squires et al. vs. Toyota Motor Corporation et al., Robert M. Moss et al. vs. Toyota Motor Corporation et al., Philip Gelenberg et al. vs. Toyota Motor Corporation et al., and L. Patricia Sampoli et al. vs. Toyota Motor Corporation et al. in the United States District Court Central District of California, Nos. 2:10-cv-00922-DSF-AJW, 2:10-cv-01429-DSF-AJW, 2:10-cv-01452-DSF-AJW, 2:10-cv-01911-DSF-AJW, 2:10-cv-02196-DSF-AJW, and 2:10-cv-02253-DSF-AJW (Declaration, April 19, 2010).

EBC I, Inc. f/k/a eToys, Inc., by the Post-Effective Date Committee against Goldman, Sachs & Co. in the Supreme Court of the State of New York, County of New York, Index No. 601805/02 (Expert Report, October 27, 2009; Deposition, January 7, 2010; Expert Rebuttal Report, February 8, 2010; Affidavit, April 14, 2010).

Exhibit 1**March 2024**

Aekta Ben Patel et al. vs. Satyam Computer Services Ltd. et al., Hossein Momenzadeh et al. vs. Satyam Computer Services Ltd. et al., Cynthia Freeman vs. Satyam Computer Services Ltd. et al., Naveen Chander Jepu vs. Satyam Computer Services Ltd. et al., Bert H. Sturgis, II et al. vs. Satyam Computer Services Ltd. et al., Larry R. Pennington et al. vs. Satyam Computer Services Ltd. et al., James Hamblin et al. vs. Satyam Computer Services Ltd. et al., Hillel Raymon et al. vs. Satyam Computer Services Ltd. et al., Brian Faber et al. vs. Satyam Computer Services Ltd. et al., Taylor Jamrok et al. vs. Satyam Computer Services Ltd. et al., William M. Hebert et al. vs. Satyam Computer Services Ltd. et al., and Ashit M. Mehta et al. vs. Satyam Computer Services Ltd. et al. in the United States District Court Southern District of New York, Civil Action Nos. 1:09-cv-00093-BSJ-DFE, 1:09-cv-00161-CM, 1:09-cv-00330-BSJ, 1:09-cv-00337-BSJ, 1:09-cv-08353-BSJ, 1:09-cv-08488-BSJ, 1:09-cv-08491-VM, 1:09-cv-00512-BSJ, 1:09-cv-00569-LTS, 1:09-cv-00655-BSJ, 1:09-cv-01124-UA, and 1:09-cv-01789-UA (Declaration, March 26, 2009).

Jacksonville Police and Fire Pension Fund et al. v. American International Group, Inc. et al., James Connolly v. American International Group, Inc. et al., Maine Public Employees Retirement System et al. v. American International Group, Inc. et al., and Ontario Teachers' Pension Plan Board et al. v. American International Group, Inc. et al. in the United States District Court Southern District of New York, Civil Action Nos. 08 Civ. 4772 (RJS), 08 Civ. 5072 (RJS), 08 Civ. 5464 (RJS), and 08 Civ. 5560 (RJS) (Declaration, August 18, 2008).

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Eugene Kratz vs. Beazer Homes USA, Inc. et al., New Jersey Building Laborers Pension Fund vs. Beazer Homes USA, Inc. et al., and IBEW Local 1579 Pension Plan vs. Beazer Homes USA, Inc. et al. in the United States District Court Southern District of Georgia, Civil Action Nos. 1:07-CV-00725, 1:07-CV-1139, and 1:07-CV-1151 (Declaration, June 15, 2007; Supplemental Declaration, July 2, 2007).

Exhibit 1

March 2024

Tully Nadel et al. against Comverse Technology Inc. et al., David Thomas et al. against Comverse Technology, Inc. et al., and Lance Moore et al. against Comverse Technology, Inc. et al. in the United States District Court Southern District of New York, Civil Action Nos. 06 Civ. 3190 (LAK), 06 Civ. 3445 (LAK), and 06 Civ. 4418 (LAK) (Declaration, July 6, 2006).

Anthony Caiafa et al. against Comverse Technology Inc. et al. and James M. Gorman et al. against Comverse Technology, Inc. et al. in the United States District Court Eastern District of New York, Civil Action Nos. 06 CV 1825 (NGG) and 06 CV2738 (NGG) (Declaration, July 6, 2006).

Exhibit 5



CORNERSTONE RESEARCH

Economic and Financial Consulting and Expert Testimony

Securities Class Action Settlements

2023 Review and Analysis

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Analyses in this report are based on nearly 2,200 securities class actions filed after passage of the Private Securities Litigation Reform Act of 1995 (Reform Act) and settled from 1996 through year-end 2023. See page 17 for a detailed description of the research sample. For purposes of this report and related research, a settlement refers to a negotiated agreement between the parties to a securities class action that is publicly announced to potential class members by means of a settlement notice.

2023 Highlights

In 2023, while the number of settled securities class actions declined 21% relative to the 15-year high in 2022, the median settlement amount, median “simplified tiered damages,” and median total assets of issuer defendants all remained at historically elevated levels.¹

- There were 83 securities class action settlements in 2023 with a total settlement value of approximately \$3.9 billion, compared to 105 settlements in 2022 with a total settlement value of approximately \$4.0 billion. (page 3)
- The median settlement amount of \$15 million is the highest level since 2010 and represents an increase of 11% from 2022, while the average settlement amount (\$47.3 million) increased by 25% over 2022. (page 4)
- There were nine mega settlements (equal to or greater than \$100 million), with a total settlement value of \$2.5 billion. (page 3)
- In 2023, 34% of cases settled for more than \$25 million, the highest percentage since 2012. (page 4)
- Median “simplified tiered damages” declined 16% from the record high in 2022, but remained at elevated levels compared to the prior nine years.² (page 5)
- Issuer defendant firms involved in cases that settled in 2023 were 19% larger than defendant firms in 2022 settlements as measured by median total assets, which reached its highest level since 1996. (page 5)
- The median duration from the case filing to the settlement hearing date of 3.7 years in 2023 was unusually high. Since the Reform Act’s passage, the time to settle reached this level in only one other year (2006). (page 14)

Figure 1: Settlement Statistics

(Dollars in millions)

	2018–2022	2022	2023
Number of Settlements	420	105	83
Total Amount	\$19,545.7	\$3,974.7	\$3,927.3
Minimum	\$0.4	\$0.7	\$0.8
Median	\$11.7	\$13.5	\$15.0
Average	\$46.5	\$37.9	\$47.3
Maximum	\$3,640.9	\$842.9	\$1,000.0

Note: Settlement dollars are adjusted for inflation; 2023 dollar equivalent figures are presented.

Author Commentary

Insights and Findings

Continuing an increase observed in 2022, the size of settled cases in 2023 (measured by the median settlement amount) reached the highest level in over a decade. This occurred despite a decline in median “simplified tiered damages,” a measure of potential shareholder losses that our research finds to be the single most important factor in explaining individual settlement amounts.

The size of the issuer defendant firms involved in cases settled in 2023 (measured by median total assets) also increased. Indeed, median total assets for defendants in 2023 settlements reached an all-time high among post-Reform Act settlements and was 19% higher than in 2022. Issuer defendant assets serve, in part, as a proxy for resources available to fund a settlement and are highly correlated with settlement amounts. Thus, the increase in defendant assets likely contributed to the growth in settlement amounts in 2023.

One factor causing the increase in asset size of defendant firms in cases settled in 2023 may be that, overall, these firms were more mature than in prior years. Specifically, the median age as a publicly traded firm was 16 years, compared to the median age of 11 years for cases settled from 2014 to 2022. In addition, the percentage of cases settled in 2023 that involved firms in the financial sector (over 15%) was higher than the prior nine-year average. Firms in the financial sector involved in securities class action settlements have consistently reported higher total assets than other issuer firm defendants.

In 2023, cases took longer to settle. They also reached more advanced stages prior to resolution, including a smaller proportion of cases settled before a ruling on class certification compared to prior years. Since longer periods to reach settlement are also correlated with higher settlement amounts, this increase is consistent with the higher overall median settlement value.

Securities class actions settled in 2023 continued to take longer to resolve—disruptions associated with the COVID-19 pandemic may have contributed to this increase.

*Dr. Laarni T. Bulan
Principal, Cornerstone Research*

Longer times to reach a settlement and more advanced litigation stages are also typically correlated with greater case activity, as measured by the number of entries on the court dockets. Surprisingly, the median number of docket entries increased only slightly compared to 2022. This, and the fact that over 80% of cases settled in 2023 had been filed by the end of 2020, suggests that the lengthened time to settlement can potentially be explained by delays related to the COVID-19 pandemic.

The size of issuer defendants in 2023 settlements surpassed even the previous record in 2022, in part due to an increase in the number of financial sector defendants to the highest level in the last decade.

*Dr. Laura E. Simmons
Senior Advisor, Cornerstone Research*

Looking Ahead

While we do not necessarily expect new record highs in settlement dollars in the upcoming years, it is possible that settlement amounts will remain at relatively high levels, based on recent trends in securities class action filings, including elevated levels of Disclosure Dollar Loss and Maximum Dollar Loss. (See Cornerstone Research’s *Securities Class Action Filings—2023 Year in Review*.)

Further, the most recent emergence of case filings related to the 2023 bank failures, combined with a relatively high proportion in the last few years of settled cases involving financial firms, may result in a continued rise in the asset size of issuer defendants involved in settlements. This may also contribute to high settlement amounts.

Additionally, considering the levels of filing activity in recent years, we do not anticipate dramatic increases in the number of cases settled in the upcoming years.

—Laarni T. Bulan and Laura E. Simmons

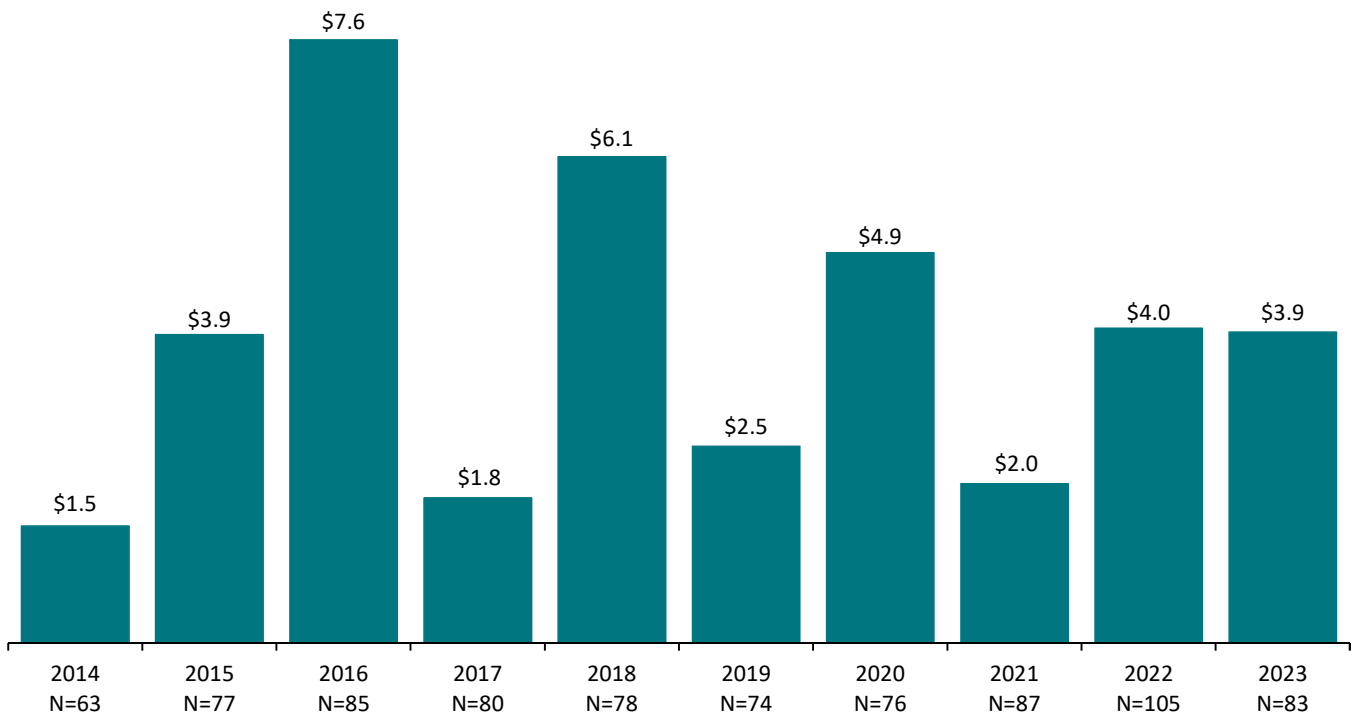
Total Settlement Dollars

- While the number of settlements in 2023 declined by more than 20% from 2022, 2023 total settlement dollars were roughly the same as in 2022.
- The nine mega settlements in 2023—the highest number since 2016—ranged from \$102.5 million to \$1 billion. (See Appendix 4 for an analysis of mega settlements.)
- Cases involving institutional investors as lead plaintiffs represented 86% of total settlement dollars in 2023, in line with the percentage in 2022.

Mega settlements accounted for nearly two-thirds of 2023 total settlement dollars, up from 52% in 2022.

**Figure 2: Total Settlement Dollars
2014–2023**

(Dollars in billions)



Note: Settlement dollars are adjusted for inflation; 2023 dollar equivalent figures are presented. “N” refers to the number of cases.

Settlement Size

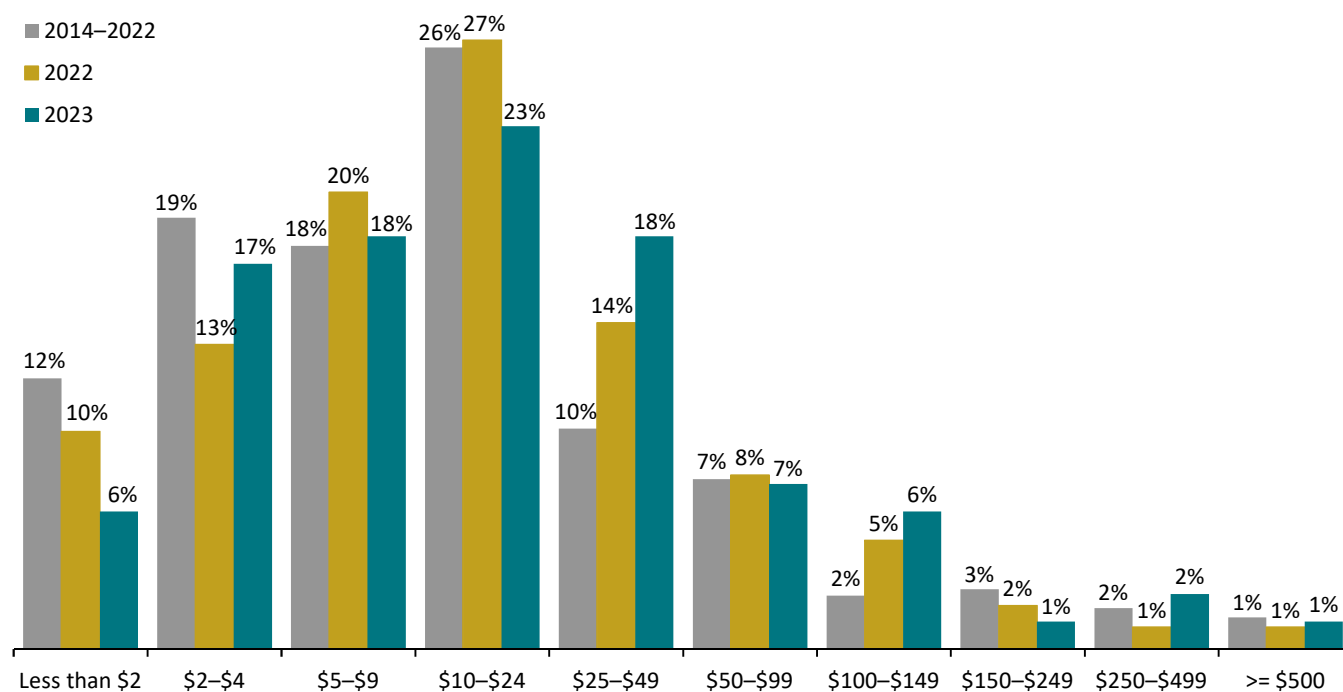
- The median settlement amount in 2023 was \$15 million, an 11% increase from 2022 and 44% higher than the 2014–2022 median (\$10.4 million). Median values provide the midpoint in a series of observations and are less affected than averages by outlier data.
- The average settlement amount in 2023 was \$47.3 million, a 25% increase from 2022. (See Appendix 1 for an analysis of settlements by percentiles.)
- In 2023, 6% of cases settled for less than \$2 million, the lowest percentage since 2013.

The median settlement amount in 2023 reached the highest level since 2010.

- The percentage of settlement amounts greater than \$25 million (34%) was the highest since 2012, driven in part by the continued increase in settlement amounts in the \$25 million to \$50 million range.
- Issuers that have been delisted from a major exchange and/or declared bankruptcy prior to settlement are generally associated with lower settlement amounts. The number of such issuers declined from 10% in 2022 to a new all-time low of 7% in 2023, contributing to the higher overall median settlement amount in 2023.³

Figure 3: Distribution of Settlements
2014–2023

(Dollars in millions)



Note: Settlement dollars are adjusted for inflation; 2023 dollar equivalent figures are presented. Percentages may not sum to 100% due to rounding.

Type of Claim

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

“Simplified tiered damages” uses simplifying assumptions to estimate per-share damages and trading behavior for cases involving Rule 10b-5 claims. It provides a measure of potential shareholder losses that allows for consistency across a large volume of cases, thus enabling the identification and analysis of potential trends.⁴

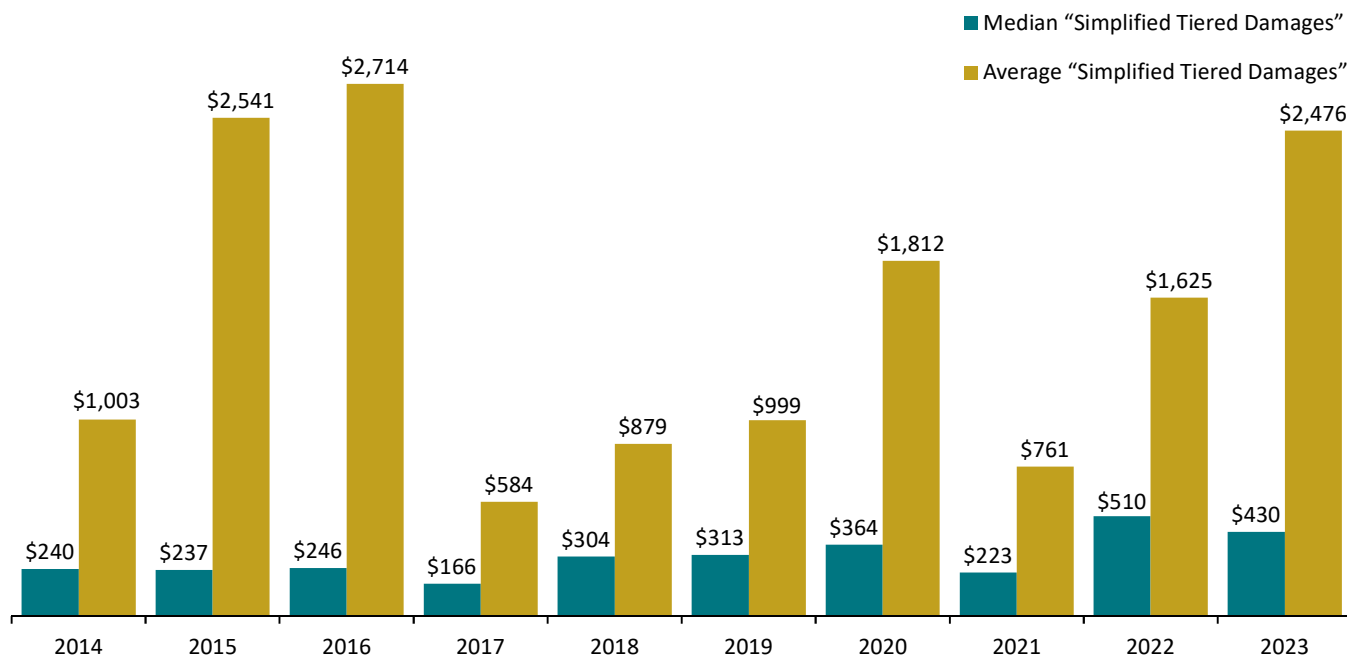
Cornerstone Research’s analysis finds this measure to be the most important factor in estimating settlement amounts.⁵ However, this measure is not intended to represent actual economic losses borne by shareholders. Determining any such losses for a given case requires more in-depth economic analysis.

Median “simplified tiered damages” remained at elevated levels in 2023.

- In 2023, the average “simplified tiered damages” was nearly six times as large as the median, the largest difference since 2016. This difference was primarily driven by seven cases with “simplified tiered damages” exceeding \$5 billion.
- Higher “simplified tiered damages” are typically associated with larger issuer defendants. Consistent with the elevated levels of “simplified tiered damages,” the median total assets of issuer defendants among settled cases in 2023 was \$3.1 billion—154% higher than the prior nine-year median and higher than any other post-Reform Act year.
- Higher “simplified tiered damages” are also generally associated with larger Maximum Dollar Loss (MDL).⁶ In 2023, the median MDL fell only slightly from the historical high in 2022. (See Appendix 7 for additional information on median and average MDL.)

Figure 4: Median and Average “Simplified Tiered Damages” in Rule 10b-5 Cases 2014–2023

(Dollars in millions)

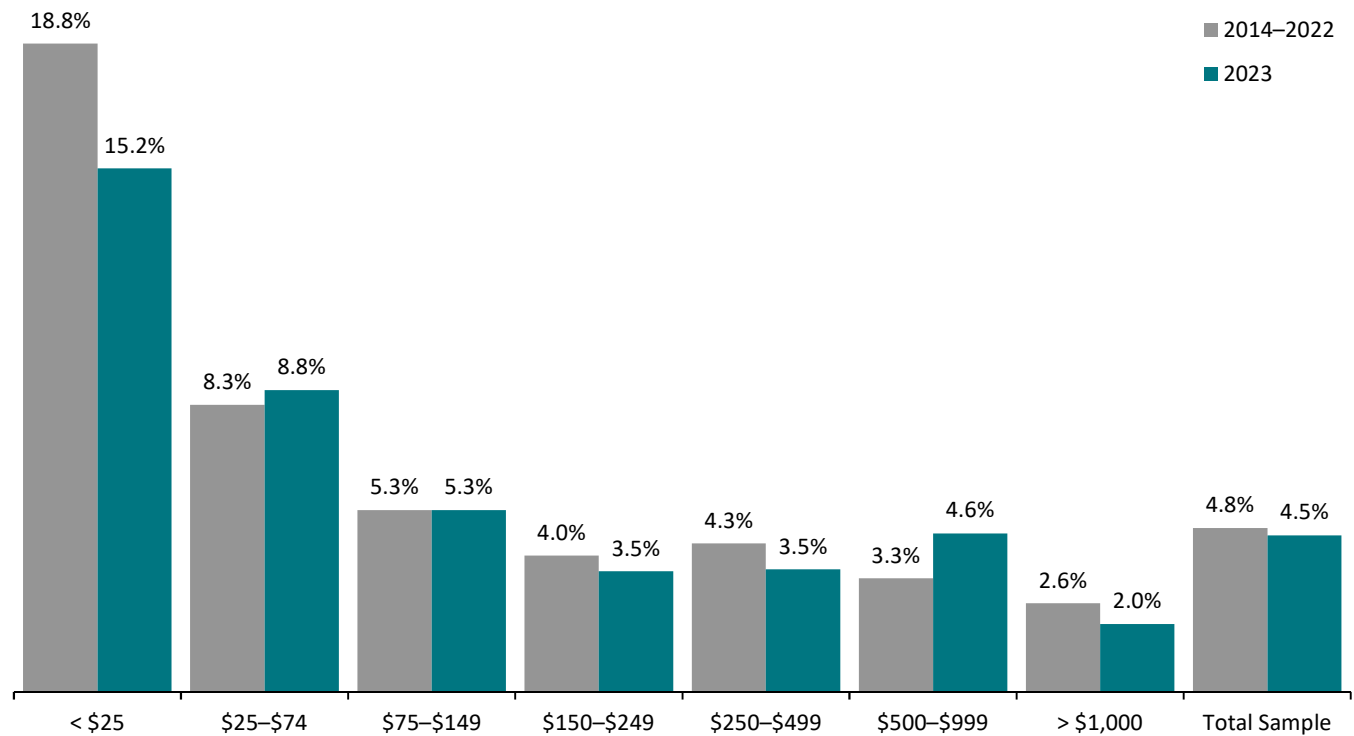


Note: “Simplified tiered damages” are adjusted for inflation based on class period end dates and are estimated for common stock only; 2023 dollar equivalent figures are presented. Damages are estimated for cases alleging a claim under Rule 10b-5 (whether alone or in addition to other claims).

- Larger cases, as measured by “simplified tiered damages,” typically settle for a smaller percentage of damages.
- In 2023, the overall median settlement as a percentage of “simplified tiered damages” of 4.5% increased 27% from 2022, but was in-line with the prior nine-year average percentage. (See Appendix 5 for additional information on median and average settlement as a percentage of “simplified tiered damages.”)
- The median settlement as a percentage of “simplified tiered damages” of 4.6% for cases with “simplified tiered damages” from \$500 million to \$1 billion reached a five-year high in 2023.

Figure 5: Median Settlement as a Percentage of “Simplified Tiered Damages” by Damages Ranges in Rule 10b-5 Cases 2014–2023

(Dollars in millions)



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

Plaintiff-Estimated Damages

In their motions for settlement approval, plaintiffs typically report an estimate of aggregate damages (“plaintiff-estimated damages”).⁷

As explained in Cornerstone Research’s *Approved Claims Rates in Securities Class Actions* (2020), “plaintiff-estimated damages” are often represented as plaintiffs’ “best-case scenario” or the “maximum potential recovery” calculated by plaintiffs. However, the authors highlight a “selection bias” present in these data due to potential plaintiff counsel incentives to report “the lower end of the range of estimated total aggregate damages” to be able “to demonstrate to the court a high settlement amount relative to potential recovery.” To the extent such incentives exist, their impact may vary across cases. Detailed information on plaintiffs’ methodology to determine the reported amount is not disclosed. Hence, it is not possible to determine from the settlement documents the degree to which the methodologies employed are consistent across cases.

With the significant caveats above, “plaintiff-estimated damages” represent an additional measure of potential shareholder losses that may be used alongside “simplified tiered damages” in conjunction with settlement analyses.

'33 Act Claims and "Simplified Statutory Damages"

For Securities Act of 1933 ('33 Act) claim cases—those involving only Section 11 and/or Section 12(a)(2) claims—potential shareholder losses are estimated using a model in which the statutory loss is the difference between the statutory purchase price and the statutory sales price, referred to here as "simplified statutory damages."⁸

- There were 10 settlements for cases with only '33 Act claims in 2023, with the majority of those cases filed in federal court (7) as opposed to state court (3).⁹
- In 2023, the percentage of cases with an underwriter defendant was 70%, down from the prior nine-year average of 88%.

- The median length of time from case filing to settlement hearing date for '33 Act claim cases was greater than four years—the longest observed duration in any post-Reform Act year for this type of case.

In 2023, the median settlement amount for cases with only '33 Act claims was \$13.5 million, an 85% increase from 2022.

Figure 6: Settlements by Nature of Claims
 2014–2023

(Dollars in millions)

	Number of Settlements	Median Settlement	Median "Simplified Statutory Damages"	Median Settlement as a Percentage of "Simplified Statutory Damages"
Section 11 and/or Section 12(a)(2) Only	84	\$9.9	\$158.1	7.5%

	Number of Settlements	Median Settlement	Median "Simplified Tiered Damages"	Median Settlement as a Percentage of "Simplified Tiered Damages"
Both Rule 10b-5 and Section 11 and/or Section 12(a)(2)	123	\$14.7	\$307.4	6.6%
Rule 10b-5 Only	596	\$10.3	\$291.7	4.5%

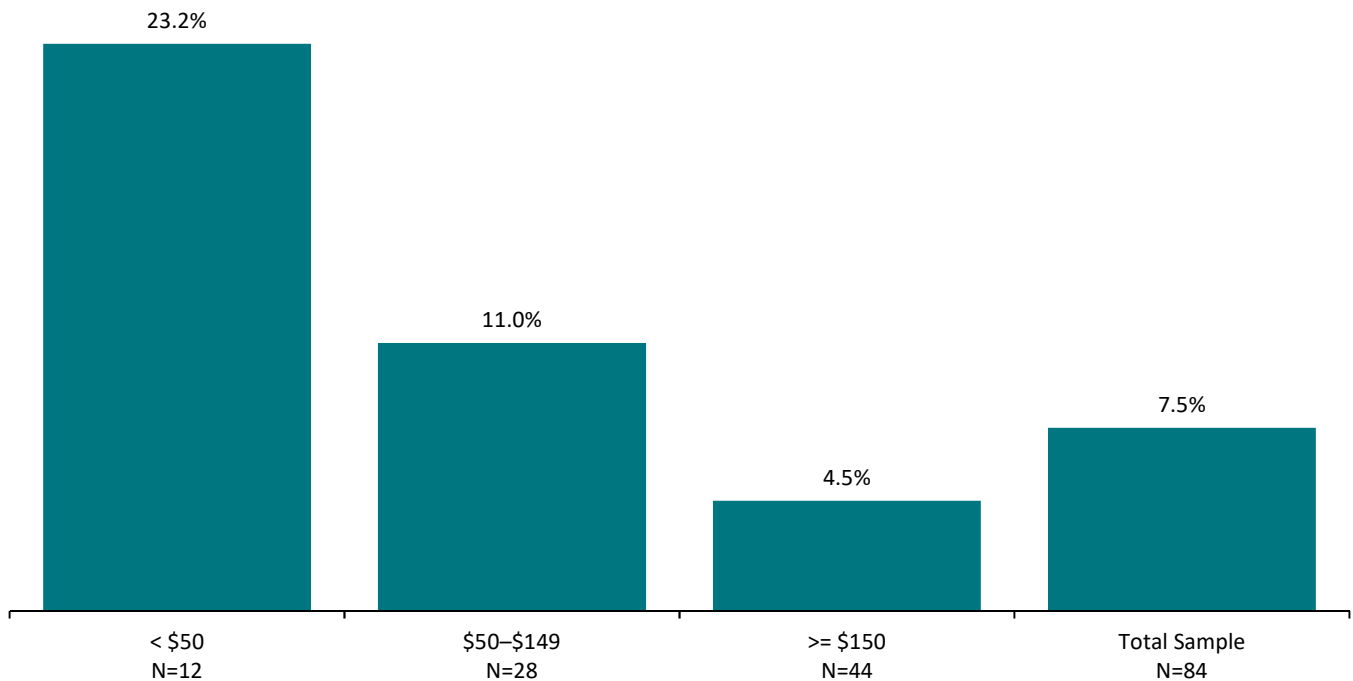
Note: Settlement dollars and damages are adjusted for inflation; 2023 dollar equivalent figures are presented.

- Over 2014–2023, the median size of issuer defendants (measured by total assets) was 40% smaller for cases with only '33 Act claims relative to those that also included Rule 10b-5 claims.
- The smaller size of issuer defendants in cases with only '33 Act claims is consistent with most of these cases involving initial public offerings (IPOs). From 2014 through 2023, 80% of all cases with only '33 Act claims have involved IPOs.
- In 2023, however, the median total assets for settled cases with only '33 Act claims (\$2.5 billion) was over four times as large as the median total assets for such cases in 2014–2022 (\$580 million).

The median “simplified statutory damages” in 2023 increased by 115% from the 2022 median and represents the third highest since 1996.

Figure 7: Median Settlement as a Percentage of “Simplified Statutory Damages” by Damages Ranges in '33 Act Claim Cases 2014–2023

(Dollars in millions)



Jurisdictions of Settlements of '33 Act Claim Cases

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
State Court	0	2	4	5	4	4	7	6	6	3
Federal Court	2	2	6	3	4	5	1	10	3	7

Note: “N” refers to the number of cases. This analysis excludes cases alleging Rule 10b-5 claims.

Analysis of Settlement Characteristics

GAAP Violations

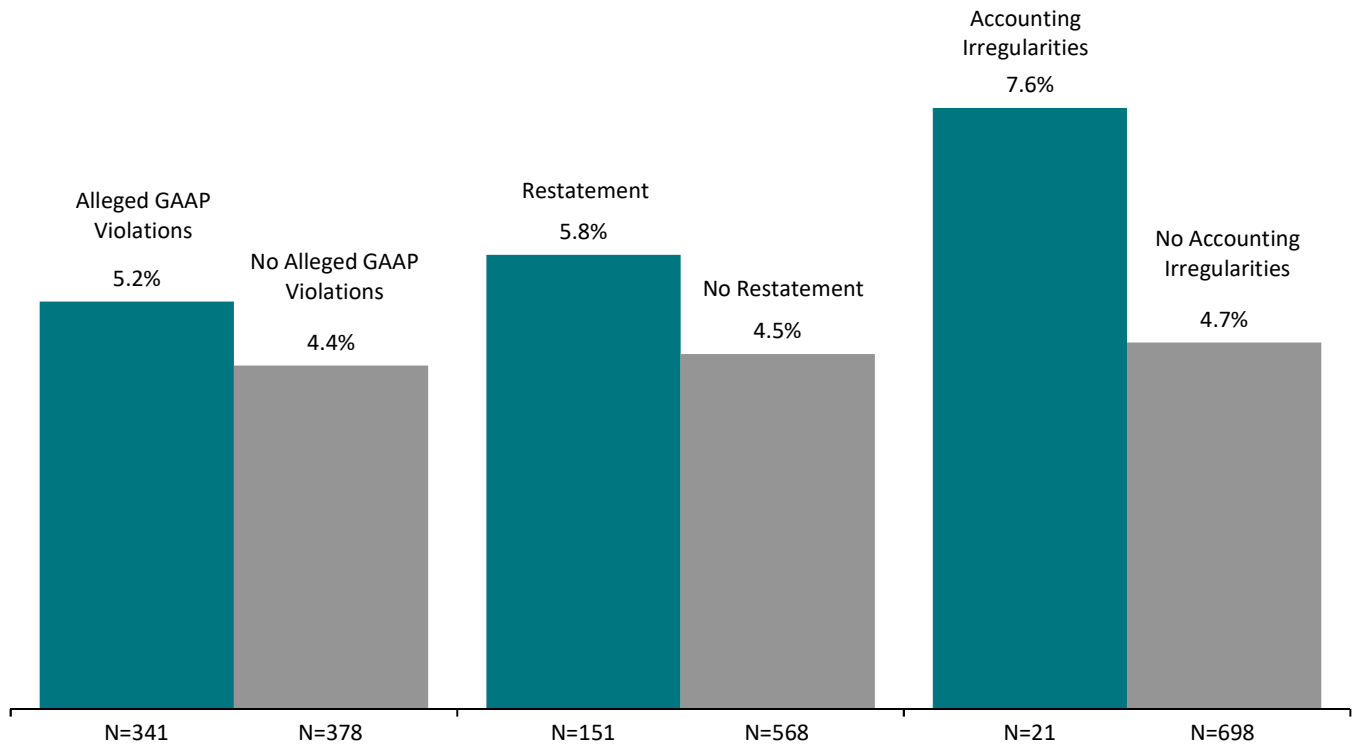
This analysis examines allegations of GAAP violations in settlements of securities class actions involving Rule 10b-5 claims, including two sub-categories of GAAP violations—financial statement restatements and accounting irregularities.¹⁰ For further details regarding settlements of accounting cases, see Cornerstone Research’s annual report on *Accounting Class Action Filings and Settlements*.¹¹

- The percentage of settled cases in 2023 alleging GAAP violations (37%) remained well below the prior nine-year average (49%).
- Contributing to the low number of GAAP cases settled in 2023 were continued low levels of cases involving financial statement restatements and accounting irregularities. In particular, 14% of settled cases in 2023 involved a restatement of financial statements, compared to 22% for the prior nine years. Only 1% of settled cases in 2023 involved accounting irregularities.

- Auditor codefendants were involved in only 2% of settled cases, consistent with the past few years but substantially lower than the average from 2014 to 2022.

In 2023, the median settlement as a percentage of “simplified tiered damages” for cases with alleged GAAP violations increased nearly 25% from 2022.

Figure 8: Median Settlement as a Percentage of “Simplified Tiered Damages” and Allegations of GAAP Violations 2014–2023



Note: “N” refers to the number of cases. This analysis is limited to cases alleging Rule 10b-5 claims (whether alone or in addition to other claims).

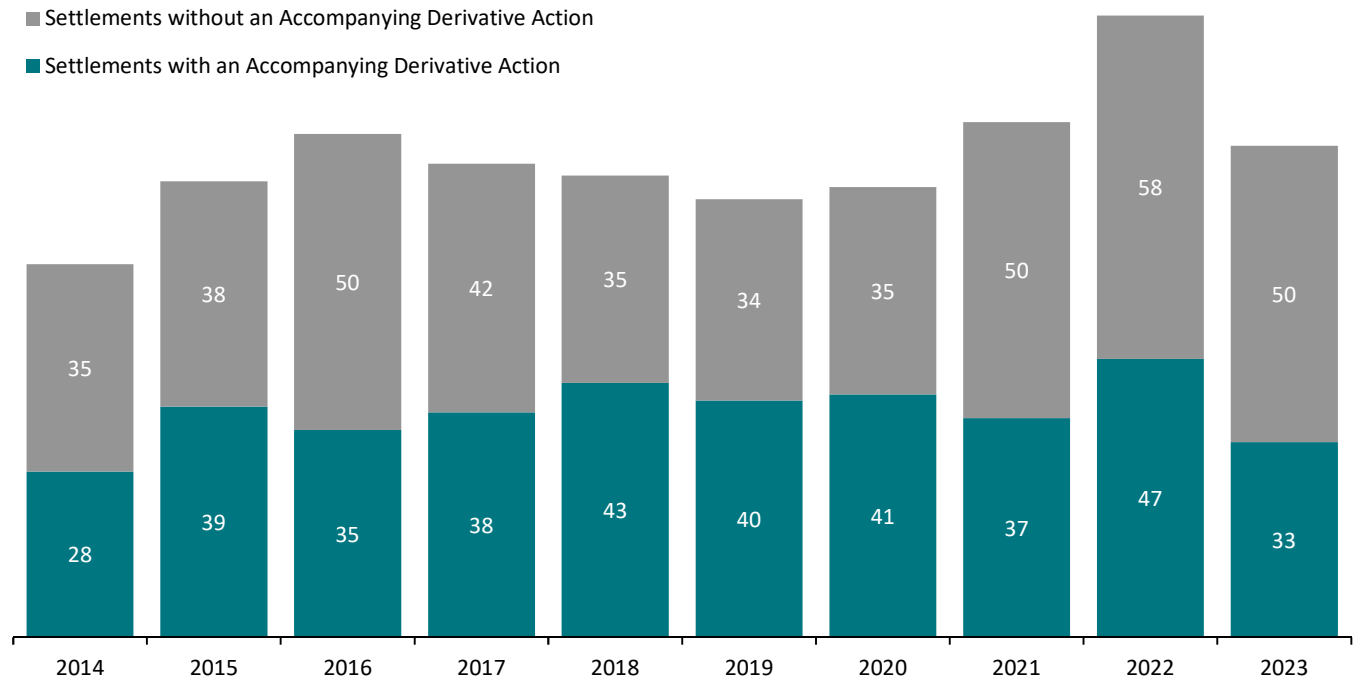
Derivative Actions

- Securities class actions often involve accompanying (or parallel) derivative actions with similar claims, and such cases have historically settled for higher amounts than securities class actions without accompanying derivative matters.¹²
- The percentage of cases involving accompanying derivative actions in 2023 (40%) was the lowest since 2011, in part driven by a reduction in the number of cases filed in Delaware (13) compared to the prior four-year average (17).
- For cases settled during 2019–2023, 40% of parallel derivative suits were filed in Delaware. California and New York were the next most common venues, representing 19% and 17% of such settlements, respectively.

In 2023, the median settlement amount for cases with an accompanying derivative action was \$21 million, over 40% higher than in 2022.

- It is commonly understood that most parallel derivative actions do not settle for monetary amounts (other than plaintiffs’ attorney fees). However, the likelihood of a monetary settlement among parallel derivative actions is higher when the securities class action settlement is large, as shown in Cornerstone Research’s *Parallel Derivative Action Settlement Outcomes*.¹³

Figure 9: Frequency of Derivative Actions
 2014–2023

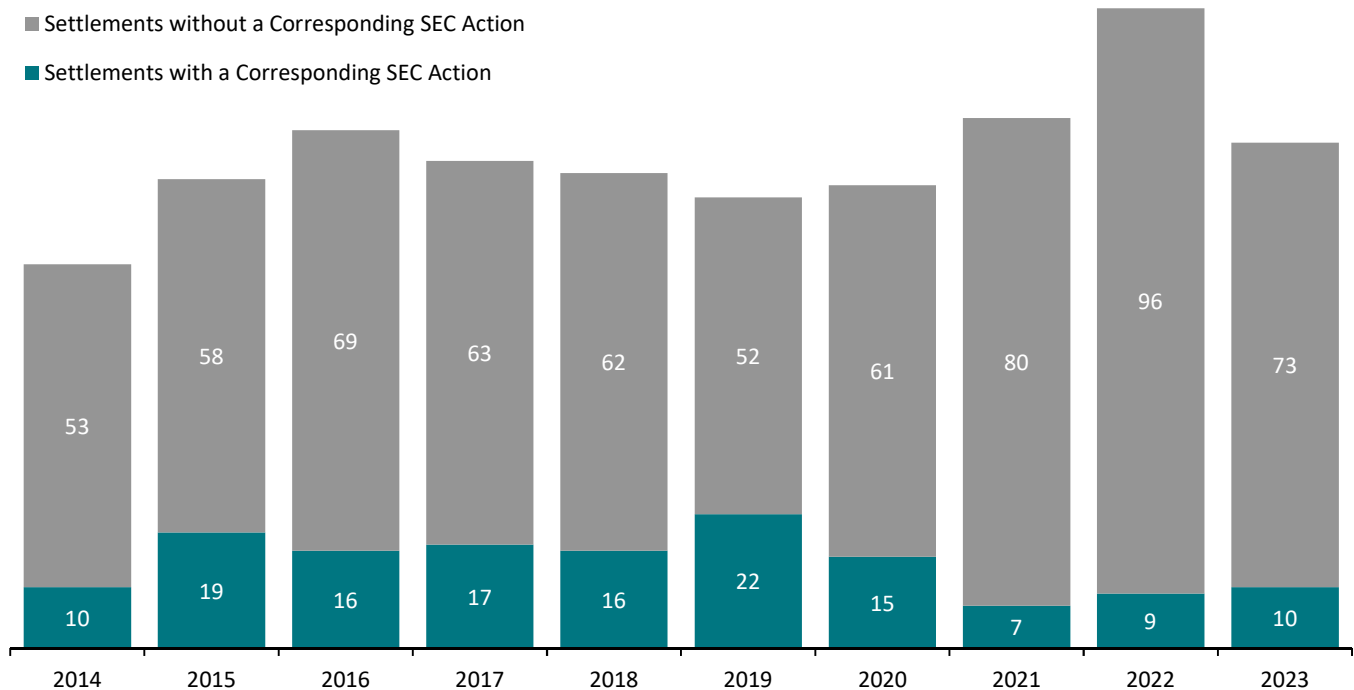


Corresponding SEC Actions

- The percentage of settled cases in 2023 involving a corresponding SEC action was 12%. This represents a slight rebound from 2021 and 2022, when this percentage was less than 10%, but is still well below the prior nine-year average of 19%.
- Historically, cases with a corresponding SEC action have typically been associated with substantially higher settlement amounts.¹⁴ However, this pattern did not hold in 2023 when, for the third time in the past 10 years, the median settlement amount for cases with a corresponding SEC action was less than that for cases without such an action.
- Among 2023 settled cases that involved a corresponding SEC action, 70% also had an institutional investor as a lead plaintiff, up from 33% in 2022.

Over the past 10 years, nearly 75% of settled cases involving SEC actions also involved a restatement of financial statements or alleged GAAP violations.

Figure 10: Frequency of SEC Actions
 2014–2023



Institutional Investors

As discussed in prior reports, increasing institutional investor participation as lead plaintiff in securities litigation was a focus of the Reform Act.¹⁵ Indeed, in years following passage of the Reform Act, institutional investor involvement as lead plaintiffs did increase, particularly in cases with higher “simplified tiered damages.”

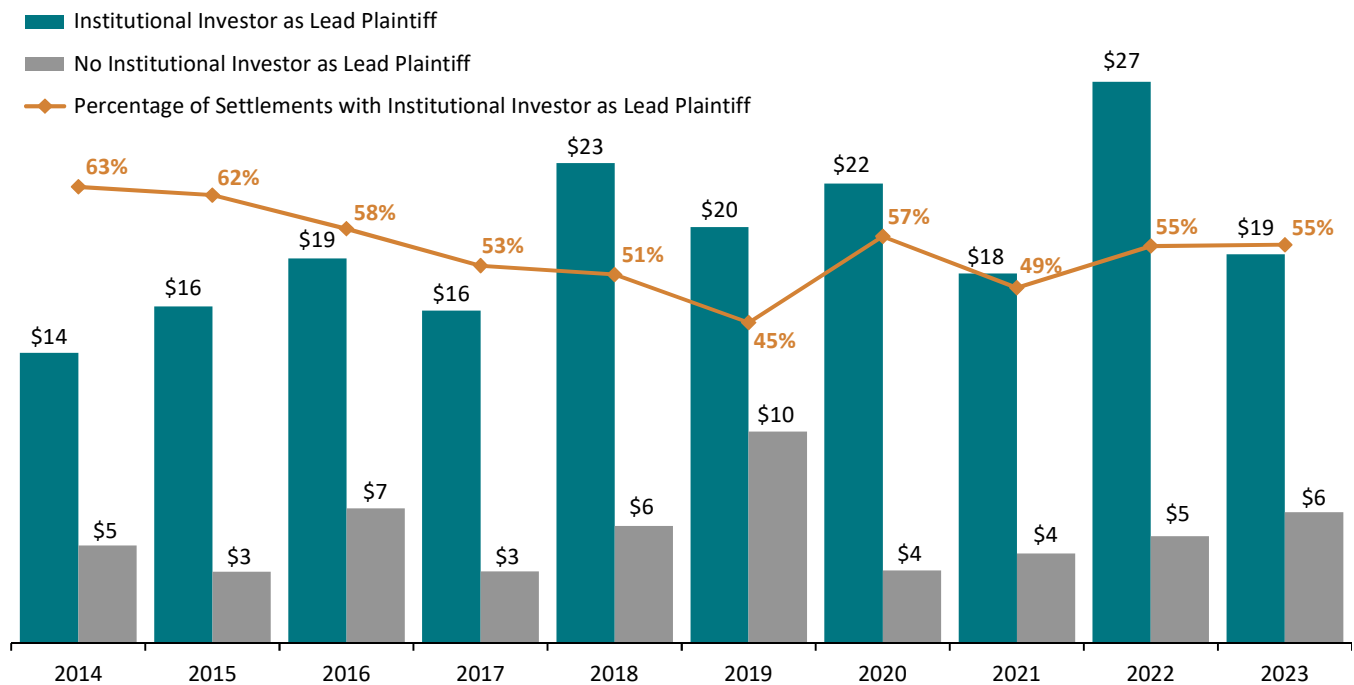
- In 2023, for cases involving an institutional investor as lead plaintiff, median “simplified tiered damages” and median total assets were two times and nine times higher, respectively, than the median values for cases without an institutional investor as a lead plaintiff.

- In 2023, a public pension plan served as lead plaintiff in nearly two-thirds of cases with an institutional lead plaintiff.
- Institutional investor participation as lead plaintiff continues to be associated with particular plaintiff counsel. For example, in 2023 an institutional investor served as a lead plaintiff in over 88% of settled cases in which Robbins Geller Rudman & Dowd LLP (“Robbins Geller”) and/or Bernstein Litowitz Berger & Grossmann LLP (“Bernstein Litowitz”) served as lead or co-lead plaintiff counsel. In contrast, institutional investors served as lead plaintiff in 21% of cases in which The Rosen Law Firm, Pomerantz LLP, or Glancy Prongay & Murray LLP served as lead or co-lead plaintiff counsel.

All nine mega settlements in 2023 included an institutional investor as lead plaintiff.

Figure 11: Median Settlement Amounts and Institutional Investors 2014–2023

(Dollars in millions)



Note: Settlement dollars are adjusted for inflation; 2023 dollar equivalent figures are presented.

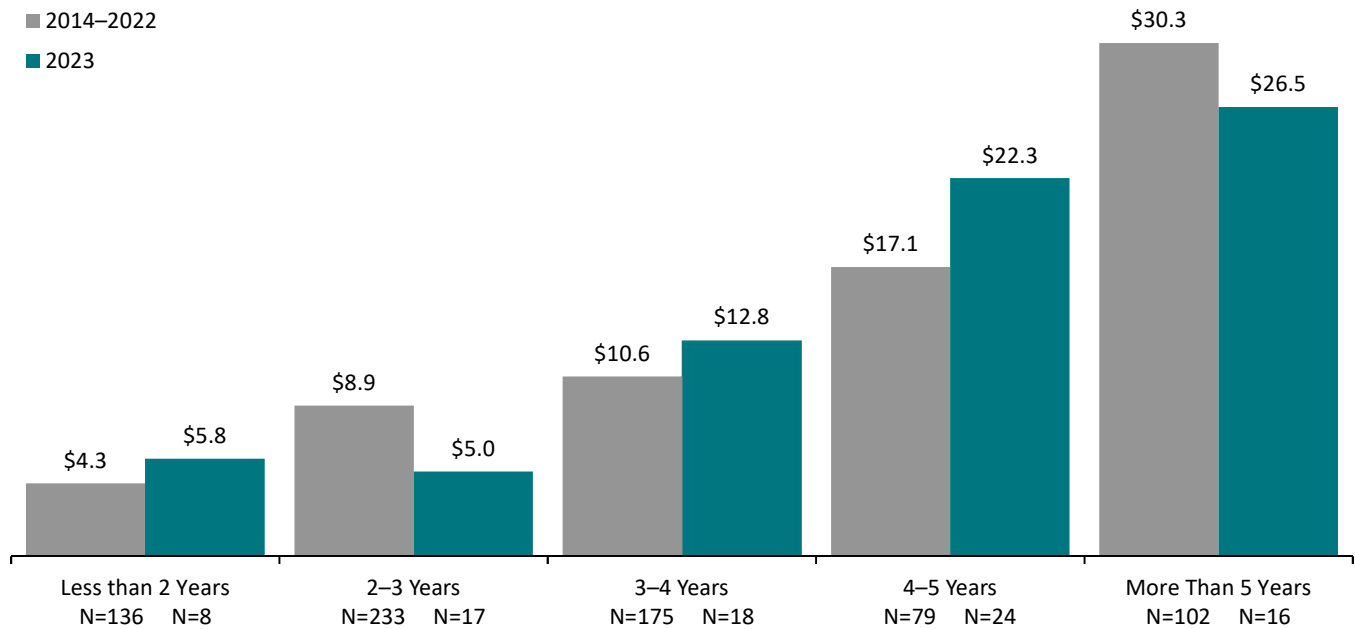
Time to Settlement and Case Complexity

- Overall, less than one-third of cases settled in 2023 settled within three years of filing.
- Cases involving an institutional lead plaintiff continued to take longer to settle. In particular, cases settled in 2023 with an institutional lead plaintiff had a median time to settle of over 4.2 years compared to 3.4 years for cases without an institutional lead plaintiff.
- In 2023, the median time to settle for cases with GAAP allegations was almost a year longer than the median for cases without GAAP allegations.
- Historically, cases with The Rosen Law Firm, Pomerantz LLP, or Glancy Prongay & Murray LLP as lead or co-lead plaintiff counsel settled within three years of case filing. However, cases settled in 2023 with these firms acting as plaintiff counsel collectively took 3.9 years to settlement, a level reached in only one other year (2009). These three law firms were lead or co-lead plaintiff counsel in approximately 30% of cases in 2023.
- The presence of Robbins Geller as lead or co-lead plaintiff counsel is associated with a longer duration between filing and settlement. Cases settled in 2023 with Robbins Geller acting as lead or co-lead plaintiff counsel (28% of settled cases) had a median time to settle of 4.1 years compared to 3.5 years for cases in which the law firm was not involved.¹⁶
- The number of docket entries can be viewed as a proxy for the time and effort expended by plaintiff counsel and/or case complexity. Median docket entries in 2023 (142) increased only slightly from 2022 (138).

The median time from filing to settlement hearing date in 2023 (3.7 years) was up nearly 17% from 2022.

Figure 12: Median Settlement by Duration from Filing Date to Settlement Hearing Date 2014–2023

(Dollars in millions)



Note: Settlement dollars are adjusted for inflation; 2023 dollar equivalent figures are presented. “N” refers to the number of cases.

Case Stage at the Time of Settlement

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

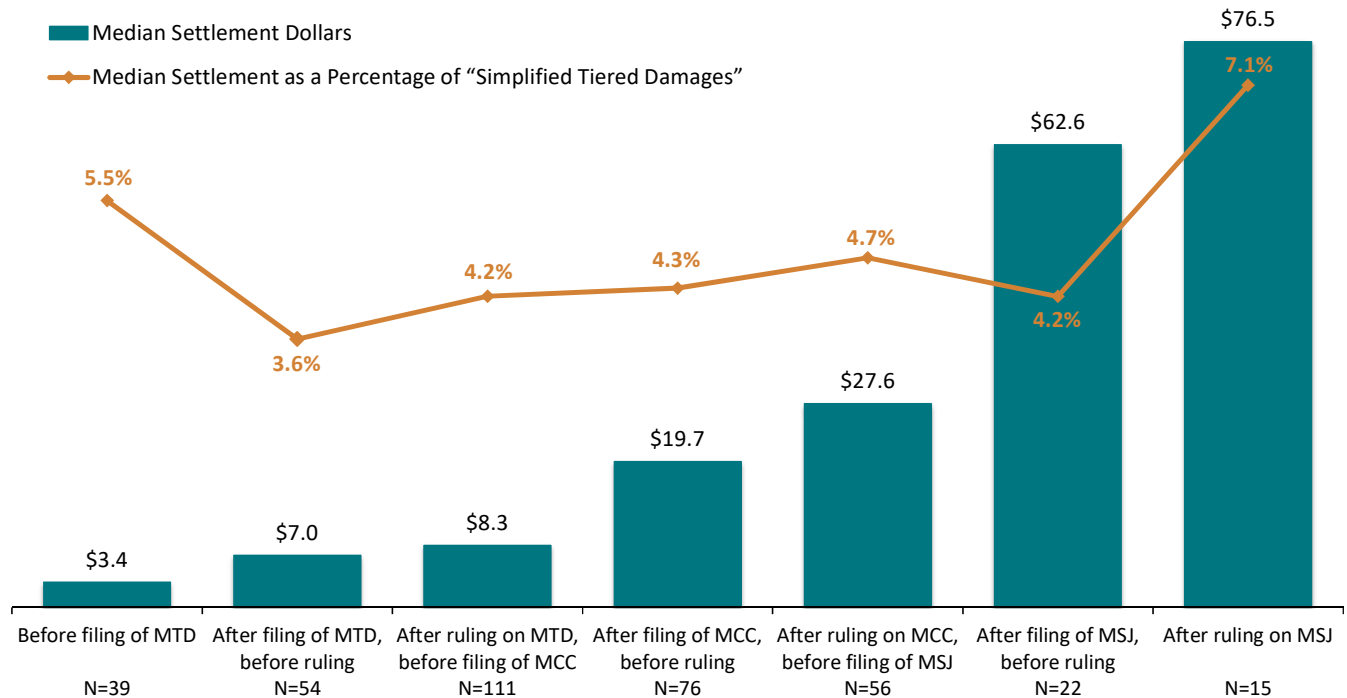
- Cases settling at later stages continue to be larger in terms of total assets and “simplified tiered damages.”
- For example, both median total assets and median “simplified tiered damages” for cases that settled in 2023 after the ruling on a motion for class certification were over two times the respective medians for cases that settled in 2023 prior to such a motion being ruled on.
- In the five-year period from 2019 through 2023, over 90% of cases settled prior to the filing of a motion for summary judgment.

- In 2023, cases settling at later stages continued to include an institutional lead plaintiff at a higher percentage. Specifically, 68% of cases that settled after the filing of a motion for class certification involved an institutional lead plaintiff compared to 41% of cases that settled prior to the filing of such a motion.

In 2023, the percentage of cases settling prior to the filing of a motion to dismiss continued to decline—from 14% of cases in 2019 to 7% of cases in 2023.

Figure 13: Median Settlement Dollars and Resolution Stage at Time of Settlement 2019–2023

(Dollars in millions)



Note: Settlement dollars are adjusted for inflation; 2023 dollar equivalent figures are presented. “N” refers to the number of cases. MTD refers to “motion to dismiss,” MCC refers to “motion for class certification,” and MSJ refers to “motion for summary judgment.” This analysis is limited to cases alleging Rule 10b-5 claims (whether alone or in addition to other claims).

Cornerstone Research's Settlement Analysis

This research applies regression analysis to examine the relations between settlement outcomes and certain securities case characteristics. Regression analysis is employed to better understand the factors that are important for estimating what cases might settle for, given the characteristics of a particular securities class action.

Determinants of Settlement Outcomes

Based on the research sample of cases that settled from January 2006 through December 2023, important determinants of settlement amounts include the following:

- “Simplified tiered damages”
- Maximum Dollar Loss (MDL)—the dollar-value change in the defendant issuer’s market capitalization from its class period peak to the first trading day without inflation
- The most recently reported total assets prior to the settlement hearing date for the defendant issuer
- Number of entries on the lead case docket
- Whether there were accounting allegations
- Whether there was an SEC action with allegations similar to those included in the underlying class action complaint, as evidenced by a litigation release or an administrative proceeding against the issuer, officers, directors, or other defendants
- Whether there were criminal charges against the issuer, officers, directors, or other defendants with allegations similar to those included in the underlying class action complaint
- Whether there was a derivative action with allegations similar to those included in the underlying class action complaint

- Whether, in addition to Rule 10b-5 claims, Section 11 claims were alleged and were still active prior to settlement
- Whether the issuer has been delisted from a major exchange and/or has declared bankruptcy (i.e., whether the issuer was “distressed”)
- Whether an institutional investor acted as lead plaintiff
- Whether securities other than common stock/ADR/ADS were included in the alleged class

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

Settlements were also higher in cases involving accounting allegations, a corresponding SEC action, criminal charges, an accompanying derivative action, an institutional investor lead plaintiff, or securities in addition to common stock included in the alleged class.

Settlements were lower if the issuer was distressed.

More than 75% of the variation in settlement amounts can be explained by the factors discussed above.

Research Sample

- The database compiled for this report is limited to cases alleging Rule 10b-5, Section 11, and/or Section 12(a)(2) claims brought by purchasers of a corporation's common stock. The sample contains only cases alleging fraudulent inflation in the price of a corporation's common stock.
- Cases with alleged classes of only bondholders, preferred stockholders, etc., cases alleging fraudulent depression in price, and mergers and acquisitions cases are excluded. These criteria are imposed to ensure data availability and to provide a relatively homogeneous set of cases in terms of the nature of the allegations.
- The current sample includes nearly 2,200 securities class actions filed after passage of the Reform Act (1995) and settled from 1996 through 2023. These settlements are identified based on a review of case activity collected by Securities Class Action Services LLC (SCAS).¹⁷
- The designated settlement year, for purposes of this report, corresponds to the year in which the hearing to approve the settlement was held.¹⁸ Cases involving multiple settlements are reflected in the year of the most recent partial settlement, provided certain conditions are met.¹⁹

Data Sources

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

Endnotes

- ¹ Reported dollar figures and corresponding comparisons are adjusted for inflation; 2023 dollar equivalent figures are presented in this report.
- ² “Simplified tiered damages” are calculated for cases that settled in 2006 or later, following the U.S. Supreme Court’s 2005 landmark decision in *Dura Pharmaceuticals Inc. v. Broudo*, 544 U.S. 336. “Simplified tiered damages” is based on the stock-price declines associated with the alleged corrective disclosure dates that are described in the settlement plan of allocation.
- ³ Comparison to “all-time” refers to the inception of Cornerstone Research’s database of post–Reform Act settlements beginning in 1996.
- ⁴ The “simplified tiered damages” approach used for purposes of this settlement research does not examine the mix of information associated with the specific dates listed in the plan of allocation, but simply applies the stock price movements on those dates to an estimate of the “true value” of the stock during the alleged class period (or “value line”). This proxy for damages utilizes an estimate of the number of shares damaged based on reported trading volume and the number of shares outstanding. Specifically, reported trading volume is adjusted using volume reduction assumptions based on the exchange on which the issuer defendant’s common stock is listed. No adjustments are made to the underlying float for institutional holdings, insider trades, or short-selling activity during the alleged class period. Because of these and other simplifying assumptions, the damages measures used in settlement benchmarking may differ substantially from damages estimates developed in conjunction with case-specific economic analysis.
- ⁵ Laarni T. Bulan, Ellen M. Ryan, and Laura E. Simmons, *Estimating Damages in Settlement Outcome Modeling*, Cornerstone Research (2017).
- ⁶ MDL is the dollar-value change in the defendant issuer’s market capitalization from its class period peak to the first trading day without inflation.
- ⁷ Catherine J. Galley, Nicholas D. Yavorsky, Filipe Lacerda, and Chady Gemayel, *Approved Claims Rates in Securities Class Actions: Evidence from 2015–2018 Rule 10b-5 Settlements*, Cornerstone Research (2020). Data on “plaintiff-estimated damages” is made available to Cornerstone Research through collaboration with Stanford Securities Litigation Analytics (SSLA). SSLA tracks and collects data on private shareholder securities litigation and public enforcements brought by the SEC and the U.S. Department of Justice (DOJ). The SSLA dataset includes all traditional class actions, SEC actions, and DOJ criminal actions filed since 2000. Available on a subscription basis at <https://sla.law.stanford.edu/>.
- ⁸ The statutory purchase price is the lesser of the security offering price or the security purchase price. Prior to the first complaint filing date, the statutory sales price is the price at which the security was sold. After the first complaint filing date, the statutory sales price is the greater of the security sales price or the “value” of the security on the first complaint filing date. For purposes of “simplified statutory damages,” the “value” of the security on the first complaint filing date is assumed to be the security’s closing price on this date. Similar to “simplified tiered damages,” the estimation of “simplified statutory damages” makes no adjustments to the underlying float for institutional holdings, insider trades, or short-selling activity.
- ⁹ As noted in prior reports, the March 2018 U.S. Supreme Court decision in *Cyan Inc. v. Beaver County Employees Retirement Fund (Cyan)* held that ‘33 Act claim securities class actions could be brought in state court. While ‘33 Act claim cases had often been brought in state courts before *Cyan*, filing rates in state courts increased substantially following this ruling. This trend reversed, however, following the March 2020 Delaware Supreme Court decision in *Salzberg v. Sciabacucchi* upholding the validity of federal forum-selection provisions in corporate charters. See, for example, *Securities Class Action Filings—2021 Year in Review*, Cornerstone Research (2022).
- ¹⁰ The two sub-categories of accounting issues analyzed in Figure 8 of this report are (1) restatements—cases involving a restatement (or announcement of a restatement) of financial statements, and (2) accounting irregularities.
- ¹¹ *Accounting Class Action Filings and Settlements—2023 Review and Analysis*, Cornerstone Research, forthcoming in spring 2024.
- ¹² To be considered an accompanying (or parallel) derivative action, the derivative action must have underlying allegations that are similar or related to the underlying allegations of the securities class action and either be active or settling at the same time as the securities class action.
- ¹³ *Parallel Derivative Action Settlement Outcomes*, Cornerstone Research (2022).
- ¹⁴ As noted in prior reports, it could be that the merits in such cases are stronger, or simply that the presence of a corresponding SEC action provides plaintiffs with increased leverage when negotiating a settlement. For purposes of this research, an SEC action is evidenced by the presence of a litigation release or an administrative proceeding posted on www.sec.gov involving the issuer defendant or other named defendants with allegations similar to those in the underlying class action complaint.
- ¹⁵ See, for example, *Securities Class Action Settlements—2006 Review and Analysis*, Cornerstone Research (2007); Michael A. Perino, “Have Institutional Fiduciaries Improved Securities Class Actions? A Review of the Empirical Literature on the PSLRA’s Lead Plaintiff Provision,” St. John’s Legal Studies Research Paper No. 12-0021 (2013).
- ¹⁶ Although Robbins Geller is associated with a longer duration to settlement, its presence as lead or co-lead plaintiff counsel is not associated with significantly higher settlements as a percentage of “simplified tiered damages.”
- ¹⁷ Available on a subscription basis. For further details see <https://www.issgovernance.com/securities-class-action-services/>.
- ¹⁸ Movements of partial settlements between years can cause differences in amounts reported for prior years from those presented in earlier reports.
- ¹⁹ This categorization is based on the timing of the settlement hearing date. If a new partial settlement equals or exceeds 50% of the then-current settlement fund amount, the entirety of the settlement amount is re-categorized to reflect the settlement hearing date of the most recent partial settlement. If a subsequent partial settlement is less than 50% of the then-current total, the partial settlement is added to the total settlement amount and the settlement hearing date is left unchanged.

Appendices

Appendix 1: Settlement Percentiles

(Dollars in millions)

Year	Average	10th	25th	Median	75th	90th
2014	\$23.5	\$2.2	\$3.7	\$7.7	\$17.0	\$64.4
2015	\$50.6	\$1.7	\$2.8	\$8.4	\$20.9	\$120.9
2016	\$89.6	\$2.4	\$5.3	\$10.9	\$41.9	\$185.4
2017	\$22.9	\$1.9	\$3.2	\$6.5	\$19.0	\$44.0
2018	\$78.7	\$1.8	\$4.4	\$13.7	\$30.0	\$59.6
2019	\$33.6	\$1.7	\$6.7	\$13.1	\$23.8	\$59.6
2020	\$64.9	\$1.6	\$3.8	\$11.5	\$23.8	\$62.8
2021	\$23.1	\$1.9	\$3.5	\$9.3	\$20.1	\$65.9
2022	\$37.9	\$2.1	\$5.2	\$13.5	\$36.4	\$74.8
2023	\$47.3	\$3.0	\$5.0	\$15.0	\$33.3	\$101.0

Note: Settlement dollars are adjusted for inflation; 2023 dollar equivalent figures are presented.

Appendix 2: Settlements by Select Industry Sectors 2014–2023

(Dollars in millions)

Industry	Number of Settlements	Median Settlement	Median “Simplified Tiered Damages”	Median Settlement as a Percentage of “Simplified Tiered Damages”
Financial	91	\$17.8	\$313.3	5.3%
Technology	106	\$9.4	\$318.2	4.3%
Pharmaceuticals	122	\$8.5	\$242.5	3.9%
Telecommunication	28	\$11.4	\$381.0	4.4%
Retail	51	\$15.2	\$350.4	4.6%
Healthcare	21	\$10.1	\$240.4	6.0%

Note: Settlement dollars and “simplified tiered damages” are adjusted for inflation; 2023 dollar equivalent figures are presented. “Simplified tiered damages” are calculated only for cases involving Rule 10b-5 claims (whether alone or in addition to other claims).

Appendix 3: Settlements by Federal Circuit Court 2014–2023

(Dollars in millions)

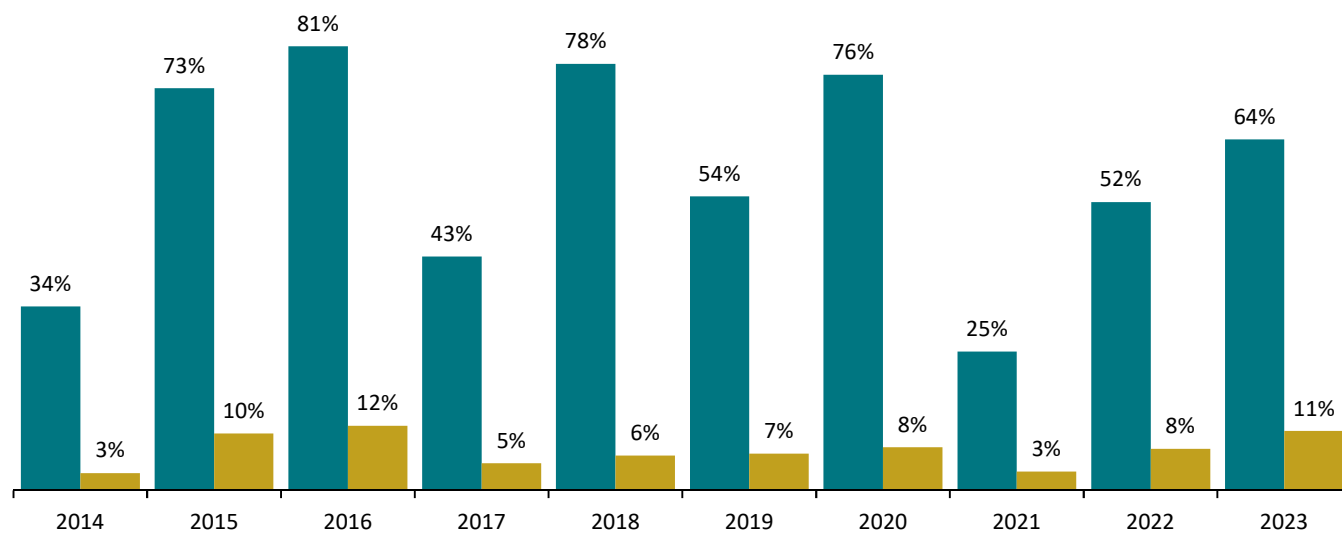
Circuit	Number of Settlements	Median Settlement	Median Settlement as a Percentage of “Simplified Tiered Damages”
First	20	\$14.1	2.8%
Second	212	\$8.9	4.9%
Third	85	\$7.3	4.9%
Fourth	23	\$24.5	3.9%
Fifth	38	\$11.7	4.7%
Sixth	35	\$15.8	6.7%
Seventh	40	\$18.0	3.7%
Eighth	14	\$48.3	4.6%
Ninth	190	\$9.0	4.4%
Tenth	19	\$12.4	5.3%
Eleventh	36	\$13.7	4.7%
DC	4	\$27.9	2.2%

Note: Settlement dollars are adjusted for inflation; 2023 dollar equivalent figures are presented. Settlements as a percentage of “simplified tiered damages” are calculated only for cases alleging Rule 10b-5 claims (whether alone or in addition to other claims).

Appendix 4: Mega Settlements 2014–2023

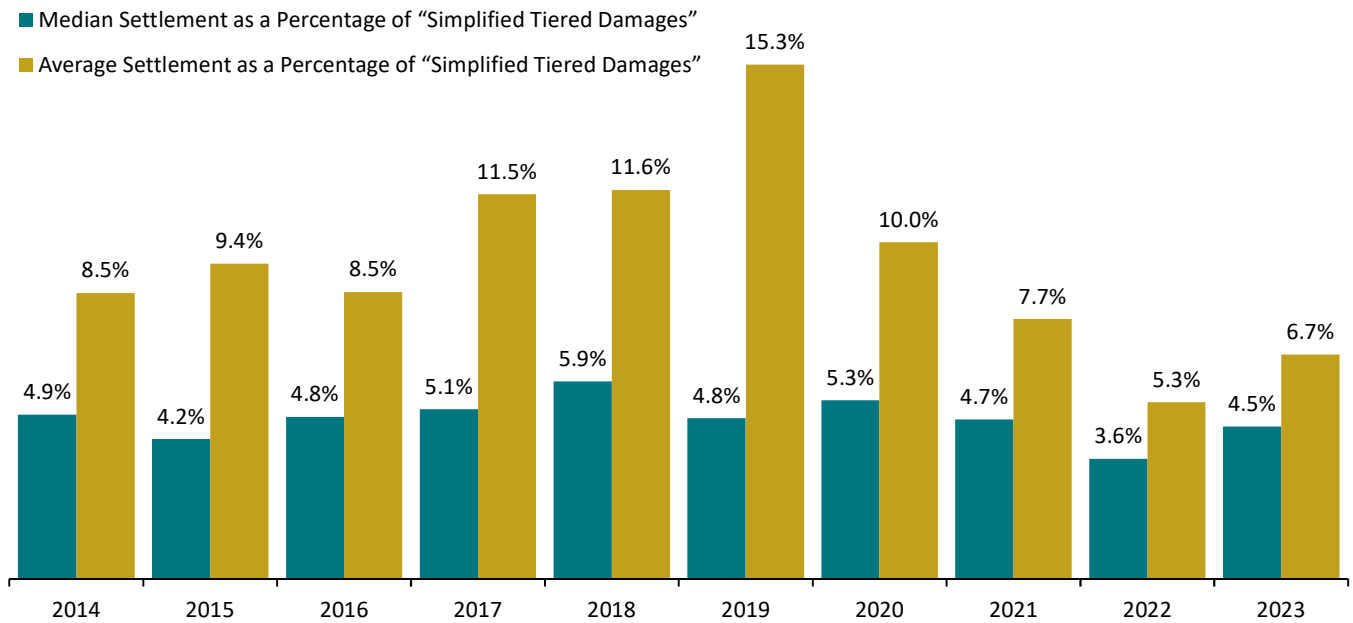
■ Total Mega Settlement Dollars as a Percentage of All Settlement Dollars

■ Number of Mega Settlements as a Percentage of All Settlements



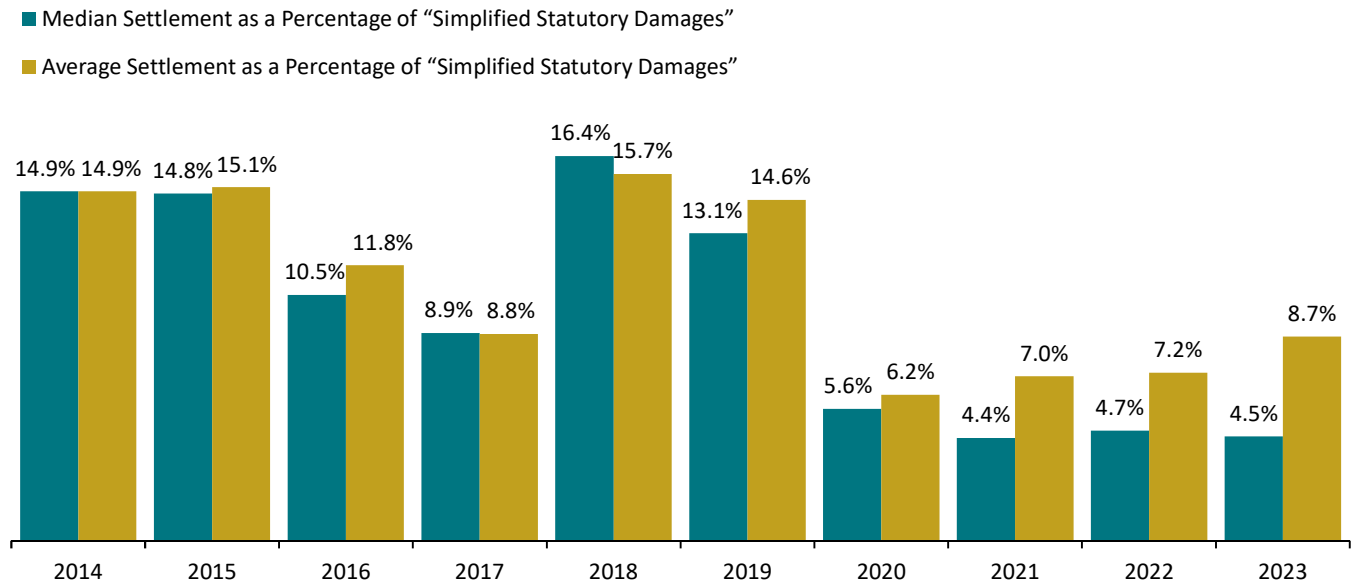
Note: Mega settlements are defined as total settlement funds equal to or greater than \$100 million.

Appendix 5: Median and Average Settlements as a Percentage of “Simplified Tiered Damages”
2014–2023



Note: “Simplified tiered damages” are calculated only for cases alleging Rule 10b-5 claims (whether alone or in addition to other claims).

Appendix 6: Median and Average Settlements as a Percentage of “Simplified Statutory Damages”
2014–2023

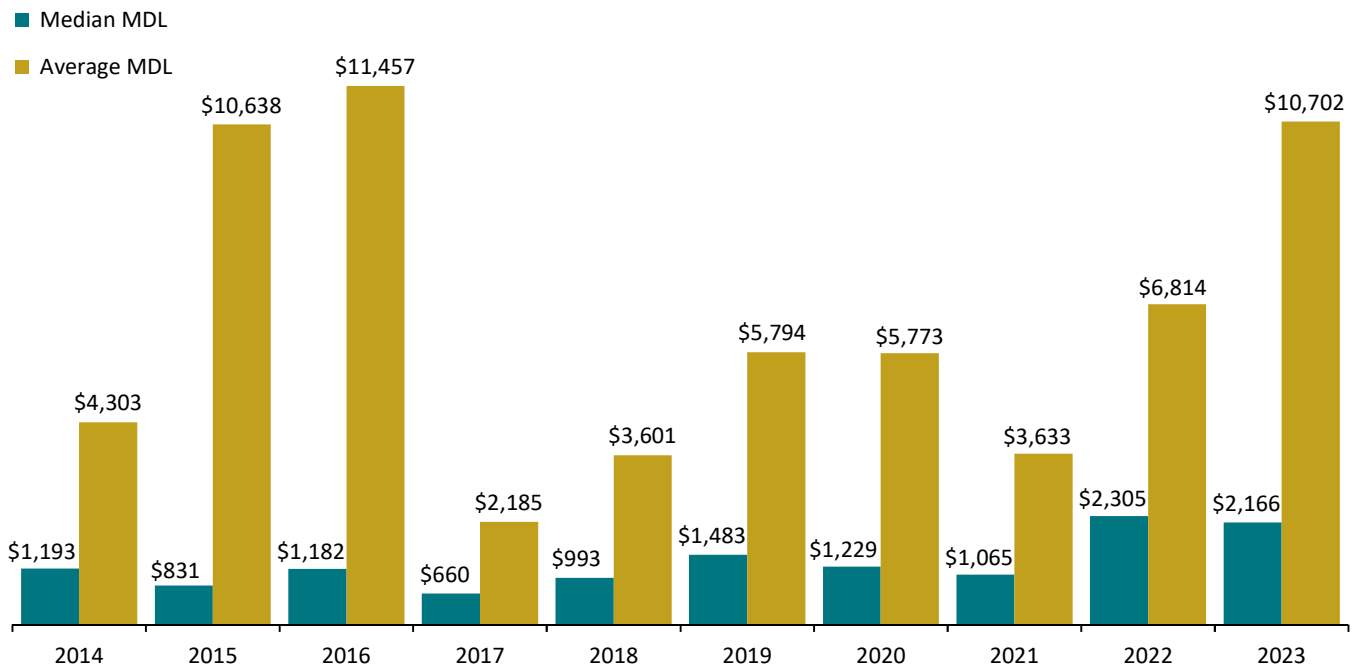


Note: “Simplified statutory damages” are calculated only for cases alleging Section 11 (’33 Act) claims and no Rule 10b-5 claims.

Appendix 7: Median and Average Maximum Dollar Loss (MDL)

2014–2023

(Dollars in millions)

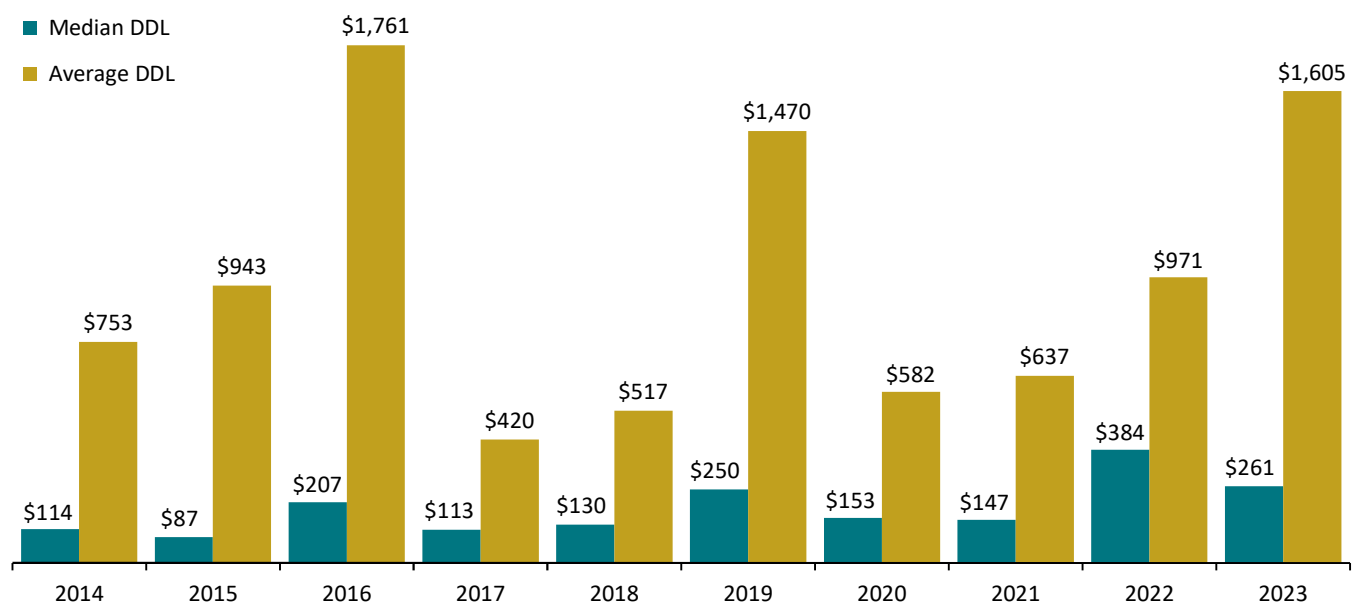


Note: MDL is adjusted for inflation based on class period end dates; 2023 dollar equivalents are presented. MDL is the dollar-value change in the defendant issuer’s market capitalization from its class period peak to the first trading day without inflation. This analysis excludes cases alleging ‘33 Act claims only.

Appendix 8: Median and Average Disclosure Dollar Loss (DDL)

2014–2023

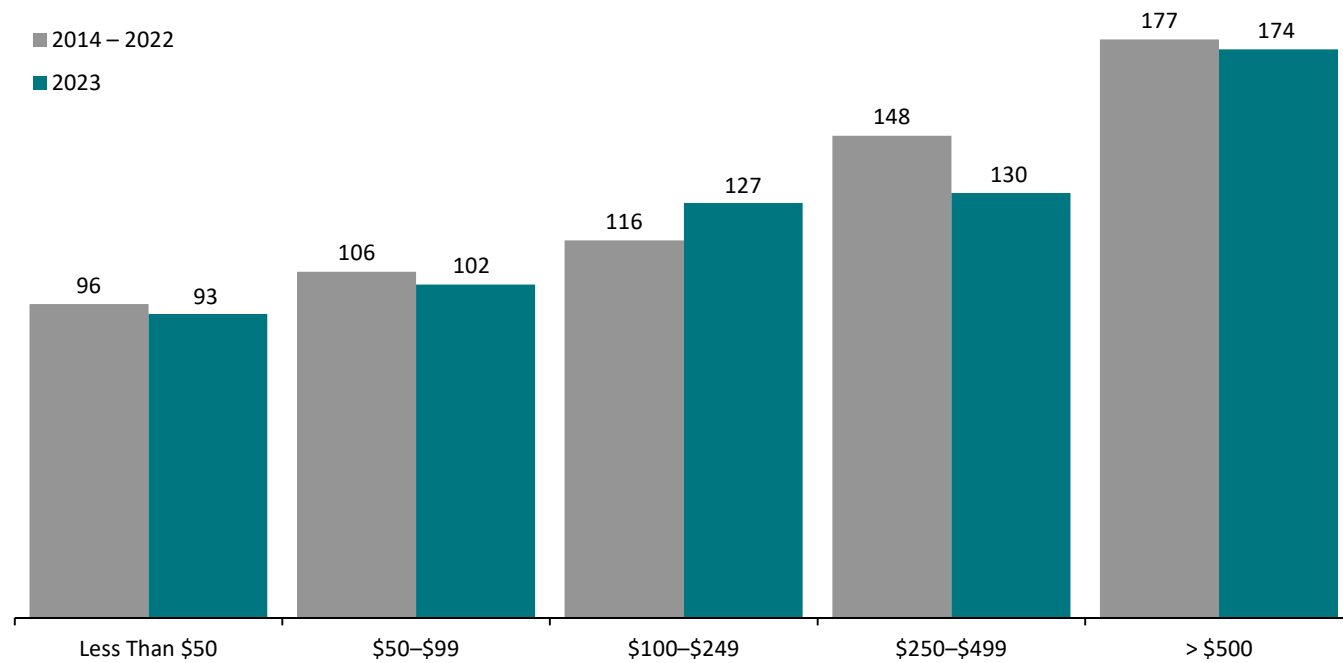
(Dollars in millions)



Note: DDL is adjusted for inflation based on class period end dates; 2023 dollar equivalents are presented. DDL is the dollar-value change in the defendant firm’s market capitalization between the end of the class period to the first trading day without inflation. This analysis excludes cases alleging ‘33 Act claims only.

Appendix 9: Median Docket Entries by “Simplified Tiered Damages” Range
2014–2023

(Dollars in millions)



Note: “Simplified tiered damages” are calculated only for cases alleging Rule 10b-5 claims (whether alone or in addition to other claims).

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

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Dr. Simmons’s research on pre- and post-Reform Act securities litigation settlements has been published in a number of reports and is frequently cited in the public press and legal journals. She has spoken at various conferences and appeared as a guest on CNBC addressing the topic of securities case settlements. She has also published in academic journals, including research focusing on the intersection of accounting and litigation. Dr. Simmons was previously an accounting faculty member at the Mason School of Business at the College of William & Mary. From 1986 to 1991, she was an accountant with Price Waterhouse.

The authors gratefully acknowledge the research efforts and significant contributions of their colleagues at Cornerstone Research in the writing and preparation of this annual update. The views expressed herein do not necessarily represent the views of Cornerstone Research.

The authors request that you reference Cornerstone Research in any reprint of the information or figures included in this report.

Please direct any questions and requests for additional information to the settlement database administrator at settlementdatabase@cornerstone.com.

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Exhibit 6



RECENT TRENDS IN SECURITIES CLASS ACTION LITIGATION: 2023 FULL-YEAR REVIEW

By Edward Flores and Svetlana Starykh¹

FOREWORD

I am excited to share NERA's "Recent Trends in Securities Class Action Litigation: 2023 Full-Year Review" with you. This year's edition builds on work carried out over more than three decades by many of NERA's securities and finance experts. Although space does not permit us to present all the analyses the authors have undertaken while working on this year's edition or to provide details on the statistical analysis of settlement amounts, we hope you will contact us if you want to learn more about our research or our work in securities litigations. On behalf of NERA's securities and finance experts, I thank you for taking the time to review this year's report and hope you find it informative.

DAVID TABAK, PhD

Senior Managing Director



INTRODUCTION

There were 228 new federal securities class action suits filed in 2023, ending a four-year decline in filings seen from 2019 to 2022. The increase in filings was mainly driven by an increase in the number of suits alleging Rule 10b-5 violations. Fueled by turmoil in the banking industry, filings in the finance sector more than doubled in 2023, comprising 18% of new filings. The number of filings related to the environment quadrupled in 2023 compared to 2022.

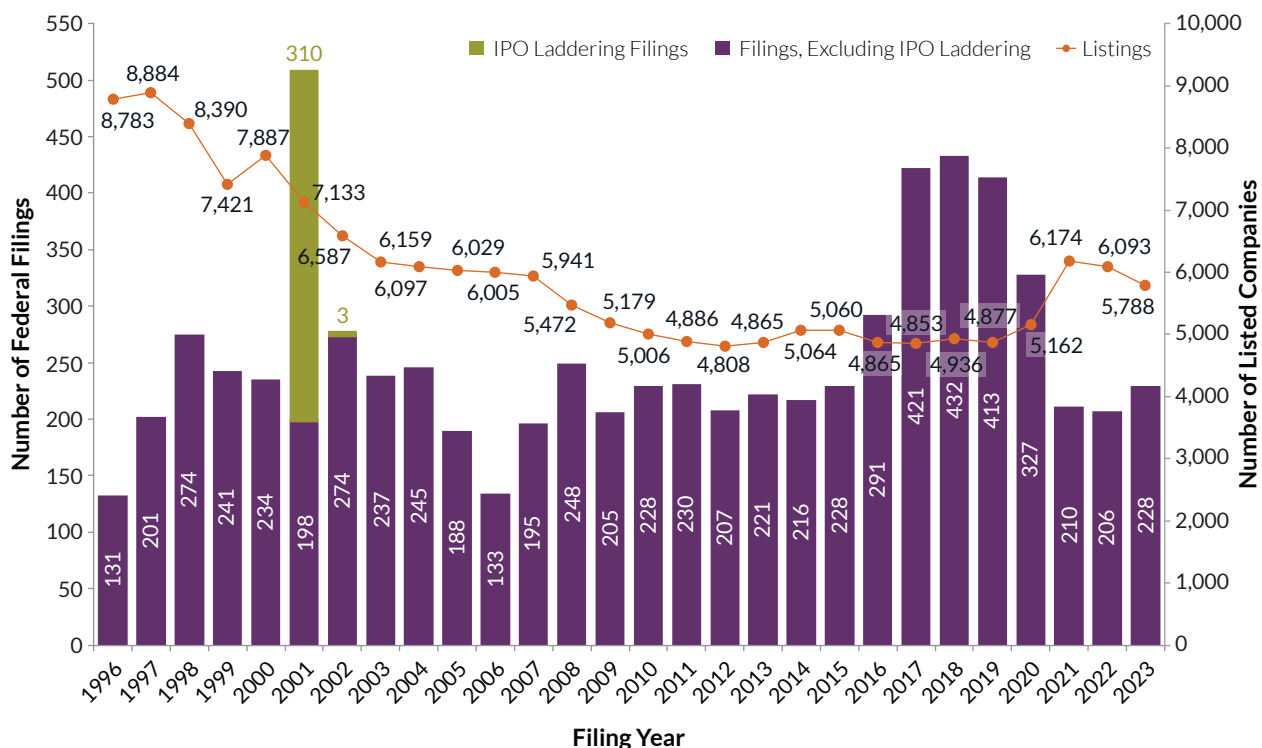
For the sixth consecutive year, there was a decline in the number of resolutions. There were 190 cases resolved in 2023, consisting of 90 settlements and 100 dismissals, marking the lowest recorded level of resolutions in the last 10 years. More than half of the decline in resolutions was driven by a decrease in the number of settled cases with Rule 10b-5, Section 11, and/or Section 12 claims.

Aggregate settlements totaled \$3.9 billion in 2023, with the top 10 settlements of the year accounting for over 66% of this amount. Aggregate plaintiffs' attorneys' fees and expenses totaled \$972 million, accounting for 24.9% of the 2023 aggregate settlement value. The average settlement value increased by 17% in 2023 to \$46 million, though this was largely driven by the presence of a \$1 billion settlement. The median settlement value for 2023 was \$14 million, a nominal 7% increase from the inflation-adjusted median settlement value in 2022.

TRENDS IN FILINGS

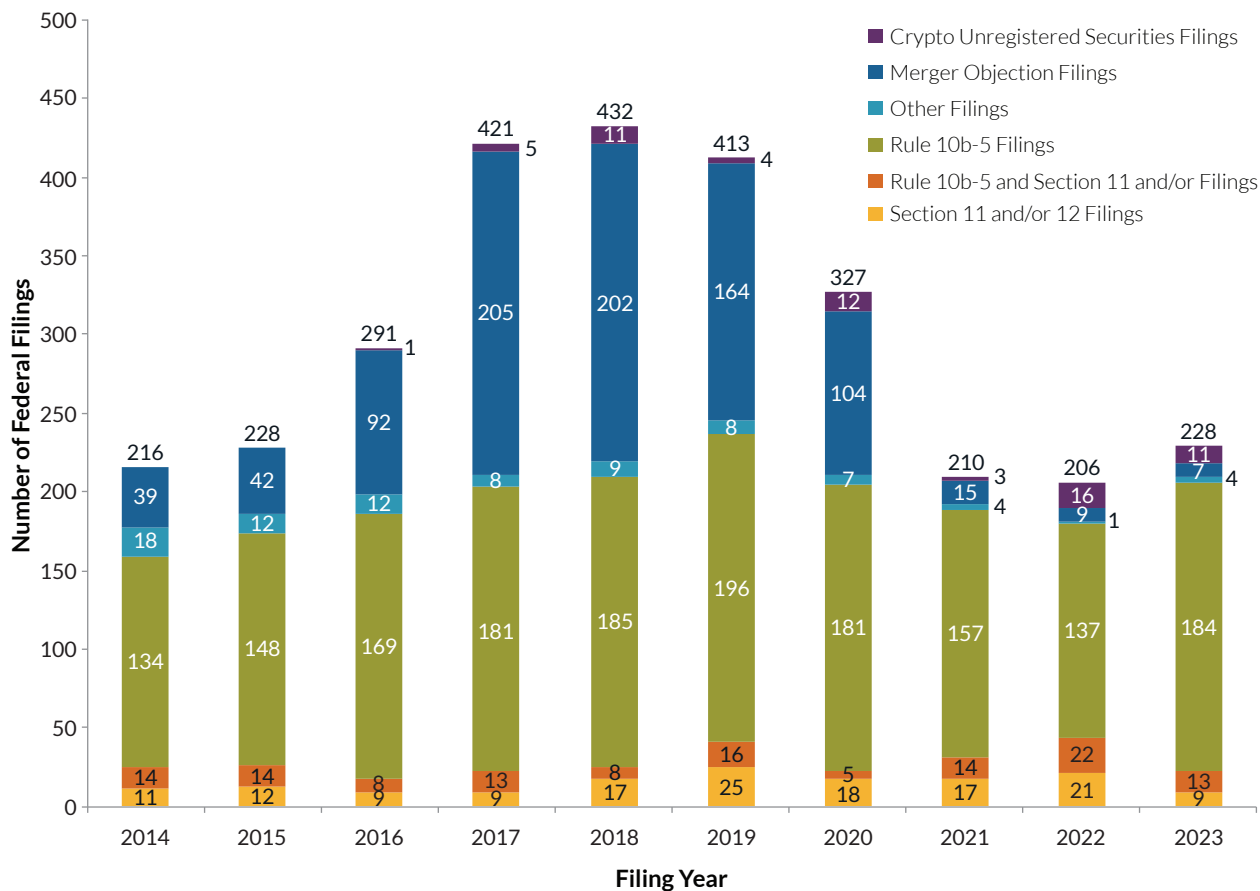
From 2019 to 2022, there was a decline in the number of federal filings. In 2023, there were 228 new cases filed, an increase from the 206 cases filed in 2022 (see Figure 1).² Standard cases, which contain alleged violations of Rule 10b-5, Section 11, and/or Section 12, accounted for most new filings with 206.³ In particular, filings involving only Rule 10-5 claims increased by 34% from 137 in 2022 to 184 in 2023. On the other hand, there were only seven merger-objection suits filed in 2023, marking a 10-year low. There was also a decline in filings involving crypto unregistered securities, dropping to 11 in 2023 from the 16 observed in 2022.⁴ See Figure 2.

Figure 1. Federal Filings and Number of Companies Listed in the United States
January 1996–December 2023



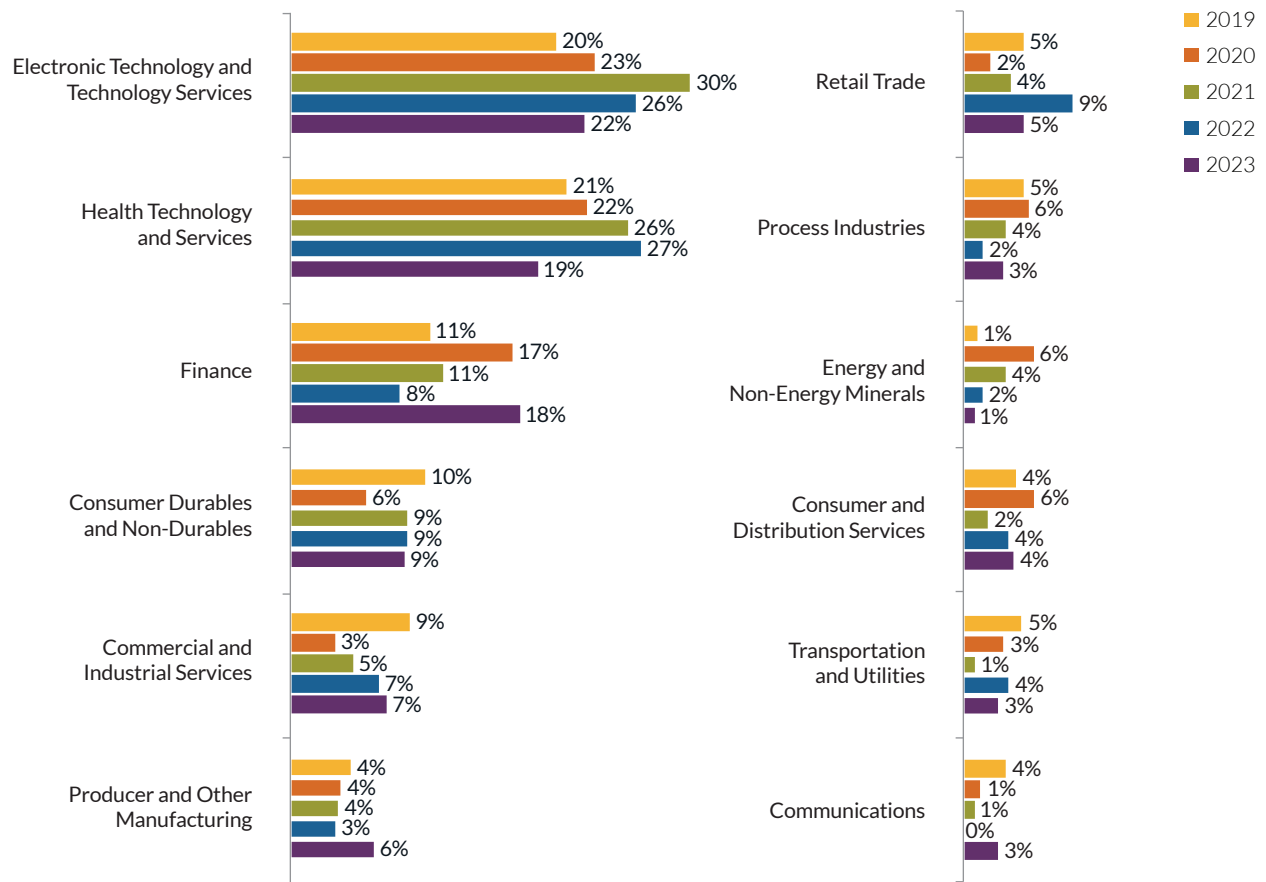
Note: Listed companies include those listed on the NYSE and Nasdaq. Listings data obtained from World Federation of Exchanges (WFE). The 2023 listings data are as of October 2023.

Figure 2. Federal Filings by Type
January 2014–December 2023



Excluding merger-objection and crypto unregistered securities cases, the electronic technology and technology services sector accounted for 22% of new filings, the largest proportion of any sector. After hitting a five-year low in 2022, there was a resurgence in filings in the finance sector in 2023, accounting for 18% of new filings. This is more than double the percentage in 2022 and was partly due to the banking crisis in early 2023. On the other hand, the percentage of suits in the health technology and services sector declined from 27% in 2022 to 19% in 2023, partially driven by a decline in COVID-19-related suits. See Figure 3.

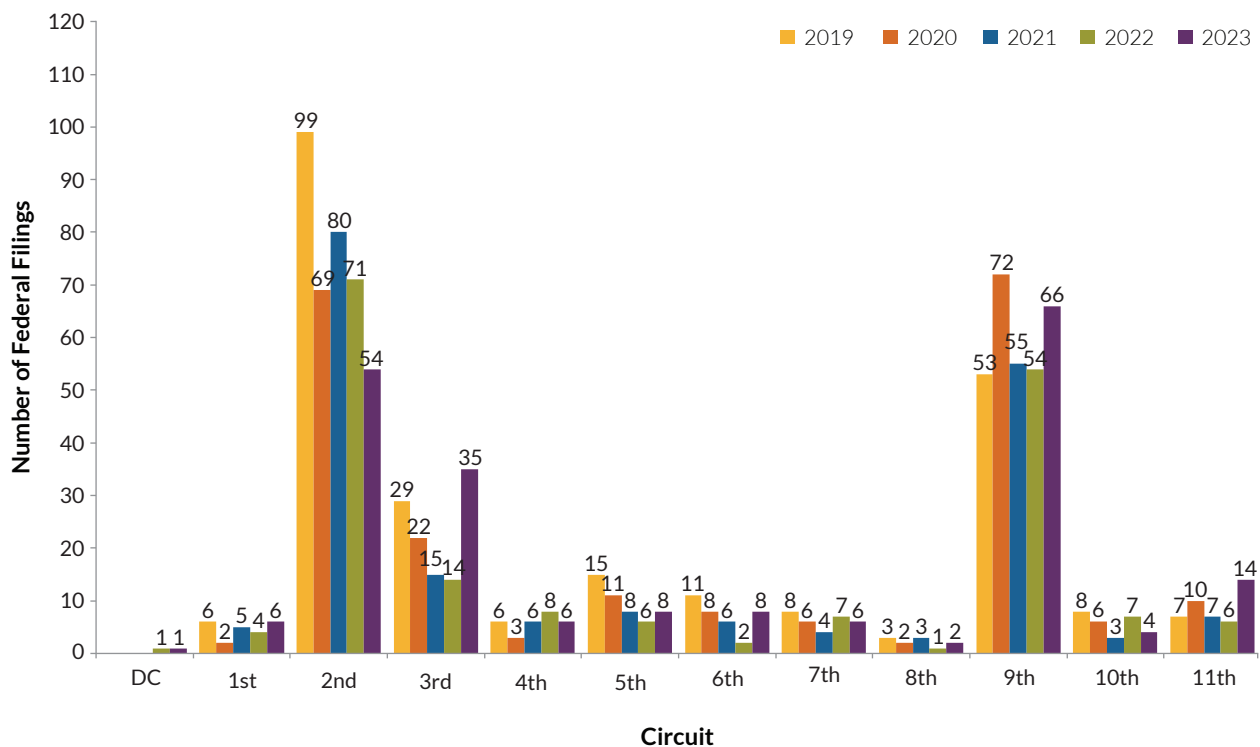
Figure 3. **Percentage of Federal Filings by Sector and Year**
 Excludes Merger Objections and Crypto Unregistered Securities
 January 2019–December 2023



Note: This analysis is based on the FactSet Research Systems, Inc. economic sector classification. Some of the FactSet economic sectors are combined for presentation.

The Second, Third, and Ninth Circuits continue to be the jurisdictions with the most cases filed, together accounting for 155 of the 210 non-merger-objections, non-crypto unregistered securities filings. The Ninth Circuit witnessed 66 new filings, marking a 22% increase from 2022. The number of filings in the Second Circuit declined by 24% to 54, marking a five-year low. The Third Circuit accounted for 35 filings, more than double the number of cases in 2022. Elsewhere, there were 14 cases filed in the Eleventh Circuit, marking a five-year high. See Figure 4.

Figure 4. **Federal Filings by Circuit and Year**
 Excludes Merger Objections and Crypto Unregistered Securities
 January 2019–December 2023



Among filings of standard cases, 31% included an allegation related to missed earnings guidance and 29% included an allegation related to misled future performance.⁵ Meanwhile, the percentage of standard cases containing an allegation related to merger-integration issues declined by one-third to 11%, partially driven by a decline in SPAC-related filings. See Figure 5.

Figure 5. **Allegations**
Shareholder Class Actions with Alleged Violations of Rule 10b-5, Section 11, and/or Section 12
January 2019–December 2023



FILINGS AGAINST FOREIGN COMPANIES

Historically, foreign companies with securities listed on US exchanges have been targeted with securities class action suits at a higher rate than their proportion of US listings, though this trend has reversed over the past two years.⁶ In 2023, 18.9% of filings of standard cases were against foreign companies, compared to 24.1% of US listings represented by foreign companies. See Figure 6.

In 2023, there were 39 standard suits filed against foreign companies, a slight increase from 2022 (see Figure 7). Suits against companies in Asia accounted for 19 filings, while another 14 filings were against European companies. Nearly 36% of cases involving foreign companies had an allegation related to regulatory issues, compared to 23% for US companies. See Figure 8.

Figure 6. Foreign Companies: Share of Filings and Share of Companies Listed on US Exchanges
 Shareholder Class Actions with Alleged Violations of Rule 10b-5, Section 11, and/or Section 12
 January 2014–December 2023

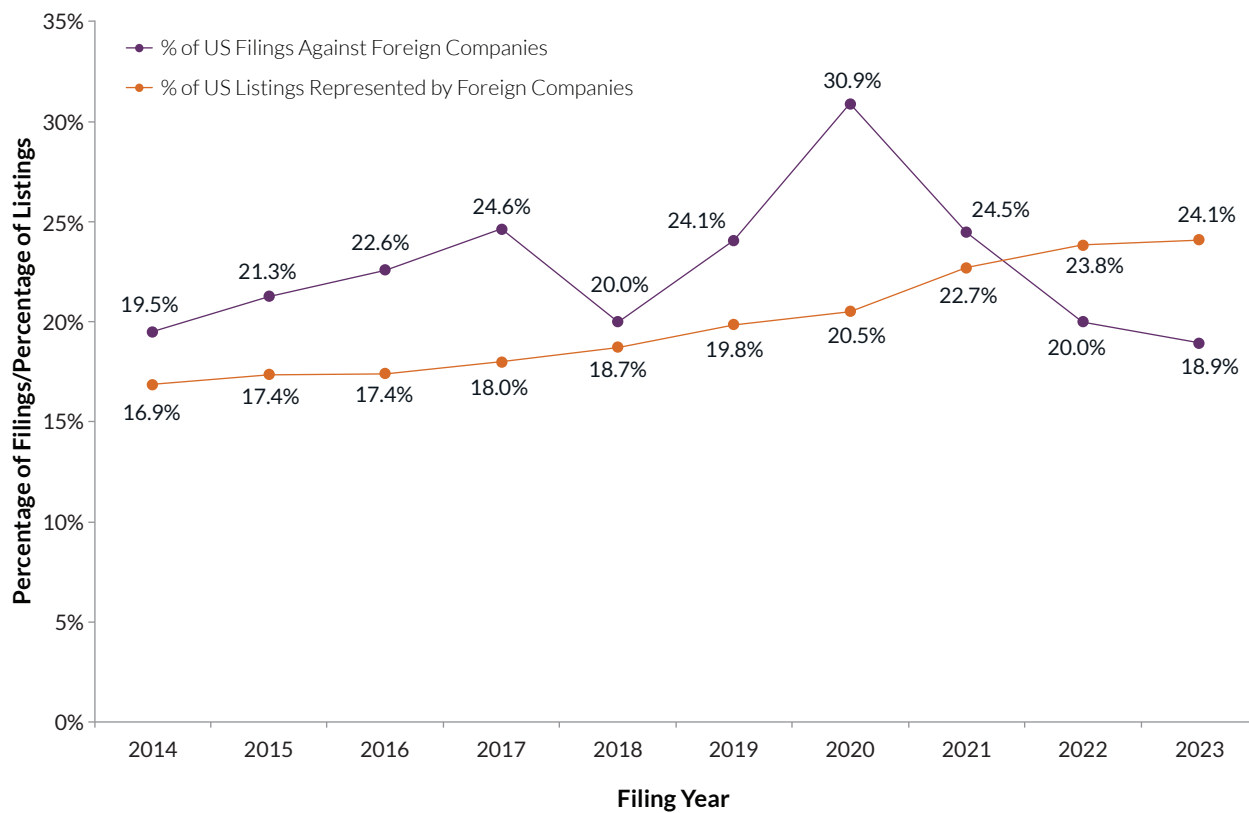
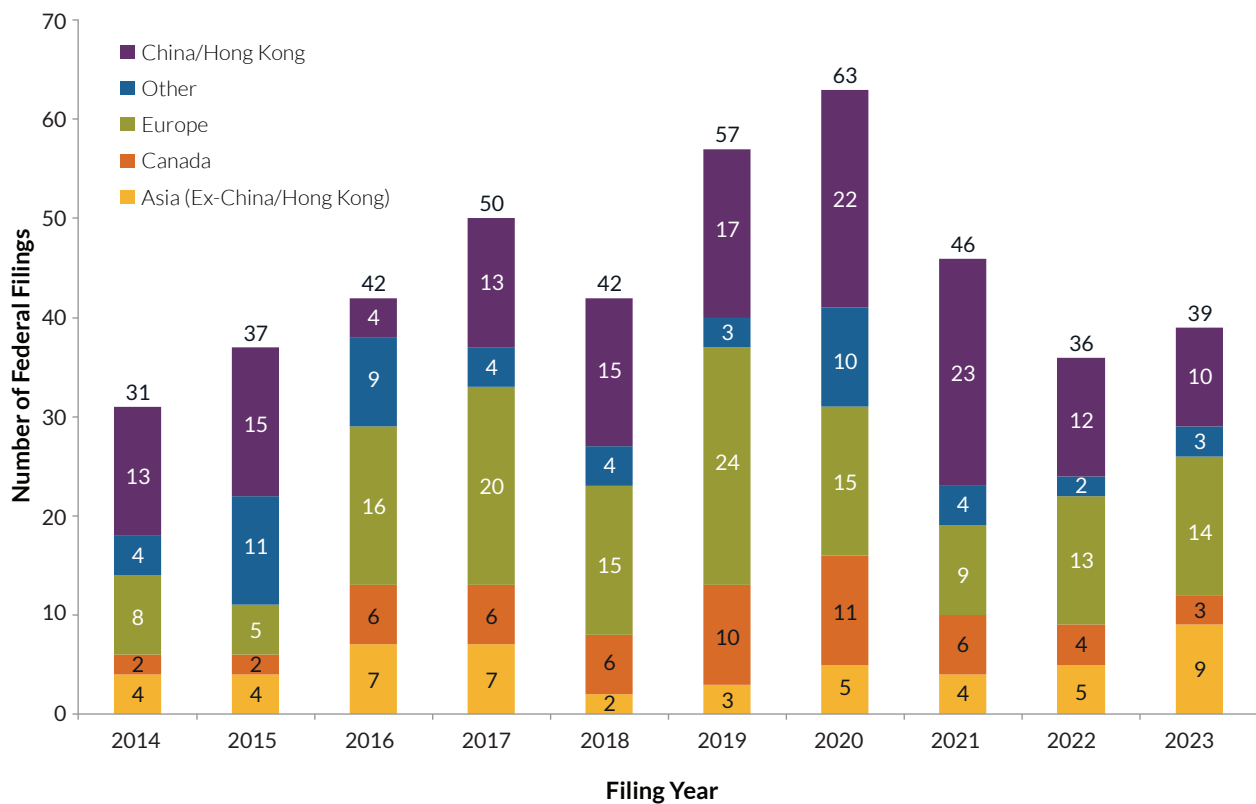
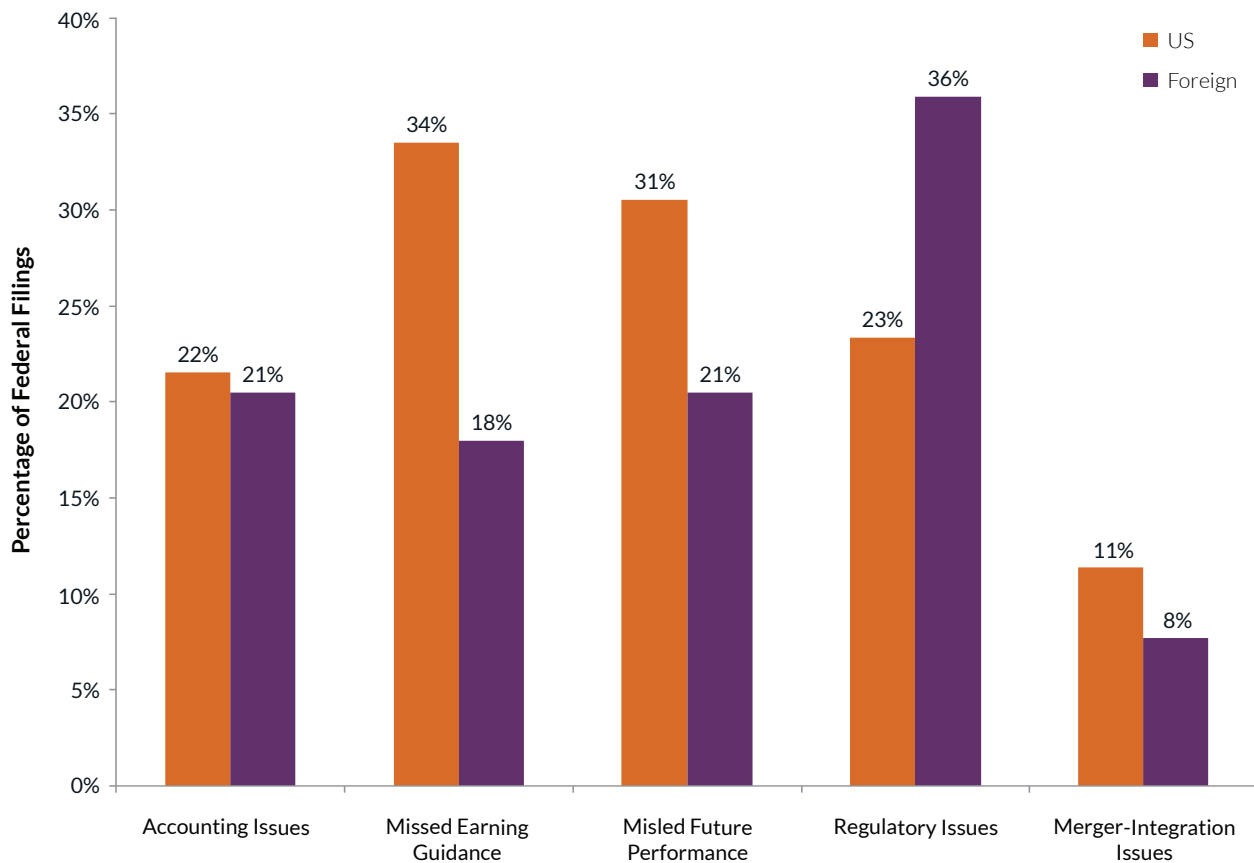


Figure 7. **Filings Against Foreign Companies**
 Shareholder Class Actions with Alleged Violations of Rule 10b-5, Section 11, or Section 12 by Region
 January 2014–December 2023



Note: Foreign issuer status determined based on location of principal executive offices.

Figure 8. **Allegations by US and Foreign Companies**
 Shareholder Class Actions with Alleged Violations of Rule 10b-5, Section 11, and/or Section 12
 January 2023–December 2023



EVENT-DRIVEN AND OTHER SPECIAL CASES

In this section, we summarize trends in filings in potential development areas that we have identified for securities class actions over the past five years (see Figures 9 and 10). Due to the small number of cases in some categories, the findings summarized here may be driven by one or two cases.

Crypto Cases

Since 2020, there have been at least 10 crypto-related federal filings each year, comprised of cases involving unregistered securities and shareholder suits involving companies operating in or adjacent to the cryptocurrency sector. In 2023, there were 16 crypto-related federal filings, a 28% decline from the 26 filings observed in 2022.

Figure 9. **Number of Crypto Federal Filings**
January 2016–December 2023



2023 Banking Turmoil

The first securities class action suit alleging problems in the banking industry was filed on 7 December 2022 against bank holding company Silvergate Capital Corporation, which provided a banking platform through its subsidiary, Silvergate Bank.⁷ Silvergate Bank's voluntary liquidation on 8 March 2023 started a rapid chain of bank failures that intensified during the spring, which saw the collapse of Silicon Valley Bank, Signature Bank, and First Republic Bank,⁸ and continued through 3 November 2023, when Citizens Bank of Sac City was closed by the Iowa Division of Banking.⁹ Between December 2022 and October 2023, there were 12 securities class action suits filed against banking institutions. Of those, 11 cases were filed in 2023, representing nearly 30% of all filings in the finance sector. Four of the 11 cases were filed against Credit Suisse Group AG, after Credit Suisse, the second-largest bank in Switzerland, collapsed in March 2023 and was bought by rival UBS Group AG.

Environment

In recent years, there has been an increased focus by governments and regulators on issues related to the environment, fossil fuel emissions, quality of drinking water, and climate change. During the past five years, there have been 20 environment-related securities class action suits filed. Eight of these cases were filed in 2023, quadruple the number from the two cases filed in 2022. Among the cases filed in 2023 include a suit against Hawaiian Electric Industries, Inc. in connection with wildfires in Hawaii, two cases related to train derailments with severe environmental consequences against Norfolk Southern Corporation, and three cases involving telecommunication companies AT&T, Verizon Communications, and Lumen Technologies for ownership of thousands of miles of lead-covered cables.

Cannabis

In 2019, there were 13 securities class action suits filed against defendants in the cannabis industry. The number of filings has declined in subsequent years, with only one suit filed per year in each of 2022 and 2023.

Money Laundering

In each of 2019 and 2020, three cases were filed with claims related to money laundering. In 2021, there were no such cases filed, while in 2022 and 2023, only one such suit was filed in each year.

Cybersecurity and Customer Privacy Breach

Since 2019, there have been at least three securities class action suits filed each year related to a cybersecurity and/or customer privacy breach. While there were seven such filings in 2021, there were only three filings in 2023.

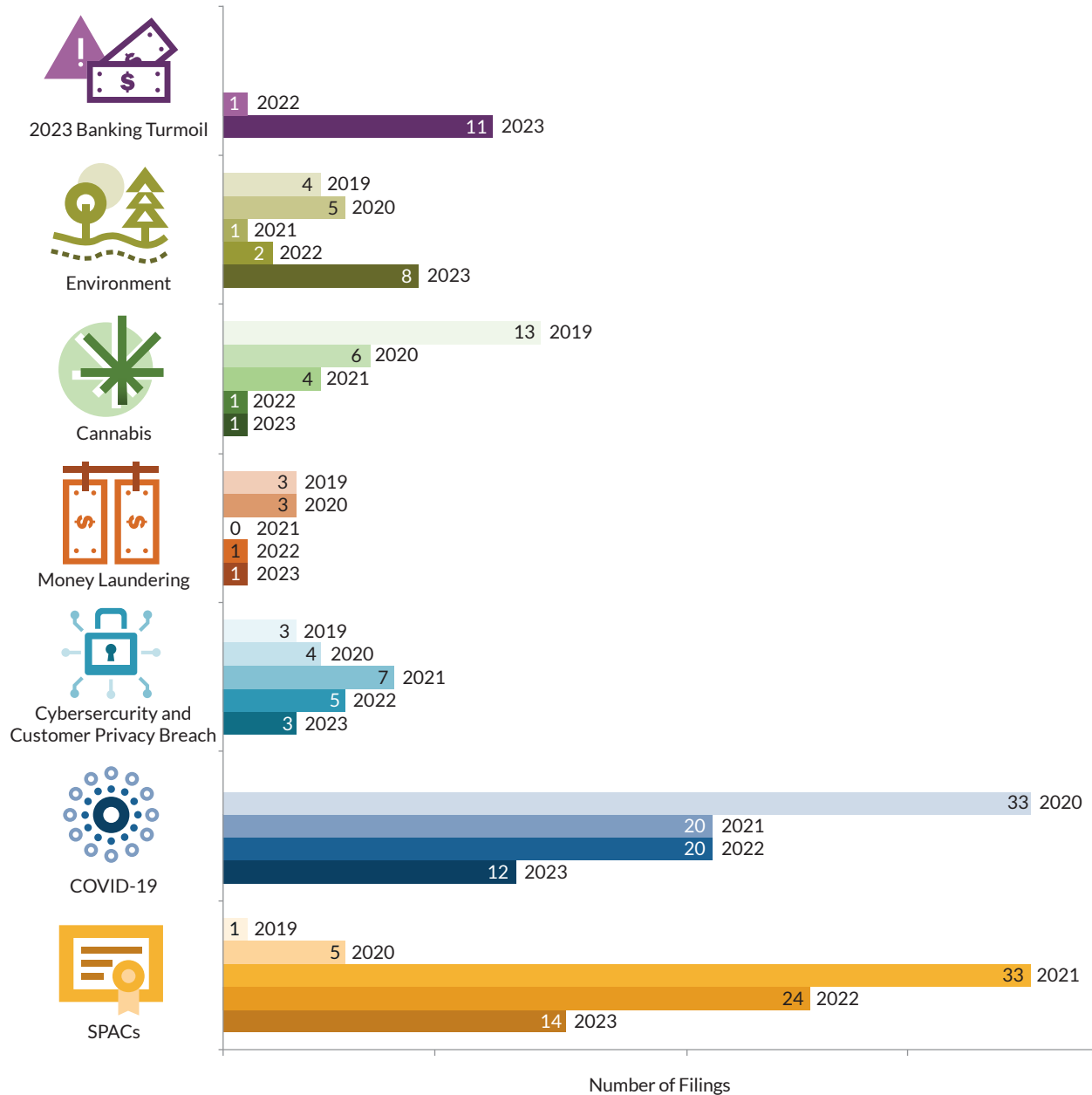
COVID-19

Since March 2020, there have been 85 securities class actions filed with claims related to the COVID-19 pandemic. Of these, 33 cases were filed in 2020. In 2021 and 2022, the number of suits declined to 20 each year, while in 2023, there were only 12 such filings.

SPAC

Filings related to special purpose acquisition companies (SPACs) peaked in 2021 with 31 securities class action suits filed that year. Since then, new federal filings related to SPACs have declined each year to 24 in 2022 and 14 in 2023.

Figure 10. Event-Driven and Other Special Cases by Filing Year
January 2019–December 2023



TRENDS IN RESOLUTIONS

In 2023, the number of resolved cases declined by 15% to 190 from 223 in 2022, continuing a six-year decline in resolutions seen since 2018 and marking the lowest recorded level of resolutions in the last 10 years. Of these resolved cases, 90 were settlements and 100 were dismissals.¹⁰ While resolutions declined across all categories of cases, more than half of this decline was due to

a reduction in the number of settled standard cases, which had a record-setting year in 2022. The number of merger-objection cases resolved declined to nine in 2023, consistent with the reduced number of filings of such cases in recent years. See Figure 11.

Since 2015, more cases filed have been dismissed than settled. This is consistent with historical trends, which indicate that dismissals tend to occur earlier in the litigation cycle and settlements occur later (see Figure 12). For cases filed in 2023, 5% of cases have been dismissed while 95% remain pending as of December 2023.

For cases filed and resolved over the past 20 years, over two-thirds were resolved within three years of the filing of the first complaint, while 16% of cases take longer than four years to resolve (see Figure 13). The median time to resolution is 2.1 years.

Figure 11. **Number of Resolved Cases: Dismissed or Settled**
January 2014–December 2023

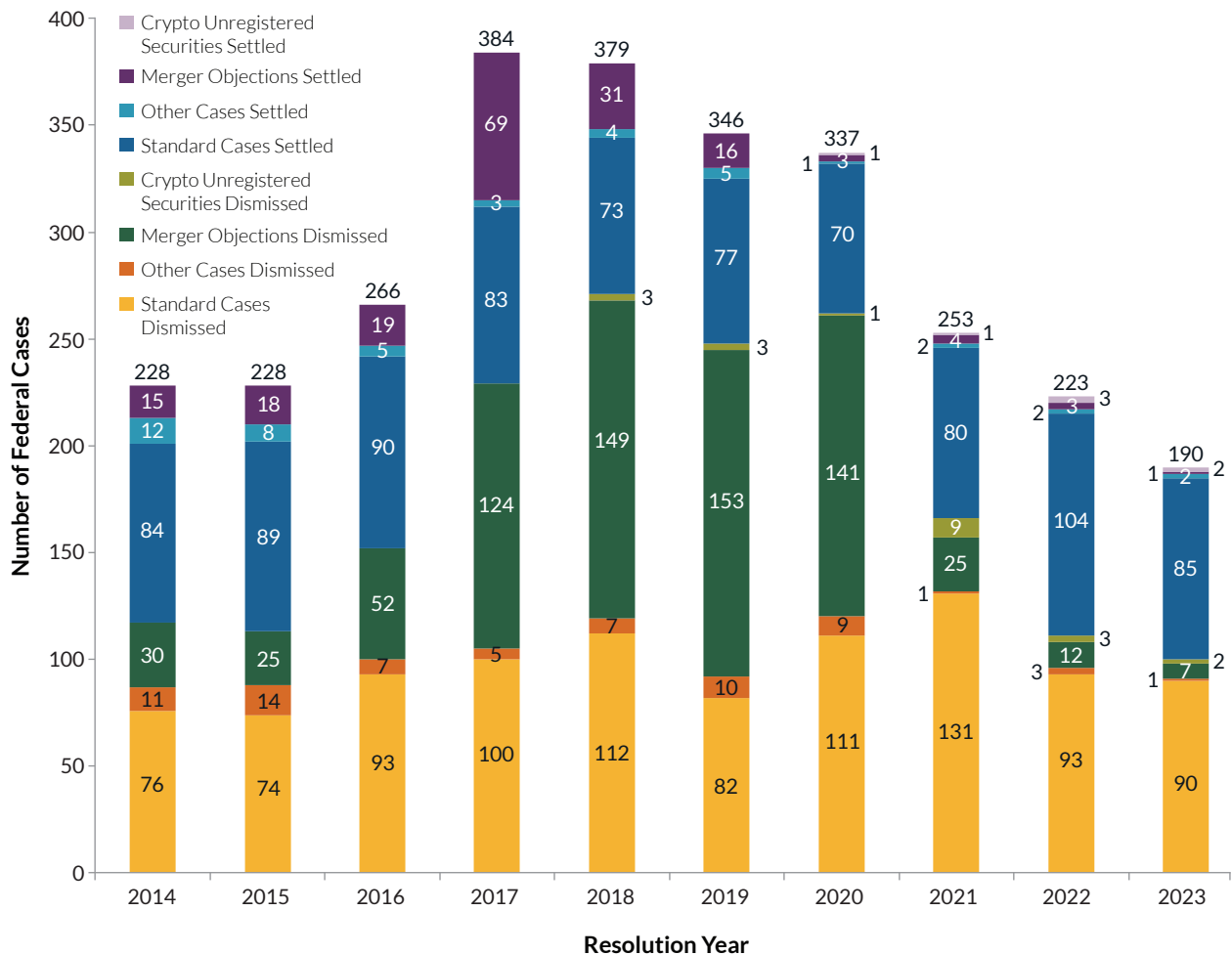
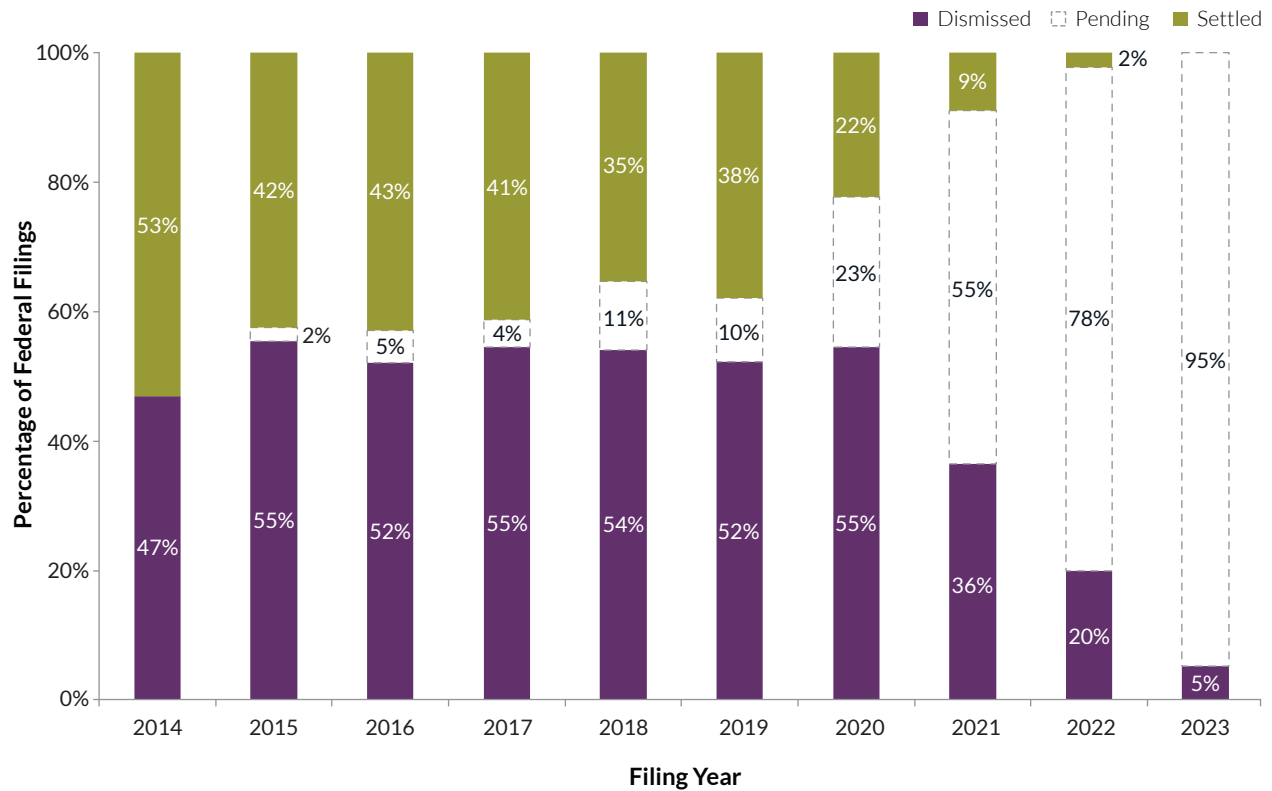


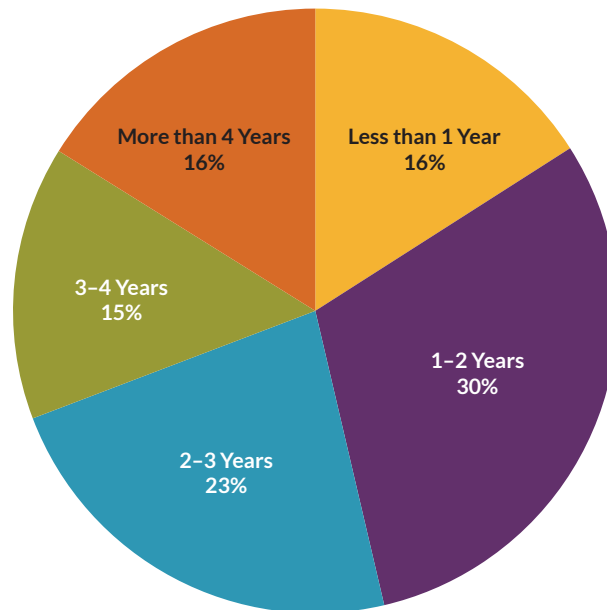
Figure 12. **Status of Cases as Percentage of Federal Filings by Filing Year**
 Excludes Merger Objections, Crypto Unregistered Securities, and Verdicts
 January 2014–December 2023



Note: Dismissals may include dismissals without prejudice and dismissals under appeal. Component values may not add to 100% due to rounding.

The number of resolved cases decreased by 15% to 190 from 223 in 2022, continuing a six-year decline in resolutions seen since 2018 and marking the lowest recorded level of resolutions in the last 10 years.

Figure 13. **Time from First Complaint Filing to Resolution**
 Excluding Merger Objections and Crypto Unregistered Securities
 Cases Filed January 2004–December 2019 and Resolved January 2004–December 2023



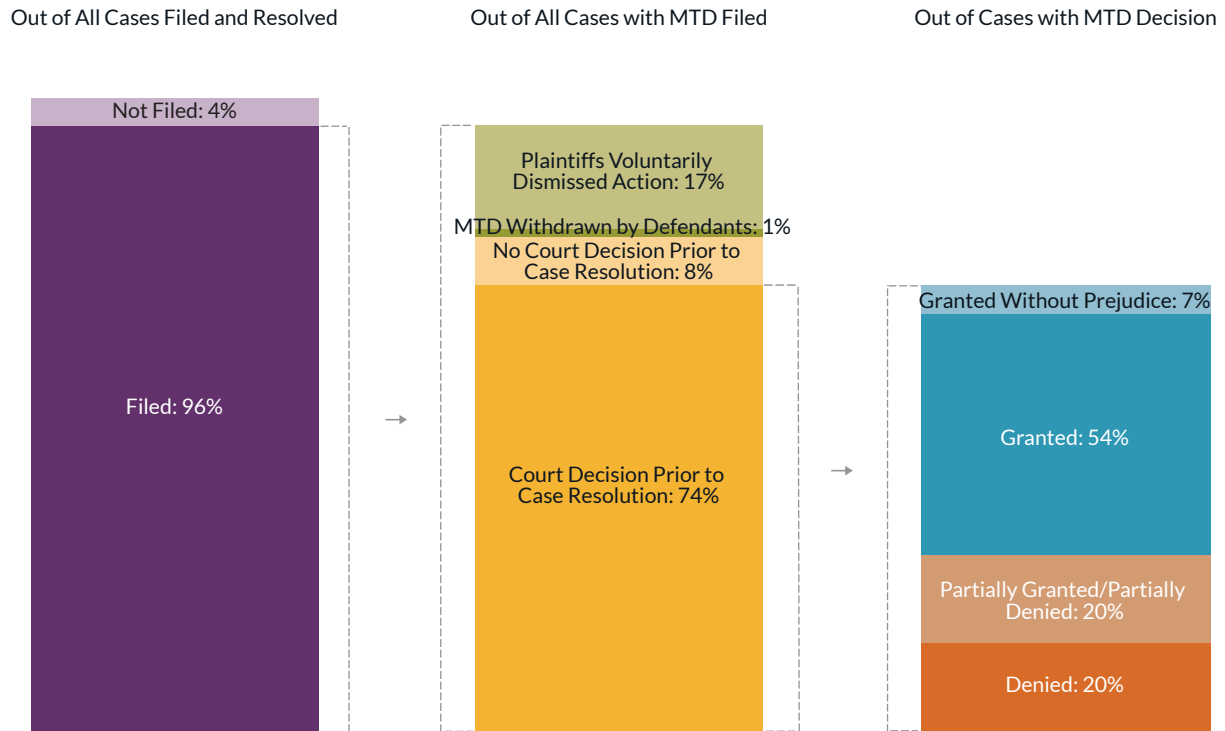
ANALYSIS OF MOTIONS

NERA's federal securities class action database tracks filing and resolution activity as well as decisions on motions to dismiss, motions for class certification, and the status of any motion as of the resolution date. For this analysis, we include securities class actions that were filed and resolved over the 2014–2023 period in which purchasers of common stock are part of the class and in which a violation of Rule 10b-5, Section 11, and/or Section 12 is alleged.

Motion to Dismiss

A motion to dismiss was filed in 96% of the securities class action suits filed and resolved. A decision was reached in 74% of these cases, while 17% were voluntarily dismissed by plaintiffs, 8% settled before a court decision was reached, and 1% of motions were withdrawn by defendants. Among the cases in which a decision was reached, 60% of motions were granted (with or without prejudice) while 40% were denied either in part or in full. See Figure 14.

Figure 14. **Filing and Resolutions of Motions to Dismiss**
Cases Filed and Resolved January 2014–December 2023



Motion for Class Certification

A motion for class certification was filed in only 18% of the securities class action suits filed and resolved, as most cases are either dismissed or settled before the class certification stage is reached. A decision was reached in 60% of the cases in which a motion for class certification was filed, while nearly all remaining 40% of cases were resolved with a settlement. Among the cases in which a decision was reached, the motion for class certification was granted (with or without prejudice) in 86% of cases. See Figure 15.

Approximately 64% of decisions on motions for class certification occur within three years of the filing of the first complaint, with nearly all decisions occurring within five years (see Figure 16). The median time is about 2.7 years.

Figure 15. Filing and Resolutions of Motions for Class Certification
Cases Filed and Resolved January 2014–December 2023

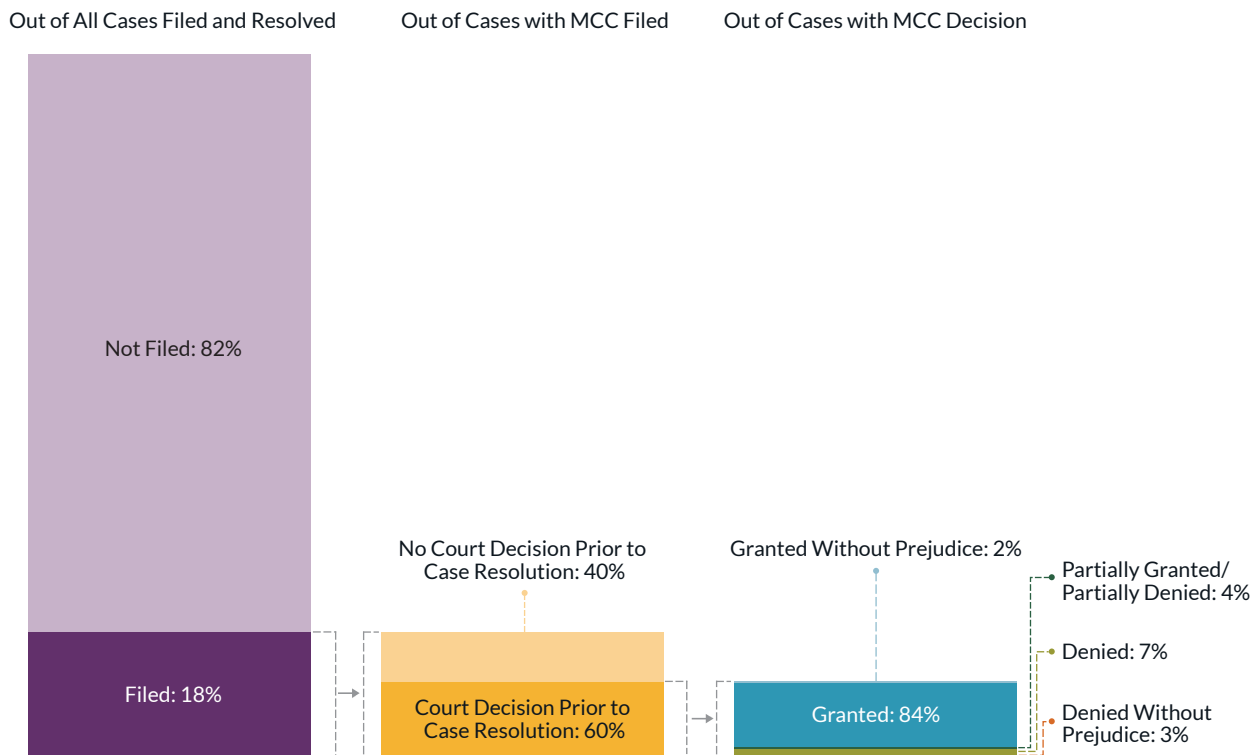
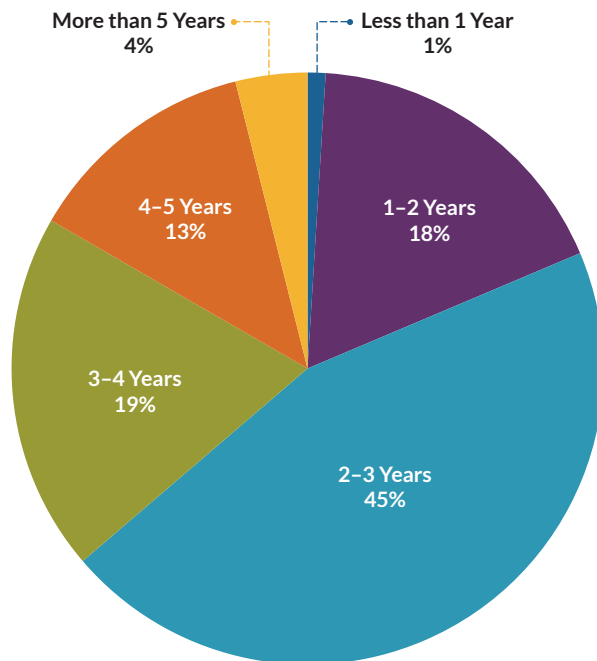


Figure 16. Time from First Complaint Filing to Class Certification Decision
Cases Filed and Resolved January 2014–December 2023

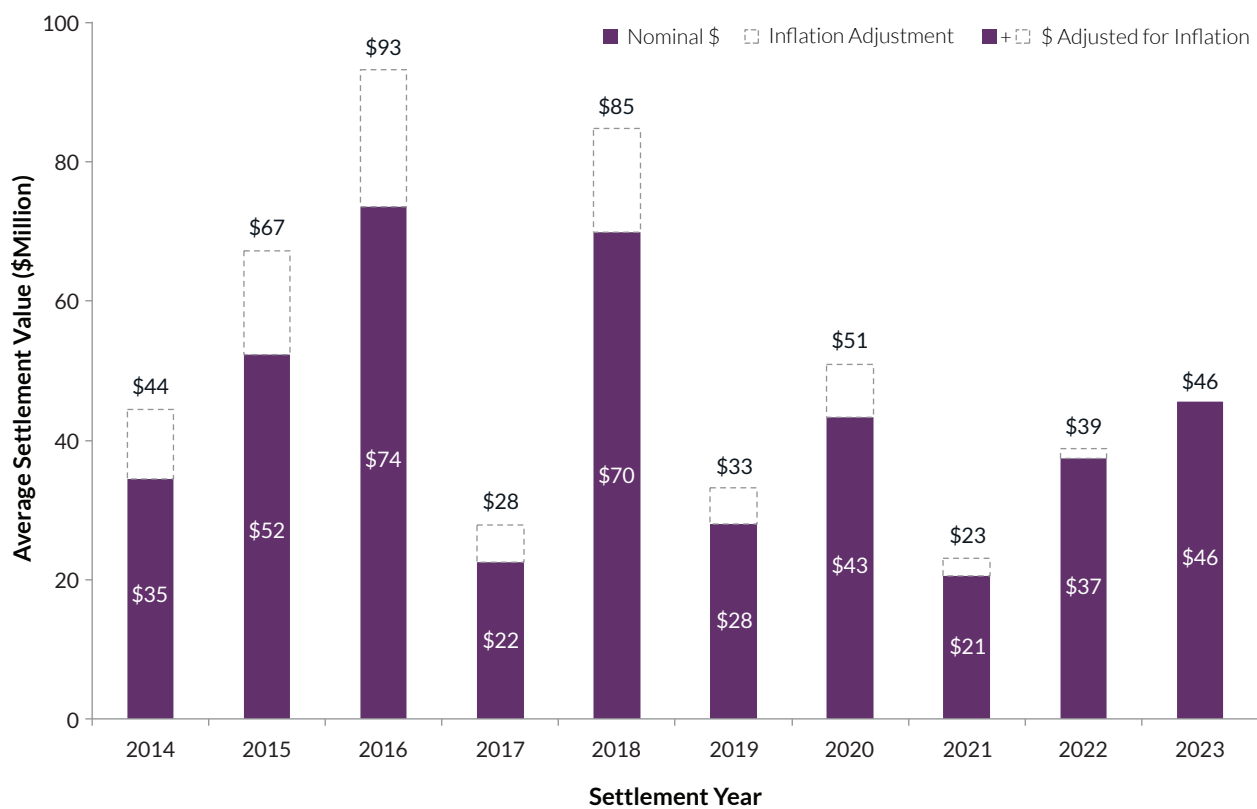


TRENDS IN SETTLEMENT VALUES¹¹

Aggregate settlements for 2023 totaled \$3.9 billion, which marks a slight decline from the inflation-adjusted total of \$4.2 billion from 2022.¹² In 2023, the average settlement value was approximately \$46 million, a 17% increase over the 2022 inflation-adjusted average settlement value of \$39 million and the second consecutive year that this value has increased (see Figure 17). The increase in the average settlement value is largely driven by a \$1 billion settlement by Wells Fargo & Company.¹³

Figure 17. **Average Settlement Value**

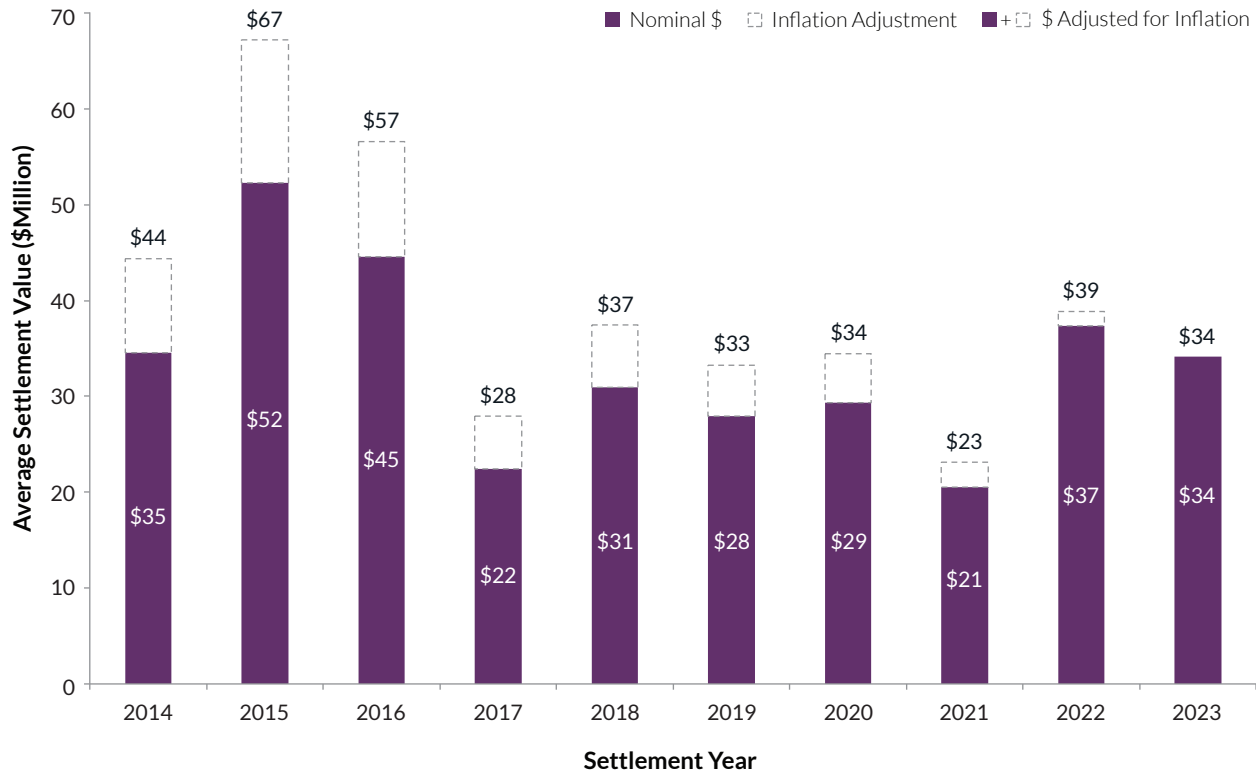
Excludes Merger Objections, Crypto Unregistered Securities, and Settlements for \$0 to the Class
January 2014–December 2023



When excluding settlements of \$1 billion or higher, the average settlement value was \$34 million, a decrease of 12% from the \$39 million inflation-adjusted amount in 2022 (see Figure 18). The median settlement value was \$14.4 million, which is a slight increase from the \$13.5 million inflation-adjusted value seen in 2022 (see Figure 19). Aside from a decrease in the percentage of settlements between \$10 and \$19.9 million and a roughly similar increase in the percentage of settlements between \$20 to \$49.9 million in 2023, the distribution of settlement values in 2023 looks similar to that of 2022 (see Figure 20).

Figure 18. **Average Settlement Value**

Excludes Settlements of \$1 Billion or Higher, Merger Objections, Crypto Unregistered Securities, and Settlements for \$0 to the Class
January 2014–December 2023



When excluding settlements of \$1 billion or higher, the average settlement value was \$34 million in 2023, a decrease of 12% from the \$39 million inflation-adjusted amount in 2022.

Figure 19. **Median Settlement Value**

Excludes Settlements of \$1 Billion or Higher, Merger Objections, Crypto Unregistered Securities, and Settlements for \$0 to the Class
January 2014–December 2023

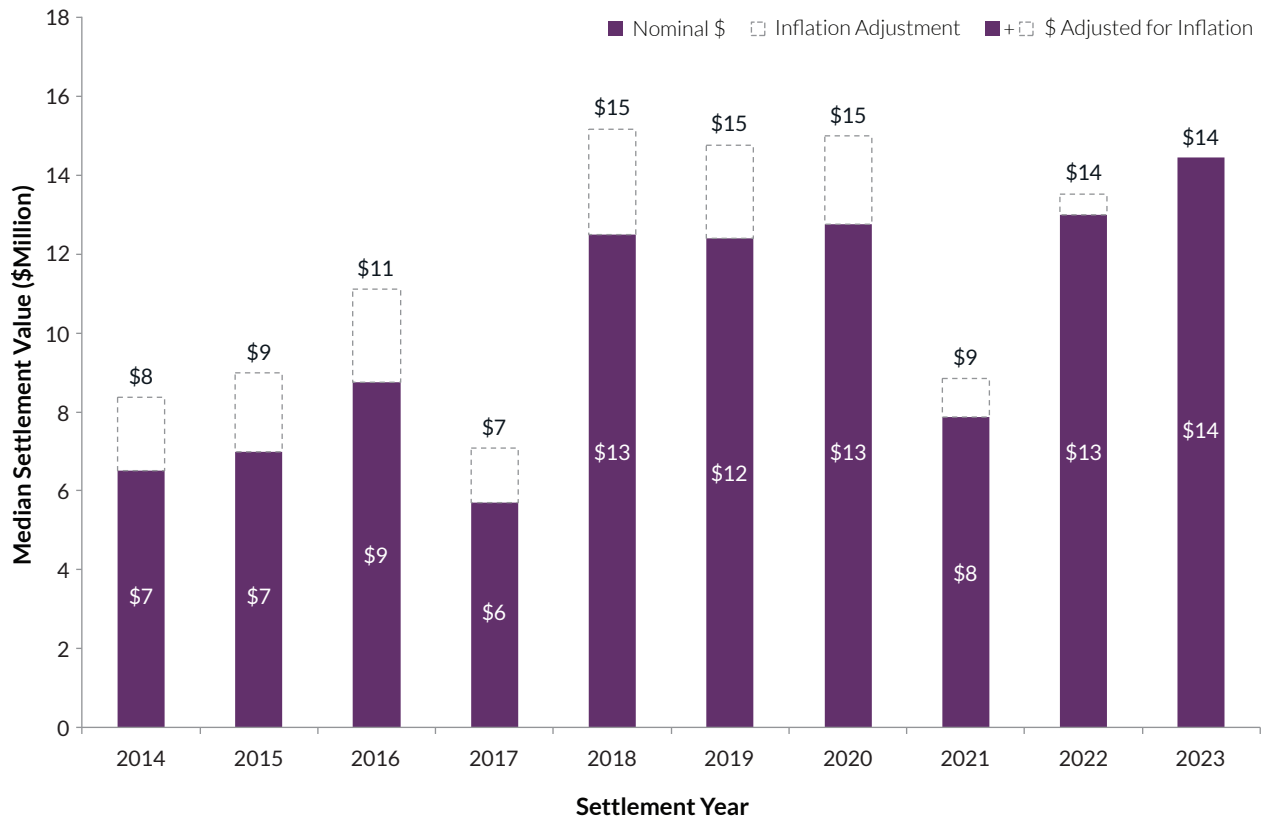
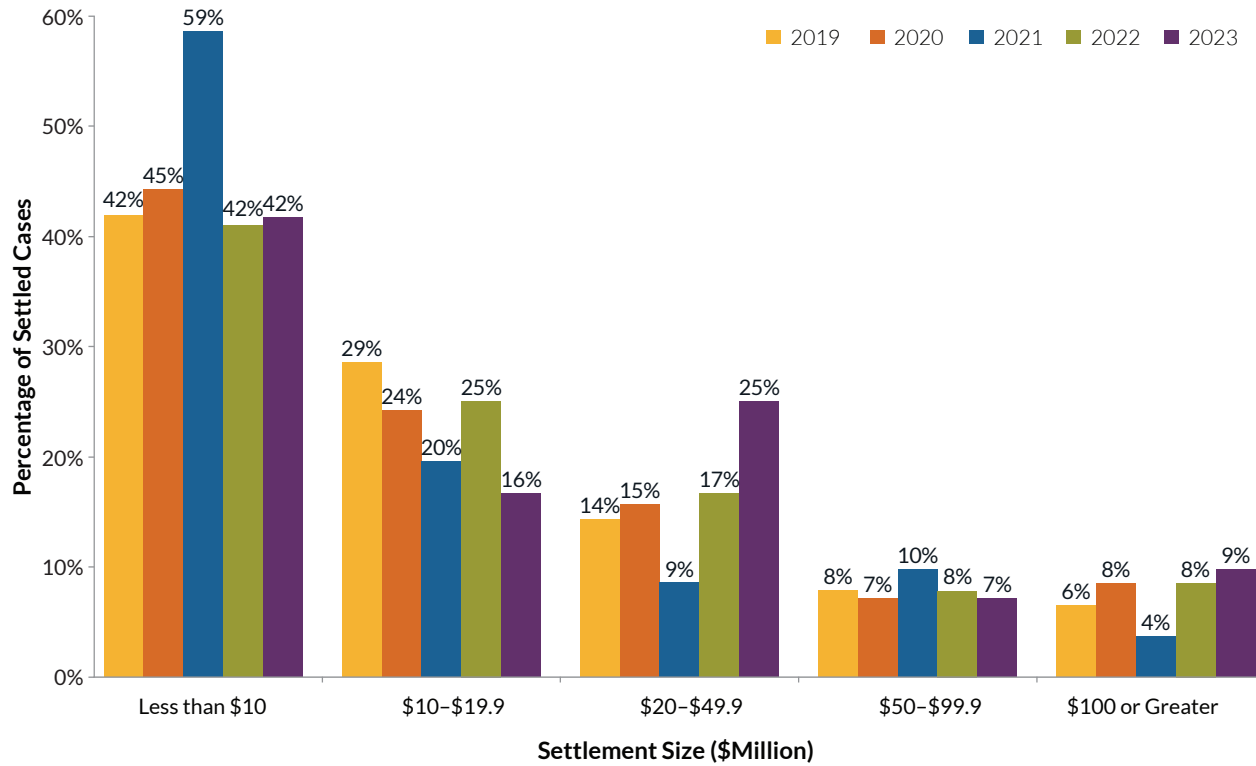


Figure 20. **Distribution of Settlement Values**

Excludes Merger Objections, Crypto Unregistered Securities, and Settlements for \$0 to the Class
January 2019–December 2023



Aggregate settlements for 2023 totaled \$3.9 billion, which marks a slight drop relative to the inflation-adjusted total of \$4.2 billion from 2022.

TOP SETTLEMENTS

The 10 largest settlements in 2023 ranged from \$90 million to \$1 billion and together accounted for over 66% of the \$3.9 billion aggregate settlement amount reached in 2023. Wells Fargo & Company appears twice on this list, taking the top spot in a \$1 billion settlement in a case involving misrepresentations regarding its progress in overhauling its internal controls¹⁴ as well as the third-highest spot in a \$300 million settlement in a matter involving allegations of misconduct in its auto insurance practices.¹⁵ The Second, Seventh, and Ninth circuits accounted for nine of the top 10 settlements.

Table 1. **Top 10 2023 Securities Class Action Settlements**

Rank	Defendant	Filing Date	Settlement Date	Total Settlement Value (\$Million)	Plaintiffs' Attorneys' Fees and Expenses Value (\$Million)	Circuit	Economic Sector
1	Wells Fargo & Company (2020) (S.D.N.Y.)	11 Jun 2020	8 Sep 2023	\$1,000.0	\$181.1	2nd	Finance
2	The Kraft Heinz Company (N.D. Ill.)	24 Feb 2019	12 Sep 2023	\$450.0	\$92.7	7th	Consumer Non-Durables
3	Wells Fargo & Company (2018)	14 Feb 2019	17 Aug 2023	\$300.0	\$77.0	9th	Finance
4	Exelon Corporation (2019)	16 Dec 2019	7 Sep 2023	\$173.0	\$45.3	7th	Utilities
5	McKesson Corporation	25 Oct 2018	2 Jun 2023	\$141.0	\$36.3	9th	Distribution Services
6	Alexion Pharmaceuticals, Inc. (D. Conn.)	17 Nov 2016	20 Dec 2023	\$125.0	\$32.8	2nd	Health Technology
7	Cardinal Health, Inc. (2019)	1 Aug 2019	11 Sep 2023	\$109.0	\$33.4	6th	Distribution Services
8	Micro Focus International plc (S.D.N.Y.) (SEC 11)	28 Mar 2018	27 Jul 2023	\$107.5	\$36.7	2nd	Technology Services
9	Grupo Televisa S.A.B.	5 Mar 2018	8 Aug 2023	\$95.0	\$29.6	2nd	Communications
10	The Allstate Corporation	10 Nov 2016	19 Dec 2023	\$90.0	\$27.1	7th	Finance
Total				\$2,590.0	\$591.9		

Table 2 lists the 10 largest federal securities class action settlements through 31 December 2023. Since the Valeant Pharmaceuticals partial settlement of \$1.2 billion in 2020, this list has remained unchanged, with settlements ranging from \$1.1 to \$7.2 billion.

Table 2. Top 10 Federal Securities Class Action Settlements (As of 31 December 2023)

Rank	Defendant	Filing Date	Settlement Year(s)	Total Settlement Value (\$Million)	Financial Institutions Value (\$Million)	Accounting Firms Value (\$Million)	Plaintiffs' Attorney's Fees and Expenses Value (\$Million)	Circuit	Economic Sector
1	ENRON Corp.	22 Oct 2001	2003–2010	\$7,242	\$6,903	\$73	\$798	5th	Industrial Services
2	WorldCom, Inc.	30 Apr 2002	2004–2005	\$6,196	\$6,004	\$103	\$530	2nd	Communications
3	Cendant Corp.	16 Apr 1998	2000	\$3,692	\$342	\$467	\$324	3rd	Finance
4	Tyco International, Ltd.	23 Aug 2002	2007	\$3,200	No codefendant	\$225	\$493	1st	Producer Manufacturing
5	Petroleo Brasileiro S.A.-Petrobras	8 Dec 2014	2018	\$3,000	\$0	\$50	\$205	2nd	Energy Minerals
6	AOL Time Warner Inc.	18 July 2002	2006	\$2,650	No codefendant	\$100	\$151	2nd	Consumer Services
7	Bank of America Corp.	21 Jan 2009	2013	\$2,425	No codefendant	No codefendant	\$177	2nd	Finance
8	Household International, Inc.	19 Aug 2002	2006–2016	\$1,577	Dismissed	Dismissed	\$427	7th	Finance
9	Valeant Pharmaceuticals International, Inc.*	22 Oct 2015	2020	\$1,210	\$0	\$0	\$160	3rd	Health Technology
10	Nortel Networks	2 Mar 2001	2006	\$1,143	No codefendant	\$0	\$94	2nd	Electronic Technology
Total				\$32,334	\$13,249	\$1,017	\$3,358		

* Denotes a partial settlement, which is included here due to its sizeable amount. Note that this case is not included in any of our resolution or settlement statistics.

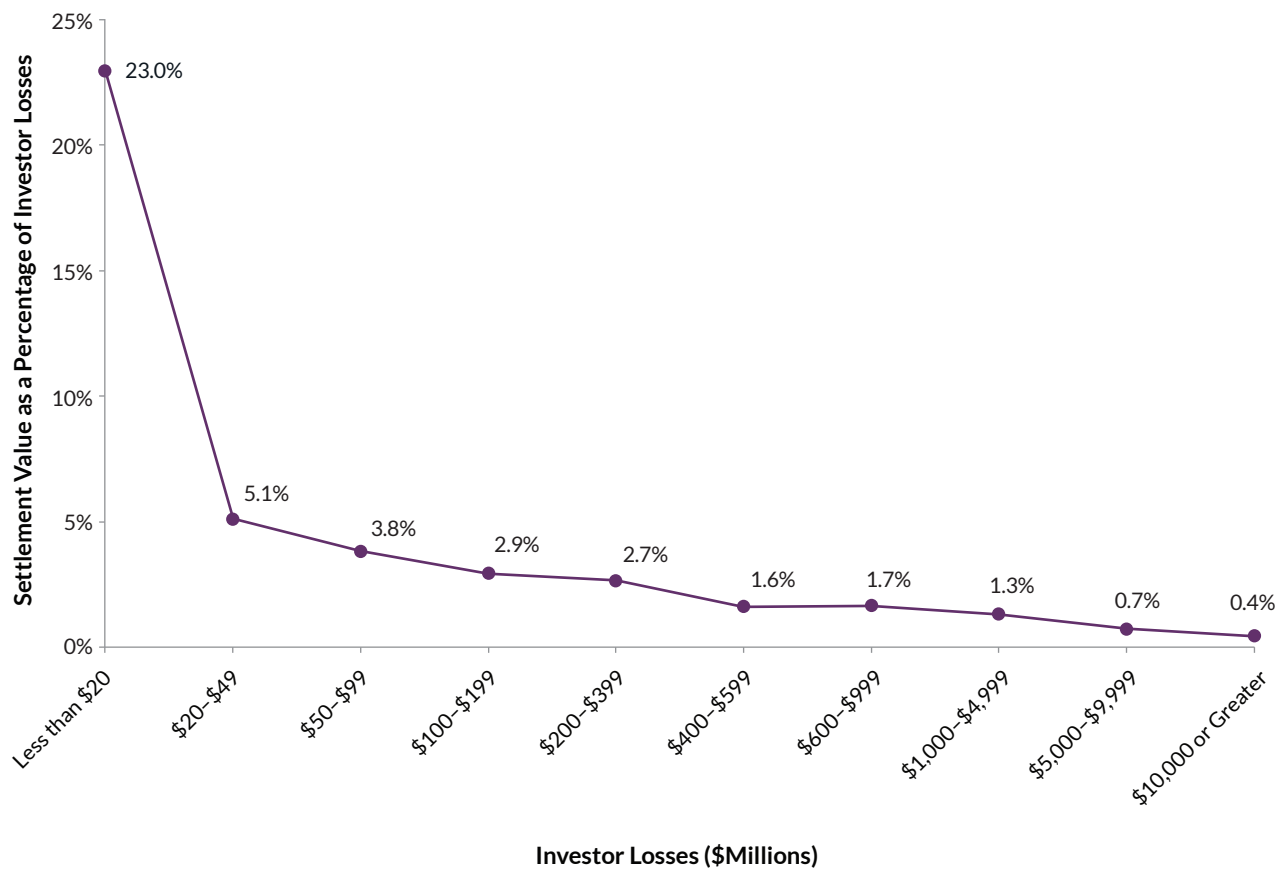
NERA-DEFINED INVESTOR LOSSES

To estimate the potential aggregate loss to investors as a result of investing in the defendant's stock during the alleged class period, NERA has developed a proprietary variable, NERA-Defined Investor Losses, using publicly available data. The NERA-Defined Investor Loss measure is constructed assuming investors had invested in stocks during the class period whose performance was comparable to that of the S&P 500 Index. Over the years, NERA has reviewed and examined more than 2,000 settlements and found, of the variables analyzed, this proprietary variable to be the most powerful predictor of settlement amount.¹⁶

A statistical review reveals that while settlement values and NERA-Defined Investor Losses are highly correlated, the relationship is not linear. The ratio is higher for cases with lower NERA-Defined Investor Losses than for cases with higher Investor Losses. For instance, in cases with less than \$20 million in Investor Losses, the median settlement value comprises 23% of Investor Losses, while in cases with more than \$50 million in Investor Losses, the median settlement value is less than 4% of Investor Losses. See Figure 21.

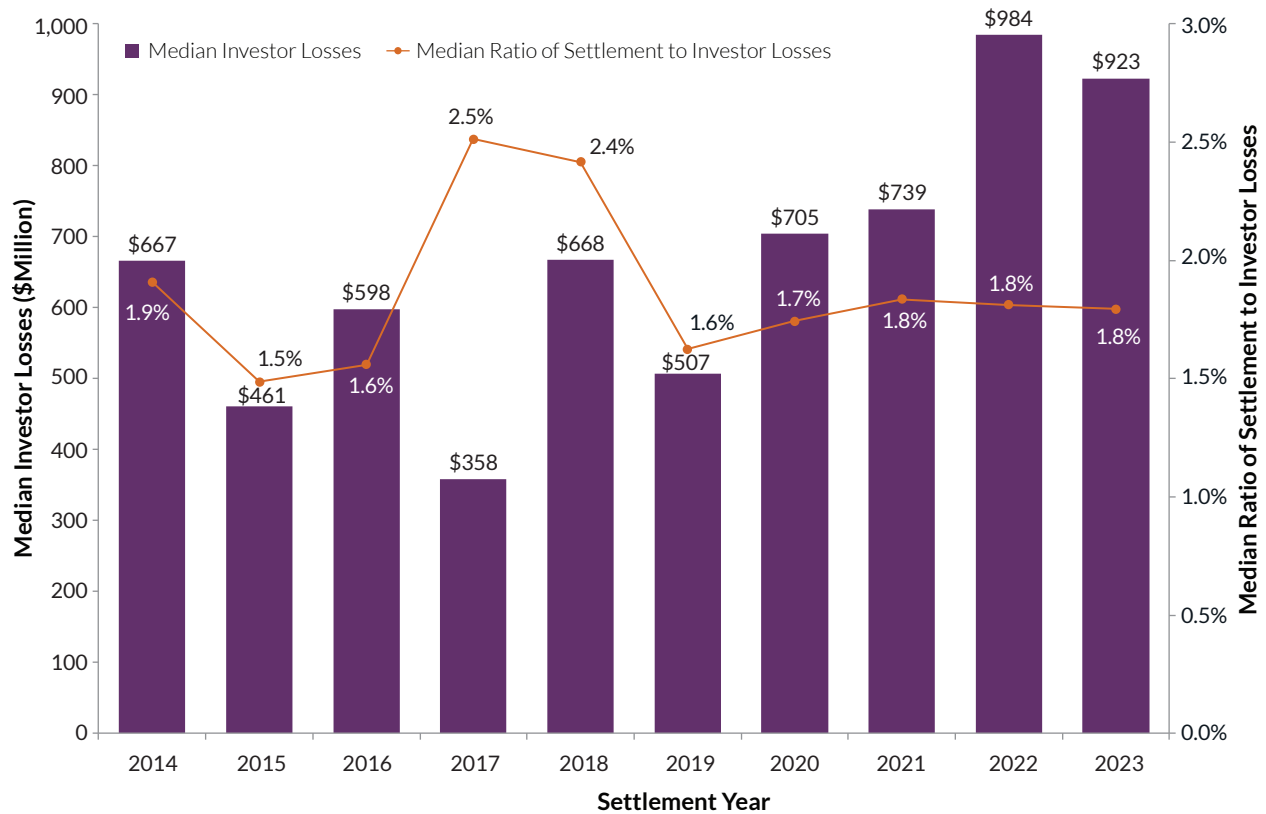
Since 2014, annual median Investor Losses have ranged from a low of \$358 million to a high of \$984 million. For cases settled in 2023, the median Investor Losses were \$923 million, a 6% decline from 2022 and the second highest recorded value during the 2014–2023 period. Since 2021, the median ratio of settlement amount to Investor Losses has remained stable at 1.8%. See Figure 22.

Figure 21. Median Settlement Value as a Percentage of NERA-Defined Investor Losses
By Level of Investor Losses
Cases Settled January 2014–December 2023



The median Investor Losses were \$923 million, a 6% decline relative to 2022 and the second highest recorded value during the 2014–2023 period.

Figure 22. Median NERA-Defined Investor Losses and Median Ratio of Settlement to Investor Losses by Settlement Year
January 2014–December 2023

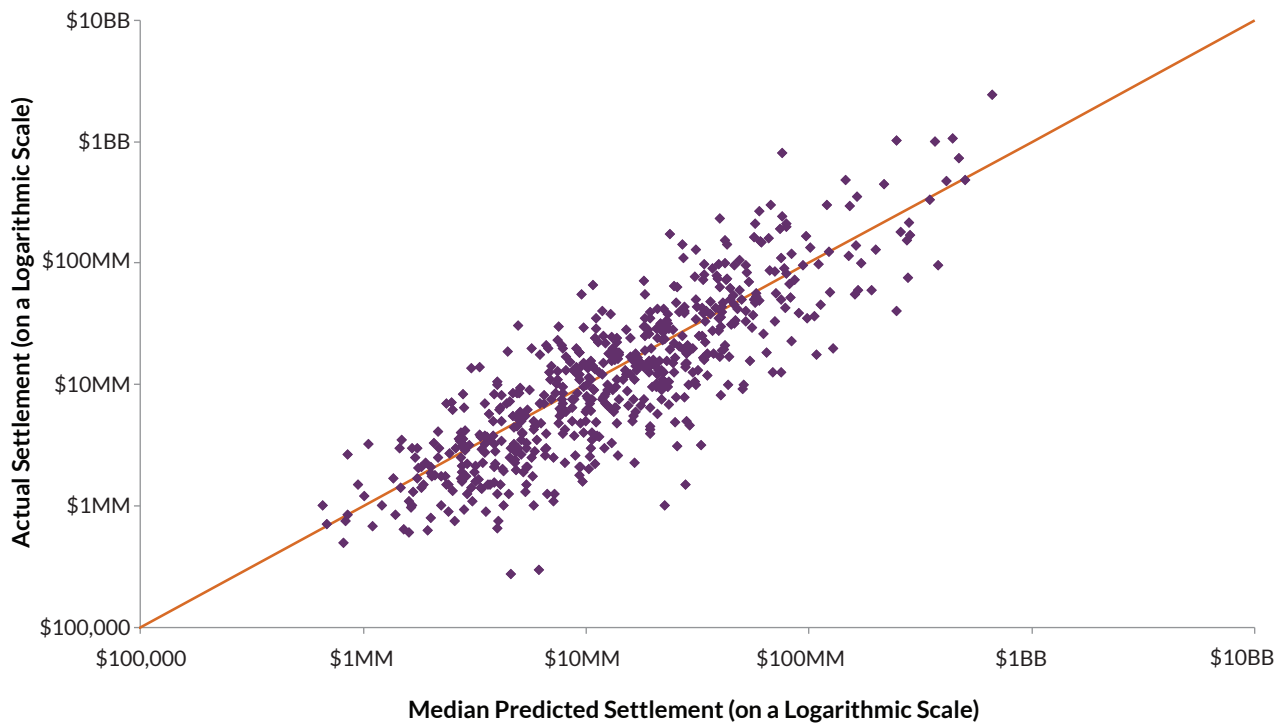


NERA has identified the following key factors as driving settlement amounts:

- NERA-Defined Investor Losses;
- The market capitalization of the issuer immediately after the end of the class period;
- The types of securities (in addition to common stock) alleged to have been affected by the fraud;
- Variables that serve as a proxy for the merit of plaintiffs' allegations (e.g., whether the company has already been sanctioned by a government or regulatory agency or paid a fine in connection with the allegations);
- The stage of litigation at the time of settlement; and
- Whether an institution or public pension fund is named lead plaintiff (see Figure 23).

Among cases settled between January 2012 and December 2023, these factors in NERA's statistical model can explain over 70% of the variation observed in actual settlements.

Figure 23. **Predicted vs. Actual Settlements**
 Investor Losses Using S&P 500 Index
 Cases Settled January 2012–December 2023



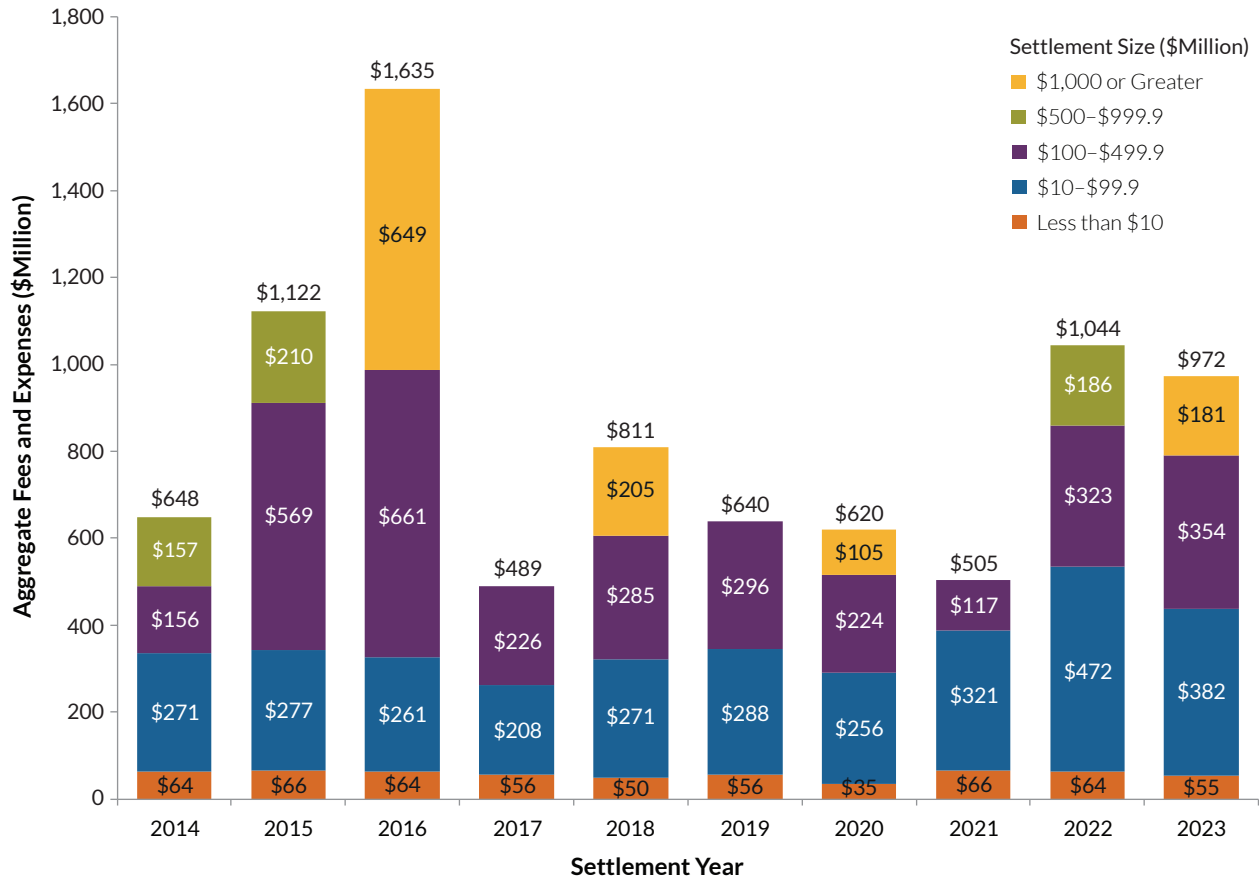
TRENDS IN PLAINTIFFS' ATTORNEYS' FEES AND EXPENSES

Over the past 10 years, annual aggregate plaintiffs' attorneys' fees and expenses have ranged from a low of \$489 million in 2017 to a high of \$1.6 billion in 2016. In 2023, aggregate plaintiffs' attorneys' fees and expenses totaled \$972 million, a slight decline from the \$1.0 billion seen in 2022 (see Figure 24). Plaintiffs' attorneys' fees and expenses comprised roughly 24.9% of the \$3.9 billion aggregate settlement value in 2023.

A historical analysis of plaintiffs' attorneys' fees and expenses for cases that have settled since the passage of the PSLRA in 1996 reveals that fees and expenses as a percentage of the settlement amount decline as the settlement size increases. For instance, for cases settled during the 2014–2023 period, median percent fees and expenses ranged from 36.1% in settlements of \$5 million or lower to 18.6% in settlements of \$1 billion or higher.

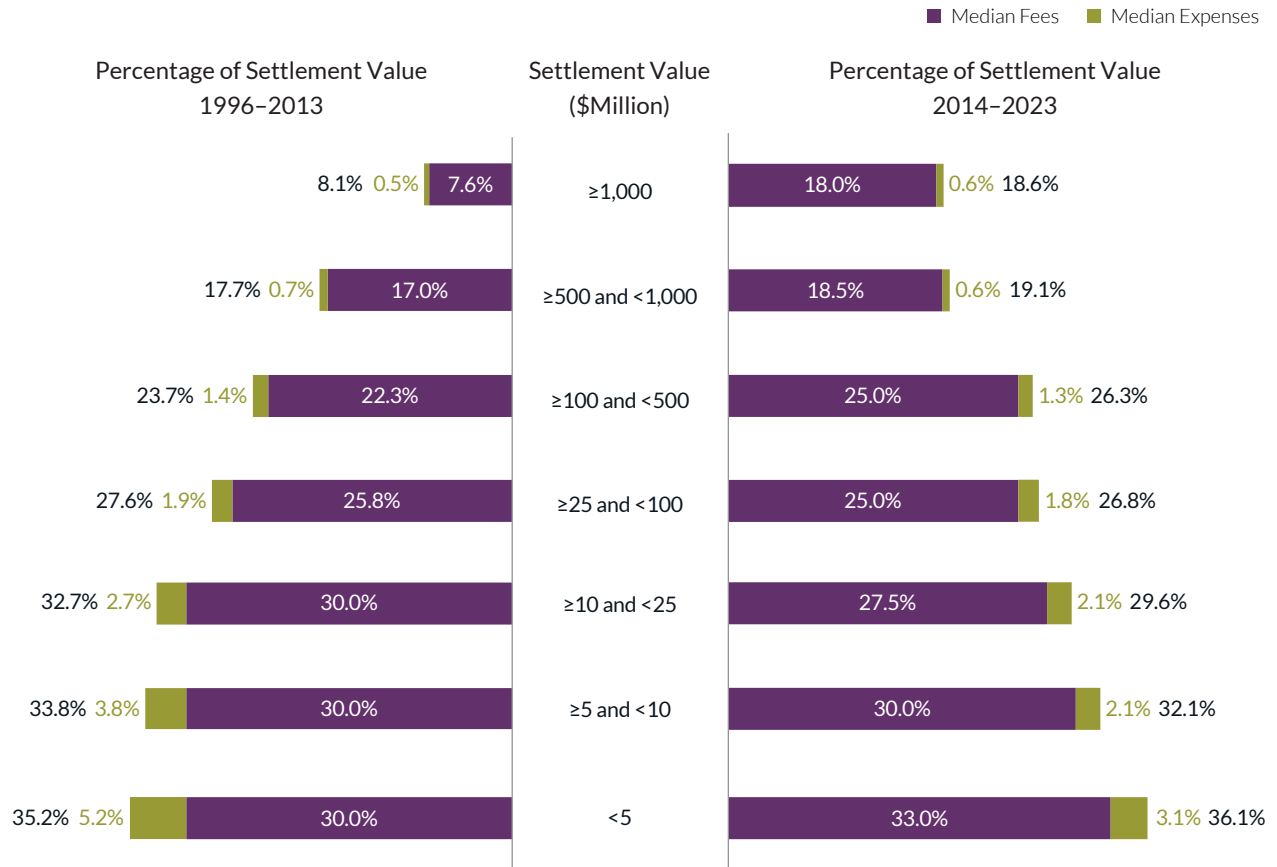
In the past 10 years, median percent attorneys' fees have increased for settlements under \$5 million and for settlements over \$500 million relative to the 1996–2013 period. This increase is more pronounced for settlements of \$1 billion or higher, although this is partly due to this category having only five cases in the post-2013 period (see Figure 25).

Figure 24. **Aggregate Plaintiffs’ Attorneys’ Fees and Expenses by Settlement Size**
January 2014–December 2023



Plaintiffs’ attorneys’ fees and expenses comprised roughly 24.9% of the \$3.9 billion aggregate settlement value in 2023.

Figure 25. Median of Plaintiffs’ Attorneys’ Fees and Expenses by Size of Settlement
 Excludes Merger Objections, Crypto Unregistered Securities, and Settlements for \$0 to the Class



Note: Component values may not add to total value due to rounding.

CONCLUSION

In 2023, federal filings increased by 11% from 206 in 2022 to 228 in 2023, ending a four-year period of annual declines in filings from 2019 to 2022. Of the 228 cases filed in 2023, 206 were standard cases with alleged violations of Rule 10b-5, Section 11, and/or Section 12, and 18.9% of standard cases were against foreign companies. Filings against companies in the information technology and technology services, health technology and services, and the finance sectors accounted for 59% of non-merger objections, non-crypto unregistered securities filings.

The number of resolved cases declined by 15% from 223 in 2022 to 190 in 2023. There were 90 settlements and 100 dismissals, marking the lowest level of both settlements and dismissals in the last 10 years. Excluding the presence of settlements of \$1 billion or higher, the average settlement value for 2023 was \$34 million and the median settlement value was \$14 million. Aggregate settlements totaled \$3.9 billion in 2023, with aggregate plaintiffs’ attorneys’ fees and expenses accounting for \$972 million, or 24.9%, of the 2023 aggregate settlement value. Over the last 10 years, the median plaintiffs’ attorneys’ fees and expenses as a percentage of settlement value has ranged from 18.6% for settlements of \$1 billion or higher to 36.1% for settlements of \$5 million or lower.

NOTES

- 1 This edition of NERA's report on "Recent Trends in Securities Class Action Litigation" expands on previous work by our colleagues Lucy P. Allen, Dr. Vinita Juneja, Dr. Denise Neumann Martin, Dr. Jordan Milev, Robert Patton, Dr. Stephanie Planchich, Janeen McIntosh, and others. The authors thank Dr. David Tabak and Benjamin Seggerson for helpful comments on this edition. We thank Vlad Lee, Daniel Klotz, and other of NERA's securities and finance researchers for their valuable assistance. These individuals receive credit for improving this report; any errors and omissions are those of the authors. NERA's proprietary securities class action database and all analyses reflected in this report are limited to federal case filings and resolutions.
- 2 NERA tracks securities class actions that have been filed in federal courts. Most of these cases allege violations of federal securities laws; others allege violations of common law, including breach of fiduciary duty, as with some merger-objection cases; still others are filed in federal court under foreign or state law. If multiple actions are filed against the same defendant, are related to the same allegations, and are in the same circuit, we treat them as a single filing. The first two actions filed in different circuits are treated as separate filings. If cases filed in different circuits are consolidated, we revise our count to reflect the consolidation. Therefore, case counts for a particular year may change over time. Different assumptions for consolidating filings would probably lead to counts that are similar but may, in certain circumstances, lead observers to draw a different conclusion about short-term trends in filings. Data for this report were collected from multiple sources, including Institutional Shareholder Services, Dow Jones Factiva, Bloomberg Finance, FactSet Research Systems, Nasdaq, Intercontinental Exchange, US Securities and Exchange Commission (SEC) filings, complaints, case dockets, and public press reports. IPO laddering cases are presented only in Figure 1.
- 3 Federal securities class actions that allege violations of Rule 10b-5, Section 11, and/or Section 12 have historically dominated federal securities class action dockets and have often been referred to as "standard" cases. In the analyses of this report, standard cases involve registered securities and do not include cases involving crypto unregistered securities, which will be considered as a separate category.
- 4 In this study, crypto cases consist of two mutually exclusive subgroups: (1) crypto shareholder class actions, which include a class of investors in common stock, American depository receipts/American depository shares (ADR/ADS), and/or other registered securities, along with crypto- or digital-currency-related allegations; and (2) crypto unregistered securities class actions, which do not have class investors in any registered securities that are traded on major exchanges (New York Stock Exchange, Nasdaq). We include crypto shareholder class actions in all our analyses that include standard cases. Crypto unregistered securities class actions are excluded from some analyses, which is noted in the titles of our figures.
- 5 Most securities class action complaints include multiple allegations. For this analysis, all allegations from the complaint are included and thus the total number of allegations exceeds the total number of filings.
- 6 In our analysis, a company is defined as a foreign company based on the location of its principal executive office.
- 7 Class Action Complaint for Violations of the Federal Securities Laws, *In re Silvergate Capital Corporation Securities Litigation*, 7 December 2023.
- 8 Madeleine Ngo, "A Timeline of How the Banking Crisis Has Unfolded," *The New York Times*, 1 May 2023, available at <https://www.nytimes.com/2023/05/01/business/banking-crisis-failure-timeline.html>.
- 9 "Iowa Trust & Savings Bank, Emmetsburg, Iowa, Assumes All of the Deposits of Citizens Bank, Sac City, Iowa," FDIC Press Release, 3 November 2023, available at <https://www.fdic.gov/news/press-releases/2023/pr23091.html>.
- 10 "Dismissed" is used here as shorthand for all class actions resolved without settlement; it includes cases in which a motion to dismiss was granted (and not appealed or appealed unsuccessfully), voluntary dismissals, cases terminated by a successful motion for summary judgment, or an ultimately unsuccessful motion for class certification.
- 11 Unless otherwise noted, the analyses in this section exclude the 2020 partial settlement involving Valeant Pharmaceuticals.
- 12 For our analysis, NERA includes settlements that have had the first settlement-approval hearing. We do not include partial settlements or tentative settlements that have been announced by plaintiffs and/or defendants. As a result, although we include the 2020 Valeant Pharmaceuticals partial settlement in Table 2 due to its settlement size, this case is not included in any of our resolution, settlement, or attorney fee statistics.
- 13 While annual average settlement values can be a helpful statistic, these values may be affected by one or a few very high settlement amounts. Unlike averages, the median settlement value is unaffected by these very high outlier settlement amounts. To understand what more typical cases look like, we analyze the average and median settlement values for cases with a settlement amount under \$1 billion, thus excluding these outlier settlement amounts. For the analysis of settlement values, we limit our data to non-merger-objection and non-crypto unregistered securities cases with settlements of more than \$0 to the class.
- 14 Jon Hill and Jessica Corso, "Wells Fargo Inks \$1B Deal to End Investors' Compliance Suit," *Law360.com*, 16 May 2023, available at <https://www.law360.com/articles/1677976/>.
- 15 Lauren Berg, "Wells Fargo Investors Ink \$300M Deal in Auto Insurance Suit," *Law360.com*, 7 February 2023, available at <https://www.law360.com/articles/1573911/>.
- 16 NERA-Defined Investor Losses is only calculable for cases involving allegations of damages to common stock based on one or more corrective disclosures moving the stock price to its alleged true value. As a result, we have not calculated this metric for cases such as merger objections.

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