

LEVI & KORSINSKY, LLP

Shannon L. Hopkins (admitted *pro hac vice*)
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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 FURTHER SUPPORT OF
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 further support of: (1) Lead Plaintiff’s Unopposed Motion for Final Approval of Proposed
6 Class 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. Attached hereto as Exhibit 1 is a true and correct copy of the Supplemental Declaration
10 of Kathleen Schumacher Regarding Notice Dissemination, Requests for Exclusion Received, and
11 Claims Received to Date.

12 3. Attached hereto as Exhibit 2 is a [Proposed] Final Judgment and Order of Dismissal with
13 Prejudice.

14 4. Attached hereto as Exhibit 3 is a [Proposed] Order Awarding Attorneys’ Fees and
15 Expenses and Award to Class Representative Pursuant to §15 U.S.C.78u-4(a)(4).

16 5. Attached hereto as Exhibit 4 is a [Proposed] Order Approving Plan of Allocation.

17 6. Attached hereto as Exhibit 5 is a PowerPoint presentation prepared by Lead Counsel.

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

20 Executed at Stamford, Connecticut, on May 30, 2024.

21
22 /s/ Shannon L. Hopkins
23 Shannon L. Hopkins
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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
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 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

**SUPPLEMENTAL DECLARATION OF
 KATHLEEN SCHUMACHER
 REGARDING NOTICE
 DISSEMINATION, REQUESTS FOR
 EXCLUSION RECEIVED, AND CLAIMS
 RECEIVED TO DATE**

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 as a supplement to my earlier declaration, the Declaration of Kathleen Schumacher
10 Regarding Notice Dissemination, Publication, and Requests for Exclusion Received, (the “Initial
11 Mailing Declaration”) dated March 14, 2024, which was previously filed with the Court. ECF
12 204-1.

13 **UPDATE ON DISSEMINATION OF THE POSTCARD NOTICE**

14 3. As more fully stated in my Initial Mailing Declaration, as of March 14, 2024, A.B.
15 Data had mailed and emailed where possible, a total of 17,385 copies of the Postcard Notice to
16 potential Settlement Class Members.

17
18 4. Since the execution of the Initial Mailing Declaration, A.B. Data has received
19 22,226 additional requests to mail the Postcard Notice to potential Settlement Class Members and
20 their nominees. Therefore, as of the date of this Declaration, an aggregate of 39,611 Postcard
21 Notices have been mailed and/or emailed where possible to potential Settlement Class Members
22 and their nominees. In addition, A.B. Data has re-mailed a total of 1,104 Postcard Notices to
23 persons whose original mailings were returned by the U.S. Postal Service (“USPS”) and for whom
24

25
26 _____
27 ¹ Unless otherwise defined in this Declaration, all capitalized terms have the meanings set forth
in the Stipulation of Settlement, dated April 11, 2023 (the “Stipulation”). ECF 195-3.

1 updated addresses were provided to A.B. Data by the USPS. A total of 486 Postcard Notices
2 were returned to A.B. Data as undeliverable as addressed with no forwarding address available.

3 **UPDATE ON SETTLEMENT WEBSITE**

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

24 **UPDATE ON TOLL-FREE TELEPHONE LINE**

25 7. A.B. Data continues to maintain the case specific, toll-free telephone helpline, 1-
26 877-390-3297, with an interactive voice response system and live operators, to accommodate
27

1 potential Settlement Class Members with questions about the Action. Callers requiring further
2 help have had the option to be transferred to a live operator during business hours. A.B. Data has
3 promptly responded to each telephone inquiry and will continue to respond to potential Settlement
4 Class Members' inquiries. A.B. Data will continue operating and maintaining the toll-free
5 telephone helpline until the conclusion of this administration.

6 **UPDATE ON OBJECTIONS AND REQUESTS FOR EXCLUSION**

7
8 8. The Long-Form Notice informed potential Settlement Class Members that
9 requests for exclusion from the Settlement Class are to be mailed to the Claims Administrator
10 postmarked no later than May 13, 2024. The Long-Form Notice also set forth the information
11 that was required to be included in each request for exclusion.

12 9. As previously noted in the Initial Mailing Declaration, A.B. Data had not received
13 any requests for exclusion from the Settlement Class. A.B. Data has since received one (1)
14 exclusion request totaling two (2) shares. Attached hereto as Exhibit A, is the exclusion request
15 received, which was redacted to remove personal information.

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

22 **CLAIMS RECEIVED TO DATE**

23
24 11. Pursuant to the Preliminary Approval Order, Claim Forms are to be submitted no
25 later than May 13, 2024. As of the date of this Declaration, A.B. Data has received a total of
26 15,672 Claims. Based on A.B. Data's initial review, 4,786 Claims have been deemed valid. The
27

1 number of shares eligible to recover under these provisionally valid Claims is 46,281,370, of
2 which 45,317,397 relate to losses incurred from the January 25, 2019 corrective disclosure.
3 Including shares related to market gains in the total share count of provisionally eligible claims,
4 there are 51,109,114 shares that submitted valid claims, of which 48,385,159 relate to the period
5 ending on January 25, 2019.

6 12. Utilizing an estimated Net Settlement Fund of, \$9,703,838.29, the per share
7 recovery of claimants is \$0.20 per damaged share purchased in the Settlement Class Period.
8

9 13. During the claims administration process, A.B. Data will review and process all
10 Claims received and will provide Claimants with an opportunity to cure any deficiency or request
11 judicial review of the denial of their Claims. After all Claims have been fully processed, quality
12 assurance reviews performed, and final administrative determinations have been made, A.B. Data
13 will present its administrative report on the Claims received for the Settlement to the Court, along
14 with a proposed plan for distribution, and will ultimately mail or wire Authorized Claimants their
15 *pro rata* share of the Net Settlement Fund, as calculated under the Plan of Allocation.
16

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

19 Executed on May 30, 2024.

20 

21

Kathleen Schumacher

EXHIBIT A

Ferraro Family Foundation, Inc., et al. v. Corcept Therapeutics Incorporated, et al.

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

Exclusion Report

Exclusion Number	Name	Postmarked	Number of Shares
1	Melody Fu	04/05/2024	2

Exclusion 1

Postmarked April 5, 2024

4/5/2024

Melody Fu



I, (Melody Fu) request to be excluded from the Class Action.

I have 2 shares between August 2, 2017 through January 31, 2019.

Sincerely,

A handwritten signature in cursive script that reads "Melody Fu".

Melody Fu

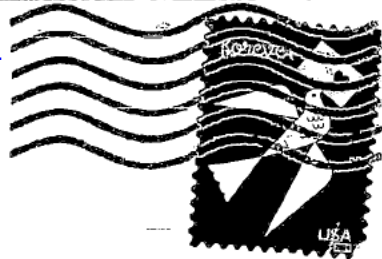


Melody Fu

Case 3:19-cv-01372-JD Document 211-1 Filed 05/30/24 Page 11 of 11

SEATTLE WA 980

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Claims Administrator:

Corcept Therapeutics Inc. Securities Litigation
c/o A.B. Data, Ltd. EXCLUSIONS

P.O. Box 17300

Milwaukee, WI 53217

53217-801201

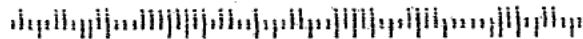


Exhibit 2

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**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

**[PROPOSED] FINAL JUDGMENT AND
ORDER OF DISMISSAL WITH
PREJUDICE**

Judge: Honorable James Donato

1 This matter came before the Court for hearing pursuant to the Order Re Preliminary Approval of
2 Settlement (“Order”) dated January 4, 2024, on the motion for final approval of the Settlement set forth
3 in the Stipulation of Settlement, dated as of April 11, 2023 (“Stipulation”).¹ Due and adequate notice
4 having been given to the Settlement Class as required in said Order, and the Court having considered all
5 papers filed and proceedings had herein and otherwise being fully informed in the premises and good
6 cause appearing therefore, IT IS HEREBY ORDERED, ADJUDGED AND DECREED that:

7 1. This Final Judgment and Order of Dismissal With Prejudice (“Final Judgment and
8 Order”) incorporates by reference the definitions in the Stipulation, and all terms used herein shall have
9 the same meanings as set forth in the Stipulation, unless otherwise set forth herein.

10 2. This Court has jurisdiction over the subject matter of the Action and over all parties to
11 the Action, including all Settlement Class Members.

12 3. “Settlement Class” shall mean all Persons who purchased or otherwise acquired common
13 stock or options to purchase common stock of Corcept between August 2, 2017 and January 31, 2019,
14 inclusive, and were damaged as a result. Excluded from the Settlement Class are: (a) Defendants; (b)
15 members of Defendants’ immediate families; (c) Defendants’ subsidiaries and affiliates; (d) any person
16 who is an officer, director or controlling person of Corcept; (e) any entity in which any Defendant has a
17 controlling interest; (f) Defendants’ directors’ and officers’ liability insurance carriers, or any affiliates
18 or subsidiaries thereof; and (g) the legal representatives, heirs, successors or assigns of any such
19 excluded party. All persons who submit valid and timely requests for exclusions from the Class will also
20 be excluded. Those persons or entities eligible for membership in the Settlement Class who timely
21 submitted valid requests for exclusion from the Settlement Class are identified on Exhibit 1. Those
22 persons or entities are not bound by this Final Judgment and Order.

23 4. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, this Court hereby approves
24 the Settlement set forth in the Stipulation and finds that said Settlement is, in all respects, fair, just
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27 ¹ All capitalized terms not otherwise defined herein are defined in the Stipulation.
28

1 reasonable and adequate to the Settlement Class. The Court finds that certification of the Settlement
2 Class for settlement purposes only is appropriate because:

3 (a) The Settlement Class is so numerous that joinder of all members is impracticable, satisfying
4 the requirements of Rule 23(a)(1);

5 (b) There are questions of law or fact common to the Settlement Class, satisfying the
6 requirement of Rule 23(a)(2);

7 (c) The claims of Lead Plaintiff are typical of the claims of the Settlement Class, satisfying the
8 requirement of Rule 23(a)(3);

9 (d) The representative parties will fairly and adequately protect the interests of the Settlement
10 Class, satisfying the requirement of Rule 23(a)(4); and

11 (e) Questions of law and fact common to the members of the Settlement Class predominate over
12 questions affecting only individual members and a class action is superior to other methods available
13 for the fair and efficient adjudication of the controversy, satisfying the requirements of Rule 23(b)(3).

14 The findings in this Paragraph 4 are for purposes of this Settlement only, and shall have no force
15 or effect for any other purpose or if this Final Judgment and Order does not become final.

16 5. The Court hereby finally approves the Settlement set forth in the Stipulation and finds
17 that:

18 (a) said Stipulation is, in all respects, fair, reasonable and adequate and in the best interest of
19 the Settlement Class;

20 (b) there was no collusion in connection with the Stipulation;

21 (c) the Stipulation was the product of informed, arm's-length negotiations among competent,
22 able counsel; and

23 (d) the record is sufficiently developed and complete to have enabled the Lead Plaintiff and
24 Defendants to have adequately evaluated and considered their positions.

25 Accordingly, the Court authorizes and directs implementation of all the terms and provisions of
26 the Stipulation, as well as the terms and provisions hereof.

1 6. The Court hereby dismisses the Complaint, the Action, and all Released Claims with
2 prejudice, without costs as to any Settling Party.

3 7. Upon the Effective Date of the Settlement, the Lead Plaintiff shall, and each of the
4 Settlement Class Members shall be deemed to have, and by operation of the Judgment shall have, fully,
5 finally and forever released, relinquished and discharged all Plaintiffs' Released Claims against the
6 Defendant Releasees, whether or not such Settlement Class Member executes and delivers the Proof of
7 Claim and Release Form.

8 8. Lead Plaintiff and all Settlement Class Members are hereby forever barred and enjoined
9 from prosecuting any of Plaintiffs' Released Claims against any of the Defendant Releasees.

10 9. Upon the Effective Date of the Settlement, Defendants Releasees shall be deemed to
11 have, and by operation of this Judgment shall have, fully, finally and forever released, relinquished and
12 discharged all Defendants' Released Claims against each and all of the Plaintiff Releasees.

13 10. Defendants and Defendant Releasees are hereby forever barred and enjoined from
14 prosecuting any Defendants' Released Claims against any of the Plaintiff Releasees.

15 11. The Notice of Pendency of Class Action and Proposed Settlement, Final Approval
16 Hearing and Motion for Attorneys' Fees and Reimbursement of Litigation Expenses, the Postcard Notice
17 and the published Summary Notice (the "Notice") given to the Settlement Class was the best notice
18 practicable under the circumstances, including the individual notice to all Settlement Class Members
19 who could be identified through reasonable effort. Said Notice provided the best notice practicable under
20 the circumstances of these proceedings and of the matters set forth therein, including the proposed
21 Settlement set forth in the Stipulation, to all Persons entitled to such Notice, and said Notice fully
22 satisfied the requirements of Rule 23 of the Federal Rules of Civil Procedure and the requirements of
23 due process as well as the requirements of the Private Securities Litigation Reform Act of 1995. In
24 addition, the requirements of the Class Action Fairness Act, 28 U.S.C. §1715, have been satisfied.

25 12. Any Plan of Allocation submitted by Lead Counsel or any order entered regarding any
26 attorneys' fee and reimbursement of expense application or any award to pay the time and expenses of
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1 Lead Plaintiff to Lead Plaintiff shall in no way disturb or affect the final Judgment and shall be
2 considered separate from this Final Judgment and Order.

3 13. Neither the Stipulation nor the Settlement contained therein, nor any act performed or
4 document executed pursuant to or in furtherance of the Stipulation or the Settlement: (a) is or may be
5 deemed to be or may be used as an admission of, or evidence of, the validity of any Released Claims,
6 or of any wrongdoing or liability of the Defendants, any Released Person or Settlement Class Member;
7 or (b) is or may be deemed to be or may be used as an admission of, or evidence of, any fault or omission
8 of the Defendants, any of the Released Persons or any Settlement Class Member in any civil, criminal
9 or administrative proceeding in any court, administrative agency or other tribunal. Defendants, Released
10 Persons and/or Settlement Class Members may file the Stipulation and/or the Judgment from this action
11 in any other action that may be brought against them in order to support a defense or counterclaim based
12 on principles of res judicata, collateral estoppel, release, good faith settlement, judgment bar or reduction
13 or any theory of claim preclusion or issue preclusion or similar defense or counterclaim.

14 14. Without affecting the finality of this Final Judgment and Order in any way, this Court
15 hereby retains continuing jurisdiction over: (a) implementation of this Settlement and any award or
16 distribution of the Settlement Fund, including interest earned thereon; (b) disposition of the Settlement
17 Fund; (c) hearing and determining applications for attorneys' fees, interest, reimbursement of Litigation
18 Expenses or any service award in the Action; and (d) all parties hereto for the purpose of construing,
19 enforcing and administering the Stipulation.

20 15. The Court finds that, during the course of the Action, the Settling Parties and their
21 respective counsel at all times complied with the requirements of Rule 11 of the Federal Rules of Civil
22 Procedure.

23 16. In the event the Settlement does not become effective in accordance with the terms of the
24 Stipulation, or the Effective Date does not occur, or in the event the Settlement Fund, or any portion
25 thereof, is returned to Defendants, then this Final Judgment and Order shall be rendered null and void
26 to the extent provided by and in accordance with the Stipulation and shall be vacated and, in such event,
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1 all orders entered and releases delivered in connection herewith shall be null and void to the extent
2 provided by and in accordance with the Stipulation.

3 17. Without further order of the Court, the Settling Parties may agree to reasonable
4 extensions of time to carry out any of the provisions of the Stipulation.

5 18. There is no reason for delay in the entry of this Final Judgment and Order and immediate
6 entry by the Clerk of the Court is expressly directed pursuant to Rule 54(b) of the Federal Rules of Civil
7 Procedure.

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9 IT IS SO ORDERED.

10 Dated: _____, 2024

11 THE HON. JAMES DONATO
12 UNITED STATES DISTRICT COURT JUDGE
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Exhibit 3

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**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

**[PROPOSED] ORDER AWARDING
ATTORNEYS' FEES AND EXPENSES
AND AWARD TO CLASS
REPRESENTATIVE PURSUANT TO 15
U.S.C. §78u-4(a)(4)**

Judge: Honorable James Donato

1 THIS MATTER having come before the Court on June 6, 2024, on Lead Counsel’s Motion for
2 Attorneys’ Fees, Reimbursement of Expenses and Award of Costs and Expenses to Lead Plaintiff (ECF
3 203) in the above-captioned action; the Court having considered all papers filed and proceedings
4 conducted herein and otherwise being fully informed of the matters hereto and good cause appearing
5 therefore;

6 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that:

7 1. For purposes of this Order, the terms used herein shall have the same meanings as set
8 forth in the Stipulation of Settlement, dated as of April 11, 2023 (“Stipulation”).¹ ECF 195-3.

9 2. This Court has jurisdiction over the subject matter of this Action and all matters relating
10 hereto, including all members of the Class who have not timely and validly requested exclusion.

11 3. Notice of Lead Counsel’s motion for attorneys’ fees and reimbursement of expenses was
12 given to all Class Members who could be identified with reasonable effort. The form and method of
13 notifying the Class of the motion for attorneys’ fees and reimbursement of expenses met the
14 requirements of Rules 23 and 54 of the Federal Rules of Civil Procedure, Section 21D(a)(7) of the
15 Securities Exchange Act of 1934, 15 U.S.C. §78u-4(a)(7), as amended by the Private Securities Action
16 Reform Act of 1995, due process, and any other applicable law, constituted the best notice practicable
17 under the circumstances, and constituted due and sufficient notice to all persons and entities entitled
18 thereto.

19 4. The Court hereby awards Lead Counsel attorneys’ fees of _____% of the Settlement
20 Fund, plus expenses in the amount of \$ _____. The Court finds that the amount of fees
21 awarded is appropriate, fair, and reasonable under the “percentage-of-recovery” method given the
22 substantial risks of non-recovery, the contingent nature of the representation, awards in similar cases,
23 the time and effort involved, and the result obtained for the Class. *See Vizcaino v. Microsoft Corp.*, 290
24 F.3d 1043, 1049-50 (9th Cir. 2002).

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27 ¹ All capitalized terms not otherwise defined herein are defined in the Stipulation.

1 5. The awarded attorneys' fees and expenses shall be paid from the Settlement Fund
2 immediately upon entry of this Order, subject to the terms, conditions, and obligations of the Stipulation,
3 the terms, conditions, and obligations of which are incorporated herein.

4 6. In making this award of fees and expenses to Lead Counsel, the Court has considered
5 and found that:

6 (a) the Settlement has created a fund of \$14,000,000 in cash that is already on deposit, and
7 numerous Class Members who submit, or have submitted, valid Proof of Claim forms will benefit from
8 the Settlement created by Lead Plaintiff and Lead Counsel;

9 (b) over 39,611 copies of the Notice were disseminated to potential Class Members
10 indicating that Lead Counsel would move for attorneys' fees not to exceed 25% of the Settlement Fund
11 and for expenses in an amount not to exceed \$975,000, and no objections to the fees or expenses were
12 filed by Class Members;

13 (c) Lead Counsel has pursued the Action and achieved the Settlement with skill,
14 perseverance, and diligent advocacy;

15 (d) Lead Counsel has expended substantial time and effort pursuing the Action on behalf of
16 the Class;

17 (e) Lead Counsel pursued the Action on a contingent basis, having received no compensation
18 during the Action, and any fee amount has been contingent on the result achieved;

19 (f) the Action involves complex factual and legal issues and, in the absence of settlement,
20 would involve lengthy proceedings whose resolution would be uncertain;

21 (g) had Lead Counsel not achieved the Settlement, there would remain a significant risk that
22 the Class may have recovered less or nothing from Defendants;

23 (h) Lead Counsel devoted over 16,000 hours, with a lodestar value of \$8,538,061.75 at
24 current rates, to achieve the Settlement;

25 (i) Lead Plaintiff approved the amount of attorneys' fees awarded as fair and reasonable;
26 and

1 (j) the attorneys' fees and expenses awarded are fair and reasonable and consistent with
2 awards in similar cases within the Ninth Circuit.

3 7. Pursuant to 15 U.S.C. §78u-4(a)(4), the Court awards Lead Plaintiff a \$_____ for its
4 time and expenses representing the Class.

5
6 IT IS SO ORDERED.

7
8 DATED: _____

9 THE HONORABLE JAMES DONATO
10 UNITED STATES DISTRICT JUDGE

Exhibit 4

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**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

**[PROPOSED] ORDER APPROVING
PLAN OF ALLOCATION**

Judge: Honorable James Donato

1 THIS MATTER having come before the Court on Lead Plaintiff’s Motion for Final Approval of
2 Proposed Class Action Settlement (ECF 202) in the above-captioned action; the Court having considered
3 all papers filed and proceedings herein and otherwise being fully informed of the matters hereto;

4 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that:

5 1. For purposes of this Order, the terms used herein shall have the same meanings as set
6 forth in the Stipulation of Settlement, dated April 11, 2023. ECF No. 195-3.

7 2. Pursuant to Federal Rule of Civil Procedure 23, this Court hereby finds and concludes
8 that due and adequate notice was directed to Persons who are Class Members advising them of the Plan
9 of Allocation and of their right to object thereto, and a full and fair opportunity was accorded to such
10 Persons and entities who are Class Members to be heard with respect to the Plan of Allocation.

11 3. The Court hereby finds and concludes that the formula for the calculation of the claims
12 of Authorized Claimants, which is set forth in the Notice of Proposed Settlement of Class Action (the
13 “Notice”) sent to Class Members, provides a fair and reasonable basis upon which to allocate the
14 proceeds of the Net Settlement Fund provided by the Settlement among eligible Class Members, with
15 due consideration having been given to administrative convenience and necessity.

16 4. The Court hereby finds and concludes that the Plan of Allocation, as set forth in the
17 Notice, is, in all respects, fair and reasonable, and the Court hereby approves the Plan of Allocation.

18
19 IT IS SO ORDERED.

20
21 DATED: _____

22 THE HONORABLE JAMES DONATO
23 UNITED STATES DISTRICT JUDGE
24
25
26
27
28

Exhibit 5

**Ferraro Family Foundation Inc.
v. Corcept Therapeutics, Inc.,
19-cv-01372-JD**

HEARING ON LEAD PLAINTIFF'S
MOTIONS FOR FINAL APPROVAL OF
THE PROPOSED SETTLEMENT AND
AN AWARD OF ATTORNEYS' FEES
AND EXPENSES

June 6, 2024

LEVI&KORSINSKYLLP

MAXIMUM RECOVERABLE DAMAGES LIFO

(in millions)	Survived Motion to Dismiss?	Total Estimated Damages	Settlement	Net Recovery ³	% Total Recovery	% Net Recovery	Damaged Shares	Gross Recovery Per Share	Net Recovery Per Share
January 25, 2019 SIRF Report ¹	✓	\$105.4	\$14.0	\$9.9	13%	9%	65.5	\$0.21	\$0.15
January 31, 2019 Earnings Report ²	✗	\$161.4	\$14.0	\$9.9	9%	6%	68.4	\$0.20	\$0.14

¹ Represents damages estimate for only the January 24, 2019 corrective disclosure.

² Represents damages estimate with both corrective disclosures included.

³ Represents recovery net of Attorneys' Fees of 25% (\$3,500,000), expenses of \$576,162 and Plaintiff reimbursement of \$15,000.

MAXIMUM RECOVERABLE DAMAGES FIFO

(in millions)	Survived Motion to Dismiss?	Total Estimated Damages	Settlement	Net Recovery ³	% Total Recovery	% Net Recovery	Damaged Shares	Recovery Per Share	Net Recovery
January 25, 2019 SIRF Report ¹	✓	\$120.3	\$14.0	\$9.5	12%	8%	74.3	\$0.19	\$0.13
January 31, 2019 Earnings Report ²	✗	\$185.2	\$14.0	\$9.5	8%	5%	77.2	\$0.18	\$0.12

⁴ Represents damages estimate for only the January 24, 2019 corrective disclosure.

⁵ Represents damages estimate with both corrective disclosures included.

⁶ Represents recovery net of Attorneys' Fees of 25% (\$3,500,000), expenses of \$576,162 and Plaintiff reimbursement of \$15,000.

ESTIMATED DAMAGES AFTER DISAGGREGATION

Total Estimated Disaggregated Damages – Jan. 25, 2019 disclosure only (in millions)	Settlement	Net Recovery	% Total Recovery	% Net Recovery
\$22.1m to \$63.5m	\$14.0	\$9.9	22% to 63.3%	16% to 45%

ESTIMATED CLAIMS RATE LIFO

	Total Estimated Damaged Shares (in millions)	Estimated Damaged Shares Recovering in Settlement (in millions)	% Estimated Damaged Shares Recovering in Settlement	Estimated Institutional Ownership
January 25, 2019	65.5	48.4	74%	60%
January 31, 2019	68.4	51.1	75%	58%

ESTIMATED CLAIMS RATE FIFO

	Total Estimated Damaged Shares (in millions)	Estimated Damaged Shares Recovering in Settlement (in millions)	% Estimated Damaged Shares Recovering in Settlement	Estimated Institutional Ownership
January 25, 2019	74.3	48.4	65%	65%
January 31, 2019	77.2	51.1	66%	63%

RISKS OF CONTINUED LITIGATION

➤ **DAMAGES AND LOSS
CAUSATION**

➤ **FALSITY**

➤ **SCIENTER**

➤ **CLASS CERTIFICATION
CHALLENGES**

DAMAGES
and
LOSS
CAUSATION

The SIRF Report Contained Entirely Public
Information and Concerned Potentially
Confounding Disclosures Unrelated to
Off-Label Marketing

- The Court previously held the SIRF Report contained entirely public information.
- Some of the information in the SIRF Report was, arguably, unrelated to off-label marketing (Plaintiff’s Br. at 13-14). For example:
 - “The FDA’s risk assessment and risk mitigation review for this study did conclude that Korlym’s trial design was flawed without the testing of an approved comparator drug...”
 - “In March 2015 Corcept withdrew its application for Corluxin (a renamed Korlym)” in Europe, citing ‘strategic business reasons’ for ending the process.”
 - There were “103 deaths reported for Korlym since 2012.”

FALSITY

Statements that Corcept's Marketing Materials Were On-Label Were True

(Plaintiffs' Br. at 14-15).

- While Plaintiff argued Corcept's marketing materials contained implicit off-label marketing messages by inclusion of case studies using Korlym off-label, none produced in discovery explicitly instructed Corcept sales personnel to prescribe Korlym off-label
- There is no specified testing regimen for diagnosing Cushing's. It is within the Doctor discretion to decide which tests to run, to decide whether to run multiple tests (and how many), and whether to then prescribe Korlym.
- Evidence to date showed Corcept sent its marketing materials to the FDA, which never objected to them as being off-label.
- Defendants argue Hypercortisolism (used in Corcept's marketing materials) and Cushing's Syndrome are the same.

SCIENTER

There is No Evidence Defendants Instructed Corcept Employees to Market Korlym Off-Label

(Plaintiffs' Br. at 14-15)

- There is no documentary evidence to date that any individual defendant instructed Corcept employees to engage in off-label marketing.
- There is some evidence that Corcept executives instructed employees to keep Korlym marketing to on-label uses.
- There is currently no evidence that any physician complained to any defendant about off-label marketing.

CLASS CERTIFICATION CHALLENGES

Whether Corcept Securities Traded In an Efficient Market

(Plaintiffs' Br. at 15)

- The alleged statements were too generic to impact the price of Corcept's stock.
- Few, if any, analysts commented on the alleged false statements or the SIRF Report, undermining materiality, loss causation and price impact.
- Stock price reaction.

SIGNIFICANT
ADDITIONAL
EXPENSE AND
DELAY IN
PROCEEDING

Estimated Costs of Litigation are Significant

(Plaintiffs' Br. at 16)

- Depositions: 58 remaining depositions to take, of which at least 28 would be take in-person.
- Expert Discovery: Multiple experts would be needed, including, for:
 - (i) Cushing's Syndrome
 - (ii) FDA marketing regulations
 - (iii) Market efficiency
 - (iv) Damages and Loss Causation
- Briefing motions to compel, class certification and summary judgment.
- Trial would have been complex and confusing for jurors