

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*

[Additional counsel listed on signature
page]

**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

**LEAD PLAINTIFF’S UNOPPOSED
NOTICE OF MOTION AND MOTION
FOR PRELIMINARY APPROVAL OF
PROPOSED CLASS ACTION
SETTLEMENT; MEMORANDUM OF
POINTS AND AUTHORITIES IN
SUPPORT THEREOF**

Date: May 18, 2023
Time: 10:00 a.m.
Room: Courtroom 11, 19th Floor
Judge: Honorable James Donato

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

NOTICE OF MOTION AND MOTION

PLEASE TAKE NOTICE that on May 18, 2023, at 10:00 a.m. or at such other time as the Court determines, in Courtroom 11, 19th Floor, the Honorable James Donato, United States District Court Judge presiding, located at 450 Golden Gate Avenue, San Francisco, CA 94102, Lead Plaintiff the Ferraro Group (consisting of Ferraro Family Foundation, Inc. and James L. Ferraro) (“Lead Plaintiff”) will move this Court for an order: (1) preliminarily approving a proposed settlement of this action (the “Settlement”); (2) preliminarily certifying a class and appointing Lead Plaintiff as Class representative and Lead Counsel as Class Counsel for purposes of implementing the proposed Settlement (the “Settlement Class”); (3) approving the form and manner of giving notice to the settlement class (“Notice”) and the Claim Form; (4) preliminarily approving the proposed allocation of settlement proceeds (the “Plan of Allocation”); (5) scheduling a hearing before the Court to determine whether the proposed Settlement, Plan of Allocation and fee and expense requests should be given final approval; and (6) appointing A.B. Data Ltd. (“A.B. Data”) as the Claims Administrator to administer the Notice and claims process (“Preliminary Approval Order”). The proposed Settlement provides for the payment of \$14 million in cash, plus interest earned thereon, for the benefit of the proposed Settlement Class and, if approved, would fully resolve all claims against all Defendants.

The grounds for this Motion are that: (1) the proposed Settlement and Plan of Allocation are within the range of fairness, reasonableness, and adequacy so that Notice should be disseminated to members of the proposed Settlement Class (“Settlement Class Members”); (2) the criteria applicable to certifying a Settlement Class are met; and (3) the proposed Notice adequately apprises the Settlement Class Members about the terms of the Settlement and their rights with respect to it.

This Motion is based on the Memorandum of Points and Authorities submitted below, the accompanying Declaration of Shannon Hopkins (“Hopkins Declaration” or “Hopkins Decl.”), Declaration of Eric Nordskog, of A.B. Data, LTd. (“Nordskog Decl.”) (attached as Ex. 7 to the Hopkins Decl.), the accompanying Stipulation and its attachments, and all other pleadings and matters of record.

Defendants do not oppose this Motion. *See* Hopkins Decl. ¶31.

TABLE OF CONTENTS

1

2 NOTICE OF MOTION AND MOTION I

3 STATEMENT OF ISSUES TO BE DECIDED VIII

4 MEMORANDUM OF POINTS AND AUTHORITIES 1

5 I. INTRODUCTION AND SUMMARY OF ARGUMENT 1

6 II. BACKGROUND 2

7 III. ARGUMENT 4

8 A. The Court Should Preliminarily Approve the Settlement 4

9 1. Lead Plaintiff and Lead Counsel Have Adequately Represented the

10 Settlement Class (Rule 23(e)(2)(A) and Hanlon Factor 6) 6

11 2. The Proposed Settlement is the Result of Good Faith, Arm’s-Length

12 Negotiations by Informed, Experienced Counsel (Rule 23(e)(2)(B)) 8

13 3. The Settlement Provides Adequate Relief for the Class (Rule

14 23(e)(2)(C), Hanlon Factor 4, and Procedural Guidance 1(c)) 9

15 4. The Costs, Risks, and Delay of Trial and Appeal Support Approval of

16 the Settlement (Rule 23(e)(2)(C)(i) and Hanlon Factors 1, 2 and 3) 10

17 5. The Proposed Method for Distributing Relief is Effective (Rule

18 23(e)(2)(C)(ii)) 11

19 6. The Intended Request for Attorneys’ Fees and Expenses and an Award

20 for Costs and Expenses of Lead Plaintiff (Rule 23(e)(2)(C)(iii) and

21 Procedural Guidance 6 and 7) 12

22 7. Other Agreements (Rule 23(e)(2)(C)(iv)) 14

23 8. The Proposed Settlement Treats All Class Members Equitably (Rule

24 23(e)(2)(D) and Procedural Guidance 1(g)) 14

25 9. The Extent of Discovery Completed and the Stage of the Proceedings at

26 Which the Settlement Was Achieved (Hanlon Factor 5) 15

27 10. The DOJ Investigation (Hanlon Factor 7 and Procedural Guidance 1(d))

28 16

B. Certification of the Settlement Class Under Fed R. Civ. P. 23 is Appropriate

(Procedural Guidance 1(a)-(b)) 16

1. The Settlement Class is Sufficiently Numerous 17

2. Common Questions of Fact or Law Exist 17

3. Lead Plaintiff’s Claims Are Typical of Those of The Settlement Class. 17

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

1 4. Lead Plaintiff and Lead Counsel Will Fairly and Adequately Represent
2 the Interests of the Settlement Class18
3 5. The Requirements of Rule 23(b)(3) Are Also Satisfied.19
4 a) Common Legal And Factual Questions Predominate.....19
5 b) A Class Action Is The Superior Means To Adjudicate The
6 Claims Raised.19
7 C. The Proposed Notice Plan Meets All Requirements (*Procedural Guidance* 3 and
8 10)20
9 D. The Proposed Plan of Allocation Should Be Preliminarily Approved (Procedural
10 Guidance 1(e) and 8).....21
11 E. The Claims Administrator (Procedural Guidance 1(f) and 2)24
12 F. Schedule For Final Approval (Procedural Guidance 9).....25
13 IV. CONCLUSION.....25

12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

TABLE OF AUTHORITIES

Cases

Allen v. Bedolla,
787 F.3d 1218 (9th Cir. 2015) 5

Amchem Prods. v. Windsor,
521 U.S. 591 (1997)..... 18, 19

Boring v. Bed Bath & Beyond of Cal. Ltd. Liab. Co.,
2013 WL 6145706 (N.D. Cal. Nov. 21, 2013) 23

Ciuffitelli v. Deloitte & Touche LLP,
2019 WL 1441634 (D. Or. Mar. 19, 2019)..... 15, 23

Daniels Family 2001 Revocable Trust v. Las Vegas Sands Corp.,
2021 WL 41301 (D. Nev. Jan. 5, 2021)..... 19

Daniels v. Jenson,
2013 WL 12317809 (D. Nev. Feb. 12, 2013) 5

Duk v. MGM Grand Hotel, Inc.,
320 F.3d 1052 (9th Cir. 2003) 5

Fleming v. Impax Lab. Inc.,
2022 WL 2789496 (N.D. Cal. Jul. 15, 2022)..... 12

Hale v. Manna Pro Prods., LLC,
2020 WL 3642490 (E.D. Cal. July 6, 2020) 19

Hanlon v. Chrysler Corp.,
150 F.3d 1011 (9th Cir. 1998) passim

Hefler v. Pekoc,
802 F. App'x 285 (9th Cir. 2020)..... 7

Hefler v. Wells Fargo & Co.,
2018 WL 6619983 (N.D. Cal. Dec. 18, 2018)..... 7, 8, 10

In re Atmel Corp. Derivative Litig.,
2010 WL 9525643 (N.D. Cal. Mar. 31, 2010)..... 8

In re Bluetooth Headset Prods. Liability Litig.,
654 F.3d 935 (9th Cir. 2011) 14

In re Extreme Networks, Inc. Sec. Litig.,
2019 WL 3290770 (N.D. Cal. July 22, 2019)..... 7, 9

In re Haier Freezer Consumer Litig.,
2013 WL 2237890 (N.D. Cal. May 21, 2013)..... 5

In re Illumina, Inc. Sec. Litig.,
2021 WL 1017295 (S.D. Cal. Mar. 17, 2021) 13

1 *In re Immune Response Sec. Litig.*,
497 F. Supp. 2d 1166 (S.D. Cal. 2007)..... 10

2

3 *In re Juniper Networks, Inc. Sec. Litig.*,
264 F.R.D. 584 (N.D. Cal. 2009)..... 18

4 *In re Lending Club Sec. Litig.*,
282 F. Supp. 3d 1171 (N.D. Cal. 2017)..... 17

5

6 *In re Omnivision Techs., Inc.*,
559 F. Supp. 2d 1036 (N.D. Cal. 2008)..... 13

7 *In re Pac. Enters. Sec. Litig.*,
47 F.3d 373 (9th Cir. 1995) 13

8

9 *In re Portal Software, Inc. Sec. Litig.*,
2007 WL 1991529 (N.D. Cal. June 30, 2007)..... passim

10 *In re Tableware Antitrust Litig.*,
484 F. Supp. 2d 1078 (N.D. Cal. 2007)..... 5, 8, 9

11

12 *In re Tezos Sec. Litig.*,
No. 3:17-cv-06779-RS (N.D. Cal. Aug. 28, 2020)..... 13

13 *In re TracFone Unlimited Serv. Plan Litig.*,
112 F. Supp. 3d 993 (N.D. Cal. 2015)..... 11

14

15 *In re Wells Fargo Collateral Prot. Ins. Litig.*,
2019 WL 6219875 (C.D. Cal. Nov. 4, 2019)..... 8

16 *In re Zynga Inc. Sec. Litig.*,
2015 WL 6471171 (N.D. Cal. Oct. 27, 2015)..... 11, 14

17

18 *Lane v. Facebook, Inc.*,
696 F.3d 811 (9th Cir. 2012) 6

19 *Mauss v. NuVasive, Inc.*,
2018 WL 6421623 (S.D. Cal. Dec. 6, 2018)..... 10, 15

20

21 *Mild v. PPG Indus., Inc.*,
2019 WL 3345714 (C.D. Cal. July 25, 2019)..... 7

22 *Moorer v. StemGenex Med. Grp., Inc.*,
2021 WL 640842 (S.D. Cal. Jan. 8, 2021)..... 5, 8

23

24 *Morris v. Lifescan, Inc.*,
54 F. App'x 663 (9th Cir. 2003) 12

25 *Norton v. LVNV Funding, LLC*,
2021 WL 3129568 (N.D. Cal. July 23, 2021)..... 9, 10

26

27 *Nursing Home Pension Fund v. Oracle Corp.*,
2006 WL 8071391 (N.D. Cal. Dec. 20, 2006)..... 17

28

1 *Opperman v. Kong Techs. Inc.*,
2017 WL 11676126 (N.D. Cal. July 6, 2017)..... 15

2

3 *Parsons v. Ryan*,
754 F.3d 657 (9th Cir. 2014) 18

4 *Pataky v. Brigantine, Inc.*,
2018 WL 3020159 (S.D. Cal. June 18, 2018)..... 16

5

6 *Rodriguez v. W. Publ'g Corp.*,
563 F.3d 948, 965 (9th Cir. 2009) 8, 11

7 *SEB Inv. Mgmt. AB v. Symantec Corp.*,
335 F.R.D. 276 (N.D. Cal. 2020)..... 17

8

9 *Singer v. Becton Dickinson and Co.*,
2010 WL 2196104 (S.D. Cal. Jun. 1, 2010) 13

10 *Staton v. Boeing Co.*,
327 F.3d 938 (9th Cir. 2003) 12

11

12 *Subramanian v. Watford, et. al.*,
2021 WL 1697147 (D. Colo. April 29, 2021)..... 19

13 *Terry v. Hoovestol, Inc.*,
2018 WL 4283420 (N.D. Cal. Sept. 7, 2018) 5

14

15 *Vataj v. Johnson*,
2021 WL 1550478 (N.D. Cal. Apr. 20, 2021) passim

16 *Vataj v. Johnson*,
No. 4:19-cv-06996 (N.D. Cal. Nov. 5, 2021) 13

17

18 *Vinh Nguyen v. Radient Pharms. Corp.*,
2014 WL 1802293 (C.D. Cal. May 6, 2014) 14

19 *Vizcaino v. Microsoft Corp.*,
290 F.3d 1043 (9th Cir. 2002) 12

20

21 *Wal-Mart Stores, Inc. v. Dukes*,
564 U.S. 338, 131 S. Ct. 2541 (2011)..... 5

22 *West v. Circle K Stores, Inc.*,
2006 WL 1652598 (E.D. Cal. June 13, 2006) 5

23

24 *Wong v. Arlo Techs., Inc.*,
2021 WL 1531171 (N.D. Cal. Apr. 19, 2021) 6, 10

25 **Other Authorities**

26 *Janeen McIntosh & Svetlana Starykh, Recent Trends in Securities Class Action*
Litigation: 2020 Full-Year Review (NERA Jan. 25, 2021) 9

27

28

1 L.T. Bulan, L.E. Simmons, Securities Class Action Settlements, 2020 Review and
2 Analysis, Cornerstone Research (2021)..... 10

3 **Rules**

4 Fed. R. Civ. P. 23..... passim

5 **Statutes**

6 15 U.S.C. §78u-4(a)..... 13, 20

7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

STATEMENT OF ISSUES TO BE DECIDED

1
2 1. Whether the proposed Settlement¹ of this action is within the range of fairness,
3 reasonableness and adequacy so as to warrant: (a) the Court’s preliminary approval; (b) the
4 dissemination of Notice of its terms to proposed Settlement Class Members; and (c) setting a hearing
5 date for final approval of the Settlement as well as an application for attorneys’ fees and reimbursement
6 of expenses and an award to Lead Plaintiff for its costs and expenses in connection with the litigation.

7 2. Whether the Settlement Class should be certified, and Lead Plaintiff appointed Class
8 Representative and Levi & Korsinsky, LLP appointed Class Counsel for Settlement purposes.

9 3. Whether the proposed Notice, Claim Form, and Plan of Allocation should be
10 preliminarily approved.

11 4. Whether A.B. Data should be appointed as the Claims Administrator to administer the notice
12 and claims process.

13
14
15
16
17
18
19
20
21
22
23
24
25
26
27 ¹ All capitalized terms not otherwise defined herein are defined in the Stipulation of Settlement, dated
28 April 11, 2023 (the “Stipulation”).

1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I. INTRODUCTION AND SUMMARY OF ARGUMENT**

3 After four years of hard-fought litigation, the Parties have reached a proposed all-cash Settlement
4 of \$14 million to resolve all claims in this Action. As set forth further below, the proposed Settlement
5 represents an excellent result for the Settlement Class and is the product of Lead Plaintiff’s diligent
6 efforts including, *inter alia*: investigating and drafting three detailed amended complaints, interviewing
7 several confidential witness who are physicians and former Corcept Therapeutics, Inc. (“Corcept” or the
8 “Company”) sales personnel, briefing two of Defendants’ motions to dismiss, investing hundreds of
9 hours to conduct formal discovery, consulting with experts on Cushing’s Syndrome, appropriate
10 marketing practices for pharmaceutical drugs, market efficiency, loss causation and damages, preparing
11 Plaintiff’s motion for class certification, and participating in three separate arms-length mediations
12 before experienced mediator, Michelle Yoshida, Esq. of Phillips ADR Enterprises LLC. A copy of the
13 Stipulation is attached as Exhibit 1 to the Hopkins Declaration.

14 By this motion, Lead Plaintiff seeks an order: (1) preliminarily approving a proposed Settlement
15 of this Action; (2) preliminarily certifying a class and appointing Lead Plaintiff as Class representative
16 and Lead Counsel as Class Counsel for purposes of implementing the proposed Settlement Class; (3)
17 approving the form and manner of giving Notice to the Settlement Class and the Claim Form; (4)
18 preliminarily approving the proposed Plan of Allocation; (5) scheduling a hearing before the Court to
19 determine whether the proposed Settlement, Plan of Allocation, and fee and expense requests should be
20 given final approval; and (6) appointing A.B. Data as the Claims Administrator to administer the notice
21 and claims process (“Preliminary Approval Order”).

22 As provided herein, the proposed Settlement and Plan of Allocation are within the range of
23 fairness, reasonableness, and adequacy so that Notice should be disseminated to the proposed Settlement
24 Class Members; the criteria applicable to certifying a Settlement Class are met; and the proposed Notice
25 adequately appraises Settlement Class Members about the terms of the Settlement and their rights with
26 respect to it. Accordingly, the proposed Settlement should be preliminarily approved so that Notice may
27 be disseminated to shareholders.

1 II. BACKGROUND

2 The initial complaint in this Action was filed on March 14, 2019. ECF 1. On October 7, 2019,
3 after receiving five motions to appoint lead plaintiff and approve lead counsel, the Honorable Lucy Koh
4 appointed the Ferraro Group as Lead Plaintiff and approved Lead Plaintiff’s choice of Levi & Korsinsky,
5 LLP (“LK”) as Lead Counsel in the Action. *See* Hopkins Decl. ¶2; ECFs 15, 17, 24, 29, 32, 82.

6 On December 6, 2019, after an extensive investigation by Lead Counsel, Lead Plaintiff filed the
7 First Amended Complaint (ECF 91) alleging violations of the Securities and Exchange Act of 1934
8 (“Exchange Act”) on behalf of all investors who purchased or otherwise acquired Corcept securities
9 between August 2, 2017 and January 31, 2019, inclusive, and were damaged as a result. *Id.* at ¶3. Lead
10 Plaintiff alleged that Defendants made materially false and misleading statements, which caused the
11 price of Corcept’s stock to be artificially inflated during the Class Period and that the misleading nature
12 of such statements remained hidden until partial disclosures on January 25, 2019 and January 31, 2019
13 revealed Corcept’s alleged reliance on off-label marketing of Korlym and decreased sales and sales
14 forecasts as the off-label marketing practices came to light. *Id.*

15 On January 27, 2020, Defendants moved to dismiss the First Amended Complaint. ECF 95. In
16 response to Defendants’ motion, Lead Plaintiff filed its Second Amended Complaint on March 20, 2020
17 (ECF 100), providing additional factual support for its claims. On May 11, 2020, Defendants moved to
18 dismiss the Second Amended Complaint. ECF 105; *Id.* at ¶4. The Court granted Defendants’ motion
19 without prejudice on November 20, 2020. *Id.*; ECF 124.

20 On December 21, 2020, after further investigation, Lead Plaintiff filed the Third Amended
21 Complaint (ECF 127)—which is the operative complaint in this Action—alleging further factual support
22 for its prior claims, including support from four former Corcept sales personnel. *Id.* at ¶5.

23 Defendants moved to dismiss the Third Amended Complaint on February 19, 2021. ECF 130.
24 On August 24, 2021, the Court granted in part and denied in part Defendants’ motion to dismiss. ECF
25 145. The Court dismissed with prejudice each of Lead Plaintiff’s claims with respect to seventeen of the
26 statements Lead Plaintiff alleged were false and sustained each of Lead Plaintiff’s claims with respect
27 to the remaining thirteen allegedly false statements. *Id.* at ¶6. The Court sustained Plaintiff’s loss

1 causation allegations as to the January 25, 2019 corrective disclosure, but dismissed the January 31,
2 2019 corrective disclosure. *Id.*

3 On August 31, 2021, the Court also stayed the case for ninety days so the Parties could explore
4 potential resolution of the Action. ECF 150. On November 29, 2021, the Parties commenced mediation
5 efforts presided over by Michelle Yoshida, Esq. of Phillips ADR Enterprises LLC. The parties were
6 unable to reach a settlement at that time. *Id.* at ¶7.

7 On December 9, 2021, the Court entered a Case Management Order; Order Lifting Stay setting
8 case deadlines and lifting the previously entered stay. ECF 153. The Action was then reassigned to the
9 Honorable James Donato on January 7, 2022. ECF 156. At a case management conference on April 28,
10 2022, the Court advised the Parties that it would issue a new schedule and struck the May 4, 2022 class
11 certification deadline. ECF 172. Prior to this case management conference, Lead Plaintiff drafted its
12 motion for class certification and consulted with experts who prepared a draft report to be submitted
13 with Lead Plaintiff's class certification motion for filing on May 4, 2022, as previously ordered. ECF
14 153. On September 21, 2022, the Court entered a new scheduling order. *Id.* at ¶8.

15 Formal discovery began in January 2022. The Parties exchanged initial disclosures on January
16 7, 2022 and Defendants answered the Third Amended Complaint on February 4, 2022 (ECF 164). *Id.* at
17 ¶9. The Court entered the Parties' Stipulated Protective Order on January 26, 2022 (ECF 159), and the
18 Parties executed a Stipulated and Agreed Document Production Protocol on March 10, 2022. *Id.* at ¶9.
19 The Parties served initial document requests on January 21, 2022 and served responses and objections
20 thereto on February 22, 2022. *Id.* With respect to those requests and objections, the Parties actively
21 exchanged emails and correspondence and met and conferred on the scope of discovery, search terms,
22 and issues related to ESI. *Id.* On December 19, 2022, Lead Plaintiff served Defendants with a second
23 set of requests for production. *Id.* Defendants ultimately produced 171,068 documents totaling over
24 757,200 pages, including Corcept emails, board materials, training and marketing materials, and text
25 messages from certain Corcept employees, among other categories. *Id.* Lead Plaintiff produced 162
26 documents totaling over 2,100 pages. *Id.* On March 18, 2022, Defendants served their first set of
27 interrogatories on Lead Plaintiff, to which Lead Plaintiff responded and objected on April 18, 2022. *Id.*

1 During this period, the Parties also engaged in extensive third-party discovery, having subpoenaed 47
2 non-parties who have together produced over 17,200 documents totaling nearly 146,000 pages. *Id.* at
3 ¶9.

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

10 While formal discovery was underway and after supplemental briefing, the Parties participated
11 in a second mediation session before Ms. Yoshida on May 12, 2022, but were unable to resolve the
12 Action. *Id.* at ¶11. In connection with the second mediation, Defendants produced over 60,000 pages of
13 documents. *Id.* On December 23, 2022, the Court stayed this Action again to allow the Parties to explore
14 a resolution of the Action. *Id.* After exchanging extensive supplemental mediation briefing, the Parties
15 participated in a third mediation session before Ms. Yoshida on January 24, 2023. *Id.* While no
16 settlement was reached during the formal session on January 24, 2023, Ms. Yoshida continued her active
17 role in attempting to bring the Parties together for a resolution and the Parties exchanged additional
18 offers and counteroffers. *Id.* Ultimately, on February 8, 2023, pursuant to a double-blind
19 recommendation from Ms. Yoshida, the Parties reached an agreement in principle to settle and release
20 all claims against Defendants in return for a cash payment of \$14,000,000, subject to the execution of a
21 customary "long form" stipulation agreement of settlement and related papers. *Id.*

22 As discussed further below, Lead Plaintiff believes it is in the best interest of the Settlement
23 Class to offset the risk of further litigation by settling at this phase of the litigation. *Id.* at ¶19.

24 **III. ARGUMENT**

25 **A. The Court Should Preliminarily Approve the Settlement.**

26 Rule 23(e) of the Federal Rules of Civil Procedure ("Rule") requires judicial approval for any
27 compromise of claims brought on a class basis. Approval of a proposed settlement is a matter within the
28

1 broad authority of the district court. *See Hanlon v. Chrysler Corp.*, 150 F.3d 1011, 1025 (9th Cir. 1998),
2 *overruled on other grounds by Wal-Mart Stores, Inc. v. Dukes*, 564 U.S. 338, 131 S. Ct. 2541 (2011);
3 *Daniels v. Jenson*, 2013 WL 12317809, at *1 (D. Nev. Feb. 12, 2013) (citing *Duk v. MGM Grand Hotel,*
4 *Inc.*, 320 F.3d 1052, 1060-61 (9th Cir. 2003)). “[T]here is a strong judicial policy that favors settlements,
5 particularly where complex class action litigation is concerned.” *Allen v. Bedolla*, 787 F.3d 1218, 1223
6 (9th Cir. 2015) (citation omitted).

7 Approval of class action settlements typically proceeds in two stages: (i) preliminary approval,
8 followed by notice to the class; and (ii) final approval. *See, e.g., Moorner v. StemGenex Med. Grp., Inc.*,
9 2021 WL 640842, at *2 (S.D. Cal. Jan. 8, 2021); *West v. Circle K Stores, Inc.*, 2006 WL 1652598, at *2
10 (E.D. Cal. June 13, 2006). By this motion, Lead Plaintiff requests that the Court take the first step in the
11 approval process by granting preliminary approval of the Settlement. At the preliminary approval stage,
12 the Court must “determine whether the settlement falls ‘within the range of possible approval.’” *Terry*
13 *v. Hoovestol, Inc.*, 2018 WL 4283420, at *1 (N.D. Cal. Sept. 7, 2018) (quoting *In re Tableware Antitrust*
14 *Litig.*, 484 F. Supp. 2d 1078, 1080 (N.D. Cal. 2007)). “Courts may preliminarily approve a settlement
15 and notice plan to the class if the proposed settlement: (1) appears to be the product of serious, informed,
16 non-collusive negotiations; (2) does not grant improper preferential treatment to class representatives or
17 other segments of the class; (3) falls within the range of possible approval; and (4) has no obvious
18 deficiencies.” *Vataj v. Johnson*, 2021 WL 1550478, at *7 (N.D. Cal. Apr. 20, 2021). If the Court “finds
19 the proposed settlement fair to its members,” it will then “schedule[] a fairness hearing where it will
20 make a final determination of the class settlement.” *In re Haier Freezer Consumer Litig.*, 2013 WL
21 2237890, at *3 (N.D. Cal. May 21, 2013).

22 Pursuant to Rule 23(e)(1), the issue at preliminary approval turns on whether the Court “will
23 likely be able to: (i) approve the proposal under Rule 23(e)(2); and (ii) certify the class for purposes of
24 judgment on the proposal.” Fed. R. Civ. P. 23(e)(1)(B). Rule 23(e)(2) provides the following factors that
25 courts must consider in determining whether to approve a settlement:

26 (2) *Approval of the Proposal.* If the proposal would bind class members, the court may
27 approve it only after a hearing and only on finding that it is fair, reasonable, and adequate
28 after considering whether: (A) the class representatives and class counsel have adequately

1 represented the class; (B) the proposal was negotiated at arm’s length; (C) the relief provided
 2 for the class is adequate, taking into account: (i) the costs, risks, and delay of trial and appeal;
 3 (ii) the effectiveness of any proposed method of distributing relief to the class, including the
 4 method of processing class member claims; (iii) the terms of any proposed award of
 attorney’s fees, including timing of payment; and (iv) any agreement required to be identified
 under Rule 23(e)(3); and (D) the proposal treats class members equitably relative to each
 other.

5 Fed. R. Civ. P. 23(e)(2). These Rule 23(e) factors are not intended to fully displace factors previously
 6 adopted by courts to evaluate settlements. *See, e.g., Wong v. Arlo Techs., Inc.*, 2021 WL 1531171, at *5
 7 (N.D. Cal. Apr. 19, 2021) (“[T]he Court applies the framework set forth in Rule 23 with guidance from
 8 the Ninth Circuit’s precedent.”). In this respect, the Ninth Circuit has long considered the following
 9 factors when evaluating a class settlement (the “*Hanlon* Factors”), some of which overlap with Rule
 10 23(e)(2): (1) the strength of the plaintiffs’ case; (2) the risk, expense, complexity, and likely duration of
 11 further litigation; (3) the risk of maintaining class action status throughout the trial; (4) the amount
 12 offered in settlement; (5) the extent of discovery completed and the stage of the proceedings; (6) the
 13 experience and views of counsel; (7) the presence of a governmental participant; and (8) the reaction of
 14 Settlement Class members.² *Hanlon*, 150 F.3d at 1026; *see also e.g., Lane v. Facebook, Inc.*, 696 F.3d
 15 811, 819 (9th Cir. 2012) (discussing the *Hanlon* factors).

16 As discussed below, the proposed Settlement readily satisfies each of the *Hanlon* and Rule
 17 23(e)(2) factors, as well as Northern District Guidelines. Therefore, Notice of the proposed Settlement
 18 should be sent to the Settlement Class in advance of the final Settlement Hearing.

19
 20 **1. Lead Plaintiff and Lead Counsel Have Adequately Represented the
 Settlement Class (Rule 23(e)(2)(A) and Hanlon Factor 6)**

21 In evaluating a proposed settlement under Rule 23(e)(2)(A), courts must resolve two questions
 22 to determine “legal adequacy: (1) do[es] the named plaintiff[] and [its] counsel have any conflicts of
 23 interest with other class members and (2) will the named plaintiff[]and [its] counsel prosecute the action
 24 vigorously on behalf of the class?” *Hanlon*, 150 F.3d at 1020. Here, Lead Plaintiff and Lead Counsel
 25 have no interests antagonistic to other Settlement Class Members; Lead Plaintiff’s claims are typical of
 26

27 ² *Hanlon* Factor 8 is assessed at final approval, after Notice has been disseminate to the Class.

1 the Settlement Class’s claims; and their interest in obtaining the largest possible recovery for investors
2 is aligned with that of the Settlement Class. *Mild v. PPG Indus., Inc.*, 2019 WL 3345714, at *3 (C.D.
3 Cal. July 25, 2019) (“Because Plaintiff’s claims are typical of and coextensive with the claims of the
4 Settlement Class, his interest in obtaining the largest possible recovery is aligned with the interests of
5 the rest of the Settlement Class members.”).

6 Moreover, the proposed Settlement is the result of nearly four years of diligent prosecution of
7 this action on behalf of the Settlement Class, including extensive document discovery, depositions, and
8 three mediations. *See Hefler v. Wells Fargo & Co.*, 2018 WL 6619983, at *6 (N.D. Cal. Dec. 18, 2018),
9 *aff’d sub nom. Hefler v. Pekoc*, 802 F. App’x 285 (9th Cir. 2020) (Rule 23(e)(2)(A) satisfied where
10 “Class Counsel had vigorously prosecuted this action through dispositive motion practice, extensive . .
11 . discovery, and formal mediation”); *In re Extreme Networks, Inc. Sec. Litig.*, 2019 WL 3290770, at *7
12 (N.D. Cal. July 22, 2019) (same). Thus, Lead Counsel, who have a great deal of experience in the
13 prosecution and resolution of complex class actions like this (*see* Ex. 6 to Hopkins Decl.), were able to
14 carefully evaluate the merits of the Action and the proposed Settlement. Lead Counsel believe that they
15 had a strong case and that there was sufficient evidence to proceed to the jury on their claims but
16 recognize that the challenges Defendants raised (Section III(A)(4), *infra*) could pose significant risks
17 regarding their ability to prevail and the scope of damages if the case were to proceed to trial. Lead
18 Counsel understands the risks of litigation and that, even where a plaintiff’s case appears strong, there
19 is no guarantee against a defense verdict. For instance, the Court previously dismissed the entire Second
20 Amended Complaint, and while Lead Plaintiff was able to bolster those allegations in repleading the
21 Third Amended Complaint, even then the Court dismissed claims based on over half of Defendants’
22 allegedly false statements and all claims to the extent they were based on the alleged January 31, 2019
23 corrective disclosure. As such, Lead Counsel believes the Settlement is fair, reasonable and adequate,
24 and in the best interest of the Settlement Class. *See* Hopkins Decl. ¶19. *See Hefler*, 2018 WL 6619983,
25 at *9 (“That counsel advocate in favor of this Settlement weighs in favor of its approval.”).

26 Thus, Rule 23(e)(2)(A) and *Hanlon* Factor 6 are satisfied.
27
28

1 **2. The Proposed Settlement is the Result of Good Faith, Arm’s-Length**
2 **Negotiations by Informed, Experienced Counsel (Rule 23(e)(2)(B))**

3 Rule 23(e)(2)(B) asks whether a proposed settlement “was negotiated at arm’s length.” There is
4 an initial presumption that a proposed settlement is fair and reasonable when it is “the product of arms-
5 length negotiations.” *In re Portal Software, Inc. Sec. Litig.*, 2007 WL 1991529, at *6 (N.D. Cal. June
6 30, 2007). Courts in the Ninth Circuit “put a good deal of stock in the product of an arms-length, non-
7 collusive, negotiated resolution.” *Rodriguez v. W. Publ’g Corp.*, 563 F.3d 948, 965 (9th Cir. 2009);
8 *Tableware*, 484 F. Supp. 2d at 1080. *See also Moorer*, 2021 WL 640842, at * 4 (giving deference to
9 experienced counsel); *Hanlon*, 150 F.3d at 1027 (courts are deferential “to the private consensual
10 decision of the parties” (citation omitted); *In re Wells Fargo Collateral Prot. Ins. Litig.*, 2019 WL
11 6219875, at *3 (C.D. Cal. Nov. 4, 2019) (same).

12 The proposed Settlement was achieved only after three mediation sessions before experienced
13 mediator, Michelle Yoshida, Esq. of Phillips ADR Enterprises LLC, as well as various teleconferences
14 and correspondences through Ms. Yoshida regarding a potential resolution of the Litigation. *See*
15 *Hopkins Decl.* ¶12. On February 8, 2023, after exchanging numerous offers and counteroffers following
16 the Parties’ *third* mediation, the Parties agreed to a double-blinded mediator’s proposal to settle the
17 claims asserted in this Action for \$14 million in cash. *Id.* The negotiations were informed by the
18 knowledge Lead Counsel gained from their investigation and analysis of the facts and legal issues,
19 including consultation with Lead Plaintiff’s damage consultant. *See Id.* Based on their familiarity with
20 the factual and legal issues and armed with a thorough understanding of the strength and weaknesses of
21 the claims at issue, the Parties were able to negotiate a fair settlement accounting for the costs and risks
22 of continued litigation. The negotiations were, at all times, hard-fought and have produced a result that
23 the Settling Parties believe to be in their respective interests.

24 That the proposed Settlement resulted from a mediator recommendation underscores that it was
25 the product of arm’s length, non-collusive negotiations. *In re Atmel Corp. Derivative Litig.*, 2010 WL
26 9525643, at *13 (N.D. Cal. Mar. 31, 2010) (“Judge Phillips’ participation weighs considerably against
27 any inference of a collusive settlement.”); *See Hefler*, 2018 WL 6619983, at *6 (finding “the Settlement
28

1 was the product of arm’s length negotiations through two full-day mediation sessions and multiple
2 follow-up calls supervised by former U.S. District Judge Layn Phillips”).

3 **3. The Settlement Provides Adequate Relief for the Class**
4 **(Rule 23(e)(2)(C), Hanlon Factor 4, and Procedural Guidance 1(c))**

5 Pursuant to Rule 23(e)(2)(C) and *Hanlon* Factor 4, the Court also must consider whether “the
6 relief provided for the class is adequate, taking into account” four relevant factors addressed below
7 (Section III(A)(4), *infra*).³ When evaluating the adequacy of a settlement, courts balance a plaintiff’s
8 expected recovery against the value of the offer. *See Vataj*, 2021 WL 1550478, at *9; *Tableware*, 484
9 F. Supp. 2d at 1080; *Portal Software*, 2007 WL 1991529, at *6. Here, the \$14 million recovery under
10 the proposed Settlement constitutes approximately 7.3% of the maximum theoretical aggregate damages
11 on a FIFO basis (or 8.3% on a LIFO basis) assuming Lead Plaintiff prevailed on all claims against the
12 Defendants, including claims based on both the January 25, 2019 and January 31, 2019 corrective
13 disclosures. *See Hopkins Decl.* ¶18. If Lead Plaintiff prevailed only on claims relating to the January
14 25, 2019 corrective disclosure, the proposed Settlement constitutes approximately 11.4% of the
15 maximum theoretical aggregate damages on a FIFO basis, or 12.9% on a LIFO basis. *See Id.*, ¶18.

16 This proposed Settlement recovery is in line with and exceeds recent comparable class action
17 settlements and is a very good result for any stage of the litigation. *See, e.g., Vataj*, 2021 WL 1550478,
18 at *9 (preliminarily approving settlement that was 2% of estimated damages); *Extreme Networks, Inc.*
19 *Sec. Litig.*, 2019 WL 3290770, at *9 (settlement recovering between 5% and 9.5% of estimated
20 maximum non-disaggregated damages approved); *See Exhibit 4 to Hopkins Decl.*, Janeen McIntosh,
21 Svetlana Starykh & Edward Flores, *Recent Trends in Securities Class Action Litigation: 2022 Full-Year*
22 *Review* at 18, Figure 19 (NERA Jan. 24, 2023) (median ratio of settlement to investor losses was 1.8%
23 in 2022); *Exhibit 5 to Hopkins Decl.*, L.T. Bulan, L.E. Simmons, *Securities Class Action Settlements*,

24 _____
25 ³ In addition to the fourth *Hanlon* factor (“the amount offered in settlement”), which is subsumed within
26 the Rule 23(e)(2)(C) analysis, courts also evaluate the requirements of Guideline §1(e) with regard to
27 “[t]he anticipated class recovery under the settlement, the potential class recovery if plaintiffs had fully
28 prevailed on each of their claims, and an explanation of the factors bearing on the amount of the
compromise.” *See, e.g., Norton v. LVNV Funding, LLC*, 2021 WL 3129568, at *13 (N.D. Cal. July 23,
2021) (alteration in original).

1 2022 *Review and Analysis*, Cornerstone Research (2023), at 6 (stating that the median comparable
 2 securities class action settlements in Rule 10b-5 cases in 2022 resulted in a recovery of 4.3% or 4.4% of
 3 estimated damages). The benefits created by the Settlement weigh heavily in favor of preliminary
 4 approval.

5 **4. The Costs, Risks, and Delay of Trial and Appeal Support Approval of the**
 6 **Settlement (Rule 23(e)(2)(C)(i) and Hanlon Factors 1, 2 and 3)**

7 Rule 23(e)(2)(C)(i), which incorporates Hanlon Factors 1, 2 and 3,⁴ requires the Court to weigh
 8 the cost, risk, and delay of further litigation against the result achieved. It is undisputed that “securities
 9 actions are highly complex and . . . securities class litigation is notably difficult and notoriously
 10 uncertain.” *Hefler*, 2018 WL 6619983, at *13; *see also Mauss v. NuVasive, Inc.*, 2018 WL 6421623, at
 11 *6 (S.D. Cal. Dec. 6, 2018) (recognizing that “[s]ecurities class actions are complex actions to litigate”
 12 and often involve “complex and highly risky trial and likely post-trial appeals and motion practice”).

13 While Lead Plaintiff remained confident in its ability to ultimately prove its claims at trial,
 14 Defendants advanced several credible arguments disputing both liability and damages. For example,
 15 Defendants argued their alleged misstatements that Corcept was marketing Korlym on-label were not
 16 false because it is ultimately within the physician’s discretion whether to prescribe Korlym off-label.
 17 Thus, Defendants asserted, Lead Plaintiff could not prove the existence of an off-label marketing
 18 scheme. Defendants further argued that Corcept fully complied with FDA regulations for the promotion
 19 of Korlym, supported by the fact that there is no evidence the FDA disapproved of Corcept’s marketing
 20 materials. Even if Lead Plaintiff proved that Corcept was engaged in off-label marketing, Defendants
 21 argued it could not prove they acted with scienter because Corcept employed strict instructions to
 22 Corcept employees to only market Korlym on-label and no physicians or anyone else told them Corcept
 23 was engaged in off-label marketing. *See In re Immune Response Sec. Litig.*, 497 F. Supp. 2d 1166, 1172
 24 (S.D. Cal. 2007) (“scienter . . . [is] complex and difficult to establish at trial.”).

25 Defendants also made numerous challenges to loss causation and damages, arguing that the SIRF

26
 27 ⁴ Rule 23(e)(2)(C)(i) essentially incorporates the first three traditional *Hanlon* factors. *See, e.g., Wong*,
 28 2021 WL 1531171, at *8 (citing *Hanlon*, 150 F.3d at 1026); *Norton*, 2021 WL 3129568, at *5.

1 Report was entirely comprised of previously-disclosed public information and that Corcept's stock price
2 movement was caused by factors unrelated to Lead Plaintiff's allegations. Hopkins Decl., at ¶16. *See In*
3 *re Zynga Inc. Sec. Litig.*, 2015 WL 6471171, at *9 (N.D. Cal. Oct. 27, 2015) (“[I]n ‘any securities
4 litigation case, it [is] difficult for [plaintiff] to prove loss causation and damages at trial.’”). Defendants
5 also stated they would challenge the efficiency of the market for Corcept's securities at class
6 certification. Hopkins Decl., at ¶16. While Lead Plaintiff is confident that a class would have been
7 certified, because Rule 23(c)(1) provides that a class certification order may be altered or amended at
8 any time prior to a decision on the merits, there was an ongoing risk that any certified class could have
9 been disturbed on appeal or if Defendants successfully moved to decertify the Class. *See Rodriguez*, 563
10 F.3d at 966. Even if Lead Plaintiff prevailed at a trial, Defendants would almost certainly file an appeal—
11 a process that would further extend the litigation for years and risk reversal of any plaintiff's verdict.

12 Barring the Settlement, this case would require the expenditure of substantial time and money
13 for expert discovery, summary judgment, trial and beyond, with no guarantee that any additional benefit
14 would be provided to the Settlement Class. Conversely, the Settlement confers a substantial and
15 immediate benefit on the Settlement Class, and avoids the risks associated with obtaining a wholly
16 speculative (though potentially larger) sum in the future. In sum, Defendants had “plausible defenses
17 that could have ultimately left class members with a reduced or non-existent recovery,” which weighs
18 in favor of preliminary approval of the proposed Settlement. *In re TracFone Unlimited Serv. Plan Litig.*,
19 112 F. Supp. 3d 993, 999 (N.D. Cal. 2015). The Settlement thus balances the risks, costs, and delay
20 inherent in complex cases and is a meaningful recovery that is in the Class's best interests.

21 **5. The Proposed Method for Distributing Relief is Effective** 22 **(Rule 23(e)(2)(C)(ii))**

23 The method for distributing relief to eligible claimants and for processing settlement Class
24 Members' claims includes standard, well-established, and effective procedures for processing claims
25 and efficiently distributing the Net Settlement Fund, and is therefore an effective method of distribution
26 to the Class under Rule 23(e)(2)(C)(ii). The Notice plan includes email and/or direct mail postcard notice
27 to all those who can be identified with reasonable effort supplemented by publication of the Summary
28

1 Notice in *Investor's Business Daily* and once over a national newswire service. Proposed Preliminary
 2 Approval Order, ¶ 8(b). The Notice also will be posted on the case website
 3 (www.CorceptSecuritiesLitigation.com) established in connection with the Class Notice. *Id.*, ¶ 7.

4 The claims process includes a standard claim form that requests the information necessary to
 5 calculate a claimant's claim amount pursuant to the Plan of Allocation, which governs how Settlement
 6 Class Members' claims will be calculated and, ultimately, how money will be distributed to Authorized
 7 Claimants. The Plan of Allocation was prepared with the assistance of Lead Plaintiff's damages expert
 8 and is based primarily on the expert's event study and estimation of the amount of artificial inflation in
 9 the price of Corcept common stock and options during the Class Period. *See* Section III(D), *infra*.

10 **6. The Intended Request for Attorneys' Fees and Expenses and an Award**
 11 **for Costs and Expenses of Lead Plaintiff (Rule 23(e)(2)(C)(iii) and**
 12 **Procedural Guidance 6 and 7)**

13 Lead Counsel intends to seek an award of attorneys' fees of no more than 25% of the Settlement
 14 Fund and expenses in an amount not to exceed \$975,000, plus interest. A proposed attorneys' fee of up
 15 to 25% of the Settlement Fund is reasonable in light of the work required to reach the Settlement and
 16 the "benchmark" often referenced by courts in the Ninth Circuit. *See, e.g., Staton v. Boeing Co.*, 327
 17 F.3d 938, 968 (9th Cir. 2003) ("This circuit has established 25% of the common fund as a benchmark
 18 award for attorney fees."). Moreover, Lead Counsel's lodestar to date is approximately \$3.5 million,⁵
 19 resulting in no lodestar multiplier and further indicating the reasonableness of the settlement fund. *See*
 20 *Vizcaino v. Microsoft Corp.*, 290 F.3d 1043, 1051, fn 6 (9th Cir. 2002) (noting most multipliers range
 21 between 1.0 and 4.0).

22 This fee request reflects the successful result achieved for the Settlement Class, the tremendous
 23 risks faced on summary judgment and at trial, and is in line with other complex class settlements
 24 approved in the Ninth Circuit. *See, e.g., Fleming v. Impax Lab. Inc.*, 2022 WL 2789496, at *8-9 (N.D.
 25 Cal. Jul. 15, 2022) (approving fee award of 30% of \$33 million settlement fund); *Morris v. Lifescan,*
 26 *Inc.*, 54 F. App'x 663, 664 (9th Cir. 2003) (affirming attorneys' fee award of 33% of a \$14.8 million

27 ⁵ If preliminary approval is granted, Lead Counsel will present its total lodestar in connection with its
 28 fee application at the final approval stage.

1 cash settlement); *In re Pac. Enters. Sec. Litig.*, 47 F.3d 373, 379 (9th Cir. 1995) (approving a fee award
2 of one-third of a \$12 million settlement fund); *In re Tezos Sec. Litig.*, No. 3:17-cv-06779-RS, slip op. at
3 2 (N.D. Cal. Aug. 28, 2020) (ECF No. 262) (awarded 33% of \$25 million recovery in securities action);
4 *Vataj v. Johnson*, No. 4:19-cv-06996, Dkt. 137, at 13-17 (N.D. Cal. Nov. 5, 2021) (awarding fees of
5 25% of \$10 million settlement fund); *In re Vaxart, Inc. Sec. Litig.*, No. 3:20-cv-05949, Dkt. 274 (N.D.
6 Cal. Jan. 25, 2023) (awarding 25% of common fund).

7 Lead Counsel also intends to seek payment of their litigation expenses in an amount not to exceed
8 \$975,000 and comprised of consulting experts, document review, mediation fees, legal and factual
9 research, travel and other expenses necessary to prosecute this Action. Lead Counsel will provide
10 appropriate detail in support of any request for an award of litigation expenses with their fee and expense
11 application prior to final approval.

12 Finally, Lead Counsel intends to seek an award of up to \$15,000 for Lead Plaintiff, pursuant to
13 15 U.S.C. §78u-4(a)(4), in connection with its representation of the Class. Lead Plaintiff is an
14 accomplished class action attorney and his work performed in executing his duties and responsibilities
15 in this Action include, *inter alia*: (a) reviewing pleadings, motion to dismiss briefing, and material
16 prepared in connection with Lead Plaintiff's opening class certification motion; (b) reviewing news and
17 information about Corcept; (c) conferring with Lead Counsel on legal strategy, case status, discovery
18 and settlement negotiations, among other things; (d) providing written responses to Defendants'
19 discovery requests and producing documents; and (e) attending three mediations and evaluating the
20 offers and counteroffers. Hopkins Decl. ¶20. Thus, Lead Counsel believes this amount is fully supported
21 by the work undertaken throughout the Litigation, which will be set forth in greater detail in connection
22 with the fee and expense motion and is consistent with awards approved in similar circumstances. *See,*
23 *e.g. In re Illumina, Inc. Sec. Litig.*, 2021 WL 1017295, at *8 (S.D. Cal. Mar. 17, 2021) (awarding
24 \$25,000 to class representative); *Singer v. Becton Dickinson and Co.*, 2010 WL 2196104, at *9 (S.D.
25 Cal. Jun. 1, 2010) (approving \$25,000 incentive award as "well within the acceptable range awarded in
26 similar cases"); *In re Omnivision Techs., Inc.*, 559 F. Supp. 2d 1036, 1049 (N.D. Cal. 2008) (approving
27 \$29,913.80 incentive award).

1 **7. Other Agreements (Rule 23(e)(2)(C)(iv))**

2 The Parties have entered into a standard supplemental agreement that provides that if Class
3 Members opt out of the Settlement such that the number opt outs equals or exceeds a certain threshold,
4 Defendants shall have the option to terminate the Settlement. Stipulation ¶12.2. Agreements of this sort
5 are typical in class settlements and, if requested, Lead Plaintiff can submit additional information
6 regarding this agreement *in camera*. There are no other side agreements between the Parties.

7 **8. The Proposed Settlement Treats All Class Members Equitably**
8 **(Rule 23(e)(2)(D) and Procedural Guidance 1(g))**

9 The proposed Settlement bears no obvious deficiencies. In its opinion reviewing final approval
10 in *In re Bluetooth Headset Prods. Liability Litig.*, the Ninth Circuit pointed to three factors as troubling
11 signs of a potential disregard for the class’s interests during the course of negotiation: (a) when class
12 counsel receive a disproportionate distribution of the settlement; (b) when the parties negotiate a “clear
13 sailing” arrangement that provides for the payment of attorneys’ fees separate and apart from class funds;
14 or (c) when the parties arrange for fees not awarded to plaintiffs’ counsel to revert to the defendants
15 rather than the class. 654 F.3d 935, 947-48 (9th Cir. 2011).

16 None of these deficiencies exist here. The proposed Settlement creates a common fund, with no
17 possibility of reversion to Defendants. Hopkins Decl., ¶22; *See* Stipulation ¶14.4. The funds will be used
18 to cover costs and fees and compensate Settlement Class Members based on a *pro rata* formula pursuant
19 to the Plan of Allocation that Lead Counsel drafted with the assistance of a damages expert. The Plan
20 of Allocation does not “‘improperly grant’” Lead Plaintiff or any other Class Member “‘preferential
21 treatment.’” *Zynga*, 2015 WL 6471171, at *10; *see also Vinh Nguyen v. Radiant Pharms. Corp.*, 2014
22 WL 1802293, at *5 (C.D. Cal. May 6, 2014) (“A settlement in a securities class action case can be
23 reasonable if it ‘fairly treats class members by awarding a pro rata share to every Authorized Claimant,
24 but also sensibly makes interclass distinctions based upon, *inter alia*, the relative strengths and
25 weaknesses of class members’ individual claims and the timing of purchases of the securities at issue.”).
26 Rather, the Plan of Allocation provides formulas for calculating the recognized claim of each Settlement
27 Class Member, based on each such Settlement Class member’s purchases or acquisitions of Concept

1 common stock or options during the Class Period and if or when they sold.

2 “A plan of allocation that reimburses class members based on the extent of their injuries is
3 generally reasonable.” *NuVasive*, 2018 WL 6421623, at *4. Each Authorized Claimant, including Lead
4 Plaintiff, will receive a *pro rata* distribution pursuant to the Plan of Allocation. *See Ciuffitelli v. Deloitte*
5 *& Touche LLP*, 2019 WL 1441634, at *18 (D. Or. Mar. 19, 2019); *Portal Software*, 2007 WL 1991529,
6 at *5 (the Settlement “does not improperly grant preferential treatment to [the Lead Plaintiff] or
7 segments of the class”) (citation omitted); *see also Opperman v. Kong Techs. Inc.*, 2017 WL 11676126,
8 at *5 (N.D. Cal. July 6, 2017). *See also*, Section III(D), *infra*.

9 **9. The Extent of Discovery Completed and the Stage of the Proceedings at**
10 **Which the Settlement Was Achieved (Hanlon Factor 5)**

11 The fifth *Hanlon* factor (the extent of discovery completed and the stage of the proceedings at
12 which the settlement was achieved) supports preliminary approval of the Settlement. As the Settlement
13 was reached, the Settling Parties had a thorough understanding of the arguments *and* evidence. Lead
14 Plaintiff, through Lead Counsel, had *inter alia*: (i) conducted a detailed investigation into the claims
15 asserted in the Action and drafted three amended complaints; (ii) opposed two motions to dismiss; (iii)
16 drafted and prepared Lead Plaintiff’s motion for class certification; (iv) extensively consulted with
17 experts on Cushing’s Syndrome, the marketing of pharmaceutical drugs and related FDA regulations,
18 market efficiency, loss causation, and damages; (v) conducted a detailed review of Corcept public filings,
19 annual reports, press releases, and other publicly available information; (vi) reviewed analyst reports
20 and articles relating to Corcept; (vii) researched applicable law with respect to the claims and defenses
21 asserted in the Action; (viii) drafted and responded to written discovery requests; (ix) reviewed and
22 analyzed over 750,000 pages of documents produced by Defendants, 146,000 pages of documents
23 produced by third-parties, and over 2,100 pages of documents produced by Lead Plaintiff; (x)
24 participated in the depositions of one of Lead Plaintiff’s experts and a former Corcept employee; and
25 (xi) drafted and exchanged three detailed mediation statements with Defendants. As such, Lead Counsel
26 thoroughly examined the issues and relative strengths and weaknesses of the claims and defenses. *See*,
27 *e.g.*, *Vataj*, 2021 WL 1550478, at *2 (preliminarily approving settlement despite the case still being in
28

1 the motion to dismiss briefing phase of the litigation); *Pataky v. Brigantine, Inc.*, 2018 WL 3020159, at
2 *3 (S.D. Cal. June 18, 2018). Thus, *Hanlon* Factor 5 supports preliminary approval.

3 **10. The DOJ Investigation (Hanlon Factor 7 and Procedural Guidance 1(d))**

4 On November 3, 2022, Corcept filed a Form 10-Q disclosing that it had received a subpoena in
5 November of 2021 from the U.S. Attorney's Office for the District of New Jersey ("NJ USAO"). To
6 Lead Plaintiff's knowledge, the investigation is ongoing and the NJ USAO has not made any findings
7 or conclusions. Thus, because Lead Counsel has not had the benefit of the NJ USAO's investigation in
8 this Litigation, this factor is neutral or supports approval.

9 Additionally, Lead Counsel is aware of no other cases that will be directly affected by this
10 Settlement. *See* Hopkins Decl. ¶23.

11 **B. Certification of the Settlement Class Under Fed R. Civ. P. 23 is Appropriate**
12 **(Procedural Guidance 1(a)-(b))**

13 For purposes of settlement, Lead Plaintiff seeks certification of the Settlement Class, consisting
14 of all persons who purchased or otherwise acquired common stock or options to purchase common stock
15 of Corcept between August 2, 2017 and January 31, 2019, inclusive (the "Settlement Class Period").
16 Further, the claims to be released include all claims in the Third Amended Complaint, including claims
17 that have been dismissed by the Court and subject to appeal, and related Released Claims against
18 Released Persons as defined in the Stipulation (and also described in the Notice and Claim Form). While
19 the Released Claims include not only those claims that were asserted, but also those that could have
20 been asserted, the Stipulation properly limits such Released Claims to those that both "(a) arise out of,
21 are based upon, or relate to in any way any of the allegations, acts, transactions, facts, events, matters,
22 occurrences, representations or omissions involved, set forth, alleged or referred to, in this Action, or
23 which could have been alleged in this action and (b) arise out of, are based upon, or relate to in any way
24 to the purchase, acquisition, holding, sale, or disposition of any Corcept securities during the Class
25 Period." Stipulation ¶1.28. Such releases are common in approved securities class action settlements.
26 The release is thus carefully tailored to Lead Plaintiff's alleged claims.

27 In order for a class action to be certified, the following requirements must be met pursuant to
28

1 Rule 23(a): (1) the class is so numerous that joinder of all members is impracticable; (2) there are
 2 questions of law or fact common to the class; (3) the claims or defenses of the representative parties are
 3 typical of the claims or defenses of the class; and (4) the representative parties will fairly and adequately
 4 protect the interests of the class. *Hanlon*, 150 F.3d at 1019. Each element is satisfied here.

5 **1. The Settlement Class is Sufficiently Numerous**

6 To meet the numerosity requirement, the class representative need only demonstrate that it is
 7 difficult or inconvenient to join all members of the class, who may be geographically dispersed. *Nursing*
 8 *Home Pension Fund v. Oracle Corp.*, 2006 WL 8071391, at *2 (N.D. Cal. Dec. 20, 2006). Here, Corcept
 9 traded on the NASDAQ, with between approximately 113.4 million to 114.7 million shares outstanding
 10 during the Class Period. Dkt. 127, ¶¶466(e), 475. Therefore, the Court may reasonably conclude that
 11 there are likely thousands of Settlement Class Members across the country. *See SEB Inv. Mgmt. AB v.*
 12 *Symantec Corp.*, 335 F.R.D. 276, 282-83 (N.D. Cal. 2020) (numerosity satisfied with “over six-hundred
 13 thousand outstanding shares of Symantec common stock during the class period”).

14 **2. Common Questions of Fact or Law Exist.**

15 In order for a class to be certified, there must be “questions of law or fact common to the class.”
 16 Fed. R. Civ. P. 23(a)(2). The commonality requirement “has been construed permissively [and a]ll
 17 questions of fact and law need not be common to satisfy the rule.” *Hanlon*, 150 F.3d at 1019. This case
 18 presents numerous common questions of law and fact, including: (a) whether Defendants violated
 19 Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder and whether the Individual
 20 Defendants also violated Sections 20(a) of the Exchange Act; (b) whether Defendants acted with the
 21 requisite scienter; and (c) whether the Settlement Class Members have sustained damages and, if so, the
 22 proper measure of such damages. *See, e.g., Vataj*, 2021 WL 1550478, at *5.

23 **3. Lead Plaintiff’s Claims Are Typical of Those of The Settlement Class**

24 Rule 23(a)(3) requires that the proposed class representative’s claims be “typical” of the claims
 25 of the class. The typicality requirement “imposes only a modest burden.” *In re Lending Club Sec. Litig.*,
 26 282 F. Supp. 3d 1171, 1182 (N.D. Cal. 2017). “The test of typicality is ‘whether other members have
 27 the same or similar injury, whether the action is based on conduct which is not unique to the named
 28

1 plaintiffs, and whether other class members have been injured by the same course of conduct.” *Parsons*
2 *v. Ryan*, 754 F.3d 657, 685 (9th Cir. 2014). “Under the rule’s permissive standards, representative claims
3 are ‘typical’ if they are reasonably coextensive with those of absent class members; they need not be
4 substantially identical.” *Parsons*, 754 F.3d at 685.

5 Here, the claims of both the Lead Plaintiff and Settlement Class Members arise from the same
6 set of circumstances – i.e., Defendants’ alleged fraudulent conduct regarding Corcept’s marketing of
7 Korlym. Lead Plaintiff’s claims are therefore predicated on the same or similar legal theories as those
8 of the other Settlement Class Members. Further, the proof that Lead Plaintiff would present to establish
9 its claims would also prove the claims of the rest of the Settlement Class. The typicality prong has
10 therefore been met. *See, e.g., Vataj*, 2021 WL 1550478, at *5.

11 **4. Lead Plaintiff and Lead Counsel Will Fairly and Adequately Represent** 12 **the Interests of the Settlement Class**

13 The adequacy requirement under Rule 23 “serves to uncover conflicts of interest between named
14 parties and the class they seek to represent.” *Amchem Prods. v. Windsor*, 521 U.S. 591, 625 (1997). The
15 factors to determine adequacy are: (a) the absence of potential conflicts between the named plaintiff(s)
16 and their counsel with other class members; and (b) counsel chosen by the representative plaintiff(s) is
17 qualified, experienced and able to vigorously conduct the litigation. *Hanlon*, 150 F.3d at 1020. As
18 discussed above, Sections III(A)(1)-(3), *supra*, Lead Plaintiff’s interest in demonstrating Defendants’
19 liability and maximizing recovery are aligned with those of the Settlement Class. *See In re Juniper*
20 *Networks, Inc. Sec. Litig.*, 264 F.R.D. 584, 590 (N.D. Cal. 2009) (finding that the class representatives
21 were adequate because there was no evidence of conflicts of interest with the class). Further, there is no
22 evidence that Lead Plaintiff has interests antagonistic to the interests of other Settlement Class Members.

23 In determining the adequacy of class counsel, courts consider: “(i) the work counsel has done in
24 identifying or investigating potential claims in the action; (ii) counsel’s experience in handling class
25 actions, other complex litigation, and the types of claims asserted in the action; (iii) counsel’s knowledge
26 of the applicable law; and (iv) the resources that counsel will commit to representing the class.” Fed. R.
27 Civ. P. 23(g)(1)(A). As set forth in LK’s firm resume, LK is experienced in litigating complex securities
28

1 class actions like this. Ex. 6 to Hopkins Decl. (firm resume); *See also Subramanian v. Watford, et. al.*,
2 2021 WL 1697147, at *4 (D. Colo. April 29, 2021) (noting Levi & Korsinsky is “qualified, experienced,
3 and able to vigorously conduct the proposed litigation.”); *Daniels Family 2001 Revocable Trust v. Las*
4 *Vegas Sands Corp.*, 2021 WL 41301, at *3 (D. Nev. Jan. 5, 2021) (noting LK’s “extensive experience
5 in complex securities class actions”). Moreover, Lead Counsel has demonstrated its adequacy by the
6 substantial work undertaken in prosecuting this action. *See* Sections III(A)(1)-(4), *supra*. Thus, Lead
7 Plaintiff should be appointed Class Representative and Lead Counsel appointed as Class Counsel for
8 Settlement purposes.

9 **5. The Requirements of Rule 23(b)(3) Are Also Satisfied.**

10 Rule 23(b)(3) authorizes certification where, in addition to the requirements established by Rule
11 23(a), common questions of law or fact predominate over any individual questions, and a class action is
12 superior to other means of adjudication. *Amchem*, 521 U.S. at 607. This case easily meets the
13 requirements of Rule 23(b)(3).

14 **a) Common Legal And Factual Questions Predominate.**

15 “Predominance is a test readily met in certain cases alleging consumer or securities fraud or
16 violations of the antitrust laws.” *Amchem*, 521 U.S. at 625. In this securities fraud case, Lead Plaintiff
17 alleges Defendants mislead investors and deliberately concealed the alleged illegal nature of its Korlym
18 marketing and prescriptions. Whether, *inter alia*, Defendants engaged in a scheme to defraud, acted
19 knowingly or with deliberate recklessness, or caused damages to the Settlement Class predominate over
20 any individual issues that might, in theory, exist. *See Hanlon*, 150 F.3d at 1022 (Rule 23(b)(3) is satisfied
21 where “[a] common nucleus of facts and potential legal remedies dominate[d the] litigation.”); . *See also*
22 *Portal Software*, 2007 WL 1991529, at *4-5 (same); *Hale v. Manna Pro Prods., LLC*, 2020 WL
23 3642490, at *5 (E.D. Cal. July 6, 2020) (same).

24 **b) A Class Action Is The Superior Means To Adjudicate The** 25 **Claims Raised.**

26 The second prong of Rule 23(b)(3) is, for all intents and purposes, demonstrated by the proposed
27 Settlement itself. As the Supreme Court explained in *Amchem*, “[c]onfronted with a request for
28

1 settlement-only class certification, a district court need not inquire whether the case, if tried, would
2 present intractable management problems, see Fed. R. Civ. P. 23(b)(3)(D), for the proposal is that there
3 be no trial.” 521 U.S. at 620. Any manageability problems that may have existed were this case to go to
4 trial are eliminated by the Settlement. Given the unwieldy alternative – many small trials to adjudicate
5 individual claims, which “would prove uneconomic for potential plaintiffs” and where “litigation costs
6 would dwarf potential recovery” – resolution of this case on a class-wide basis is clearly preferable. *See*
7 *Hanlon*, 150 F.3d at 1023.

8 **C. The Proposed Notice Plan Meets All Requirements (*Procedural Guidance 3***
9 **and 10)**

10 Lead Plaintiff also requests that the Court approve the form and content of the proposed Notice
11 (attached as Exhibits A-1, A-3, and A-4 to the proposed Preliminary Approval Order). The proposed
12 form of Notice fully complies with the requirements of Rule 23, the Private Securities Litigation Reform
13 Act of 1995 (“PSLRA”), 15 U.S.C. § 78u-4(a)(7), and the Northern District of California’s Procedural
14 Guidance for Class Action Settlements.

15 Lead Plaintiff proposes giving notice in two ways. First, Lead Plaintiff proposes sending the
16 postcard notice by email, where available, and by mail where no email is available or where the email
17 has bounced back. Both the email and the mailed postcard notice (Stipulation, Ex. A-4) will include a
18 direct link to this Action’s case-specific settlement website (www.CorceptSecuritiesLitigation.com),
19 which contains the long-form Notice (Stipulation, Exhibit A-1) and other information about the
20 settlement. Second, Summary Notice in the form attached as Exhibit A-3 to the proposed Preliminary
21 Approval Order will be published once in *Investor’s Business Daily* and over *PR Newswire*. Notice by
22 mail and publication satisfy the requirements of due process and Rule 23. Nordskog Decl., ¶¶7-14; *See*
23 *Portal Software*, 2007 WL 1991529, at *7; *Vataj*, 2021 WL 5161927, at *5 (finding notice by mail and
24 published in a newswire with national distribution “provided the best practicable notice to the class
25 members”).

26 The substance of the Notice is also sufficient. The Notice apprises Settlement Class members
27 of the nature of the Action, the definition of the Settlement Class, the Class claims and issues, and the
28

1 claims that will be released. Additionally, the Notice: (1) describes the Settlement, Settlement amount,
2 and potential recovery both on an aggregate basis and an average per-share basis; (2) explains that the
3 parties disagreed regarding whether any damages were recoverable even if Lead Plaintiff prevailed on
4 its claims and includes a brief description of why the parties are proposing the Settlement; (3) includes
5 a brief description of the maximum amount of fees and expenses that Lead Counsel will seek; (4)
6 describes the Plan of Allocation; (5) advises of the binding effect of a Judgment on Settlement Class
7 Members under Rule 23(c)(3); (6) advises that a Settlement Class Member may enter an appearance
8 through counsel if desired; (7) states that the Court will exclude from the Settlement Class any
9 Settlement Class Member who requests exclusion (and sets forth the procedures and deadline for doing
10 so); (8) describes how to object to the proposed Settlement and/or requested attorneys' fees and
11 Litigation Expenses and/or the request for an award to Lead Plaintiff for its costs and expenses and
12 describes what these payments amount to on an average per share if approved, (9) describes how to
13 make a Claim; (10) provides the names, addresses and telephone numbers of representatives of the
14 Claims Administrator (including the settlement website) and Lead Counsel who will be available to
15 answer questions from Settlement Class Members; (11) includes instructions on how to access the case
16 docket via PACER or in person at the court; (12) states the date, time and location of the Final Approval
17 Hearing and that the date may change without further notice to the Settlement Class and advises
18 Settlement Class Members to check the settlement website or the Court's PACER site to confirm that
19 the date has not been changed; and (13) includes the deadlines for submitting Claim Forms, opting out
20 of the Settlement, and for any objecting to the Settlement, the Plan of Allocation, or to Lead Counsel's
21 requested attorney's fees and Litigation Expenses or the request for an award to Lead Plaintiff for its
22 costs and expenses. These disclosures are thorough and should be approved.

23 Additionally, Defendants have undertaken to comply with the Class Action Fairness Act 28
24 U.S.C. §1715 at their own cost. *See* Stipulation ¶14.2.

25 **D. The Proposed Plan of Allocation Should Be Preliminarily Approved**
26 **(Procedural Guidance 1(e) and 8)**

27 As more fully detailed in the Notice, the Plan of Allocation, which was prepared with the
28

1 assistance of Lead Plaintiff’s expert, assumes that the price of Corcept common stock was artificially
2 inflated throughout the Settlement Class Period. The computation of the estimated alleged artificial
3 inflation in the price of Corcept common stock is based on the fraudulent conduct alleged by Lead
4 Plaintiff and the price change in the stock, net of market- and industry-wide factors, in reaction to the
5 SIRF report published on January 25, 2019 and Corcept’s press release on January 31, 2019 that
6 allegedly revealed Corcept’s alleged reliance on off-label marketing of Korlym and decreased sales and
7 sales forecasts as the off-label marketing practices came to light. In order for a Settlement Class Member
8 to have a Recognized Loss under the Plan of Allocation, Corcept common stock must have been
9 purchased or acquired during the Settlement Class Period and held through a Corrective Disclosure Date.

10 The Plan of Allocation provides a specific formula for computing each Settlement Class
11 Member’s “Recognized Loss” as described in the Notice. Recognized Losses are calculated based on
12 whether a Settlement Class Member held common stock, call options, or put options. The Claims
13 Administrator will determine each Authorized Claimant’s pro rata share of the Net Settlement Fund
14 based upon each Authorized Claimant’s Recognized Loss. As set forth more fully in the Notice, the Plan
15 of Allocation establishes an appropriate discount of 75% to the extent Class Members’ damages rely
16 upon the January 31, 2019 corrective disclosure that the Court previously dismissed (Dkt. 145). This
17 discount acknowledges additional risks of repleading and proving damages with respect to the January
18 31, 2019 corrective disclosure while also taking into account Lead Plaintiff’s right to seek further leave
19 to amend or challenge the dismissal on appeal. *See In re PNC Financial Services Group, Inc.*, 440 F.
20 Supp. 2d 421, 428 (W.D. Pa. Jul. 13, 2006) (approving discount in plan of allocation proposed by lead
21 counsel to reflect “inherent risk and additional difficulties in establishing claims based on purchases
22 after [first corrective disclosure.]”); *In re Facebook, Inc.*, 343 F. Supp. 3d 394, 415 (S.D.N.Y. Nov. 26,
23 2018) (approving plan of allocation that “substantially discounted” the recovery of an institutional
24 subclass “based on the reasonably held position” of lead counsel that the subclass was susceptible to a
25 unique defense and that discounting would “ensure equitable treatment” for all class
26 members). Additionally, no distribution will be made to Authorized Claimants who would otherwise
27 receive a distribution of less than \$10.00.

1 The Plan of Allocation comports with the criteria set forth in case law governing the approval of
2 such allocation. It has a “reasonable” and “rational basis,” makes intra-class allocations based upon the
3 “the timing of purchases and sales of the securities at issue,” and was formulated by Lead Plaintiff, Lead
4 Counsel, and a damage consultant. In addition, nothing about the Settlement or Plan of Allocation gives
5 preferential treatment to Lead Plaintiff. *See Ciuffitelli*, 2019 WL 1441634, at *18 (finding “[t]he
6 Proposed Settlement does not provide preferential treatment to Plaintiffs or segments of the class” where
7 “the proposed Plan of Allocation compensates all Class Members and Class Representatives equally in
8 that they will receive a *pro rata* distribution based of the Settlement Fund based on their net losses”).
9 Depending on the number of eligible shares purchased by investors who elect to participate in the
10 Settlement and when those shares were purchased and sold, the average distribution is estimated to be
11 \$0.18 per damaged share purchased in the Settlement Class Period, before deduction of Court-approved
12 fees and expenses. See Hopkins Decl. ¶21. The per share amount assumes all eligible Settlement Class
13 Members submit valid and timely Claim Forms. If fewer than all Settlement Class Members submit
14 timely and valid Claim Forms, which is likely, the distributions per share will be higher.

15 Pursuant to the Stipulation, if any portion of the Net Settlement Fund remains following
16 distribution pursuant to the Plan of Allocation and is of such an amount that in the discretion of Lead
17 Counsel it is not cost effective to redistribute the amount to the Settlement Class, then such remaining
18 funds, after payment of any further Notice and Administration Costs and Taxes, shall be donated to,
19 subject to Court approval, the Investor Protection Trust, with which neither Lead Plaintiff nor Lead
20 Counsel are affiliated. The Institute for Investor Protection is a non-partisan, independent academic
21 center that promotes investor protection for the individual consumer and the public and educates
22 investors about the private remedies Congress and the judiciary envisioned would deter disclosure
23 violations and make aggrieved investors whole. Both this Action and the Institute for Investor Protection
24 focus on combatting securities fraud. *See Vataj*, 2021 WL 1550478, at *8 (finding there is a sufficient
25 nexus between the University of San Francisco School of Law Investor Justice Clinic and the securities
26 action); *Boring v. Bed Bath & Beyond of Cal. Ltd. Liab. Co.*, 2013 WL 6145706, at *7 (N.D. Cal. Nov.
27 21, 2013) (“An award to a legal services organization is often an appropriate use of *cy pres* funds.”).

1 **E. The Claims Administrator (Procedural Guidance 1(f) and 2)**

2 Lead Plaintiff also requests that the Court approve the appointment of A.B. Data as Claims
3 Administrator. A.B. Data has extensive relevant experience and is a nationally recognized notice and
4 claims administration firm and was selected after receiving proposals from three administrators
5 concerning the methods of notice discussed in Section III(C), *supra*. Nordskog Decl. ¶¶1-2, 6 & Ex. A;
6 Hopkins Decl. ¶24 A.B. Data’s staff consists of experienced certified public accountants, information
7 technology specialists, and various other professionals with substantial experience in notice and claims
8 administration. *See* Nordskog Decl. ¶2. A.B. Data has experience with class action settlements in this
9 Circuit and further presented the most economical and effective notice and administration program of
10 the three bids Lead Plaintiff received. *Id.*; Hopkins Decl. ¶24. In the past two years, Levi & Korsinsky,
11 LLP has engaged A.B. Data seven times. *Id.*

12 Additionally, A.B. Data maintains robust control systems and procedures for securely handling
13 all class member data and otherwise establishing the manner in which it does its business. Nordskog
14 Decl. ¶¶3-5. *See* Nordskog Dec., Exhibit B.

15 A.B. Data estimates that it will cost approximately \$210,000 to administer the settlement of this
16 case, based upon the estimated dissemination of approximately 100,000 postcard notices by regular and
17 electronic mail and the submission of approximately 15,000 claim forms, of which approximately 8,500
18 it anticipates will be valid and eligible for payment. *See* Nordskog Decl. ¶¶22-24; see also Hopkins Decl.
19 ¶25. A.B. Data’s expectations are based on publicly available trading history during the Class Period for
20 Corcept as well as A.B. Data’s collective experience in administering securities class actions
21 settlements. Nordskog Decl. ¶15, fn. 3; see also Hopkins Decl. ¶25. This amount is reasonable in relation
22 to the value of the settlement as it reflects approximately 1.5% of the total Settlement. Nordskog Decl.
23 ¶23. Further, utilizing electronic mail where appropriate and disseminating postcard notice rather than
24 notice packets containing long-form notice substantially reduces administrative costs without negatively
25 impacting effectiveness. *Id.* ¶23.

1 **F. Schedule For Final Approval (Procedural Guidance 9)**

2 Lead Plaintiff respectfully proposes the below schedule for Settlement-related events. As set
3 forth in the Preliminary Approval Order, the timing of events is determined by the date the Preliminary
4 Approval Order is entered and the date the Final Approval Hearing is scheduled—which Lead Plaintiff
5 requests be at least 120 calendar days after entry of the Preliminary Approval Order, or at the Court’s
6 earliest convenience thereafter.

EVENT	PROPOSED TIMING
Deadline for mailing Postcard Notice (proposed Preliminary Approval Order ¶8(a))	15 business days after Preliminary Approval Order (“Notice Date”)
Deadline for publishing the Summary Notice (proposed Preliminary Approval Order ¶8(b))	10 business days after the Notice Date
Deadline for filing papers supporting final approval of Settlement, Plan of Allocation, attorney fee & expense motion and request for reimbursement of cost and expenses of Lead Plaintiff (proposed Preliminary Approval Order ¶21)	56 calendar days before Final Approval Hearing (This date is 35 days before the post- mark deadlines for (i) requests for exclusion and (ii) objections.)
Deadline for submitting Claim Forms (proposed Preliminary Approval Order ¶12)	90 calendar days after Notice Date
Deadline for exclusion requests or objections (proposed Preliminary Approval Order ¶¶14,17-18)	21 calendar days before Final Approval Hearing (This date is 35 days after the filing of (i) final approval motion, (ii) attorney fee & expense motion and (iii) request for reimbursement of cost and expenses of Lead Plaintiff.)
Deadline for filing reply papers (proposed Preliminary Approval Order ¶21)	7 calendar days before Final Approval Hearing
Final Approval Hearing (proposed Preliminary Approval Order ¶6)	At least 120 days after the issuance of the Preliminary Approval Order

21
22 **IV. CONCLUSION**

23 Accordingly, based on the Stipulation, the attachments to the Stipulation, this memorandum of
24 law and the prior proceedings in this matter, Lead Plaintiff, with the consent of Defendants, respectfully
25 requests that the Court grant the Motion and enter the proposed Preliminary Approval Order submitted
26 herewith.

1 Dated: April 11, 2023

LEVI & KORSINSKY, LLP

2
3 /s/ Shannon L. Hopkins

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

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

1111 Summer Street, Suite 403

5 Stamford, CT 06905

Tel: (203) 992-4523

6 Email: shopkins@zlk.com

7 Email: gpotrepka@zlk.com

8 *Counsel for Lead Plaintiffs the Ferraro Family*
9 *Foundation, Inc. and James L. Ferraro*

10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28 Case No. 3:19-CV-01372-JD

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

CERTIFICATE OF SERVICE

I hereby certify under penalty of perjury that on April 11, 2023, I authorized the electronic filing of the foregoing with the Clerk of the Court using the CM/ECF system which will send notification of such filing to the e-mail addresses of all counsel of record.

/s/ Shannon L. Hopkins
Shannon L. Hopkins

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

**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
PRELIMINARILY APPROVING
SETTLEMENT AND PROVIDING FOR
NOTICE**

Judge: Hon. James Donato

1 WHEREAS a class action asserting violations of the federal securities laws is currently pending
2 before the Court titled *Ferraro Family Foundation, Inc, et al. v. Corcept Therapeutics Incorporated, et*
3 *al.*, Case No. 3:19-cv-01372-JD (the “Action”);

4 WHEREAS, the Court has received Lead Plaintiff’s Unopposed Motion for Preliminary
5 Approval of Proposed Class Action Settlement (the “Preliminary Approval Motion”) and the Stipulation
6 of Settlement, dated April 11, 2023 (the “Stipulation”), that was entered into by Lead Plaintiff the
7 Ferraro Group (consisting of Ferraro Family Foundation, Inc. and James L. Ferraro) (“Lead Plaintiff”),
8 and Defendants Corcept Therapeutics Incorporated (“Corcept” or the “Company”), Joseph K. Belanoff,
9 Charles Robb, and Sean Maduck (collectively “Defendants”) (defendants Belanoff, Robb, and Sean are,
10 collectively, the “Individual Defendants”), and the Court has reviewed the Stipulation and its attached
11 Exhibits;

12 WHEREAS, Lead Plaintiff having made the Preliminary Approval Motion, pursuant to Rule
13 23(e) of the Federal Rules of Civil Procedure, for an order preliminarily approving the settlement of this
14 Action, in accordance with the Stipulation¹ which, together with the exhibits annexed thereto, sets forth
15 the terms and conditions for a proposed Settlement of the Action and for dismissal of the Action with
16 prejudice upon the terms and conditions set forth therein; and

17 WHEREAS, all defined terms contained herein shall have the same meanings as set forth in the
18 Stipulation;

19 NOW, THEREFORE, IT IS HEREBY ORDERED:

20 1. For purposes of this Settlement only, the Court will certify a Settlement Class defined as:
21 All Persons who purchased or otherwise acquired common stock or options to purchase common stock
22 of Corcept between August 2, 2017 and January 31, 2019, inclusive, and were damaged as a result.
23 Excluded from the Settlement Class are (a) Defendants herein; (b) members of the immediate family of
24 each of the Defendants; (c) Defendants’ subsidiaries and affiliates; (d) any person who is an officer,
25

26 ¹ All capitalized terms not otherwise defined herein are defined in the Stipulation. Certain capitalized
27 terms are also defined in the Notice of Pendency of Class Action and Proposed Settlement, Final
28 Approval Hearing and Motion For Attorneys’ Fees and Reimbursement of Litigation Expenses (the
“Notice”). To the extent there is any conflict between the definitions of capitalized terms in the Notice
and the Stipulation, the definition in the Stipulation controls.

1 director or controlling person of Corcept; (e) any entity in which any Defendant has a controlling
2 interest; (f) Defendants’ directors’ and officers’ liability insurance carriers, and any affiliates or
3 subsidiaries thereof; and (g) the legal representatives, heirs, successors or assigns of any such excluded
4 party. All persons who submit valid and timely requests for exclusions from the Class will also be
5 excluded.

6 2. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, the Court hereby appoints
7 Lead Plaintiff, the Ferraro Group (consisting of Ferraro Family Foundation, Inc. and James L. Ferraro),
8 as “Class Representative.”

9 3. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, Lead Counsel, Levi &
10 Korsinsky, LLP, is appointed as “Class Counsel” and is authorized to act on behalf of the Class
11 Representative and other Settlement Class Members, with respect to all acts or consents required by or
12 that may be given pursuant to the Stipulation, including all acts that are reasonably necessary to
13 consummate the Settlement.

14 4. The Court finds that certification of the Settlement Class for settlement purposes only is
15 appropriate because:

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

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

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

22 d. The Class Representative will fairly and adequately protect the interests of the
23 Settlement Class, satisfying the requirement of Rule 23(a)(4); and

24 e. Questions of law and fact common to the Settlement Class Members predominate
25 over questions affecting only individual members and a class action is superior to other methods
26 available for the fair and efficient adjudication of the controversy, satisfying the requirements of Rule
27 23(b)(3).

28 The findings in Paragraph 4 are for purposes of this Settlement only, and shall have no force or

1 effect for any other purpose or if the Settlement does not become effective.

2 5. The Court does hereby preliminarily approve the Stipulation and the Settlement set forth
3 therein, subject to further consideration at the Final Approval Hearing described below.

4 6. A hearing (the “Final Approval Hearing”) shall be held before this Court on _____ at
5 _____, either via telephonic or video conference, or at the San Francisco Courthouse, Courtroom 11,
6 19th Floor, 450 Golden Gate Avenue, San Francisco, CA 94102, to determine whether the proposed
7 Settlement of the Action on the terms and conditions provided for in the Stipulation is fair, just,
8 reasonable and adequate to the Settlement Class and should be approved by the Court; whether a
9 Judgment as provided in the Stipulation should be entered herein; whether the proposed Plan of
10 Allocation should be approved; to determine the amount of fees and Litigation Expenses that should be
11 awarded to Lead Counsel, and to determine the amount of any award for the time and expenses of Lead
12 Plaintiff. The Court may adjourn the Final Approval Hearing without further notice to Settlement Class
13 Members.

14 7. The Court approves, as to form and content, the Notice of Pendency of Class Action and
15 Proposed Settlement, Final Approval Hearing and Motion for Attorneys’ Fees and Reimbursement of
16 Litigation Expenses (the “Notice”); the Proof of Claim and Release Form (the “Claim Form”); the
17 Summary Notice; and the Postcard Notice for publication annexed hereto as Exhibits A-1, A-2, A-3 and
18 A-4, respectively, hereto and finds that the distribution of the Postcard Notice by email (or mail in those
19 instances where no email address is available), directing Class Members to the Settlement website to
20 access the Notice which shall contain the general terms of the Settlement set forth in the Stipulation, the
21 proposed Plan of Allocation, the general terms of the Fee and Expense Application, and the date of the
22 Settlement Hearing and publishing of the Summary Notice substantially in the manner and form set
23 forth in ¶8 of this Order meets the requirements of Rule 23 of the Federal Rules of Civil Procedure, 15
24 U.S.C. § 77z-1(a)(7), 15 U.S.C. § 78u-4(a)(7) and due process, and is the best notice practicable under
25 the circumstances and shall constitute due and sufficient notice to all Persons entitled thereto.

26 8. The firm of A.B. Data Ltd. (“Claims Administrator”) is hereby appointed to supervise
27 and administer the notice procedure as well as the processing of claims as more fully set forth below:

28 a. Not later than fifteen (15) business days after entry of this order (the “Notice

1 Date”), the Claims Administrator shall cause a copy of the Postcard Notice substantially in the forms
2 annexed hereto as Exhibits A-4 to be emailed (or mailed in those instances where no email address is
3 available by first-class mail) to all Settlement Class Members who can be identified with reasonable
4 effort;

5 b. No later than ten (10) calendar days after the Notice Date, the Summary Notice,
6 substantially in the form annexed hereto as Exhibit A-3, respectively, shall be published once in
7 *Investor’s Business Daily* and once over a national newswire service; and

8 c. At least seven (7) calendar days prior to the Final Approval Hearing, Lead
9 Counsel shall cause to be served on Defendants’ Counsel and filed with the Court proof, by affidavit or
10 declaration, of such mailing and publication.

11 9. Defendants shall complete service on the appropriate federal and state government
12 officials of all notices required under the Class Action Fairness Act, 28 U.S.C. §1715 (“CAFA”), no
13 later than ten (10) calendar days following the filing of the Stipulation with the Court. At least seven (7)
14 calendar days before the Final Approval Hearing, Defendants shall cause to be served on Lead Counsel
15 and filed with the Court proof, by affidavit or declaration, regarding compliance with the notice
16 requirements of CAFA.

17 10. Nominees who purchased Corcept common stock or options to purchase Corcept
18 common stock for the beneficial ownership of Settlement Class Members during the Settlement Class
19 Period shall email (or mail it in those instances where no email address is available) the Postcard Notice
20 to all beneficial owners of such Corcept common stock or options to purchase Corcept common stock
21 within ten (10) days after receipt thereof, or send a list of the names and addresses of such beneficial
22 owners to the Claims Administrator within ten (10) days of receipt thereof, in which event the Claims
23 Administrator shall promptly email the Postcard Notice (or mail it in those instances where no email
24 address is available to such beneficial owners. Such holders of record shall be reimbursed from the
25 Settlement Fund, upon receipt by the Claims Administrator of proper documentation, for the reasonable
26 expense of providing Postcard Notice to beneficial owners who are Settlement Class Members, which
27 expenses would not have been incurred except for the sending of such Postcard Notice, subject to further
28 order of this Court with respect to any dispute concerning such compensation.

1 11. All Settlement Class Members who do not exclude themselves by the deadline set forth
2 below shall be bound by all determinations and judgments in the Action concerning the Settlement,
3 whether favorable or unfavorable to the Settlement Class.

4 12. All Settlement Class Members who wish to participate in the Settlement shall complete
5 and submit Claim Forms in accordance with the instructions contained therein to obtain a payment.
6 Unless the Court orders otherwise, all Claim Forms must be postmarked no later than ninety (90)
7 calendar days from the Notice Date. Any Settlement Class Member who does not submit a Claim Form
8 within the time provided for shall be barred from sharing in the distribution of the proceeds of the
9 Settlement Fund, unless otherwise ordered by the Court. Notwithstanding the foregoing, Lead Counsel
10 shall have discretion to accept late-submitted Claims for processing by the Claims Administrator so long
11 as the distribution of the Settlement Fund is not materially delayed thereby.

12 13. Any Settlement Class Member may enter an appearance in the Action, at their own
13 expense, individually or through counsel of their own choice, in which case such counsel must file with
14 the Clerk of the Court a notice of such appearance. Any Settlement Class Member who does not enter
15 an appearance will be represented by Lead Counsel.

16 14. Any Person falling within the definition of the Settlement Class may, upon request, be
17 excluded from the Settlement Class. Any such Person must submit to the Claims Administrator a request
18 for exclusion (“Request for Exclusion”), in the manner set forth in the Notice no later than twenty-one
19 (21) calendar days prior to the Final Approval Hearing. A Request for Exclusion must: (a) state the
20 name, address, and telephone number of the Person requesting exclusion; (b) identify the number of
21 shares of Corcept common stock or options purchased or otherwise acquired during the Settlement Class
22 Period; (c) identify the date of each such purchase or acquisition and the price or other consideration
23 paid; (d) identify the date of each sale or other disposition of any share of Corcept common stock or
24 options during the Settlement Class Period and the price or other consideration received; (e) identify the
25 number of shares of Corcept common stock or options held immediately before the commencement of
26 the Settlement Class Period; (f) contain a statement that the Person wishes to be excluded from the
27 Settlement Class; and (g) be signed by the Person requesting exclusion. A Request for Exclusion shall
28 not be effective unless it provides all the required information and is received within the time stated

1 above, or is otherwise accepted by the Court. Copies of all requests for exclusion received by Lead
2 Counsel or the Claims Administrator, together with copies of all written revocations of requests for
3 exclusion, shall be delivered to Defendants' Counsel within three (3) business days of receipt.

4 15. All Persons who submit valid and timely Requests for Exclusion in the manner set forth
5 in ¶14 shall have no rights under the Stipulation, shall not share in the distribution of the Net Settlement
6 Fund, and shall not be bound by the Stipulation or the Judgment entered in the Action.

7 16. Any Settlement Class Member that does not timely and validly request exclusion from
8 the Settlement Class in the manner stated in this Order: (a) shall be deemed to have waived his, her, or
9 its right to be excluded from the Settlement Class; (b) shall be forever barred from requesting exclusion
10 from the Settlement Class in this or any other proceeding; (c) shall be bound by the provisions of the
11 Stipulation and Settlement and all proceedings, determinations, orders, and judgments in the Action,
12 including, but not limited to, the Judgment, and the Releases provided for therein, whether favorable or
13 unfavorable to the Settlement Class; and (d) will be barred from commencing, instituting, prosecuting,
14 or continuing to prosecute any action or other proceeding in any court of law or equity, arbitration
15 tribunal, or administrative forum, asserting any of Plaintiffs' Released Claims (including Unknown
16 Claims) against any of the Defendant Releasees, as more fully described in the Stipulation and Notice.

17 17. Any Settlement Class Member that does not request exclusion from the Settlement Class
18 may appear and show cause, if he, she or it has any reasons why the proposed Settlement of the Action
19 should or should not be approved as fair, reasonable and adequate, why a Judgment should or should
20 not be entered thereon, why the Plan of Allocation should or should not be approved, or why attorneys'
21 fees and Litigation Expenses should or should not be awarded to Lead Counsel, or the time and expenses
22 of Lead Plaintiff should or should not be awarded. Settlement Class Members may not ask the Court to
23 order a larger settlement or otherwise modify the Settlement; the Court may only approve or deny the
24 Settlement. No Settlement Class Member or any other Person shall be heard or entitled to contest such
25 matters, unless that Settlement Class Member has sent by first-class mail written objections and copies
26 of any papers and briefs to the Class Action Clerk, United States District Court for the Northern District
27 of California, 450 Golden Gate Avenue, San Francisco, CA 94012, or by filing them in person at any
28 location of the United States District Court for the Northern Division of California, no later than twenty-

1 one (21) days prior to the Final Approval Hearing. Further, copies of any such objection must also be
2 served in writing or via email not later than twenty-one (21) calendar days prior to the date scheduled
3 herein for the Final Approval Hearing on both: (i) Shannon L. Hopkins, Levi & Korsinsky, LLP, 1111
4 Summer Street, Suite 304, Stamford, CT 06901, Email: shopkins@zlk.com, Lead Counsel for Lead
5 Plaintiff and the Settlement Class; and (ii) Corey Worcester, Quinn Emanuel Urquhart & Sullivan, LLP,
6 51 Madison Avenue, 22nd Floor, New York, New York 10010, Email:
7 coreyworcester@quinnemanuel.com, Defendants' Counsel. Any objection must: (a) clearly identify the
8 case name and number, *Ferraro Family Foundation, Inc., et al. v. Corcept Therapeutics Incorporated,*
9 *et al.*, Case No. 3:19-CV-01372-JD; (b) include the full name, address and phone number of the
10 objecting Settlement Class Member; (c) include a list of all of the Settlement Class Member's Settlement
11 Class Period transactions in Corcept common stock and/or stock options; (d) identify all other class
12 action settlements to which the objector and their, his, her or its counsel has previously objected, copies
13 of any papers, briefs, or other documents upon which the objection is based, and contain the objector's
14 signature, even if represented by counsel; and (e) include a written statement of all grounds for the
15 objection.

16 18. Any objector who wishes to appear in person at the Final Approval Hearing must submit
17 to the Court with his, hers, or its objection a Notice of Intention to Appear. If the objector intends to
18 appear at the Final Approval Hearing through counsel, the objection must also state the identity of all
19 attorneys who will appear at the Final Approval Hearing on the objector's behalf and those counsel must
20 submit a Notice of Intention to Appear with the objection. Any Settlement Class Member who does not
21 make his, her or its objection in the manner provided shall be deemed to have waived such objection
22 and shall forever be foreclosed from making any objection to the fairness or adequacy of the proposed
23 Settlement as set forth in the Stipulation, to the Plan of Allocation, to the award of attorneys' fees and
24 reimbursement of Litigation Expenses to Lead Counsel, or to any award for the time and expenses of
25 Lead Plaintiff, unless otherwise ordered by the Court.

26 19. All funds held by the Escrow Agent shall be deemed and considered to be in *custodia*
27 *legis* of the Court, and shall remain subject to the jurisdiction of the Court, until such time as such funds
28 shall be distributed pursuant to the Stipulation and/or further order(s) of the Court.

1 20. Lead Counsel shall be entitled to withdraw up to \$150,000 from the Settlement Fund
2 pursuant to ¶5.5 of the Stipulation to pay reasonable expenses of notice and administration of the
3 Settlement upon the execution of this Order, subject to final approval of said expenses at the Final
4 Approval Hearing and the other provisions of the Stipulation.

5 21. All papers in support of final approval of the Settlement, the Plan of Allocation and any
6 motion by Lead Counsel for attorneys' fees, reimbursement of their Litigation Expenses and an award
7 for the time and expenses of Lead Plaintiff shall be filed and served fifty-six (56) days before the date
8 of the Final Approval Hearing. Additionally, any reply brief(s) shall be filed and served seven (7) days
9 before the date of the Final Approval Hearing.

10 22. Defendants and their counsel shall have no responsibility for the Plan of Allocation or
11 any motion for attorneys' fees or reimbursement of Litigation Expenses submitted by Lead Counsel or
12 for an award for the time and expenses of Lead Plaintiff, and such matters will be considered separately
13 from the fairness, reasonableness and adequacy of the Settlement.

14 23. At or after the Final Approval Hearing, the Court shall determine whether the Plan of
15 Allocation proposed by Lead Counsel and any motion for attorneys' fees or reimbursement of Litigation
16 Expenses or application for an award for the time and expenses of Lead Plaintiff shall be approved.

17 24. All reasonable expenses incurred in identifying and notifying Settlement Class Members,
18 as well as administering the Settlement Fund, shall be paid as set forth in the Stipulation. In the event
19 the Settlement is not approved by the Court, or otherwise fails to become effective, neither the Lead
20 Plaintiff nor Lead Counsel shall have any obligation to repay any amounts incurred or properly disbursed
21 pursuant to ¶5.5 of the Stipulation up to \$300,000.

22 25. Neither the Stipulation, nor any of its terms or provisions, nor any of the negotiations or
23 proceedings connected with it, shall be construed as an admission or concession by Defendants of the
24 truth of any of the allegations in the Action, or of any liability, fault, or wrongdoing of any kind.

25 26. Neither the Stipulation, nor any of its terms or provisions, nor any of the negotiations or
26 proceedings connected with it, shall be construed as an admission or concession by Lead Plaintiff of any
27 liability, fault or wrongdoing of any kind.
28

1 27. Pending final determination of whether the Settlement should be approved, Lead
2 Plaintiff, all Settlement Class Members and anyone who acts or purports to act on their behalf, shall not
3 institute, commence or prosecute any action which asserts Released Claims against any Released Person.

4 28. Pending final determination of whether the Settlement should be approved, all
5 proceedings and all discovery with respect to the Defendants in the Action are stayed pending further
6 order of the Court.

7 29. The Court reserves the right to adjourn the date of the Final Approval Hearing without
8 further notice to the Settlement Class Members, and retains jurisdiction to consider all further motions
9 arising out of or connected with the proposed Settlement. The Court may approve the Settlement, with
10 such modifications as may be agreed to by the Settling Parties, if appropriate, without further notice to
11 the Settlement Class.

12
13 IT IS SO ORDERED

14
15 DATED:

16 _____
17 The Honorable James Donato
18 United States District Judge
19
20
21
22
23
24
25
26
27
28

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
SEAN MADUCK,

18 Defendants.

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

CLASS ACTION

**DECLARATION OF SHANNON L.
HOPKINS IN SUPPORT OF LEAD
PLAINTIFF'S UNOPPOSED MOTION
FOR PRELIMINARY APPROVAL OF
PROPOSED CLASS ACTION
SETTLEMENT**

Date: May 18, 2023

Time: 10:00 a.m.

Room: Courtroom 11, 19th Floor

Judge: Honorable James Donato

1 I, Shannon L. Hopkins, declare:

2 1. I am a partner in the Connecticut office of Levi & Korsinsky, LLP, which the Court has
3 appointed Lead Counsel for Lead Plaintiff, the Ferraro Group (consisting of Ferraro Family Foundation,
4 Inc. and James L. Ferraro) (“Lead Plaintiff”) and the proposed class in the above-captioned matter. I
5 submit this declaration in support of Lead Plaintiff’s Unopposed Motion for Preliminary Approval of
6 Proposed Class Action Settlement.

7 2. By Order dated October 7, 2019, after receiving five motions to appoint lead plaintiff and
8 approve lead counsel, the Honorable Lucy Koh appointed the Ferraro Group as Lead Plaintiff and
9 approved Lead Plaintiff’s choice of Levi & Korsinsky, LLP (“LK”) as Lead Counsel in the Action. *See*
10 ECFs 15, 17, 24, 29, 32, 82.

11 3. On December 6, 2019, after an extensive investigation by Lead Counsel, Lead Plaintiff
12 filed the First Amended Complaint (ECF 91) alleging violations of the Securities and Exchange Act of
13 1934 (“Exchange Act”) on behalf of all investors who purchased or otherwise acquired Corcept
14 securities between August 2, 2017 and January 31, 2019, inclusive, and were damaged as a result. Lead
15 Plaintiff alleged that Defendants made materially false and misleading statements concerning, *inter alia*,
16 Corcept’s marketing and promotional materials of its drug, Korlym, compliance with FDA regulations
17 for off-label promotions, and on-label use of Korlym, which caused the price of Corcept’s stock to be
18 artificially inflated during the Class Period. *Id.* Lead Plaintiff further alleged that the misleading nature
19 of Defendants’ statements remained hidden until partial disclosures on January 25, 2019 and January
20 31, 2019 revealed Corcept’s alleged reliance on off-label marketing of Korlym and decreased sales and
21 sales forecasts as the off-label marketing practices came to light. *Id.*

22 4. On January 27, 2020, Defendants moved to dismiss the First Amended Complaint. ECF
23 95. In response to Defendants’ motion, Lead Plaintiff filed its Second Amended Complaint on March
24 20, 2020 (ECF 100), providing additional factual support for its claims. On May 11, 2020, Defendants
25 moved to dismiss the Second Amended Complaint. ECF 105. The court granted Defendants’ motion
26 without prejudice on November 20, 2020. ECF 124.

1 5. On December 21, 2020, after further investigation, Lead Plaintiff filed the Third
2 Amended Complaint (ECF 127)—which is the operative complaint in this Action—alleging further
3 factual support for its prior claims, including support from four former Corcept sales personnel.

4 6. Defendants moved to dismiss the Third Amended Complaint on February 19, 2021. ECF
5 130. On August 24, 2021, the Court granted in part and denied in part Defendants’ motion to dismiss.
6 ECF 145. The Court dismissed with prejudice each of Lead Plaintiff’s claims with respect to seventeen
7 of the statements Lead Plaintiff alleged were false and sustained each of Lead Plaintiff’s claims with
8 respect to the remaining thirteen allegedly false statements. *Id.* The Court sustained Plaintiff’s loss
9 causation allegations as to the January 25, 2019 corrective disclosure, but dismissed the January 31,
10 2019 corrective disclosure. *Id.*

11 7. On August 31, 2021, the Court also stayed the case for ninety days so the Parties could
12 explore potential resolution of the Action. ECF 150. On November 29, 2021, the Parties commenced
13 mediation efforts presided over by Michelle Yoshida, Esq. of Phillips ADR Enterprises LLC. The parties
14 were unable to reach a settlement at that time.

15 8. On December 9, 2021, the Court entered a Case Management Order; Order Lifting Stay
16 setting case deadlines and lifting the previously entered stay. ECF 153. The Action was then reassigned
17 to the Honorable James Donato on January 7, 2022. ECF 156. At a case management conference on
18 April 28, 2022, the Court advised the Parties that it would issue a new schedule and struck the May 4,
19 2022 class certification deadline. ECF 172. Prior to this case management conference, Lead Plaintiff
20 drafted its motion for class certification and consulted with experts who prepared a draft report to be
21 submitted with Lead Plaintiff’s class certification motion for filing on May 4, 2022, as previously
22 ordered. ECF 153. On September 21, 2022, the Court entered a new scheduling order. ECF 180.

23 9. Formal discovery began in January 2022. The Parties exchanged initial disclosures on
24 January 7, 2022 and Defendants answered the Third Amended Complaint on February 4, 2022 (ECF
25 164). The Court entered the Parties’ Stipulated Protective Order on January 26, 2022 (ECF 159), and
26 the Parties executed a Stipulated and Agreed Document Production Protocol on March 10, 2022. The
27 Parties served initial document requests on January 21, 2022 and served responses and objections thereto
28

1 on February 22, 2022. With respect to those requests and objections, the Parties actively exchanged
2 emails and correspondence and held meet and confers to negotiate the scope of discovery, search terms,
3 and issues related to ESI. On December 19, 2022, Lead Plaintiff served Defendants with a second set of
4 requests for production. Defendants ultimately produced 171,068 documents totaling over 757,200
5 pages, including Corcept emails, board materials, training and marketing materials, and text messages
6 from certain Corcept employees, among other categories. Lead Plaintiff produced 162 documents
7 totaling over 2,100 pages. On March 18, 2022, Defendants additionally served their first set of
8 interrogatories on Lead Plaintiff, to which Lead Plaintiff responded and objected on April 18, 2022.
9 During this period, the Parties also engaged in extensive third-party discovery, having subpoenaed 47
10 non-parties who have together produced over 17,200 documents totaling nearly 146,000 pages.

11 10. On December 12, 2022 and December 16, 2022, Defendants conducted the deposition of
12 one of Lead Plaintiff's experts, Dr. Robert Cooper, and a former Corcept employee cited in the Third
13 Amended Complaint as a confidential witness, respectively. In November and December of 2022, the
14 Parties noticed and scheduled an additional thirty-six depositions out of an anticipated sixty depositions.
15 On November 10, 2022, Lead Plaintiff further served Corcept with its Notice of Rule 30(b)(6)
16 Deposition, to which Defendants responded and objected on December 9, 2022. The Parties exchanged
17 exchange written correspondence in effort to resolve Defendants' objections.

18 11. While formal discovery was underway and after supplemental briefing, the Parties
19 participated in a second mediation session before Ms. Yoshida on May 12, 2022, but were unable to
20 resolve the Action. In connection with the second mediation, Defendants produced over 60,000 pages
21 of documents. On December 23, 2022, the Court stayed this Action again to allow the Parties to explore
22 a resolution of the Action. After exchanging extensive supplemental mediation briefing, the Parties
23 participated in a third mediation session before Ms. Yoshida on January 24, 2023. While no settlement
24 was reached during the formal session on January 24, 2023, Ms. Yoshida continued her active role in
25 attempting to bring the Parties together for a resolution and the Parties exchanged additional offers and
26 counteroffers. Ultimately, on February 8, 2023, pursuant to a double-blind recommendation from Ms.
27 Yoshida, the Parties reached an agreement in principle to settle and release all claims against Defendants
28

1 in return for a cash payment of \$14,000,000 for the benefit of the Class, subject to the execution of a
2 customary “long form” stipulation agreement of settlement and related papers. On April 11, 2023, after
3 further negotiations, the Parties executed a Stipulation of Settlement, which is attached hereto as Exhibit
4 1.

5 12. This proposed Settlement was achieved only after three mediation sessions before
6 experienced mediator, Michelle Yoshida, Esq. of Phillips ADR Enterprises LLC, as well as various
7 teleconferences and correspondences through Ms. Yoshida regarding a potential resolution of the
8 Litigation. On February 8, 2023, after exchanging numerous offers and counteroffers following the
9 Parties’ *third* mediation, the Parties agreed to a double-blinded mediator’s proposal to settle the claims
10 asserted in this Action for \$14 million in cash. The negotiations were informed by the knowledge Lead
11 Counsel gained from their investigation and analysis of the facts and legal issues, including consultation
12 with Lead Plaintiff’s damage consultant. Based on their familiarity with the factual and legal issues and
13 armed with a thorough understanding of the strength and weaknesses of the claims at issue, the Parties
14 were able to negotiate a fair settlement accounting for the costs and risks of continued litigation. The
15 negotiations were, at all times, hard-fought and have produced a result that the Settling Parties believe
16 to be in their respective interests.

17 13. Lead Counsel believes that they had a strong case and that there was sufficient evidence
18 to proceed to the jury on their claims but recognize that the challenges Defendants raised (¶¶14-17,
19 *infra*) could pose significant risks regarding their ability to prevail and the scope of damages if the case
20 were to proceed to trial.

21 14. For instance, the Court previously dismissed the entire Second Amended Complaint, and
22 while Lead Plaintiff was able to bolster those allegations in repleading the Third Amended Complaint,
23 even then the court dismissed claims based on over half of Defendants’ allegedly false statements and
24 all claims to the extent they were based on the alleged January 31, 2019 corrective disclosure.

25 15. Additionally, while Lead Plaintiff remained confident in its ability to ultimately prove its
26 claims at trial, Defendants advanced several credible arguments disputing both liability and damages.
27 For example, Defendants argued their alleged misstatements that Corcept was marketing Korlym on-
28

1 label were not false because Corcept was only marketing Korlym for the treatment of Cushing's
2 Syndrome and, in any event, it is within the physician's discretion whether to prescribe Korlym off-
3 label. Thus, Defendants asserted, Lead Plaintiff could not prove the existence of an off-label marketing
4 scheme and Corcept fully complied with FDA regulations for the promotion of Korlym. Defendants also
5 argued that they did not act with the requisite scienter because, even if Corcept was engaged in off-label
6 marketing, Defendants employed strict instructions to Corcept employees to only market Korlym on-
7 label, Corcept's marketing materials were approved by the FDA, and nobody otherwise told them
8 Corcept was engaged in off-label marketing.

9 16. Further, even if Lead Plaintiff established liability, Defendants made numerous
10 challenges to loss causation and damages, arguing that the SIRF Report was entirely comprised of
11 previously-disclosed public information and that Corcept's stock price movement was caused by factors
12 unrelated to Lead Plaintiff's allegations. In addition, Defendants stated that they intended to challenge
13 the efficiency of the market for Corcept's securities at class certification.

14 17. While Lead Plaintiff is confident that a class would have been certified, because Rule
15 23(c)(1) provides that a class certification order may be altered or amended at any time prior to a decision
16 on the merits, there was always an ongoing risk that any class action status achieved could have been
17 disturbed either on appeal or if Defendants successfully moved to decertify the Class. Finally, even if
18 Lead Plaintiff prevailed at trial on all claims, Defendants would almost certainly file an appeal—a process
19 that would further extend the litigation for years and risk reversal of any plaintiff's verdict.

20 18. Based on consultation with Lead Plaintiff's damages consultant, the \$14 million recovery
21 under the proposed Settlement constitutes approximately 7.3% of the maximum theoretical aggregate
22 damages on a FIFO basis (or 8.3% on a LIFO basis) assuming Lead Plaintiff prevailed on all claims
23 against the Defendants, including claims based on both the January 25, 2019 and January 31, 2019
24 corrective disclosures. If Lead Plaintiff prevailed only on claims relating to the January 25, 2019
25 corrective disclosure, the proposed Settlement constitutes approximately 11.4% of the maximum
26 theoretical aggregate damages on a FIFO basis, or 12.9% on a LIFO basis.

1 19. As such, Lead Counsel believes the Settlement is fair, reasonable and adequate, and in
2 the best interest of the Settlement Class. While Lead Plaintiff believes it has meritorious claims, it would
3 have prevailed at trial, and Defendants' arguments lack merit, there remains a substantial risk that
4 Defendants could prevail on one or more of their arguments. Defendants have denied, and continue to
5 deny, each and all of the claims and contentions asserted by Lead Plaintiff. Lead Plaintiff believes it is
6 in the interest of the Settlement Class to offset these risks by settling at this phase of the litigation.

7 20. Lead Counsel also intends to seek an award of up to \$15,000 for Lead Plaintiff, pursuant
8 to 15 U.S.C. §78u-4(a)(4), in connection with its representation of the Class. Lead Plaintiff is an
9 accomplished class action attorney and his work performed in executing his duties and responsibilities
10 in this Action include, *inter alia*: (a) reviewing pleadings, motion to dismiss briefing, and material
11 prepared in connection with Lead Plaintiff's opening class certification motion; (b) reviewing news and
12 information about Corcept; (c) conferring with Lead Counsel on legal strategy, case status, discovery
13 and settlement negotiations, among other things; (d) providing written responses to Defendants'
14 discovery requests and producing documents; and (e) attending three mediations and evaluating the
15 offers and counteroffers.

16 21. Based on consultation with a damages consultant, depending on the number of eligible
17 shares purchased by investors who elect to participate in the Settlement and when those shares were
18 purchased and sold, the average distribution is estimated to be \$0.18 per damaged share before deduction
19 of Court-approved fees and expenses. The per share amount assumes all eligible Settlement Class
20 Members submit valid and timely Claim Forms. If fewer than all Settlement Class Members submit
21 timely and valid Claim Forms, which is likely, the distributions per share will be higher.

22 22. The proposed Settlement creates a common fund, with no possibility of reversion to
23 Defendants.

24 23. Additionally, Lead Counsel is aware of no other cases that will be directly affected by
25 this Settlement.

26 24. After a competitive bidding process in which bids were submitted by three different
27 claims administrators, Lead Plaintiff retained an experienced and nationally recognized notice and
28

1 claims administration firm, A.B. Data, Ltd. (“A.B. Data”). As discussed more fully in the
2 accompanying Declaration of Eric Nordskog, A.B. Data has extensive experience with class
3 action settlements, including with Lead Counsel here. In the past two years, Levi & Korsinsky has
4 engaged A.B. Data seven times.

5 25. A.B. Data estimates that it will cost approximately \$210,000 to administer the
6 settlement of this case, based upon the dissemination of approximately 100,000 postcard notices by
7 regular and electronic mail and the submission of 15,000 claim forms, approximately 8,500 of which
8 it anticipates will be valid and eligible for payment. A.B. Data’s expectations with respect to
9 administration of this Settlement are based on publicly available trading history during the Class
10 Period for Corcept as well as A.B. Data’s collective experience in administering securities class
11 actions settlements. Moreover, A.B. Data presented the most economical and effective notice and
12 administration program of the bids Lead Plaintiff received.

13 26. The Northern District of California Procedural Guidelines for Class Action
14 Settlement (“Procedural Guidance”) directs Lead Counsel to provide information about comparable
15 class action settlements. The chart attached here as Exhibit 2 provides the requested
16 information for four comparable settlements.

17 27. The proposed Settlement complies in all respects with the Procedural
18 Guidance. Attached hereto as Exhibit 3 is a summary of that compliance.

19 28. Attached hereto as Exhibit 4 is a true and correct copy of Janeen McIntosh, Svetlana
20 Starykh & Edward Flores, *Recent Trends in Securities Class Action Litigation: 2022 Full-Year*
21 *Review* (NERA Jan. 24, 2023).

22 29. Attached hereto as Exhibit 5 is a true and correct copy of L.T. Bulan, L.E.
23 Simmons, *Securities Class Action Settlements, 2022 Review and Analysis*, Cornerstone Research
24 (2023).

25 30. Attached hereto as Exhibit 6 is a true and correct copy of the firm biography of Levi
26 & Korsinsky.

27 31. Attached hereto as Exhibit 7 is a true and correct copy of the Declaration of Eric
28 Nordskog in Support of Lead Plaintiff’s Unopposed Motion for Preliminary Approval of Settlement.

1 32. I have been informed by counsel for Defendants, Corey Worcester of Quinn Emanuel
2 Urquhart & Sullivan, LLP, that Defendants do not oppose this motion.

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

5 Executed at Stamford, Connecticut, on April 11, 2023.

6
7 /s/ Shannon L. Hopkins
8 Shannon L. Hopkins
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Exhibit 1

LEVI & KORSINSKY, LLP
Adam M. Apton (SBN 316506)
Adam C. McCall (SBN 302130)
75 Broadway, Suite 202
San Francisco, CA 94111
Tel: (415) 373-1671
Email: aapton@zlk.com
Email: amccall@zlk.com

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*

[Additional counsel listed on signature
page]

**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

STIPULATION OF SETTLEMENT

1 Subject to the approval of the Court, the Settlement contained herein is made and entered into
 2 by and between the following Settling Parties to the Action: Lead Plaintiff on behalf of itself and the
 3 Settlement Class, by and through its counsel of record in the Action; and Defendants, by and through
 4 their counsel of record in the Action. The Settlement is intended to fully, finally, and forever resolve,
 5 discharge, release and dismiss with prejudice the Action and the Released Claims (including Unknown
 6 Claims) upon and subject to the terms and conditions set forth herein. All terms with initial capitalization
 7 shall have the meanings ascribed to them in Section IV(1) (“Definitions”) below.

8 **I. THE ACTION**

9 On March 14, 2019, Plaintiff Nicholas Melucci commenced this Action in in the U.S. District
 10 Court for the Northern District of California, over which the Honorable District Judge Lucy Koh and
 11 Magistrate Judge Susan van Keulen initially presided. ECF 1.

12 On March 14, 2019, pursuant to the Private Securities Litigation Reform Act of 1995
 13 (“PSLRA”), a notice of action was published, which provided a deadline to seek lead plaintiff
 14 appointment by May 13, 2019. After notice was published, the Court received five motions to appoint
 15 lead plaintiff and for approval of lead counsel. ECFs 15, 17, 24, 29, 32.

16 By Order dated October 7, 2019, the Court: (i) appointed the Ferraro Group (consisting of the
 17 Ferraro Family Foundation, Inc. and James L. Ferraro) as Lead Plaintiff pursuant to Section
 18 21D(a)(3)(B) of the Securities Exchange Act of 1934 (“Exchange Act”), 15 U.S.C. §78u-4(a)(3)(B), and
 19 Section 27D(a)(3)(B) of the Securities Act of 1933 (“Securities Act”), 15 U.S.C. §77z-1(a)(3)(B); and
 20 (ii) appointed Levi & Korsinsky, LLP as Lead Counsel. ECF 82.

21 On December 6, 2019, Lead Plaintiff filed its First Amended Complaint (ECF 91), asserting the
 22 following claims:

- 23 • Count I, alleging violations of Section 10(b) of the Exchange Act and Rule 10b-5(b)
 24 promulgated thereunder against Corcept Therapeutics Incorporated (“Corcept”) and the
 25 Individual Defendants; and
- 26 • Count II, alleging violations of Section 20(a) of the Exchange Act against Corcept and
 27 the Individual Defendants.

1 The First Amended Complaint alleged these claims on behalf of investors who purchased or
2 otherwise acquired Corcept common stock between August 2, 2017 and January 31, 2019, inclusive,
3 and were damaged as a result.

4 On January 27, 2020, Defendants moved to dismiss the First Amended Complaint. ECF 95. In
5 response to Defendants' motion, Lead Plaintiff filed its Second Amended Complaint on March 20, 2020
6 (ECF 100). On May 11, 2020, Defendants moved to dismiss the Second Amended Complaint (ECF
7 105), which Plaintiff opposed on June 25, 2020. ECF 108. On July 27, 2020, Defendants filed their reply
8 in further support of their motion to dismiss. ECF 109. On November 20, 2020, the Court, Koh, J.,
9 granted Defendants' motion without prejudice to replead. ECF 124.

10 On December 21, 2020, Lead Plaintiff filed its Third Amended Complaint (ECF 127).
11 Defendants moved to dismiss the Third Amended Complaint on February 19, 2021. ECF 130. On April
12 20, 2021, Lead Plaintiff opposed Defendants' motion to dismiss (ECF 135), and Defendants filed their
13 reply in further support of their motion on June 4, 2021. ECF 138. On August 24, 2021, the Court, Koh,
14 J., granted in part and denied in part Defendants' motion to dismiss. ECF 145.

15 On August 31, 2021, the Court, Koh, J., stayed the Action for ninety days so the Parties could
16 explore a potential resolution of the Action. ECF 150. On November 29, 2021, after exchanging
17 mediation submissions with numerous exhibits, the Parties participated in an all-day mediation session
18 presided over by experienced mediator Michelle Yoshida of Phillips ADR Enterprises LLC. The parties
19 were unable to reach a settlement at that time.

20 On December 9, 2021, the Court, Koh, J., entered a Case Management Order; Order Lifting Stay
21 setting case deadlines and lifting the previously entered stay. ECF 153.

22 On January 7, 2022, the Action was reassigned to the Honorable Judge James Donato. ECF 156.
23 That same day, the Parties exchanged Rule 26 initial disclosures.

24 On January 21, 2022, the Parties served initial document requests and served responses and
25 objections thereto on February 22, 2022.

26 Defendants answered the Third Amended Complaint on February 4, 2022. ECF 164.

27 On March 18, 2022, Defendants served their first set of interrogatories on Lead Plaintiff, to
28

1 which Lead Plaintiff responded on April 18, 2022.

2 During this time, the Parties also engaged in extensive third-party discovery, having collectively
3 subpoenaed 47 non-parties who have together produced over 17,200 documents totaling nearly 146,000
4 pages.

5 At a case management conference held before the Court on April 28, 2022, the Court advised
6 the Parties that it would issue a new schedule and struck the May 4, 2022 deadline to move for class
7 certification. ECF 172.

8 On January 26, 2022, the Court entered the Parties' Stipulated Protective Order. ECF 159.

9 On March 10, 2022, the Parties executed a Stipulated and Agreed Document Production
10 Protocol.

11 On May 12, 2022, after supplemental briefing, the Parties participated in a second mediation
12 session before Michelle Yoshida of Phillips ADR Enterprises LLC but were unable to resolve the
13 Action. In connection with the second mediation, Defendants produced over 60,000 pages of documents.

14 Thereafter, Defendants redesignated their mediation document production as part of regular
15 merits discovery and the Parties negotiated Defendants' full document production. In total, Defendants
16 produced over 171,000 documents totaling over 750,000 pages and Lead Plaintiff produced 162
17 documents totaling over 2,100 pages.

18 On September 21, 2022, the Court entered an Amended Scheduling Order. ECF 180.

19 On November 10, 2022, Lead Plaintiff served Corcept with its Notice of Rule 30(b)(6)
20 Deposition, to which Defendants responded on December 9, 2022.

21 On December 19, 2022, Lead Plaintiff served Defendants with a second set of requests for
22 production.

23 In November and December of 2022, the Parties also noticed and scheduled an additional thirty-
24 six depositions out of an anticipated sixty depositions.

25 On December 12, 2022 and December 16, 2022, Defendants conducted the deposition of one of
26 Lead Plaintiff's experts, Dr. Robert Cooper, and a former Corcept employee cited in the Third Amended
27 Complaint as a confidential witness, respectively.

1 The Parties negotiated and executed a remote deposition protocol on December 20, 2022.

2 On December 23, 2022, the Court stayed the Action to allow the Parties to explore resolution.
3 ECF 189. After exchanging extensive supplemental mediation briefing, the Parties participated in a third
4 mediation session before Ms. Yoshida of Phillips ADR Enterprises LLC on January 24, 2023. While
5 no settlement was reached during the third mediation session the Parties, through Ms. Yoshida,
6 continued settlement discussions to try and resolve the case.

7 On February 6, 2023, Ms. Yoshida issued a double-blinded mediator's recommendation, which
8 the Parties accepted on February 8, 2023.

9 This Stipulation (together with the exhibits hereto) constitutes the final and binding agreement,
10 and a compromise of all matters that are in dispute, between the Parties.

11 **II. DEFENDANTS' DENIALS OF WRONGDOING AND LIABILITY**

12 Defendants are entering into this Stipulation solely to eliminate the burden and expense of further
13 protracted litigation. Each of the Defendants denies any and all wrongdoing, and this Stipulation shall
14 in no event be construed or deemed to be evidence of or an admission or concession on the part of any
15 of the Defendants with respect to any claim or allegation of any fault or liability or wrongdoing or
16 damage whatsoever, or any infirmity in the defenses that Defendants have, or could have, asserted.
17 Defendants expressly deny that Lead Plaintiff has asserted any valid claims as to any of them, and
18 expressly deny any and all allegations of fault, liability, wrongdoing, or damages whatsoever.

19 Nonetheless, Defendants have concluded that further conduct of the Action would be protracted,
20 distracting, burdensome, and expensive. Defendants also have taken into account the risks inherent in
21 any litigation, especially in complex cases like the Action. Defendants have, therefore, determined that
22 it is desirable and beneficial to them that the Action be fully, finally, and forever resolved, discharged,
23 and settled in the manner and upon the terms and conditions set forth in this Stipulation.

24 **III. CLAIMS OF LEAD PLAINTIFF AND BENEFITS OF SETTLEMENT**

25 Lead Counsel has conducted a thorough investigation relating to the claims and the underlying
26 events and transactions alleged in the Action. Specifically, the investigation included, *inter alia*: (i)
27
28

1 numerous interviews with many former Corcept employees; (ii) numerous interviews with third-party
2 physicians having knowledge of Cushing's Syndrome and/or Corcept's marketing activities relevant to
3 the alleged claims; (iii) extensive consultation with, and analysis by, damages and industry consultants,
4 including but not limited to experts with knowledge regarding Cushing's Syndrome and FDA
5 regulations and compliance, market efficiency, loss causation, and damages; (iv) detailed reviews of
6 Corcept public filings, annual reports, press releases, and other publicly available information; (v)
7 review of analysts' reports and articles relating to Corcept; (vi) research of the applicable law with
8 respect to the claims asserted in the complaints filed in the Action and the potential defenses thereto;
9 (vii) review and analysis of over 750,000 pages of documents produced by Defendants, 146,000 pages
10 of documents produced by third-parties, and over 2,100 pages of documents produced by Lead Plaintiff;
11 (viii) participating in the depositions of one of Lead Plaintiff's experts and the deposition of a former
12 Corcept employee; (ix) exchanging factual and legal arguments with Defendants, including analysis of
13 all claims, in connection with three separate mediations conducted by Ms. Yoshida, as well as follow-
14 up negotiations; and (x) extensive analysis of all claims in connection with the preparation of Lead
15 Plaintiff's motion for class certification, briefing two motions to dismiss, and preparing and filing three
16 amended complaints.

17 This Stipulation shall in no event be construed or deemed to be evidence of or an admission or
18 concession on the part of Lead Plaintiff of any infirmity in any of the claims asserted in the Action, or
19 an admission or concession that any of the Defendants' defenses to liability had any merit. Lead Plaintiff
20 believes that the claims asserted in the Action have merit and that the evidence to date supports the
21 claims asserted. However, Lead Plaintiff and Lead Counsel recognize and acknowledge the expense and
22 length of continued proceedings necessary to prosecute the Action against the Defendants through trial
23 and any appeals. Lead Plaintiff and Lead Counsel have also taken into account the uncertain outcome
24 and the risk of any litigation, especially in complex actions such as the Action, as well as the difficulties
25 and delays inherent in such litigation. Lead Counsel is also mindful of the inherent problems of proof
26 and the possible defenses to the claims alleged in the Action. Based on their evaluation, Lead Plaintiff
27 and Lead Counsel believe that the Settlement set forth in this Stipulation confers a meaningful benefit
28

1 on the Settlement Class and is in the best interests of Lead Plaintiff and the Settlement Class.

2 **IV. TERMS OF STIPULATION AND AGREEMENT OF SETTLEMENT**

3 NOW THEREFORE, it is hereby STIPULATED AND AGREED by and among Lead Plaintiff
4 (for itself and the Settlement Class Members) and Defendants, by and through their respective attorneys
5 of record, being fully authorized to enter into this Stipulation, as follows:

6 **1. Definitions**

7 As used in this Stipulation, the following terms shall have the meanings specified below. In the
8 event of any inconsistency between any definition set forth below and any definition set forth in this
9 document or in any other document related to the Settlement, the definition set forth below shall control.

10 1.1 “Action” means the above-captioned consolidated class action, as described in Section I,
11 above.

12 1.2 “Complaint” or “Third Amended Complaint” means Lead Plaintiff’s Third Amended
13 Complaint, filed in this Action on December 21, 2020. ECF 127.

14 1.3 “Authorized Claimant” means any Settlement Class Member who has submitted a timely
15 and valid Claim to the Claims Administrator (in accordance with the requirements established by the
16 Court), whose claim for recovery has been approved for payment from the Net Settlement Fund pursuant
17 to the terms of this Stipulation, and who is entitled to a distribution from the Net Settlement Fund
18 pursuant to the Plan of Allocation or any order of the Court.

19 1.4 “Claim” means a completed and executed Claim Form that has been submitted to the
20 Claims Administrator in accordance with the instructions on the Claim Form.

21 1.5 “Claim Form” means the Proof of Claim and Release Form (substantially in the form
22 attached hereto as Exhibit A-2) that a putative Settlement Class Member must complete and timely
23 submit to the Claims Administrator if that Settlement Class Member seeks to be eligible to share in a
24 distribution of the Net Settlement Fund.

25 1.6 “Claimant” means a Person who has submitted a Claim to the Claims Administrator
26 seeking to be eligible to share in the proceeds of the Net Settlement Fund.

27 1.7 “Claims Administrator” means A.B. Data, Ltd., the claims administrator selected by Lead
28

1 Counsel and approved by the Court, to provide all notices approved by the Court to potential Settlement
2 Class Members and to administer the Settlement.

3 1.8 “Court” means the United States District Court for the Northern District of California.

4 1.9 “Defendant Releasees” means, collectively, each and all of: (a) Defendants, (b) the
5 present and former parents, subsidiaries, divisions, and affiliates of Corcept, (c) the present and former
6 employees, officers and directors of each of them, (d) the present and former attorneys, accountants,
7 insurers, and agents of each of them, and (e) the predecessors, heirs, successors and assigns of each of
8 them.

9 1.10 “Defendants” means Corcept Therapeutics Incorporated, Joseph K. Belanoff, Charles
10 Robb, and Sean Maduck.

11 1.11 “Defendants’ Counsel” means the law firms of Quinn Emanuel Urquhart & Sullivan,
12 LLP.

13 1.12 “Defendants’ Released Claims” means, collectively, any and all claims, demands, rights,
14 liabilities, suits, debts, obligations, and causes of action of every nature and description whatsoever,
15 whether known or unknown (including, without limitation, Unknown Claims as described in ¶1.44
16 below), that could have been asserted in this Action or could in the future be asserted in any forum,
17 whether foreign or domestic, whether arising under federal, state, common, or foreign law, by Defendant
18 Releasees against Plaintiff Releasees that arise out of or relate to the commencement, prosecution, or
19 settlement of the claims asserted in the Action. The settlement shall include a waiver of Defendants’ and
20 Defendant Releasees’ rights under California Civil Code §1542 or similar laws. Notwithstanding the
21 foregoing, “Defendants’ Released Claims” does not include: (i) claims relating to the enforcement of
22 the Settlement; or (ii) any claims against any person or entity who submits a request for exclusion from
23 the Settlement Class that is accepted by the Court (collectively, “Excluded Defendants’ Claims”).

24 1.13 “Distribution Order” means an order entered by the Court authorizing and directing that
25 the Net Settlement Fund be distributed, in whole or in part, to Authorized Claimants.

26 1.14 “Effective Date” means the first date by which all of the events and conditions specified
27 in ¶11.1 herein have been met and have occurred, at which time the Settlement described in this
28

1 Stipulation shall become effective.

2 1.15 “Escrow Agent” means Lead Counsel.

3 1.16 “Final” means, with respect to any order of Court, including, without limitation, the
4 Judgment, that such order or Judgment represents a final and binding determination of all issues within
5 its scope and is not subject to further review on appeal or otherwise. Without limitation, an order or
6 Judgment becomes “Final” when: (i) no appeal has been filed and the prescribed time for commencing
7 any appeal has expired; or (ii) an appeal has been filed and either (a) the appeal has been dismissed and
8 the prescribed time, if any, for commencing any further appeal has expired, or (b) the order or Judgment
9 has been affirmed in all material respects and the prescribed time, if any, for commencing any further
10 appeal has expired. For purposes of this definition of “Final,” an “appeal” includes any motion to alter
11 or amend under Rules 52(b) or 59(e) of the Federal Rules of Civil Procedure, any appeal as of right,
12 discretionary appeal, interlocutory appeal, petition for writ of certiorari, or other proceeding involving
13 writs of certiorari or mandamus, and any other proceedings of like kind. Any appeal or other proceeding
14 pertaining solely to an order or the part of an order adopting or approving a Plan of Allocation or solely
15 to any order or the part of an order issued with respect to an application for attorneys’ fees and expenses
16 pursuant to ¶7.1 through ¶7.3 herein shall not in any way delay or preclude the Judgment from becoming
17 Final.

18 1.17 “Final Approval Hearing” means the hearing set by the Court under Rule 23(e) of the
19 Federal Rules of Civil Procedure to consider final approval of the Settlement.

20 1.18 “Individual Defendant” means each of Joseph K. Belanoff, Charles Robb, and Sean
21 Maduck.

22 1.19 “Judgment” means the Final Judgment and Order of Dismissal with Prejudice to be
23 entered by the Court, substantially in the form attached hereto as Exhibit B.

24 1.20 “Lead Counsel” means the law firm of Levi & Korsinsky, LLP.

25 1.21 “Lead Plaintiff” or “Plaintiff” means the Ferraro Group, consisting of Ferraro Family
26 Foundation, Inc. and James L. Ferraro.

27 1.22 “Litigation Expenses” means the reasonable costs and expenses incurred by Lead
28

1 Counsel in connection with commencing, prosecuting, and settling the Action, for which Lead Counsel
2 intends to apply to the Court for reimbursement from the Settlement Fund.

3 1.23 “Net Settlement Fund” means the Settlement Fund less: (i) any Taxes; (ii) any Notice
4 and Administration Costs; (iii) any Litigation Expenses awarded by the Court; (iv) any attorneys’ fees
5 awarded by the Court; (v) any award to pay the costs and expenses of Lead Plaintiff awarded by the
6 Court; (vi) all other fees, costs and expenses incurred by or on behalf of the Settlement Class associated
7 with the Settlement; and (vii) other costs, expenses or amounts as may be approved by the Court.

8 1.24 “Notice” means the Notice of Pendency of Class Action and Proposed Settlement, Final
9 Approval Hearing, and Motion for Attorneys’ Fees and Reimbursement of Litigation Expenses
10 (substantially in the form attached hereto as Exhibit A-1), which is to be sent to the Settlement Class
11 Members.

12 1.25 “Notice and Administration Costs” means the costs, fees, and expenses that are incurred
13 by the Claims Administrator in connection with (i) providing Notice to the Settlement Class, including
14 through distribution of the Summary Notice and Postcard Notice; and (ii) administering the Claims
15 process.

16 1.26 “Person” means an individual, corporation, limited liability company, professional
17 corporation, partnership, domestic partnership, limited partnership, limited liability partnership, marital
18 community, association, joint stock company, joint venture and joint venturer, estate, legal
19 representative, trust or trustee, unincorporated association, government or any political subdivision or
20 agency thereof, or any other business or legal entity.

21 1.27 “Plaintiff Releasees” means (i) Lead Plaintiff, its attorneys and all other Settlement Class
22 Members; (ii) the current and former parents, officers, directors, affiliates, subsidiaries, successors,
23 predecessors, assigns, assignees, and immediate family members of each of the foregoing in (i); and (iii)
24 for each and every Person listed in part (i), their respective past, present, and future heirs, executors,
25 administrators, predecessors, successors, assigns, employees, agents, affiliates, analysts, assignees,
26 associates, attorneys, auditors, co-insurers, commercial bank lenders, consultants, controlling
27 shareholders, directors, divisions, domestic partners, employers, experts, financial advisors, general or
28

1 limited partners, general or limited partnerships, insurers, investigators, investment advisors, investment
2 bankers, investment banks, joint ventures and joint venturers, managers, managing directors, marital
3 communities, members, officers, parents, personal or legal representatives, principals, reinsurers,
4 shareholders, spouses, subsidiaries (foreign or domestic), trustees, underwriters, and retained
5 professionals, in their respective capacities as such.

6 1.28 “Plaintiffs’ Released Claims” means, collectively, any and all claims, demands, losses,
7 rights, and causes of action, of any nature whatsoever, whether known or unknown (including, without
8 limitation, Unknown Claims as described in ¶1.44 below), that have been or could have been asserted
9 in this Action or could in the future be asserted in any forum, whether foreign or domestic, whether
10 arising under federal, state, common, or foreign law, by Lead Plaintiff, any member of the Settlement
11 Class, or their successors, assigns, executors, administrators, representatives, attorneys, and agents, in
12 their capacities as such, whether brought directly or indirectly against any of the Defendants, which (a)
13 arise out of, are based upon, or relate to in any way any of the allegations, acts, transactions, facts,
14 events, matters, occurrences, representations or omissions involved, set forth, alleged or referred to, in
15 this Action, or which could have been alleged in this action, and (b) arise out of, are based upon, or
16 relate in any way to the purchase, acquisition, holding, sale, or disposition of any Corcept securities
17 during the Class Period. Notwithstanding the foregoing, “Plaintiffs’ Released Claims” do not include:
18 (i) claims relating to the enforcement of the Settlement; or (ii) claims asserted on behalf of Corcept in
19 any derivative or ERISA action based on similar allegations (collectively, “Excluded Plaintiffs’
20 Claims”), including: *Williams v. Baker, et al.*, Case No. 1:19-cv-01830-UNA, pending in the United
21 States District Court for the District of Delaware before the Honorable Maryellen Noreika; and *Jeweltex*
22 *Pension Plan v. Wilson, et al.*, pending in the United States District Court for the District of Delaware
23 before the Honorable Maryellen Noreika; *Ritchie v. Baker, et al.*, Civil Action No. 2022-0102-SG,
24 pending in the Delaware Court of Chancery before the Honorable Sam Glascock III.

25 1.29 “Plan of Allocation,” as further defined in the Notice, means the proposed plan of
26 allocation of the Net Settlement Fund set forth in the Notice, or such other plan of allocation as the Court
27 shall approve, whereby the Net Settlement Fund shall be distributed to Authorized Claimants.
28

1 1.30 “Postcard Notice” means the proposed Postcard Notice, substantially in the form attached
2 hereto as Exhibit A-4. The Postcard Notice shall direct Class Members to the Settlement website to
3 access the Claim Form and the Notice, which shall contain the general terms of the Settlement set forth
4 in the Stipulation, the proposed Plan of Allocation, the general terms of the Fee and Expense
5 Application, and the date of the Settlement Hearing.

6 1.31 “Preliminary Approval Order” means the order (substantially in the form attached hereto as
7 Exhibit A) to be entered by the Court preliminarily approving the Settlement and directing that Postcard
8 Notice be provided to the Settlement Class.

9 1.32 “Released Claims” means all Defendants’ Released Claims and all Plaintiffs’ Released
10 Claims.

11 1.33 “Released Persons” means all Plaintiff Releasees and Defendant Releasees.

12 1.34 “Settlement” means this Stipulation of Settlement and the settlement contained herein.

13 1.35 “Settlement Class” means all persons and entities who purchased or otherwise acquired
14 common stock or options to purchase common stock of Corcept between August 2, 2017 and January
15 31, 2019, inclusive, and were damaged as a result. Excluded from the Settlement Class are (a)
16 Defendants herein; (b) members of the immediate family of each of the Defendants; (c) Defendants’
17 subsidiaries and affiliates; (d) any person who is an officer, director or controlling person of Corcept;
18 (e) any entity in which any Defendant has a controlling interest; (f) Defendants’ directors’ and officers’
19 liability insurance carriers, and any affiliates or subsidiaries thereof; and (g) the legal representatives,
20 heirs, successors or assigns of any such excluded party. All persons who submit valid and timely requests
21 for exclusions from the Class will also be excluded.

22 1.36 “Settlement Class Member” or “Member of the Settlement Class” means a Person who
23 falls within the definition of the Settlement Class.

24 1.37 “Settlement Class Period” means August 2, 2017 through January 31, 2019, inclusive.

25 1.38 “Settlement Fund” means the sum of fourteen million dollars (\$14,000,000) in cash to
26 be funded by Corcept’s Directors & Officers insurance carriers.

27 1.39 “Settlement Fund Account” means an interest-bearing account maintained by and at the
28

1 Escrow Agent.

2 1.40 “Settling Parties” means, collectively, (i) Defendants; and (ii) Lead Plaintiff on behalf of
3 itself and the Settlement Class Members.

4 1.41 “Stipulation” means this Stipulation of Settlement.

5 1.42 “Summary Notice” means the Summary Notice (substantially in the form attached hereto
6 as Exhibit A-3) to be published as set forth in the Preliminary Approval Order.

7 1.43 “Taxes” means: (i) all federal, state and/or local taxes of any kind (including estimated
8 taxes, interest or penalties) on any income earned by the Settlement Fund; and (ii) the reasonable
9 expenses and costs incurred by Lead Counsel in connection with determining the amount of, and paying,
10 any taxes owed by the Settlement Fund (including, without limitation, reasonable expenses of tax
11 attorneys and accountants).

12 1.44 “Unknown Claims” means, collectively, any and all of Plaintiffs’ Released Claims that
13 the Lead Plaintiff or any other Settlement Class Member does not know or suspect to exist in his, her,
14 or its favor at the time of the release of the Defendant Releasees, and any of Defendants’ Released
15 Claims that any Defendant does not know or suspect to exist in his, her, or its favor at the time of the
16 release of the Plaintiff Releasees even if such claim, if known by him, her, or it, might have affected his,
17 her, or its decision to enter into this Settlement or might have affected his, her, or its decision not to
18 object to this Settlement or not exclude himself, herself, or itself from the Settlement Class. Unknown
19 Claims include, without limitation, those Released Claims in which some or all of the facts composing
20 the claim may be unsuspected, undisclosed, concealed, or hidden. With respect to any and all Released
21 Claims, the Settling Parties stipulate and agree that, upon the Effective Date, Lead Plaintiff and
22 Defendants shall expressly waive and relinquish, and each Settlement Class Member and Defendant
23 Releasees shall be deemed to have and by operation of law and of the Judgment shall have expressly
24 waived and relinquished, to the fullest extent permitted by law, any and all provisions, rights and benefits
25 conferred by California Civil Code §1542, which provides:

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

1
2 Lead Plaintiff and Defendants further expressly waive and relinquish, and each Settlement Class
3 Member and each Defendant Releasee, or any of them, shall be deemed to have and by operation of law
4 and of the Judgment shall have expressly waived and relinquished, to the fullest extent permitted by
5 law, any and all provisions, rights, and benefits conferred by any law of any state or territory of the
6 United States, or principle of common law or of international or foreign law, that is similar, comparable,
7 or equivalent in effect to California Civil Code §1542. It is understood that Lead Plaintiff and Defendants
8 and each Settlement Class Member and each Defendant Releasee, or any of them, may hereafter discover
9 facts in addition to or different from those that he, she, or it now knows or believes to be true with respect
10 to the subject matter of the Released Claims, but, upon the Effective Date, they shall expressly fully,
11 finally, and forever discharge, settle, and release, any and all Released Claims, known or unknown,
12 suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, that now
13 exist or heretofore have existed, upon any theory of law or equity now existing or coming into existence
14 in the future, including, but not limited to, conduct that is negligent, grossly negligent, reckless,
15 deliberately reckless or intentional, with or without malice, or a breach of any duty, law or rule, without
16 regard to the subsequent discovery or existence of such different or additional facts. Lead Plaintiff and
17 Defendants acknowledge, and the Settlement Class Members by operation of law and of the Judgment
18 shall be deemed to have acknowledged, that the foregoing waivers of Released Claims that are Unknown
19 Claims, including the provisions, rights and benefits of §1542 of the California Civil Code (and the
20 inclusion of “Unknown Claims” in the definition of Released Claims) was separately bargained for and
21 is a material element of the Settlement.

22 **2. Certification of Settlement Class**

23 2.1 The Settling Parties agree that certification of a class, for settlement purposes only, is
24 appropriate in the Action. For purposes of this Stipulation and Settlement only, the Settling Parties
25 stipulate to: (i) the certification, for settlement purposes only, of a Settlement Class (as defined in ¶1.35
26 herein), pursuant to Rules 23(a) and (b)(3) of the Federal Rules of Civil Procedure; (ii) the appointment
27 of Lead Plaintiff as the class representative for the Settlement Class; and (iii) the appointment of Lead
28

1 Counsel as counsel to the Settlement Class.

2 2.2 The certification of the Settlement Class shall be binding only with respect to the
3 Settlement of the Action and only if the Judgment contemplated by this Stipulation becomes Final and
4 the Effective Date occurs. Nothing in this Stipulation shall serve in any fashion, either directly or
5 indirectly, as evidence of or support for certification of a class other than for settlement purposes, and
6 the Settling Parties intend that the provisions herein concerning certification of the Settlement Class
7 shall have no effect whatsoever in the event the Settlement does not become Final. Defendants expressly
8 reserve the right to contest class certification in the event the Settlement is terminated or the Effective
9 Date does not occur for any other reason.

10 **3. Releases and Bar Order**

11 3.1 The obligations incurred pursuant to this Stipulation shall be in full and final disposition
12 of the Action and any and all Released Claims (including Unknown Claims) as against any and all
13 Defendant Releasees and Plaintiff Releasees.

14 3.2 Upon the Effective Date, Lead Plaintiff and each of the other Settlement Class Members
15 shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released,
16 relinquished, and discharged all Plaintiffs' Released Claims against the Defendant Releasees (including
17 Unknown Claims), whether or not such Settlement Class Member executes and delivers the Claim Form
18 or shares in the Net Settlement Fund.

19 3.3 Upon the Effective Date, Lead Plaintiff and each of the other Settlement Class Members,
20 and any other Person acting through or on behalf of Lead Plaintiff or any Settlement Class Member will
21 be forever barred and enjoined from commencing, instituting, prosecuting, or continuing to prosecute
22 any action or other proceeding in any court of law or equity, arbitration tribunal, or administrative forum,
23 asserting any of Plaintiffs' Released Claims (including Unknown Claims) against any of the Defendant
24 Releasees, whether or not such Settlement Class Member executes and delivers the Claim Form or shares
25 in the Net Settlement Fund.

26 3.4 The Claim Form to be executed by Claimants shall release all Plaintiffs' Released
27 Claims (including Unknown Claims) against all Defendant Releasees and shall be substantially in the
28

1 form attached hereto as Exhibit A-2.

2 3.5 Upon the Effective Date, each of Defendant Releasees shall be deemed to have, and by
3 operation of the Judgment shall have, fully, finally, and forever released, relinquished, and discharged
4 all Defendants' Released Claims (including Unknown Claims) against the Lead Plaintiff, each and all
5 of the Settlement Class Members, and Plaintiff Releasees.

6 3.6 Defendants and Defendant Releasees will be forever barred and enjoined from
7 commencing, instituting, prosecuting, or continuing to prosecute any action or other proceeding in any
8 court of law or equity, arbitration tribunal, or administrative forum, asserting any of Defendants'
9 Released Claims against any of the Plaintiff Releasees, including Unknown Claims.

10 **4. The Settlement Consideration**

11 4.1 As full consideration for the Settlement, Corcept, on behalf of all Defendants, shall pay
12 or cause to be paid from the Settlement Fund, \$14 million in cash to be funded by Corcept's Directors
13 & Officers insurance carriers. The \$14 million in cash shall be deposited into the Settlement Fund
14 Account no later than the latter of five (5) business days after entry of the Preliminary Approval Order
15 or the receipt of all necessary wire and funding instructions by Lead Counsel.

16 4.2 Under no circumstances will the Defendant Releasees have any obligation to make any
17 payments other than those set forth in Section 4.1.

18 4.3 The interest earned on the Settlement Fund pursuant to ¶5.4 below shall be for the benefit
19 of the Settlement Class if the Settlement becomes Final. If the Settlement does not become Final and
20 the Settlement is terminated, the interest earned on the Settlement Fund shall be returned to Defendants'
21 Directors & Officers insurance carriers in proportion to the amount each deposited in escrow and ¶12.3
22 below shall govern.

23 4.4 This is not a claims-made settlement; there will be no reversion. Upon the occurrence of
24 the Effective Date (as set forth in ¶11.1 herein), Defendants shall not have any right to the return of the
25 Settlement Fund or any portion thereof irrespective of the number of Claims filed, the collective amount
26 of losses of Authorized Claimants, or the percentage of recovery of losses or the amounts to be paid to
27 Authorized Claimants from the Net Settlement Fund. If any portion of the Net Settlement Fund remains
28

1 following distribution pursuant to the Plan of Allocation and is of such an amount that in the discretion
2 of Lead Counsel it is not cost effective or efficient to redistribute the amount to the Settlement Class,
3 then such remaining funds, after payment of any further Notice and Administration Costs and Taxes,
4 shall be donated to the Investor Protection Trust.

5 **5. Administration and Use of Settlement Fund**

6 5.1 The Escrow Agent shall administer the Settlement Fund subject to the jurisdiction of the
7 Court. The Escrow Agent shall not disburse the Settlement Fund except (i) as provided in this
8 Stipulation; (ii) as provided in the Plan of Allocation; (iii) by an order of the Court; or (iv) with the
9 written agreement of Defendants' Counsel.

10 5.2 The Settlement Fund shall be used to pay: (i) Taxes; (ii) Notice and Administration Costs
11 pursuant to ¶5.5 herein and as otherwise approved by the Court; (iii) attorneys' fees awarded by the
12 Court; (iv) Litigation Expenses awarded by the Court; (v) any award to pay the costs and expenses of
13 Lead Plaintiff awarded by the Court; (vi) all other fees, costs and expenses incurred by or on behalf of
14 the Settlement Class associated with the Settlement; and (vii) any other costs, expenses, or amounts as
15 may be approved by the Court. The balance remaining in the Settlement Fund (the "Net Settlement
16 Fund") shall be distributed to Authorized Claimants as provided in a Plan of Allocation proposed by
17 Lead Plaintiff subject to Court approval.

18 5.3 Except as provided herein or pursuant to orders of the Court, the Net Settlement Fund
19 shall remain in the Settlement Fund Account prior to the Effective Date. All funds held by the Escrow
20 Agent shall be deemed to be in the custody of the Court and shall remain subject to the jurisdiction of
21 the Court until such time as the funds shall be distributed or returned pursuant to the terms of this
22 Stipulation and/or further order of the Court.

23 5.4 The Escrow Agent shall invest any funds in excess of U.S. \$250,000 in United States
24 Treasury Bills having maturities of 180 days or less, or money market mutual funds composed of
25 investments secured by the full faith and credit of the United States Government, or an account fully
26 insured by the United States Government Federal Deposit Insurance Corporation ("FDIC"), and shall
27 collect and reinvest the proceeds of these instruments as they mature in similar instruments at their then-
28

1 current market rates. Any funds held in escrow in an amount of less than U.S. \$250,000 may be held in
2 an interest-bearing account insured by the FDIC or money market mutual funds composed of
3 investments secured by the full faith and credit of the United States Government or fully insured by the
4 United States Government. All risks related to the investment of the Settlement Fund shall be borne by
5 the Settlement Fund and not by any of the Defendant Releasees.

6 5.5 Before the Effective Date, Lead Counsel may use up to \$150,000 of the Settlement Fund
7 to pay Notice and Administration Costs reasonably, necessarily, and actually incurred. Such costs and
8 expenses shall include, without limitation, the actual costs of publication, printing and emailing and/or
9 mailing the Postcard Notice, reimbursements to nominee owners for forwarding the Postcard Notice to
10 their beneficial owners, the administrative expenses actually incurred and fees reasonably charged by
11 the Claims Administrator in connection with searching for Settlement Class Members and providing
12 notice and processing the submitted Claims, and the reasonable fees, if any, of the Escrow Agent. In the
13 event the Settlement is terminated pursuant to the terms of this Stipulation, all Notice and Administration
14 Costs properly paid or incurred, including any related fees, up to \$300,000 shall not be returned or repaid
15 to Defendants or their insurance carriers.

16 **6. Taxes**

17 6.1 The Settlement Fund is intended to be a Qualified Settlement Fund within the meaning
18 of Treasury Regulation §1.468B-1. Lead Counsel, as administrator of the Settlement Fund within the
19 meaning of Treasury Regulation §1.468B-2(k)(3), shall be solely responsible for filing or causing to be
20 filed all informational and other tax returns as may be necessary or appropriate (including, without
21 limitation, the returns described in Treasury Regulation §1.468B-2(k)) for the Settlement Fund. Such
22 returns shall be consistent with this paragraph and in all events shall reflect that all taxes on the income
23 earned on the Settlement Fund shall be paid out of the Settlement Fund as provided by ¶6.2 below. Lead
24 Counsel shall also be solely responsible for causing payment to be made from the Settlement Fund of
25 any Taxes owed with respect to the Settlement Fund. Upon written request, Defendants will provide
26 promptly to Lead Counsel the statement described in Treasury Regulation §1.468B-3(e). Lead Counsel,
27 as administrator of the Settlement Fund within the meaning of Treasury Regulation §1.468B-2(k)(3),
28

1 shall timely make such elections as are necessary or advisable to carry out this paragraph, including, as
2 necessary, making a “relation back election,” as described in Treasury Regulation §1.468B-1(j), to cause
3 the Qualified Settlement Fund to come into existence at the earliest allowable date, and shall take or
4 cause to be taken all actions as may be necessary or appropriate in connection therewith. It shall be the
5 responsibility of Lead Counsel to prepare and deliver timely and properly the necessary documentation
6 for signature by all necessary parties, and thereafter to cause the appropriate filings to occur.

7 6.2 All Taxes shall be paid out of the Settlement Fund and shall be timely paid by the Escrow
8 Agent pursuant to the terms herein, and without prior Order of the Court. Any tax returns prepared for
9 the Settlement Fund (as well as the election set forth therein) shall be consistent with the previous
10 paragraph and in all events shall reflect that all Taxes (including any interest or penalties) on the income
11 earned by the Settlement Fund shall be paid out of the Settlement Fund as provided herein. Further,
12 Taxes and all related expenses shall be treated as, and considered to be, a cost of administration of the
13 Settlement Fund, and the Escrow Agent shall be obligated (notwithstanding anything herein to the
14 contrary) to withhold from distribution to Authorized Claimants any funds necessary to pay such
15 amounts, including the establishment of adequate reserves for any Taxes (as well as any amounts that
16 may be required to be withheld under Treas. Reg. §1.468B-2(1)(2)). Defendant Releasees shall not have
17 any responsibility for or liability whatsoever with respect to the Taxes or the filing of any tax returns or
18 other documents with the Internal Revenue Service or any state or local taxing authority in connection
19 with the Settlement Fund nor shall they be responsible for or be liable for any reporting requirements
20 related thereto. The Settlement Fund shall indemnify and hold all Defendant Releasees harmless for any
21 Taxes and related expenses of any kind whatsoever on the Settlement Fund after its deposit into the
22 Settlement Fund Account (including, without limitation, taxes payable by reason of any such
23 indemnification). Defendants shall notify the Escrow Agent promptly if Defendants receive any notice
24 of any claim for Taxes relating to the Settlement Fund.

25 **7. Attorneys’ Fees and Litigation Expenses**

26 7.1 Lead Counsel will apply to the Court for an award of attorneys’ fees to Lead Counsel.
27 Lead Counsel also will apply to the Court for reimbursement of Litigation Expenses. Lead Counsel may
28

1 also seek an award to pay the costs and expenses of Lead Plaintiff in connection with the prosecution of
2 this Action.

3 7.2 Any attorneys' fees, Litigation Expenses and any award to pay the costs and expenses of
4 Lead Plaintiff that are awarded by the Court shall be paid to Lead Counsel from the Settlement Fund
5 Account, as ordered, immediately after the Court executes an order awarding such fees, expenses and
6 award, and Lead Counsel will distribute any award to pay the costs and expenses of Lead Plaintiff.

7 7.3 If the Settlement is terminated for any reason, or if, as a result of any appeal or further
8 proceedings on remand or successful collateral attack, the award of attorneys' fees and/or Litigation
9 Expenses and/or any award to pay the costs and expenses of Lead Plaintiff is reduced or reversed, then,
10 no later than ten (10) business days after receiving from Defendants' Counsel or from a court of
11 appropriate jurisdiction notice of the termination of the Settlement or notice of any reduction of the
12 award of attorneys' fees and/or Litigation Expenses and/or an award to pay the costs and expenses of
13 Lead Plaintiff, Lead Counsel shall refund to the Settlement Fund all fees and Litigation Expenses and/or
14 any award to pay the costs and expenses of Lead Plaintiff previously paid to them from the Settlement
15 Fund in an amount consistent with the reversal or modification, plus interest earned thereon, less any
16 Taxes paid or that have accrued and will be payable at some later date with respect to such income, and
17 less reasonable Notice and Administration Costs already incurred that either have been actually and
18 properly paid or are due and owing pursuant to ¶5.5 herein. Lead Counsel agree to incorporate their
19 obligation under the preceding sentence into any proposed order awarding attorneys' fees and Litigation
20 Expenses filed with the Court.

21 7.4 An award of attorneys' fees and/or Litigation Expenses and/or any award to pay the costs
22 and expenses of Lead Plaintiff is not a necessary term of this Stipulation and is not a condition of this
23 Stipulation. Lead Plaintiff and Lead Counsel may not cancel or terminate the Stipulation or the
24 Settlement based on this Court's or any appellate court's ruling with respect to attorneys' fees and/or
25 Litigation Expenses and/or any award to pay the costs and expenses of Lead Plaintiff.

26 7.5 The Defendant Releasees shall have no responsibility for, and no liability whatsoever
27 with respect to, any payment of any type or nature whatsoever, including attorneys' fees and/or
28

1 Litigation Expenses and/or any award to pay the costs and expenses of Lead Plaintiff, to Lead Plaintiff
2 or Lead Counsel, or the allocation among Lead Counsel, and/or any other person or entity who may
3 assert some claim thereto, of any award of attorneys' fees or Litigation Expenses that the Court may
4 make in the Action.

5 **8. Claims Administration**

6 8.1 The Claims Administrator shall administer the process of soliciting, receiving, reviewing,
7 and approving or denying claims. The Claims Administrator shall discharge its duties under Lead
8 Counsel's supervision and subject to the jurisdiction of the Court. Lead Counsel shall be responsible for
9 supervising the administration of the Settlement and disbursement of the Net Settlement Fund. Except
10 as otherwise expressly provided herein, no Defendant Releasee shall have any involvement in,
11 responsibility for, or liability or obligation whatsoever with respect to the selection of the Claims
12 Administrator; the Plan of Allocation; the administration of the Settlement; the management,
13 disposition, investment, distribution, allocation or disbursement of the Settlement Fund or the Net
14 Settlement Fund; the determination, administration, calculation or payment of claims; the payment or
15 withholding of Taxes; any nonperformance of the Claims Administrator; or any losses incurred in
16 connection with any such matters. No Person shall have any claim against the Defendant Releasees or
17 Defendants' Counsel arising from or relating to any of the foregoing, and Lead Plaintiff, Lead Counsel
18 and each Settlement Class Member hereby fully, finally, and forever releases, relinquishes, and
19 discharges the Defendant Releasees and Defendants' Counsel from any and all such liability. No
20 Defendant shall be permitted to review, contest, or object to any Claim or any decision of the Claims
21 Administrator or Lead Counsel with respect to accepting or rejecting any Claim for payment by a
22 Settlement Class Member or Claimant.

23 8.2 Lead Counsel shall cause the Claims Administrator to email the Postcard Notice (or mail
24 it in those instances where no email address is available) to those Settlement Class Members who may
25 be identified through reasonable effort, including through the cooperation of Corcept and/or its agents.
26 The Postcard Notice shall direct Class Members to the Settlement website to access the Notice which
27 shall contain the general terms of the Settlement set forth in the Stipulation, the proposed Plan of
28

1 Allocation, the general terms of the Fee and Expense Application, the Claim Form and the date of the
2 Settlement Hearing. Lead Counsel will cause to be published the Summary Notice pursuant to the terms
3 of the Preliminary Approval Order or whatever other form or manner might be ordered by the Court.
4 For the purpose of identifying and providing notice to the Settlement Class, within five (5) business days
5 of the date of entry of the Preliminary Approval Order, Corcept shall provide or cause to be provided to
6 the Claims Administrator its common stockholder lists (consisting of common stockholder names and
7 addresses during the Settlement Class Period), in electronic form.

8 8.3 The Claims Administrator shall receive Claims and administer them according to the
9 Plan of Allocation, as proposed by Lead Plaintiff and approved by the Court, or according to such other
10 plan of allocation as the Court approves. The proposed Plan of Allocation is set forth in the Notice
11 attached hereto as Exhibit A-1.

12 8.4 No funds from the Net Settlement Fund shall be distributed to Authorized Claimants until
13 after the Effective Date. The allocation of the Net Settlement Fund among Authorized Claimants is a
14 matter separate and apart from the proposed Settlement between Defendants and Lead Plaintiff, and any
15 decision by the Court concerning the Plan of Allocation, or such other plan of allocation as the Court
16 approves, shall not affect the validity or finality of the proposed Settlement. The Plan of Allocation
17 proposed in the Notice is not a necessary term of this Stipulation, and it is not a condition of this
18 Stipulation that any particular plan of allocation be approved by the Court. Lead Plaintiff and Lead
19 Counsel may not cancel or terminate the Stipulation or the Settlement based on this Court's or any
20 appellate court's ruling with respect to the Plan of Allocation or any plan of allocation in this Action. In
21 the event of any modification or rejection of the terms of any Plan of Allocation or the Stipulation with
22 respect to attorneys' fees or Litigation Expenses or any award to pay the costs and expenses of Lead
23 Plaintiff, the Defendant Releasees shall be entitled to all benefits of the Settlement and the Defendant
24 Releasees shall not, under any circumstances, be called upon to contribute additional funds to the
25 Settlement Fund.

26 8.5 All Persons who fall within the definition of Settlement Class Member (and do not
27 exclude themselves by submitting a valid request for exclusion in accordance with the requirements set
28

1 forth in the Notice) shall be subject to and bound by the provisions of this Stipulation, the releases
2 contained herein and the Judgment with respect to all of Plaintiffs' Released Claims (including
3 Unknown Claims), and will be permanently barred and enjoined from bringing any action against any
4 and all Defendant Releasees concerning any and all of the Plaintiffs' Released Claims (including
5 Unknown Claims) as set forth in ¶3.3 herein regardless of whether such Persons seek or obtain by any
6 means, including, without limitation, by submitting a Claim or any similar documentation, any
7 distribution from the Settlement Fund or the Net Settlement Fund.

8 8.6 All Claims must be submitted by the date set by the Court in the Preliminary Approval
9 Order and specified in the Notice unless such deadline is extended by Order of the Court. A Claim shall
10 be deemed to be submitted when posted, if received with a postmark indicated on the envelope and if
11 mailed by first-class mail or other delivery service and addressed in accordance with the instructions
12 thereon. Any Settlement Class Member who fails to submit a timely Claim, or who timely submits a
13 Claim that is rejected, shall be forever barred from receiving any distribution from the Net Settlement
14 Fund or payment pursuant to this Stipulation (unless, by Order of the Court, certain late-submitted claims
15 are accepted), but shall in all other respects be subject to and bound by all of the terms and provisions
16 of this Stipulation and the Settlement, including the terms of the Judgment and the releases provided for
17 in the Judgment and herein, and will be permanently barred and enjoined from bringing any action,
18 claim or other proceeding of any kind against any of the Defendant Releasees concerning any of
19 Plaintiffs' Released Claims (including any Unknown Claim) as set forth in ¶3.3 herein.

20 8.7 Each Claimant shall be deemed to have submitted to the jurisdiction of the Court with
21 respect to the Claimant's Claim, including, but not limited to, the releases provided for herein and in the
22 Judgment, and the Claim will be subject to investigation and discovery under the Federal Rules of Civil
23 Procedure, provided that such investigation and discovery shall be limited to that Claimant's status as a
24 Settlement Class Member and the validity and amount of the Claimant's Claim. No discovery shall be
25 allowed on the merits of this Action or this Settlement in connection with the processing of Claims.

26 8.8 Lead Counsel will apply to the Court, with reasonable advance notice to Defendants, for
27 a Distribution Order: (i) approving the Claims Administrator's administrative determinations
28

1 concerning the acceptance and rejection of the Claims submitted; (ii) approving payment of any
2 outstanding administration fees and expenses associated with the administration of the Settlement from
3 the Settlement Fund Account; and (iii) if the Effective Date has occurred, directing payment of the Net
4 Settlement Fund to Authorized Claimants from the Settlement Fund Account.

5 8.9 Payment pursuant to the Distribution Order shall be final and conclusive against any and
6 all Settlement Class Members. All Settlement Class Members whose Claims are not approved by the
7 Court shall be barred from participating in distributions from the Net Settlement Fund, but otherwise
8 shall be subject to and bound by all of the terms of this Stipulation and the Settlement, including the
9 terms of the Judgment to be entered in this Action and the releases provided for in the Judgment and
10 herein, and will be permanently barred and enjoined from bringing any action, claim or other proceeding
11 of any kind against any of the Defendant Releasees concerning any of Plaintiffs' Released Claims
12 (including any Unknown Claim) as set forth in ¶3.3 herein.

13 8.10 All proceedings with respect to the administration, processing and determination of
14 Claims and the determination of all controversies relating thereto, including disputed questions of law
15 and fact with respect to the validity of Claims, shall be subject to the jurisdiction of the Court.

16 **9. Requests for Exclusion**

17 9.1 Putative Settlement Class Members requesting exclusion from the Settlement Class shall
18 be requested to provide the following information to the Claims Administrator in the manner described
19 in the Notice: (i) name; (ii) address; (iii) telephone number; (iv) number of shares of Corcept common
20 stock or options purchased or otherwise acquired during the Settlement Class Period; (v) the date of
21 each such purchase or acquisition and the price or other consideration paid; (vi) the date of each sale or
22 other disposition of any share of Corcept common stock or options during the Settlement Class Period
23 and the price or other consideration received; (vii) the number of shares of Corcept common stock or
24 options held immediately before the commencement of the Settlement Class Period; and (viii) a
25 statement that the person or entity wishes to be excluded from the Settlement Class. Any request for
26 exclusion must also be signed by the person or entity requesting exclusion.

27 9.2 All Persons who submit valid and timely requests for exclusion in the manner set forth
28

1 in the Notice shall have no rights under the Stipulation, shall not share in the distribution of the Net
2 Settlement Fund, and shall not be bound by the Stipulation or any final judgment. Unless otherwise
3 ordered by the Court, any Settlement Class Member who does not submit a timely written request for
4 exclusion as provided by this section shall be bound by the terms of this Stipulation and final Judgment.
5 The deadline for submitting requests for exclusion shall be set by the Court but shall be no later than
6 twenty-one (21) calendar days prior to the Final Approval Hearing, or as the Court may otherwise direct.
7 Exclusion requests may not be submitted by email, unless otherwise ordered by the Court.

8 9.3 Copies of all requests for exclusion received by Lead Counsel, together with copies of
9 all written revocations of requests for exclusion, shall be delivered to Defendants' Counsel within three
10 (3) business days of receipt by Lead Counsel.

11 **10. Terms of the Judgment**

12 10.1 If the Settlement contemplated by this Stipulation is approved by the Court, Lead Counsel
13 and Defendants' Counsel shall request that the Court enter a Judgment, substantially in the form attached
14 hereto as Exhibit B.

15 **11. The Effective Date**

16 11.1. The Effective Date of this Stipulation shall be conditioned on the occurrence of all of the
17 following events:

18 (i) The full execution of this Stipulation, and such other documents as may be required to obtain
19 final Court approval of this Stipulation in a form satisfactory to the Settling Parties;

20 (ii) The Court's entry of the Preliminary Approval Order, substantially in the form attached
21 hereto as Exhibit A;

22 (iii) The Court's approval of the Settlement substantially as described herein, following notice
23 to the Settlement Class and a hearing, as prescribed by Rule 23 of the Federal Rules of Civil Procedure;

24 (iv) The Court's entry of the Judgment, substantially in the form attached hereto as Exhibit B;

25 (v) The Judgment becoming Final (as defined in ¶1.16 herein); and

26 (vi) No Settling Party having given notice of its election to terminate this Stipulation and the
27 Settlement pursuant to ¶12.1 or ¶12.2 herein, and the time for doing so having expired.

1 11.2 Upon the occurrence of all of the events referenced in ¶11.1 herein, any and all remaining
2 interest or right of Defendants in or to the Settlement Fund shall be absolutely and forever extinguished.

3 **12. Waiver or Termination**

4 12.1 No Settling Party shall have any obligation whatsoever to proceed under any terms other
5 than substantially in the form provided and agreed to herein. If the Court: (i) enters an order expressly
6 declining to enter the Preliminary Approval Order in any material respect without reasonable leave to
7 amend; (ii) refuses to approve this Stipulation or any material part of it without reasonable leave to
8 amend; (iii) declines to enter the Judgment in any material respect or enters judgment in a form
9 materially different from Exhibit B attached hereto; and/or (iv) enters the Judgment and appellate review
10 is sought and, on review, the Judgment is vacated, modified, or reversed in any material respect,
11 representing a Final decision on the matter, Defendants and Lead Plaintiff each shall have the right to
12 terminate the Settlement and this Stipulation within ten (10) days from the date of receipt of such ruling
13 by providing written notice to the other of an election to do so. However, any decision with respect to
14 an application for attorneys' fees or Litigation Expenses or any award to pay the costs and expenses of
15 Lead Plaintiff, or with respect to any Plan of Allocation, shall not be considered material to the
16 Settlement and shall not be grounds for termination. The time to appeal from approval of the Settlement
17 shall commence upon the Court's entry of the Judgment regardless of whether a Plan of Allocation has
18 been submitted to the Court or has been approved.

19 12.2 If, as specified in a separate supplemental agreement between Lead Plaintiff and
20 Defendants (the "Supplemental Agreement"), the timely requests for exclusion by Persons who would
21 otherwise be Settlement Class Members, but who, in accordance with the provisions of the Notice,
22 timely and validly request exclusion from the Settlement Class, exceeds the threshold(s) specified in the
23 Supplemental Agreement, Corcept shall have, in its sole and absolute discretion, the option to terminate
24 this Stipulation on behalf of all Defendants in accordance with the procedures set forth in the
25 Supplemental Agreement. For purposes of the Supplemental Agreement, any Request for Exclusion that
26 results in the exclusion of the Settlement Class Member from the Settlement Class, by order of the Court
27 or otherwise, shall be treated as timely and valid. The Supplemental Agreement is confidential and shall
28

1 not be filed with the Court, but may be examined in camera, if so requested by the Court (unless
2 otherwise required by court rule, or unless and until a dispute as between the Lead Plaintiff and
3 Defendants concerning its interpretation or application arises). If the Court requires that the
4 Supplemental Agreement be filed, the Settling Parties shall jointly petition the Court to file it under seal.

5 12.3 Except as otherwise provided herein or ordered by the Court, in the event the Settlement
6 is terminated, then:

7 (i) the Settling Parties shall be deemed to have reverted to their respective status in this Action
8 as of February 8, 2023, with all of their respective claims and defenses preserved as they existed on that
9 date, and the Settling Parties shall be required to present jointly an amended schedule to the Court;

10 (ii) except as otherwise expressly provided in this Stipulation, the terms of this Stipulation shall
11 be null and void and shall have no further force or effect, and neither the existence nor the terms of this
12 Stipulation (nor any negotiations preceding this Stipulation nor any acts performed pursuant to, or in
13 furtherance of, this Stipulation) shall be used in this Action or in any other proceeding for any purpose
14 (other than to enforce the terms remaining in effect, if any);

15 (iii) within ten (10) business days after written notification of termination is provided pursuant
16 to ¶12.1 or ¶12.2, the Settlement Fund, less any Taxes paid or that have accrued and will be payable at
17 some later date with respect to such income, and less reasonable Notice and Administration Costs
18 already incurred that either have been actually and properly paid or are due and owing pursuant to ¶5.5
19 herein, shall be returned to Defendants' Directors & Officers insurance carriers in proportion to their
20 respective cash contributions to the Settlement Fund, and any award of attorneys' fees and/or Litigation
21 Expenses and/or any award to pay the costs and expenses of Lead Plaintiff will be returned as provided
22 for in ¶7.3 herein. If said amount or any portion thereof is not returned within such ten (10) day period,
23 then interest shall accrue thereon at the same rate as earned by the Settlement Fund until the date that
24 said amount is returned;

25 (iv) at the request of Defendants' Counsel, the Escrow Agent or its designee shall apply for any
26 tax refund owed on the Settlement Fund and return the proceeds to Defendants' Directors & Officers
27 insurance carriers and Corcept in proportion to their respective cash contributions to the Settlement Fund
28

1 , after deduction of any fees or expenses reasonably and actually incurred in connection with such
2 application(s) for refund, pursuant to written direction from Corcept; and

3 (v) any judgment or order entered by the Court in accordance with the terms of this Stipulation
4 shall be treated as vacated *nunc pro tunc*.

5 **13. No Admission of Wrongdoing**

6 13.1 The Settlement compromises claims that are contested and shall not be deemed an
7 admission by any Settling Party as to the merits of any claim or defense. Lead Plaintiff acknowledges
8 that Defendants have denied and continue to deny each and all claims of alleged wrongdoing.

9 13.2 Except as set forth in ¶13.2(ii) herein, whether or not the Settlement is approved by the
10 Court, and whether or not the Settlement is consummated, the fact and terms of this Stipulation
11 (including exhibits) and all negotiations, discussions, drafts, and proceedings in connection with the
12 Settlement, and any act performed or document signed in connection with the Settlement:

13 (i) shall not be offered, received, or admitted against any of the Defendant Releasees as
14 evidence of, or construed or used as, or deemed to be evidence of any presumption, concession, or
15 admission by any of the Defendant Releasees (a) of the truth of any fact; (b) of the validity of any of
16 Plaintiffs' Released Claims or any claim that was asserted in the complaints in this Action, or that could
17 have been or might have been asserted against any of the Defendant Releasees in this Action or in any
18 litigation in this or any other court, administrative agency, arbitration forum, or other tribunal; (c) of any
19 liability, negligence, gross negligence, recklessness, deliberate recklessness, fault, or other wrongdoing
20 of any kind of any of the Defendant Releasees to any other Person; (d) of any liability, fault,
21 misrepresentation, or omission with respect to any statement or written document approved or made by
22 any of the Defendant Releasees; or (e) of any infirmity in the defenses that have been or could have been
23 asserted in this Action;

24 (ii) shall not be offered, received, or admitted against any of Defendant Releasees or Plaintiff
25 Releasees, as evidence of a presumption, concession, or admission with respect to any liability,
26 negligence, fault, or wrongdoing of any kind, or in any way referred to for any other reason or purpose
27 as against any of the Released Persons, in any other civil, criminal or administrative action or proceeding
28

1 in any court, administrative agency or other tribunal (including, without limitation, any formal or
2 informal investigation or inquiry by the U.S. Securities and Exchange Commission or any other state or
3 federal governmental or regulatory agency), other than such proceedings as may be necessary to enforce
4 the terms of the Settlement or effectuate the provisions of this Stipulation; provided, however, that if
5 this Stipulation is approved by the Court, any Person may (a) refer to this Stipulation and the Settlement
6 as necessary to secure the liability protections granted them hereunder; and/or (b) file this Stipulation
7 and/or the Judgment in any action for any purpose, including, without limitation, in order to support a
8 defense or counterclaim based on principles of res judicata, collateral estoppel, release and discharge,
9 good faith settlement, judgment bar or reduction, or any other theory of claim preclusion or issue
10 preclusion or similar defense or counterclaim;

11 (iii) shall not be construed against any of the Defendant Releasees or Plaintiff Releasees as an
12 admission, concession, or presumption that the consideration to be given hereunder represents the
13 amount that could be or would have been recovered after trial; and (iv) shall not be construed against
14 Lead Plaintiff, Lead Counsel or any other Settlement Class Member(s) as an admission, concession, or
15 presumption that any of their claims are without merit or that damages recoverable under the Complaint
16 would not have exceeded the amount of the Settlement Fund.

17 **14. Miscellaneous Provisions**

18 14.1 All of the following exhibits attached hereto are material and integral parts of this
19 Stipulation and are hereby incorporated by reference as though fully set forth herein: proposed
20 Preliminary Approval Order, Notice, Claim Form, Summary Notice, proposed Judgment and Postcard
21 Notice.

22 14.2 No later than ten (10) calendar days following the filing of this Stipulation with the Court,
23 Defendants shall cause notice to be provided to United States federal and state officials if and to the
24 extent required by the Class Action Fairness Act, 28 U.S.C. §1715 et seq. (“CAFA”). Defendants are
25 solely responsible for the costs of the CAFA notice and administering the CAFA notice. At least seven
26 (7) calendar days before the Final Approval Hearing, Defendants shall cause to be served on Lead
27 Counsel and filed with the Court proof, by affidavit or declaration, regarding compliance with the notice
28

1 requirements of CAFA.

2 14.3 Corcept warrants that, as to the payments made by or on behalf of it, at the time of such
3 payment made pursuant to ¶4.1 herein, it was not insolvent, nor will the payment required to be made
4 by or on behalf of it render it insolvent, within the meaning of and/or for the purposes of the United
5 States Bankruptcy Code, including §§101 and 547 thereof. This representation is made by Corcept and
6 not by Defendants' Counsel.

7 14.4 The Settling Parties intend this Settlement to be a final and complete resolution of all of
8 Plaintiffs' Released Claims against all Defendant Releasees, and all Defendants' Released Claims
9 against all Plaintiff Releasees. Except as otherwise provided herein, each Settling Party shall bear its
10 own costs.

11 14.5 Lead Plaintiff and Defendants, and their respective attorneys, agree not to assert in any
12 forum that this Action was brought by Lead Plaintiff or Lead Counsel, or defended by Defendants or
13 Defendants' Counsel, in bad faith or without a reasonable basis. For the purpose of the Court's findings
14 and conclusions pursuant to Section 21D(c)(1) of the Exchange Act, as amended by the PSLRA, 15
15 U.S.C. §78u-4(c)(1), and Section 27(c)(1) of the Securities Act, as amended by the PSLRA, 15 U.S.C.
16 §77z-1(c)(1), Lead Plaintiff and Defendants shall assert no claims of any violation of Rule 11 of the
17 Federal Rules of Civil Procedure relating to the prosecution, defense, or settlement of this Action.

18 14.6 The Settling Parties agree that the amount paid and the other terms of this Settlement
19 were negotiated at arm's length and in good faith, including in connection with a mediation conducted
20 by a professional mediator, and reflect a settlement that was reached voluntarily after consultation with
21 experienced legal counsel.

22 14.7 This Stipulation, including the exhibits attached to this Stipulation and the Supplemental
23 Agreement referred to in ¶12.2 herein, may not be modified or amended, nor may any of its provisions
24 be waived, except by a writing signed by or on behalf of all Settling Parties hereto or their successors-
25 in-interest.

26 14.8 Any condition in this Stipulation may be waived by the party entitled to enforce the
27 condition in a writing signed by that party or its counsel. The waiver by any party of any breach of this
28

1 Stipulation by any other party shall not be deemed a waiver of the breach by any other party, or a waiver
2 of any other prior or subsequent breach of this Stipulation by that party or any other party. Without
3 further order of the Court, the Settling Parties may agree to reasonable extensions of time to carry out
4 any of the provisions of this Stipulation.

5 14.9 The headings herein are used for the purpose of convenience only and are not meant to
6 have any legal effect upon the construction or interpretation of any part of this Stipulation.

7 14.10 The administration and consummation of this Settlement as embodied in this Stipulation
8 shall be under the authority of the Court, and the Court shall retain jurisdiction for the purpose of, inter
9 alia, entering orders providing for the implementation and enforcement of the terms of this Stipulation,
10 including, without limitation, the releases provided for herein, and any awards of attorneys' fees and
11 Litigation Expenses to Lead Counsel or any award to pay the costs and expenses of Lead Plaintiff.

12 14.11 The Settling Parties submit to the jurisdiction of the Court for purposes of implementing
13 and enforcing the Settlement embodied in the Stipulation.

14 14.12 This Stipulation, its attached exhibits and the Supplemental Agreement constitute the
15 entire agreement among the Settling Parties concerning this Settlement, and no representations,
16 warranties, or inducements have been made by or to any Settling Party concerning this Stipulation, its
17 attached exhibits, or the Supplemental Agreement other than those contained and memorialized in such
18 documents. This Stipulation and the Supplemental Agreement supersede any and all prior statements,
19 representations, promises or other agreements, written or oral, with respect to the subject matter of this
20 Stipulation and the Supplemental Agreement.

21 14.13 It is understood by the Settling Parties that, except for the matters expressly represented
22 herein, the facts or law with respect to which this Stipulation is entered into may turn out to be other
23 than or different from the facts and law now known to each Settling Party or believed by such party to
24 be true; each party therefore expressly assumes the risk of the facts or law turning out to be so different,
25 and agrees that this Stipulation shall be in all respects effective and not subject to termination by reason
26 of any such different facts or law.

27 14.14 This Stipulation may be executed in one or more original, e-mailed, and/or faxed
28

1 counterparts. All executed counterparts and each of them shall be deemed to be one and the same
2 instrument. Counsel for each of the Settling Parties will maintain their own respective original signature
3 pages. No Settling Party shall raise the use of email to deliver or transmit a signature as a defense to the
4 formation or enforceability of this Stipulation, and each Settling Party forever waives any such defense.
5 A complete set of executed counterparts shall be filed with the Court.

6 14.15 This Stipulation shall be binding upon, and inure to the benefit of, the heirs, successors,
7 and assigns of the Settling Parties, Defendant Releasees, and Plaintiff Releasees, including any
8 corporation or other entity into or with which any Settling Party, Defendant Releasee, or Plaintiff
9 Releasee merges, consolidates, or reorganizes.

10 14.16 Pending approval of the Court of the Stipulation and its attached exhibits, all proceedings
11 in the Action shall be stayed.

12 14.17 All agreements made and orders entered during the course of the Action relating to the
13 confidentiality of information shall survive this Stipulation.

14 14.18 The construction, interpretation, operation, effect, and validity of this Stipulation, the
15 exhibits attached hereto and the Supplemental Agreement, and all documents necessary to effectuate
16 them, shall be governed by the laws of the State of California without regard to conflicts of laws, except
17 to the extent that federal law requires that federal law govern. The rights and obligations of the Settling
18 Parties with respect to this Stipulation shall be construed and enforced in accordance with, and governed
19 by, the internal, substantive laws of the State of California without giving effect to that State's choice-
20 of-law principles.

21 14.19 This Stipulation shall not be construed more strictly against one Settling Party than
22 another merely by virtue of the fact that it, or any part of it, may have been prepared by counsel or one
23 of the Settling Parties, it being recognized that it is the result of arm's-length negotiations among the
24 Settling Parties and all Settling Parties have contributed substantially and materially to the preparation
25 of this Stipulation.

26 14.20 All counsel and any other Person executing this Stipulation and any of the exhibits
27 attached hereto, or the Supplemental Agreement or any related Settlement documents, warrant and
28

1 represent that they have the full authority to do so and that they have the authority to take appropriate
2 action required or permitted to be taken pursuant to the Stipulation to effectuate its terms.

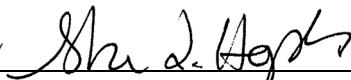
3 14.21 Lead Counsel and Defendants' Counsel agree to cooperate fully in seeking Court
4 approval of the Preliminary Approval Order and the Settlement, and to use reasonable efforts to
5 promptly agree upon and execute all such other documentation as may be reasonably required to obtain
6 final approval by the Court of the Settlement. Lead Counsel and Defendants' Counsel agree to cooperate
7 to the extent reasonably necessary to effectuate, implement and accomplish all of the terms and
8 conditions of this Stipulation.

9 14.22 If any party is required to give notice to the other parties under this Stipulation, such
10 notice shall be in writing and shall be deemed to have been duly given upon receipt by hand delivery,
11 electronic mail, facsimile transmission. Notice shall be provided to the counsel indicated on the signature
12 block below.

13 IN WITNESS WHEREOF, the Settling Parties hereto have caused this Stipulation to be executed
14 by their duly authorized attorneys, dated April 11, 2023.

15 Dated: April 11, 2023

LEVI & KORSINSKY, LLP

16
17 /s/ 

18 Shannon L. Hopkins (admitted *pro hac vice*)
19 Gregory M. Potrepka (admitted *pro hac vice*)
20 Daniel Weiss (admitted *pro hac vice*)
21 Morgan Embleton (admitted *pro hac vice*)
22 Nicholas Lange (admitted *pro hac vice*)
23 Cole von Richthofen (to be admitted *pro hac*
24 *vice*)

1111 Summer Street, Suite 403

Stamford, CT 06905

Tel: (203) 992-4523

Email: shopkins@zlk.com

Email: gpotrepka@zlk.com

Email: dweiss@zlk.com

Email: membleton@zlk.com

Email: nlange@zlk.com

Email: cvrichthofen@zlk.com


25
26
27 Adam M. Apton (SBN 316506)

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Adam C. McCall (SBN 302130)
75 Broadway, Suite 202
San Francisco, CA 94111
Tel: (415) 373-1671
Email: aapton@zlk.com
Email: amccall@zlk.com

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

**QUINN EMANUEL URQUHART
& SULLIVAN, LLP**


/s/ _____
Corey Worcester, *admitted pro hac vice*
Renita Sharma, *admitted pro hac vice*
Brenna Nelinson, *admitted pro vice*
51 Madison Avenue, 22nd Floor
New York, New York 10010
Telephone: (212) 849-7000
Facsimile: (212) 849-7100
coreyworchester@quinnemanuel.com
renitasharma@quinnemanuel.com
brennanelinson@quinnemanuel.com

*Counsel for Defendants Corcept Therapeutics,
Incorporated, Joseph K. Belanoff, Charles Robb,
and Sean Maduck*

Exhibit A

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

**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
PRELIMINARILY APPROVING
SETTLEMENT AND PROVIDING FOR
NOTICE**

Judge: Hon. James Donato

1 WHEREAS a class action asserting violations of the federal securities laws is currently pending
2 before the Court titled *Ferraro Family Foundation, Inc, et al. v. Corcept Therapeutics Incorporated, et*
3 *al.*, Case No. 3:19-cv-01372-JD (the “Action”);

4 WHEREAS, the Court has received Lead Plaintiff’s Unopposed Motion for Preliminary
5 Approval of Proposed Class Action Settlement (the “Preliminary Approval Motion”) and the Stipulation
6 of Settlement, dated April 11, 2023 (the “Stipulation”), that was entered into by Lead Plaintiff the
7 Ferraro Group (consisting of Ferraro Family Foundation, Inc. and James L. Ferraro) (“Lead Plaintiff”),
8 and Defendants Corcept Therapeutics Incorporated (“Corcept” or the “Company”), Joseph K. Belanoff,
9 Charles Robb, and Sean Maduck (collectively “Defendants”) (defendants Belanoff, Robb, and Sean are,
10 collectively, the “Individual Defendants”), and the Court has reviewed the Stipulation and its attached
11 Exhibits;

12 WHEREAS, Lead Plaintiff having made the Preliminary Approval Motion, pursuant to Rule
13 23(e) of the Federal Rules of Civil Procedure, for an order preliminarily approving the settlement of this
14 Action, in accordance with the Stipulation¹ which, together with the exhibits annexed thereto, sets forth
15 the terms and conditions for a proposed Settlement of the Action and for dismissal of the Action with
16 prejudice upon the terms and conditions set forth therein; and

17 WHEREAS, all defined terms contained herein shall have the same meanings as set forth in the
18 Stipulation;

19 NOW, THEREFORE, IT IS HEREBY ORDERED:

20 1. For purposes of this Settlement only, the Court will certify a Settlement Class defined as:
21 All Persons who purchased or otherwise acquired common stock or options to purchase common stock
22 of Corcept between August 2, 2017 and January 31, 2019, inclusive, and were damaged as a result.
23 Excluded from the Settlement Class are (a) Defendants herein; (b) members of the immediate family of
24 each of the Defendants; (c) Defendants’ subsidiaries and affiliates; (d) any person who is an officer,
25

26 ¹ All capitalized terms not otherwise defined herein are defined in the Stipulation. Certain capitalized
27 terms are also defined in the Notice of Pendency of Class Action and Proposed Settlement, Final
28 Approval Hearing and Motion For Attorneys’ Fees and Reimbursement of Litigation Expenses (the
“Notice”). To the extent there is any conflict between the definitions of capitalized terms in the Notice
and the Stipulation, the definition in the Stipulation controls.

1 director or controlling person of Corcept; (e) any entity in which any Defendant has a controlling
2 interest; (f) Defendants’ directors’ and officers’ liability insurance carriers, and any affiliates or
3 subsidiaries thereof; and (g) the legal representatives, heirs, successors or assigns of any such excluded
4 party. All persons who submit valid and timely requests for exclusions from the Class will also be
5 excluded.

6 2. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, the Court hereby appoints
7 Lead Plaintiff, the Ferraro Group (consisting of Ferraro Family Foundation, Inc. and James L. Ferraro),
8 as “Class Representative.”

9 3. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, Lead Counsel, Levi &
10 Korsinsky, LLP, is appointed as “Class Counsel” and is authorized to act on behalf of the Class
11 Representative and other Settlement Class Members, with respect to all acts or consents required by or
12 that may be given pursuant to the Stipulation, including all acts that are reasonably necessary to
13 consummate the Settlement.

14 4. The Court finds that certification of the Settlement Class for settlement purposes only is
15 appropriate because:

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

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

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

22 d. The Class Representative will fairly and adequately protect the interests of the
23 Settlement Class, satisfying the requirement of Rule 23(a)(4); and

24 e. Questions of law and fact common to the Settlement Class Members predominate
25 over questions affecting only individual members and a class action is superior to other methods
26 available for the fair and efficient adjudication of the controversy, satisfying the requirements of Rule
27 23(b)(3).

28 The findings in Paragraph 4 are for purposes of this Settlement only, and shall have no force or

1 effect for any other purpose or if the Settlement does not become effective.

2 5. The Court does hereby preliminarily approve the Stipulation and the Settlement set forth
3 therein, subject to further consideration at the Final Approval Hearing described below.

4 6. A hearing (the “Final Approval Hearing”) shall be held before this Court on _____ at
5 _____, either via telephonic or video conference, or at the San Francisco Courthouse, Courtroom 11,
6 19th Floor, 450 Golden Gate Avenue, San Francisco, CA 94102, to determine whether the proposed
7 Settlement of the Action on the terms and conditions provided for in the Stipulation is fair, just,
8 reasonable and adequate to the Settlement Class and should be approved by the Court; whether a
9 Judgment as provided in the Stipulation should be entered herein; whether the proposed Plan of
10 Allocation should be approved; to determine the amount of fees and Litigation Expenses that should be
11 awarded to Lead Counsel, and to determine the amount of any award for the time and expenses of Lead
12 Plaintiff. The Court may adjourn the Final Approval Hearing without further notice to Settlement Class
13 Members.

14 7. The Court approves, as to form and content, the Notice of Pendency of Class Action and
15 Proposed Settlement, Final Approval Hearing and Motion for Attorneys’ Fees and Reimbursement of
16 Litigation Expenses (the “Notice”); the Proof of Claim and Release Form (the “Claim Form”); the
17 Summary Notice; and the Postcard Notice for publication annexed hereto as Exhibits A-1, A-2, A-3 and
18 A-4, respectively, hereto and finds that the distribution of the Postcard Notice by email (or mail in those
19 instances where no email address is available), directing Class Members to the Settlement website to
20 access the Notice which shall contain the general terms of the Settlement set forth in the Stipulation, the
21 proposed Plan of Allocation, the general terms of the Fee and Expense Application, and the date of the
22 Settlement Hearing and publishing of the Summary Notice substantially in the manner and form set
23 forth in ¶8 of this Order meets the requirements of Rule 23 of the Federal Rules of Civil Procedure, 15
24 U.S.C. § 77z-1(a)(7), 15 U.S.C. § 78u-4(a)(7) and due process, and is the best notice practicable under
25 the circumstances and shall constitute due and sufficient notice to all Persons entitled thereto.

26 8. The firm of A.B. Data Ltd. (“Claims Administrator”) is hereby appointed to supervise
27 and administer the notice procedure as well as the processing of claims as more fully set forth below:

28 a. Not later than fifteen (15) business days after entry of this order (the “Notice

1 Date”), the Claims Administrator shall cause a copy of the Postcard Notice substantially in the forms
2 annexed hereto as Exhibits A-4 to be emailed (or mailed in those instances where no email address is
3 available by first-class mail) to all Settlement Class Members who can be identified with reasonable
4 effort;

5 b. No later than ten (10) calendar days after the Notice Date, the Summary Notice,
6 substantially in the form annexed hereto as Exhibit A-3, respectively, shall be published once in
7 *Investor’s Business Daily* and once over a national newswire service; and

8 c. At least seven (7) calendar days prior to the Final Approval Hearing, Lead
9 Counsel shall cause to be served on Defendants’ Counsel and filed with the Court proof, by affidavit or
10 declaration, of such mailing and publication.

11 9. Defendants shall complete service on the appropriate federal and state government
12 officials of all notices required under the Class Action Fairness Act, 28 U.S.C. §1715 (“CAFA”), no
13 later than ten (10) calendar days following the filing of the Stipulation with the Court. At least seven (7)
14 calendar days before the Final Approval Hearing, Defendants shall cause to be served on Lead Counsel
15 and filed with the Court proof, by affidavit or declaration, regarding compliance with the notice
16 requirements of CAFA.

17 10. Nominees who purchased Corcept common stock or options to purchase Corcept
18 common stock for the beneficial ownership of Settlement Class Members during the Settlement Class
19 Period shall email (or mail it in those instances where no email address is available) the Postcard Notice
20 to all beneficial owners of such Corcept common stock or options to purchase Corcept common stock
21 within ten (10) days after receipt thereof, or send a list of the names and addresses of such beneficial
22 owners to the Claims Administrator within ten (10) days of receipt thereof, in which event the Claims
23 Administrator shall promptly email the Postcard Notice (or mail it in those instances where no email
24 address is available to such beneficial owners. Such holders of record shall be reimbursed from the
25 Settlement Fund, upon receipt by the Claims Administrator of proper documentation, for the reasonable
26 expense of providing Postcard Notice to beneficial owners who are Settlement Class Members, which
27 expenses would not have been incurred except for the sending of such Postcard Notice, subject to further
28 order of this Court with respect to any dispute concerning such compensation.

1 11. All Settlement Class Members who do not exclude themselves by the deadline set forth
2 below shall be bound by all determinations and judgments in the Action concerning the Settlement,
3 whether favorable or unfavorable to the Settlement Class.

4 12. All Settlement Class Members who wish to participate in the Settlement shall complete
5 and submit Claim Forms in accordance with the instructions contained therein to obtain a payment.
6 Unless the Court orders otherwise, all Claim Forms must be postmarked no later than ninety (90)
7 calendar days from the Notice Date. Any Settlement Class Member who does not submit a Claim Form
8 within the time provided for shall be barred from sharing in the distribution of the proceeds of the
9 Settlement Fund, unless otherwise ordered by the Court. Notwithstanding the foregoing, Lead Counsel
10 shall have discretion to accept late-submitted Claims for processing by the Claims Administrator so long
11 as the distribution of the Settlement Fund is not materially delayed thereby.

12 13. Any Settlement Class Member may enter an appearance in the Action, at their own
13 expense, individually or through counsel of their own choice, in which case such counsel must file with
14 the Clerk of the Court a notice of such appearance. Any Settlement Class Member who does not enter
15 an appearance will be represented by Lead Counsel.

16 14. Any Person falling within the definition of the Settlement Class may, upon request, be
17 excluded from the Settlement Class. Any such Person must submit to the Claims Administrator a request
18 for exclusion (“Request for Exclusion”), in the manner set forth in the Notice no later than twenty-one
19 (21) calendar days prior to the Final Approval Hearing. A Request for Exclusion must: (a) state the
20 name, address, and telephone number of the Person requesting exclusion; (b) identify the number of
21 shares of Corcept common stock or options purchased or otherwise acquired during the Settlement Class
22 Period; (c) identify the date of each such purchase or acquisition and the price or other consideration
23 paid; (d) identify the date of each sale or other disposition of any share of Corcept common stock or
24 options during the Settlement Class Period and the price or other consideration received; (e) identify the
25 number of shares of Corcept common stock or options held immediately before the commencement of
26 the Settlement Class Period; (f) contain a statement that the Person wishes to be excluded from the
27 Settlement Class; and (g) be signed by the Person requesting exclusion. A Request for Exclusion shall
28 not be effective unless it provides all the required information and is received within the time stated

1 above, or is otherwise accepted by the Court. Copies of all requests for exclusion received by Lead
2 Counsel or the Claims Administrator, together with copies of all written revocations of requests for
3 exclusion, shall be delivered to Defendants' Counsel within three (3) business days of receipt.

4 15. All Persons who submit valid and timely Requests for Exclusion in the manner set forth
5 in ¶14 shall have no rights under the Stipulation, shall not share in the distribution of the Net Settlement
6 Fund, and shall not be bound by the Stipulation or the Judgment entered in the Action.

7 16. Any Settlement Class Member that does not timely and validly request exclusion from
8 the Settlement Class in the manner stated in this Order: (a) shall be deemed to have waived his, her, or
9 its right to be excluded from the Settlement Class; (b) shall be forever barred from requesting exclusion
10 from the Settlement Class in this or any other proceeding; (c) shall be bound by the provisions of the
11 Stipulation and Settlement and all proceedings, determinations, orders, and judgments in the Action,
12 including, but not limited to, the Judgment, and the Releases provided for therein, whether favorable or
13 unfavorable to the Settlement Class; and (d) will be barred from commencing, instituting, prosecuting,
14 or continuing to prosecute any action or other proceeding in any court of law or equity, arbitration
15 tribunal, or administrative forum, asserting any of Plaintiffs' Released Claims (including Unknown
16 Claims) against any of the Defendant Releasees, as more fully described in the Stipulation and Notice.

17 17. Any Settlement Class Member that does not request exclusion from the Settlement Class
18 may appear and show cause, if he, she or it has any reasons why the proposed Settlement of the Action
19 should or should not be approved as fair, reasonable and adequate, why a Judgment should or should
20 not be entered thereon, why the Plan of Allocation should or should not be approved, or why attorneys'
21 fees and Litigation Expenses should or should not be awarded to Lead Counsel, or the time and expenses
22 of Lead Plaintiff should or should not be awarded. Settlement Class Members may not ask the Court to
23 order a larger settlement or otherwise modify the Settlement; the Court may only approve or deny the
24 Settlement. No Settlement Class Member or any other Person shall be heard or entitled to contest such
25 matters, unless that Settlement Class Member has sent by first-class mail written objections and copies
26 of any papers and briefs to the Class Action Clerk, United States District Court for the Northern District
27 of California, 450 Golden Gate Avenue, San Francisco, CA 94012, or by filing them in person at any
28 location of the United States District Court for the Northern Division of California, no later than twenty-

1 one (21) days prior to the Final Approval Hearing. Further, copies of any such objection must also be
2 served in writing or via email not later than twenty-one (21) calendar days prior to the date scheduled
3 herein for the Final Approval Hearing on both: (i) Shannon L. Hopkins, Levi & Korsinsky, LLP, 1111
4 Summer Street, Suite 304, Stamford, CT 06901, Email: shopkins@zlk.com, Lead Counsel for Lead
5 Plaintiff and the Settlement Class; and (ii) Corey Worcester, Quinn Emanuel Urquhart & Sullivan, LLP,
6 51 Madison Avenue, 22nd Floor, New York, New York 10010, Email:
7 coreyworcester@quinnemanuel.com, Defendants' Counsel. Any objection must: (a) clearly identify the
8 case name and number, *Ferraro Family Foundation, Inc., et al. v. Corcept Therapeutics Incorporated,*
9 *et al.*, Case No. 3:19-CV-01372-JD; (b) include the full name, address and phone number of the
10 objecting Settlement Class Member; (c) include a list of all of the Settlement Class Member's Settlement
11 Class Period transactions in Corcept common stock and/or stock options; (d) identify all other class
12 action settlements to which the objector and their, his, her or its counsel has previously objected, copies
13 of any papers, briefs, or other documents upon which the objection is based, and contain the objector's
14 signature, even if represented by counsel; and (e) include a written statement of all grounds for the
15 objection.

16 18. Any objector who wishes to appear in person at the Final Approval Hearing must submit
17 to the Court with his, hers, or its objection a Notice of Intention to Appear. If the objector intends to
18 appear at the Final Approval Hearing through counsel, the objection must also state the identity of all
19 attorneys who will appear at the Final Approval Hearing on the objector's behalf and those counsel must
20 submit a Notice of Intention to Appear with the objection. Any Settlement Class Member who does not
21 make his, her or its objection in the manner provided shall be deemed to have waived such objection
22 and shall forever be foreclosed from making any objection to the fairness or adequacy of the proposed
23 Settlement as set forth in the Stipulation, to the Plan of Allocation, to the award of attorneys' fees and
24 reimbursement of Litigation Expenses to Lead Counsel, or to any award for the time and expenses of
25 Lead Plaintiff, unless otherwise ordered by the Court.

26 19. All funds held by the Escrow Agent shall be deemed and considered to be in *custodia*
27 *legis* of the Court, and shall remain subject to the jurisdiction of the Court, until such time as such funds
28 shall be distributed pursuant to the Stipulation and/or further order(s) of the Court.

1 20. Lead Counsel shall be entitled to withdraw up to \$150,000 from the Settlement Fund
2 pursuant to ¶5.5 of the Stipulation to pay reasonable expenses of notice and administration of the
3 Settlement upon the execution of this Order, subject to final approval of said expenses at the Final
4 Approval Hearing and the other provisions of the Stipulation.

5 21. All papers in support of final approval of the Settlement, the Plan of Allocation and any
6 motion by Lead Counsel for attorneys' fees, reimbursement of their Litigation Expenses and an award
7 for the time and expenses of Lead Plaintiff shall be filed and served fifty-six (56) days before the date
8 of the Final Approval Hearing. Additionally, any reply brief(s) shall be filed and served seven (7) days
9 before the date of the Final Approval Hearing.

10 22. Defendants and their counsel shall have no responsibility for the Plan of Allocation or
11 any motion for attorneys' fees or reimbursement of Litigation Expenses submitted by Lead Counsel or
12 for an award for the time and expenses of Lead Plaintiff, and such matters will be considered separately
13 from the fairness, reasonableness and adequacy of the Settlement.

14 23. At or after the Final Approval Hearing, the Court shall determine whether the Plan of
15 Allocation proposed by Lead Counsel and any motion for attorneys' fees or reimbursement of Litigation
16 Expenses or application for an award for the time and expenses of Lead Plaintiff shall be approved.

17 24. All reasonable expenses incurred in identifying and notifying Settlement Class Members,
18 as well as administering the Settlement Fund, shall be paid as set forth in the Stipulation. In the event
19 the Settlement is not approved by the Court, or otherwise fails to become effective, neither the Lead
20 Plaintiff nor Lead Counsel shall have any obligation to repay any amounts incurred or properly disbursed
21 pursuant to ¶5.5 of the Stipulation up to \$300,000.

22 25. Neither the Stipulation, nor any of its terms or provisions, nor any of the negotiations or
23 proceedings connected with it, shall be construed as an admission or concession by Defendants of the
24 truth of any of the allegations in the Action, or of any liability, fault, or wrongdoing of any kind.

25 26. Neither the Stipulation, nor any of its terms or provisions, nor any of the negotiations or
26 proceedings connected with it, shall be construed as an admission or concession by Lead Plaintiff of any
27 liability, fault or wrongdoing of any kind.
28

1 27. Pending final determination of whether the Settlement should be approved, Lead
2 Plaintiff, all Settlement Class Members and anyone who acts or purports to act on their behalf, shall not
3 institute, commence or prosecute any action which asserts Released Claims against any Released Person.

4 28. Pending final determination of whether the Settlement should be approved, all
5 proceedings and all discovery with respect to the Defendants in the Action are stayed pending further
6 order of the Court.

7 29. The Court reserves the right to adjourn the date of the Final Approval Hearing without
8 further notice to the Settlement Class Members, and retains jurisdiction to consider all further motions
9 arising out of or connected with the proposed Settlement. The Court may approve the Settlement, with
10 such modifications as may be agreed to by the Settling Parties, if appropriate, without further notice to
11 the Settlement Class.

12
13 IT IS SO ORDERED

14
15 DATED:

16 _____
17 The Honorable James Donato
18 United States District Judge
19
20
21
22
23
24
25
26
27
28

Exhibit A-1

Questions? Call (877) 390-3297 (Toll free) or visit www.CorceptSecuritiesLitigation.com

[EXHIBIT A-1 – NOTICE]

**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

**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 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, CA, 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 Plaintiff 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 _____	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 24 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 _____	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 _____	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 _____	If you remain part of the Settlement Class, you can write to the Court and ask to speak at the Final Approval Hearing on _____ 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

BASIC INFORMATION

1. Why did I get this Notice package?
2. What is this Action about?
3. What is a class action?
4. Why is there a Settlement?

WHO IS INCLUDED IN THE SETTLEMENT?

Questions? Call (877) 390-3297 (Toll free) or visit www.CorceptSecuritiesLitigation.com

5. How do I know if I am a Settlement Class Member?
6. Are there any exceptions to being included as a Settlement Class Member?
7. I am still not sure if I'm included.

THE SETTLEMENT BENEFITS

8. What does the Settlement provide?
9. How much will my payment be?
10. How can I get a payment?
11. When would I get my payment?
12. What am I giving up to get a payment or stay in the Settlement Class?

EXCLUDING YOURSELF FROM THE SETTLEMENT

13. How do I get out of the Settlement?

THE LAWYERS REPRESENTING YOU

14. Do I have a lawyer in this case?
15. How will the lawyers be paid?

OBJECTING TO THE SETTLEMENT

16. How do I tell the Court that I do not like the Settlement?
17. What's the difference between objecting and being excluded from the Settlement Class?

THE COURT'S FINAL APPROVAL HEARING

18. When and where will the Court decide whether to approve the Settlement?
19. Do I have to come to the Final Approval Hearing?
20. May I speak at the Final Approval Hearing?

IF YOU DO NOTHING

21. What happens if I do nothing at all?

GETTING MORE INFORMATION

22. Are there more details about the Settlement?

SPECIAL NOTICE TO NOMINEES

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

UNDERSTANDING YOUR PAYMENT - THE PLAN OF ALLOCATION

- A. Introduction to the Plan of Allocation
- B. Calculating Recognized Loss for Corcept Common Stock
- C. Calculation of Recognized Loss for Call Options

- D. Calculation of Recognized Loss for Put Options
- E. General Provisions Applicable to the Plan of Allocation

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

Questions? Call (877) 390-3297 (Toll free) or visit www.CorceptSecuritiesLitigation.com

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 their 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 believes 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 24 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 24 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 _____. 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; and *Jeweltex Pension Plan v. Wilson, et al.*, pending in the United States District Court for the District of Delaware before the Honorable Maryellen Noreika; *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, post-marked no later than _____. 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) identify the date of each such purchase or acquisition and the price or other consideration paid; (d) identify the date of each sale or other disposition of any share of Corcept common stock or options during the Settlement Class Period and the price or other consideration received; (e) identify the number of shares of Corcept common stock or options held immediately before the commencement of the Settlement Class Period; (f) contain a statement that the Person wishes to be excluded from the Settlement Class; and (g) 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 addresses and phone numbers listed below:

Shannon L. Hopkins
Gregory M. Potrepka
LEVI & KORSINSKY, LLP
1111 Summer Street, Suite 403
Stamford, CT 06905
Telephone: (203) 922-4253

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 _____.

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; (c) identify all other class action settlements to which the objector and their, his, her or its counsel has previously objected, copies of any papers, briefs, or other documents upon which the objection is based, and contain the objector's signature, even if represented by counsel; and (d) 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 _____, 2023:

Questions? Call (877) 390-3297 (Toll free) or visit www.ConceptSecuritiesLitigation.com

<p><i>Lead Counsel</i> Shannon L. Hopkins Gregory M. Potrepka Levi & Korsinsky, LLP 1111 Summer Street, Suite 304 Stamford, CT 06901 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, New York 10010 Email: coreyworcester@quinnemanuel.com</p>
--	--

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 _____ 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 24 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

20. May I speak at the Final Approval Hearing?

Questions? Call (877) 390-3297 (Toll free) or visit www.CorceptSecuritiesLitigation.com

objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

Any Settlement Class Member who did not request to be excluded from the Settlement Class by _____ 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 _____, 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 94012, 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 this Notice and the Claim Form 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 Notice and Claim Form yourself, you may obtain from the Claims Administrator (without cost to you) as many additional copies of these documents 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 Notice and Claim Form and which would not have been incurred but for the obligation to forward the Notice and Claim Form, 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

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.

Questions? Call (877) 390-3297 (Toll free) or visit www.CorceptSecuritiesLitigation.com

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.

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:
 - a. the amount of per-share price inflation on the date of purchase as appears in Table 1 above; or
 - b. the purchase price minus the sale price; or
 - c. 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:
 - a. the amount of per-share price inflation on the date of purchase as appears in Table 1 above; or
 - b. 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

Table 2 90-Day Lookback Value by Sale/Disposition Date					
Sale / Disposition Date	90-Day Lookback Value	Sale / Disposition Date	90-Day Lookback Value	Sale / Disposition Date	90-Day Lookback Value
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 Concept 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.

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 Concept Common Stock on the date of exercise less the exercise price of the option.

Questions? Call (877) 390-3297 (Toll free) or visit www.ConceptSecuritiesLitigation.com

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

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	\$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
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

Questions? Call (877) 390-3297 (Toll free) or visit www.CorceptSecuritiesLitigation.com

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
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
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

Questions? Call (877) 390-3297 (Toll free) or visit www.CorceptSecuritiesLitigation.com

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	\$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
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

Questions? Call (877) 390-3297 (Toll free) or visit www.CorceptSecuritiesLitigation.com

Expiration Date	Exercise Price	Inflation 8/2/2017 - 1/24/2019	Inflation 1/25/2019 - 1/31/2019	90-Day Value	Holding Value
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 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

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).

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

Questions? Call (877) 390-3297 (Toll free) or visit www.CorceptSecuritiesLitigation.com

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.

Date:

THE HONORABLE JAMES DONATO

United States District Court Judge for The Northern District of California

Stock as a result of the buyer of such put option exercising that put option.

Exhibit A-2

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 _____, 2023, OR, IF MAILED, POSTMARKED NO LATER THAN _____, 2023, 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 _____), 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
_____, 2023**

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 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, 2109. If none, write “zero” or “0.” _____. (Must be documented.)	Confirm Proof of Position Enclosed ○
---	---

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 ○
---	---------------------------------

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 III – 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 A-3

**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

**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 _____ on _____, 2021, 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 Securities Litigation
Claims Administrator
c/o A.B. Data Ltd. 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 websites listed above, ***postmarked no later than []***. 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 []***. 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 []***, and ***postmarked or emailed to the Settling Parties' counsel no later than []***.

DATED: _____

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

Exhibit A-4

LEGAL NOTICE

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

Corcept Therapeutics Incorporated Securities Litigation
Claims Administrator
P.O. Box 173029
Milwaukee, WI 53217

www.CorceptSecuritiesLitigation.com

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.

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

THIS CARD PROVIDES ONLY LIMITED INFORMATION ABOUT THE CLASS ACTIONS AND 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 Corcept 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 _____, 2023 at _____ 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 and 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 \$__, 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 _____, 2023. 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 _____, 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 _____, 2023. 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) 922-4253. 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

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

**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: Hon. James Donato

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

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

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

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

24 4. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, this Court hereby approves
25 the Settlement set forth in the Stipulation and finds that said Settlement is, in all respects, fair, just,
26

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,
4 satisfying 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
8 the 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
12 over questions affecting only individual members and a class action is superior to other methods
13 available for the fair and efficient adjudication of the controversy, satisfying the requirements of Rule
14 23(b)(3).

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

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

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

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

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

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

26 Accordingly, the Court authorizes and directs implementation of all the terms and provisions of
27 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
27 Lead Plaintiff to Lead Plaintiff shall in no way disturb or affect the final Judgment and shall be
28

1 considered separate from this Final Judgment and Order.

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

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

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

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

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

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

6
7 IT IS SO ORDERED.

8 Dated: _____, 2023

9 HON. JAMES DONATO

10 UNITED STATES DISTRICT COURT JUDGE
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Exhibit 2

	<i>In re Prothena Corp. PLC Sec. Litig.</i> , No. 1:18-cv- 06425 (S.D.N.Y.)	<i>Fleming v. Impax Lab. Inc.</i> , No. 4:16-cv-06557 (N.D. Cal.)	<i>Weston v. RCS Capital Corporation</i> , No. 1:14-cv-10136 (S.D.N.Y.)	<i>Rougier v. Applied Optoelectronics, Inc.</i> , No. 4:17-cv-2399 (S.D. Tex.)
Lead Counsel or Co-Lead Counsel	Levi & Korsinsky	Pomerantz	Labaton Sucharow	Levi & Korsinsky
Claims Released	Sections 10(b) and 20(a) of the Securities Exchange Act	Sections 10(b) and 20(a) of the Securities Exchange Act	Sections 11 and/or 12(a)(2) of the Securities Act and/or Section 10(b) of the Exchange Act	Sections 10(b) and 20(a) of the Securities Exchange Act
Total Settlement Fund	\$15,750,000	\$33,000,000	\$31,000,000	\$15,500,000
Total Number of Notices Sent¹	28,970	49,620	22,991	156,950
Method(s) of Notice	Direct mail; publication of summary notice in <i>Investor's Business Daily</i> and PR Newswire; settlement website; and co-counsel's websites	Direct mail; publication of summary notice in <i>The Wall Street Journal</i> and over PR Newswire; settlement website; Depository Trust Company published notice packet on legal notice system	Direct mail; publication of summary notice in <i>The Wall Street Journal</i> and over PR Newswire; settlement website	Direct mail; publication of summary notice in <i>Investor's Business Daily</i> and transmitted over Globe Newswire; settlement website

¹ Lead Counsel is unable to provide the total number of class members, because, as is typical in securities class actions, the securities are widely traded, are generally held in "street names" through a brokerage firm, institution, or other third-party nominee, and there is no definitive list of class members available to the parties. Further, the number of claims forms that are mailed does not equate to the number of class members. By way of example, brokers tend to have Notices mailed to all clients who have held the stock, without assessing whether the shareholders are potential Settlement Class Members. Moreover, investors (particularly institutional investors) may have multiple brokers who will each send them separate notices.

Number and Percentage of Claim Forms Submitted²	5,989 20.7%	13,863 27.938%	8,593 37%	10,632 14.76%
Average Recovery Per Class Member/Claimant³	\$5,705.05	\$4,236.68	\$2,564	\$2,213.80 ⁴
Amounts Distributed to Each Cy Pres Recipient	N/A	N/A	N/A	NA
Administrative Costs	\$237,922.84	\$311,213.99	\$233,371.46	\$300,000
Attorneys' Fees	\$4,725,000 (30% of settlement fund)	\$9,900,000 (30% of settlement fund)	\$9,300,000 (30% of settlement fund)	\$5,301,199 (33.33% settlement fund)
Litigation Expenses	\$112,468.23	\$176,601.78	\$174,333.68	\$167,289.09
Total Exposure Maximum Exposure	Estimated \$530.7 million	Estimated \$265 million	Estimated \$311.5 million	Estimated \$535 million

² Further to note 1, *supra*, this percentage simply represents the number of claims filed as a percentage of the number of Notices sent.

³ This is the average estimated recovery, before deduction of any court-approved fees and expenses, per allegedly damaged share.

⁴ Lead Counsel provides this estimate based on a net settlement fund of \$9,676,511.91 and 4,371 claimants.

Exhibit 3

1 **Compliance with *Procedural Guidance for Class Action Settlements* of the Northern District of**
2 **California**

3 **Guidance 1: Information about the Settlement**

4 ***Guidance 1(a): Any differences between the settlement class and the class***
5 ***proposed in the operative complaint (or, if a class has been certified, the***
6 ***certified class) and an explanation as to why the differences are appropriate.***

7 There are no differences between the definition of the proposed Settlement Class and the Class
8 definition in the operative Third Amended Complaint (ECF 127). As set forth in §III(B) of Lead
9 Plaintiff’s Unopposed Notice of Motion and Motion for Preliminary Approval of Proposed Class Action
10 Settlement; Memorandum of Points and Authorities in Support Thereof (“Preliminary Approval
11 Memorandum”), Lead Plaintiff seeks certification of the Settlement Class, consisting of all persons who
12 purchased or otherwise acquired common stock or options to purchase common stock of Corcept
13 between August 2, 2017 and January 31, 2019, inclusive (the “Settlement Class”). The TAC defines the
14 putative Class as “all other persons similarly situated who purchased or otherwise acquired Corcept
15 securities between August 2, 2017 and January 31, 2019, inclusive (the “Class Period”), and were
16 damaged thereby.” TAC at 1, ¶473. Thus, the Settlement Class definition simply specifies the securities
17 included in the Class definition in the TAC.

18 ***Guidance 1(b): Any differences between the claims to be released and the***
19 ***claims in the operative complaint (or, if a class has been certified, the claims***
20 ***certified for class treatment) and an explanation as to why the differences are***
21 ***appropriate.***

22 As set forth in §III(B) of the Preliminary Approval Memorandum, claims to be released include
23 all claims in the TAC, including claims that have been dismissed by the Court, and related Released
24 Claims against Released Persons as defined in the Stipulation (and also described in the Notice and
25 Claim Form). While the Released Claims include not only those claims that were asserted, but also those
26 that could have been asserted, the Stipulation properly limits such Released Claims to those that both
27 “(a) arise out of, are based upon, or relate to in any way any of the allegations, acts, transactions, facts,
28 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
to in any way to the purchase, acquisition, holding, sale, or disposition of any Corcept securities during

1 the Class Period.” Stipulation ¶1.28. Such releases are common in approved securities class action
 2 settlements. The release is thus carefully tailored to Lead Plaintiff’s alleged claims.

3
 4 **Guidance 1(c): *The class recovery under the settlement (including details about
 and the value of injunctive relief), the potential class recovery if plaintiffs had
 5 fully prevailed on each of their claims, claim by claim, and a justification of the
 discount applied to the claims.***

6 The Settlement Class will receive \$14 million in cash, less approved fees and expenses, through
 7 the Settlement Fund. Numerous factors contributed to Lead Plaintiff’s acceptance of a discount to the
 8 damages value, which are set forth more fully in Sections III(A)(1), III(A)(4), and III(D) of the
 9 Preliminary Approval Memorandum. As set forth in §III(A)(3) of the Preliminary Approval
 10 Memorandum, the Settlement represents approximately 7.3% - 12.9% of the maximum theoretical
 11 aggregate damages. The \$14 million Settlement is above the median recovery achieved in similar class
 12 actions of 4.3% or 4.4%. See Exhibit 5 to Hopkins Decl., L.T. Bulan, L.E. Simmons, *Securities Class
 13 Action Settlements*, 2022 Review and Analysis, Cornerstone Research (2023), at 6.

14 **Guidance 1(d): *Any other cases that will be affected by the settlement, an
 explanation of what claims will be released in those cases if the settlement is
 15 approved, the class definitions in those cases, their procedural posture, whether
 16 plaintiffs’ counsel in those cases participated in the settlement negotiations, a
 brief history of plaintiffs’ counsel’s discussions with counsel for plaintiffs in
 17 those other cases before and during the settlement negotiations, an explanation
 of the level of coordination between the two groups of plaintiffs’ counsel, and
 18 an explanation of the significance of those factors on settlement approval. If
 there are no such cases, counsel should so state.***

19
 20 As set forth in §III(A)(10), Lead Counsel is aware of no other cases that will be affected by this
 21 Settlement.

22 **Guidance 1(e): *The proposed allocation plan for the settlement fund.***

23 The proposed allocation plan is set forth in detail in §III(D) of the Preliminary Approval
 24 Memorandum.

25
 26 **Guidance 1(f): *If there is a claim form, an estimate of the expected claim rate
 in light of the experience of the selected claims administrator and/or counsel
 27 based on comparable settlements, the identity of the examples used for the
 estimate, and the reason for the selection of those examples.***

28 As set forth in the Declaration of Eric Nordskog (“Nordskog Decl.”), ¶15 and §III(E) of the

1 Preliminary Approval Memorandum, in developing the proposed notice plan for the Settlement, A.B.
2 Data was asked to provide a rough estimate of the number of potential Settlement Class Members and,
3 relatedly, the number of Postcard Notices to be emailed or mailed. The majority of potential class
4 members for any securities class action are beneficial purchasers who hold their securities in “street
5 name.” Because of this street name system, even corporate entities often do not know the identity of the
6 vast majority of their shareholders. Thus, in estimating class size for any securities case, A.B. Data
7 utilizes historical settlement data from other securities class action settlements that A.B. Data has
8 administered, particularly those settlements of similar size and/or involving companies with similar
9 market capitalization and numbers of shareholders. Based on the trading volume of Corcept common
10 stock during the Settlement Class Period, A.B. Data estimates that it will email and/or mail a total of
11 approximately 100,000 copies of the Postcard Notice to potential Settlement Class Members and
12 nominees. Based on A.B. Data’s experience, Lead Counsel expects approximately 15,000 claims to be
13 submitted (which equates to 15% of the 100,000 expected mailings), of which approximately 8,500
14 claims are estimated to be valid and eligible for payment. Comparable settlements on which this estimate
15 are based are provided in Nordskog Decl., ¶15, fn 3.

16
17 **Guidance 1(g): In light of Ninth Circuit case law disfavoring reversions, whether and under what circumstances money originally designated for class recovery will revert to any defendant, the expected and potential amount of any such reversion, and an explanation as to why a reversion is appropriate.**
18
19

20 As set forth in §III(A)(3) of the Preliminary Approval Memorandum, the proposed Settlement
21 creates a common fund, with no possibility of reversion to Defendants. *See* Stipulation ¶4.4.

22 **Guidance 2: Settlement Administration**

23 **Guidance 2(a): Identify the proposed settlement administrator, the settlement**
24 **administrator selection process, how many settlement administrators submitted**
25 **proposals, what methods of notice and claims payment were proposed, and the**
26 **lead class counsel’s firms’ history of engagements with the settlement**
27 **administrator over the last two years.**

28 Information relating to A.B. Data and the administrator selection process are set forth in §III(E)
of the Preliminary Approval Memorandum. The proposed methods of notice are addressed in §III(C) of
the Preliminary Approval Memorandum. Lead Counsel engaged A.B. Data seven times in the past two

1 years. Hopkins Decl. ¶24, as set forth in §III(E) of the Preliminary Approval Memorandum.

2
3 **Guidance 2(a):** *Address the settlement administrator's procedures for securely*
4 *handling class member data (including technical, administrative, and physical*
5 *controls; retention; destruction; audits; crisis response; etc.), the settlement*
6 *administrator's acceptance of responsibility and maintenance of insurance in*
7 *case of errors, the anticipated administrative costs, the reasonableness of those*
8 *costs in relation to the value of the settlement, and who will pay the costs.*

9 Information relating to A.B. Data's procedures, acceptance of responsibility and maintenance of
10 insurance, and costs are set forth in §III(E) of the Preliminary Approval Memorandum and in the
11 Nordskog Declaration, ¶¶3-5.

12 **Guidance 3: Adequate Notice to the Settlement Class**

13 As set forth in §III(C) of the Preliminary Approval Memorandum, Lead Counsel believes the
14 form of notice, which incorporates the *Procedural Guidance's* suggested language (Stipulation, Ex. A-
15 1 at 1), and the plan for disseminating the Notice, comply with Rule 23 and the *Procedural Guidance*.

16 **Guidance 4 and 5: Opt-Outs and Objections**

17 The proposed Notice complies with the *Procedural Guidance* with respect to opt outs. *See*
18 Stipulation, Ex. A-1 at 3, 11. With respect to the objections, the proposed Notice complies with Rule
19 23(e)(5) and the *Procedural Guidance*. *See* Stipulation, Ex. A-1 at 3, 12-13.

20 **Guidance 6: Attorneys' Fees and Costs**

21 Lead Counsel's notice of its intended request for attorneys' fees and expenses is set forth in
22 §III(A)(6) of the Preliminary Approval Memorandum. Lead Counsel's request includes all information
23 requested by the *Procedural Guidance*.

24 **Guidance 7: Service Awards**

25 Lead Counsel's notice of its intended request for a service award for Lead Plaintiff is set forth
26 in §III(A)(6) of the Preliminary Approval Memorandum and includes all information requested by the
27 *Procedural Guidance*. Lead Counsel has reviewed relevant orders and believes that the intended request
28 is consistent with that jurisprudence.

Guidance 8: Cy Pres Awardees

As set forth more fully in §III(D) of the Preliminary Approval Memorandum, the Settling Parties
have chosen the Investor Protection Trust as the recipient of any settlement funds that are not cost

1 effective to redistribute to the Settlement Class, with which neither Lead Plaintiff nor Lead Counsel are
 2 affiliated. The Institute for Investor Protection is a non-partisan, independent academic center that
 3 promotes investor protection for the individual consumer and the public and educates investors about
 4 the private remedies Congress and the judiciary envisioned would deter disclosure violations and make
 5 aggrieved investors whole.

6 **Guidance 9: Timeline**

7 As set forth in §III(F) of the Preliminary Approval Memorandum, Lead Plaintiff proposes the
 8 following schedule for notice, Settlement Hearing, and related dates:

EVENT	PROPOSED TIMING
Deadline for mailing Postcard Notice (proposed Preliminary Approval Order ¶8(a))	15 business days after Preliminary Approval Order (“Notice Date”)
Deadline for publishing the Summary Notice (proposed Preliminary Approval Order ¶8(b))	10 business days after the Notice Date
Deadline for filing papers supporting final approval of Settlement, Plan of Allocation, attorney fee & expense motion and request for reimbursement of cost and expenses of Lead Plaintiff (proposed Preliminary Approval Order ¶21)	56 calendar days before Final Approval Hearing (This date is 35 days before the post- mark deadlines for (i) requests for exclusion and (ii) objections.)
Deadline for submitting Claim Forms (proposed Preliminary Approval Order ¶12)	90 calendar days after Notice Date
Deadline for exclusion requests or objections (proposed Preliminary Approval Order ¶¶14,17-18)	21 calendar days before Final Approval Hearing (This date is 35 days after the filing of (i) final approval motion, (ii) attorney fee & expense motion and (iii) request for reimbursement of cost and expenses of Lead Plaintiff.)
Deadline for filing reply papers (proposed Preliminary Approval Order ¶21)	7 calendar days before Final Approval Hearing
Final Approval Hearing (proposed Preliminary Approval Order ¶6)	At least 120 days after the issuance of the Preliminary Approval Order

25 **Guidance 10: Class Action Fairness Act (CAFA) and Similar Requirements**

26 As set forth in §III(C) of the Preliminary Approval Memorandum, Defendants have undertaken
 27 to comply with 28 U.S.C. §1715 at their own cost. *See* Stipulation ¶14.2.

28 **Guidance 11: Comparable Outcomes**

1 Lead Plaintiff has identified the required information for several comparable cases as set forth
2 in Exhibit 2 to the Hopkins Declaration.

3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Exhibit 4

24 January 2023



Recent Trends in Securities Class Action Litigation: 2022 Full-Year Review

Federal Filings Declined for the Fourth Consecutive Year

Average and Median Settlement Values Increased by More than 50%
Compared to 2021

By Janeen McIntosh, Svetlana Starykh, and Edward Flores

Recent Trends in Securities Class Action Litigation: 2022 Full-Year Review

Federal Filings Declined for the Fourth Consecutive Year

Average and Median Settlement Values Increased by More than 50% Compared to 2021

By Janeen McIntosh, Svetlana Starykh, and Edward Flores¹

24 January 2023

Foreword

I am excited to share NERA's Recent Trends in Securities Class Action Litigation: 2022 Full-Year Review with you. This year's edition builds on work carried out over more than three decades by many members of NERA's Securities and Finance Practice. This year's report continues our analyses of trends in filings and settlements and presents new analyses related to current topics such as event-driven litigation. 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 related to securities litigations. On behalf of NERA's Securities and Finance Practice, I thank you for taking the time to review our work and hope you find it informative.

Dr. David Tabak, Managing Director

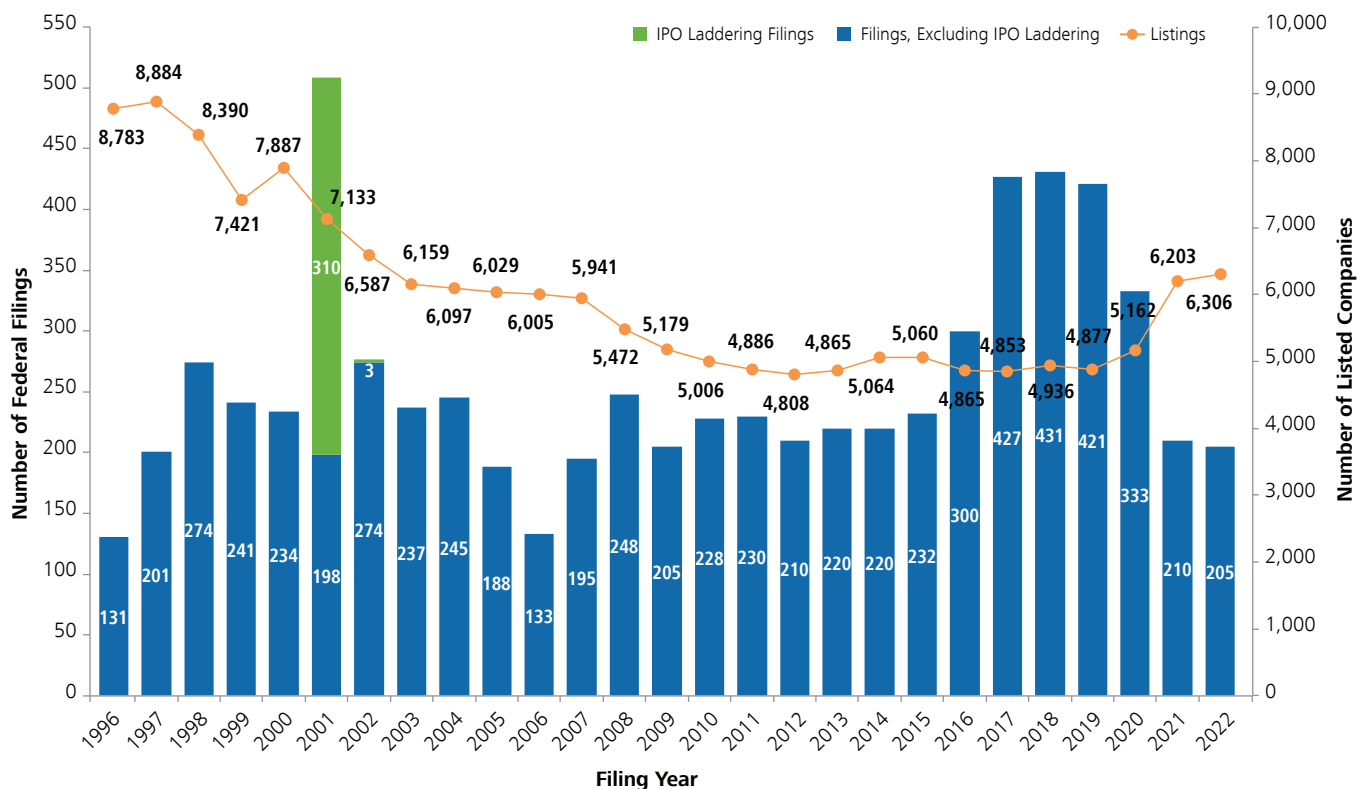
Introduction

Filings of new securities class actions declined each year from 2019 through 2022. In 2022, there were 205 new federal securities class action suits filed. This significant decline from the 431 cases filed in 2018 was largely due to the lower number of merger-objection and Rule 10b-5 cases filed in 2022. Similarly, there were fewer cases resolved in 2022 than in 2021. The decline in resolutions, since 2021, was driven by the decrease in dismissed non-merger-objection and non-crypto unregistered securities cases, a category that declined by more than 30%.² The aggregate settlement amount for cases settled in 2022 was \$4 billion, which is approximately \$2 billion higher than the inflation-adjusted amount for 2021. With more cases settling for higher values in 2022 compared to 2021, the average settlement value increased by over 70% to \$38 million and the median settlement value increased by over 50% to \$13 million.

Trends in Filings

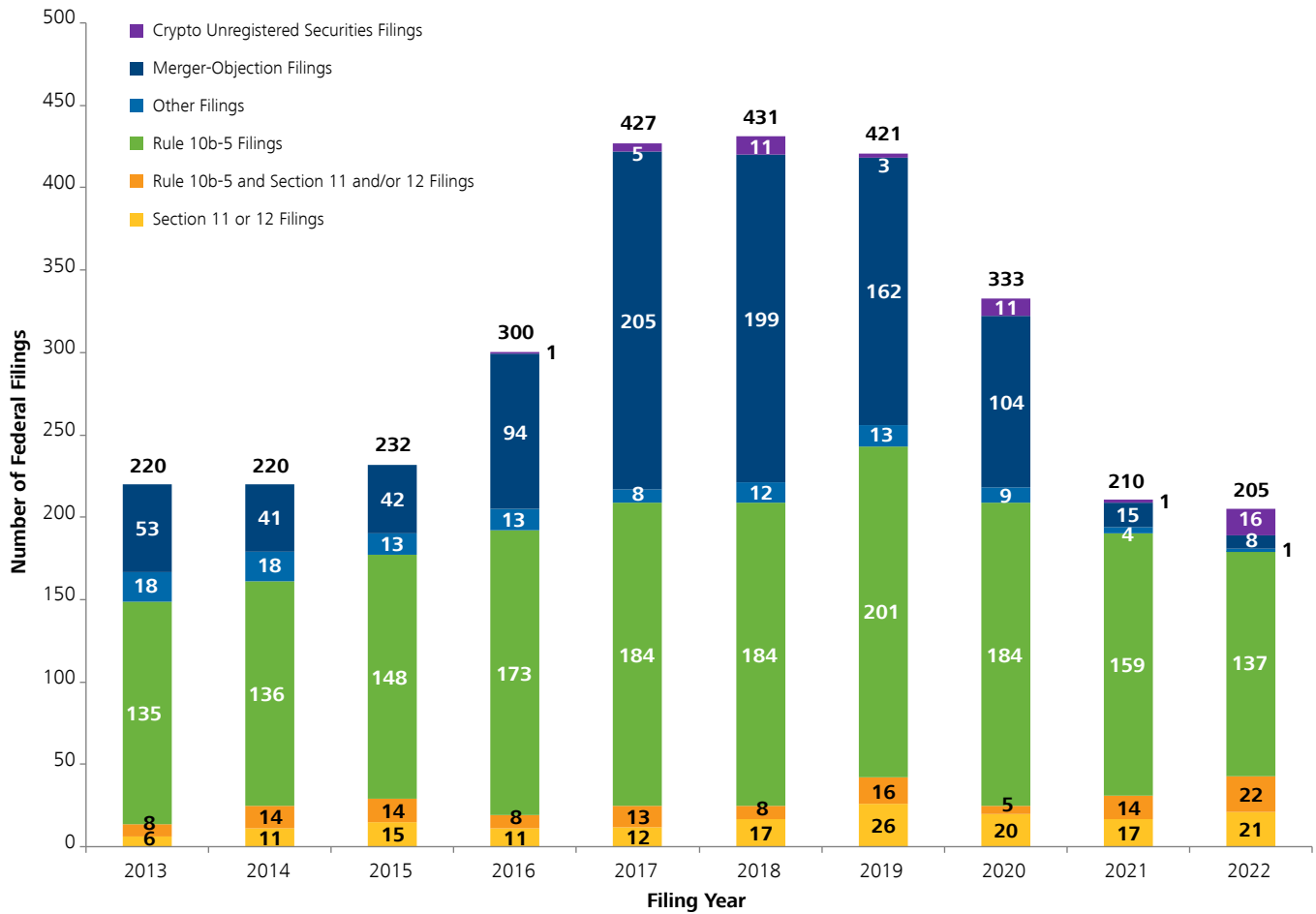
For the fourth consecutive year, there was a decline in the number of new federal securities class action suits filed (see Figure 1).³ In 2022, there were 205 new cases filed, a decline from the 210 new cases filed in 2021. This decline is a continuation of the downward trend observed since 2018, when more than 400 cases were recorded. This decline has been driven by the lower levels of merger-objection cases and cases with only Rule 10b-5 claims filed in each year (see Figure 2). Of the cases filed in 2022, suits against defendants in the health technology and services sector and the electronic technology and services sector were the most common, each accounting for 27% of total cases (see Figure 3). Although there was a decline in the aggregate number of cases filed in the Second, Third, and Ninth Circuits to the lowest level within the 2018–2022 period, the majority of new filings continue to be concentrated in these jurisdictions (see Figure 4). Of the cases filed in 2022, 33% included an allegation related to misled future performance, the most common allegation for the year. The proportion of cases with an allegation related to a regulatory issue increased from 19% in 2021 to 26% in 2022 (see Figure 5).⁴

Figure 1. **Federal Filings and Number of Companies Listed in the United States**
January 1996–December 2022



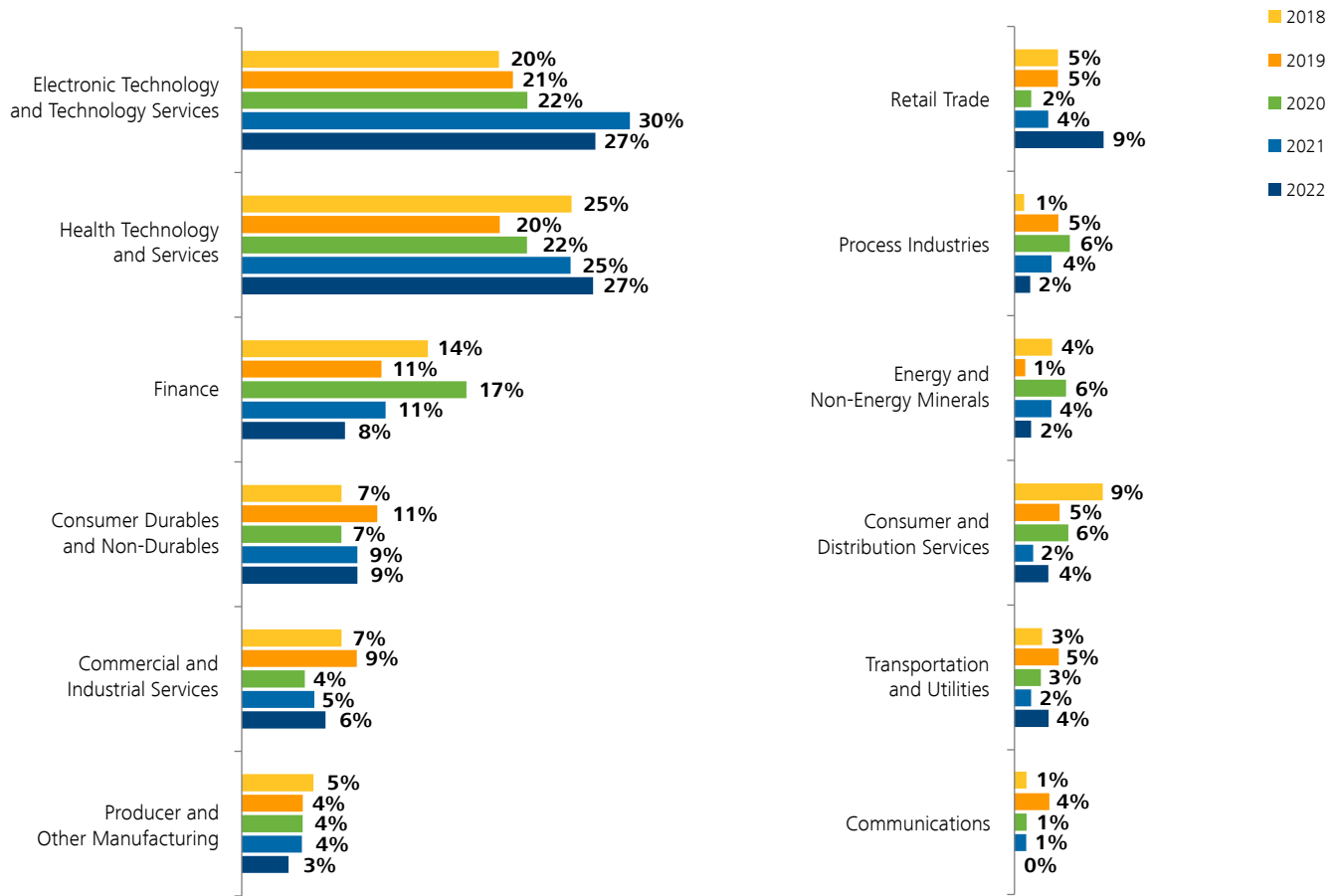
Note: Listed companies include those listed on the NYSE and Nasdaq. Listings data obtained from World Federation of Exchanges (WFE). The 2022 listings data is as of November 2022.

Figure 2. **Federal Filings by Type**
January 2013–December 2022



For the fourth consecutive year, there was a decline in the number of new federal securities class action suits filed.

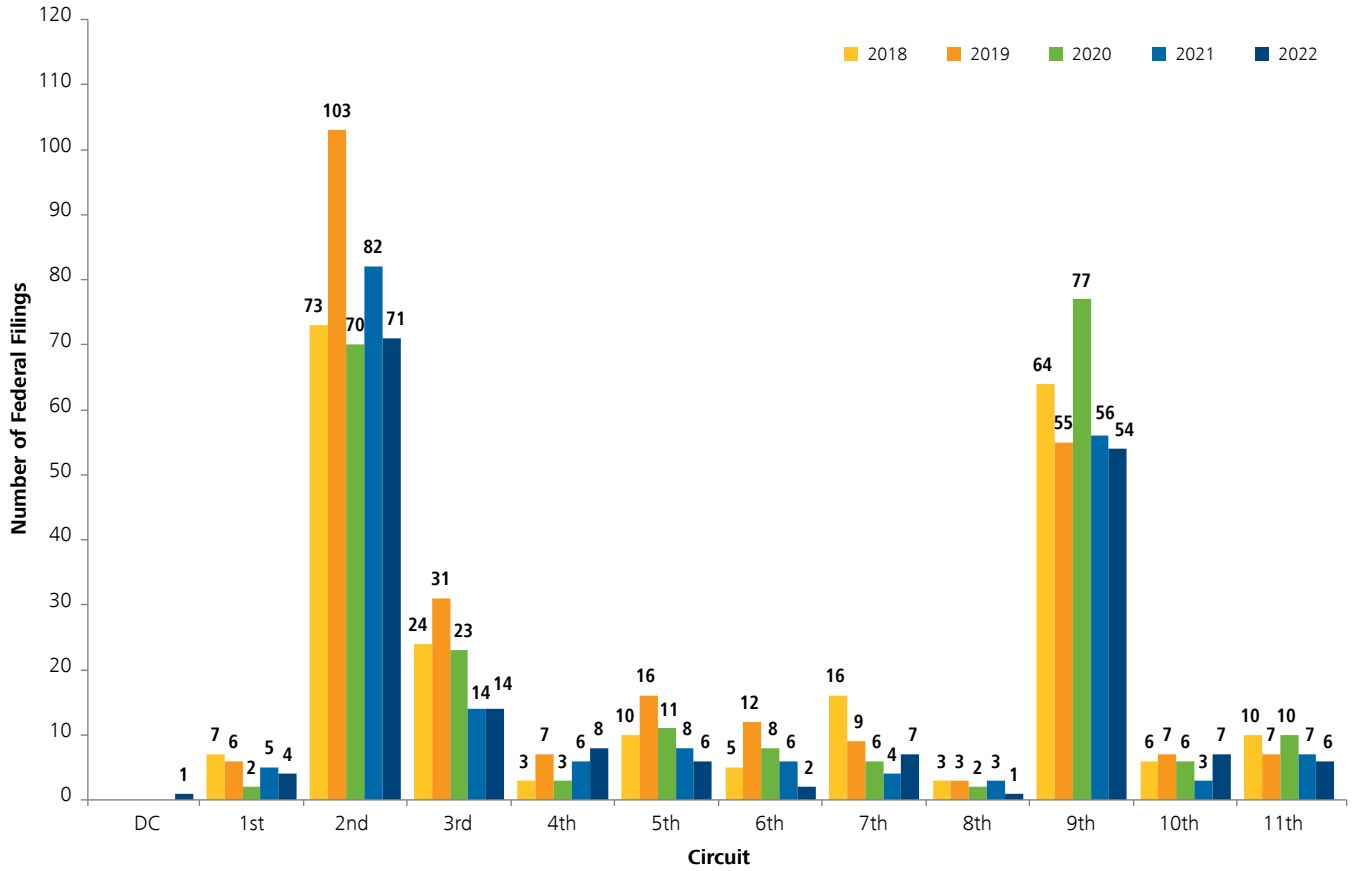
Figure 3. **Percentage of Federal Filings by Sector and Year**
 Excludes Merger Objections and Crypto Unregistered Securities
 January 2018–December 2022



Note: This analysis is based on the FactSet Research Systems, Inc. economic sector classification. Some of the FactSet economic sectors are combined for presentation.

Filings against defendants in the health technology and services sector and the electronic technology and services sector were the most common in 2022, each accounting for 27% of total cases.

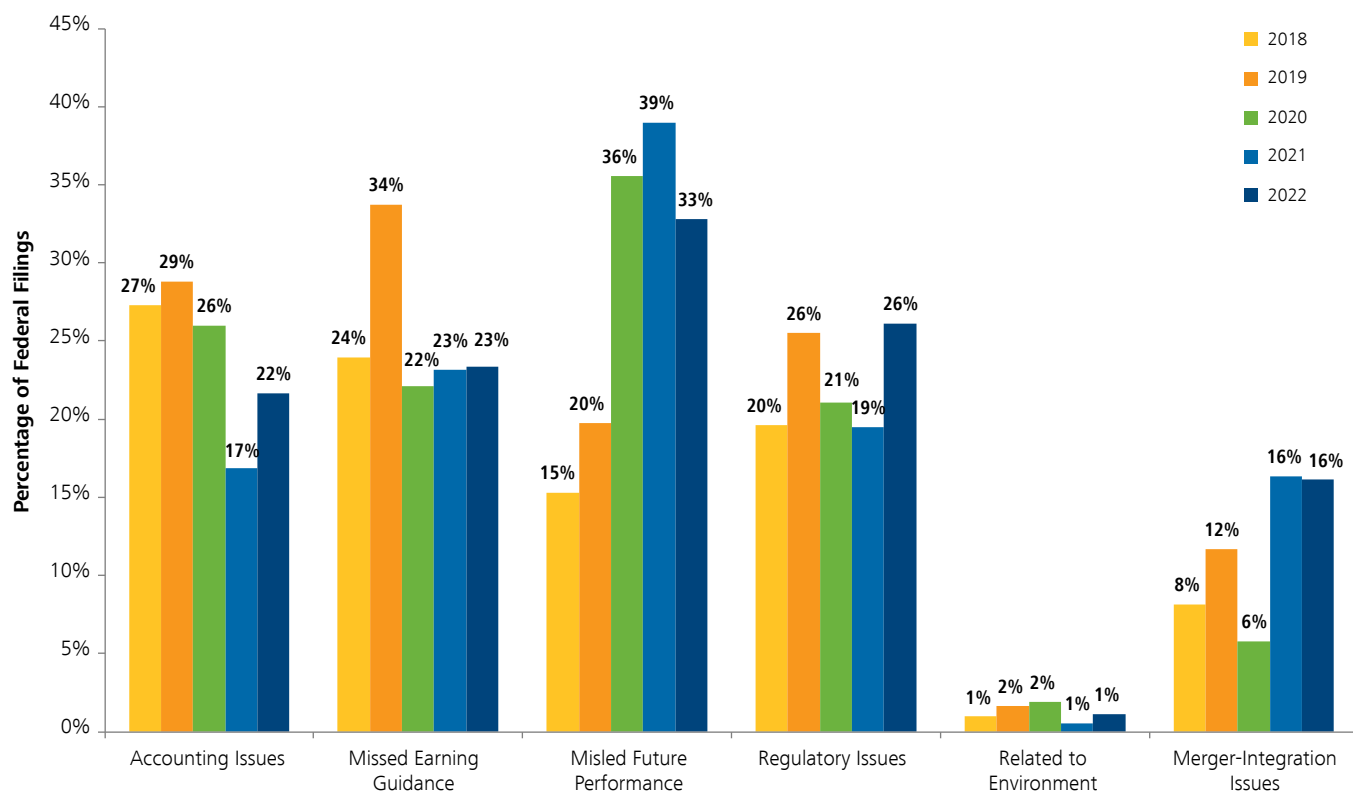
Figure 4. **Federal Filings by Circuit and Year**
 Excludes Merger Objections and Crypto Unregistered Securities
 January 2018–December 2022



Although there was a decline in the aggregate number of cases filed in the Second, Third, and Ninth Circuits to the lowest level within the 2018–2022 period, the majority of new filings continue to be concentrated in these jurisdictions.

Figure 5. **Allegations**

Shareholder Class Actions with Alleged Violations of Rule 10b-5, Section 11, and/or Section 12
January 2018–December 2022



Event-Driven and Special Cases

Here we summarize activity and trends in filings over the 2019–2022 period in potential development areas we have identified for securities class actions (see Figures 6 and 7).⁵

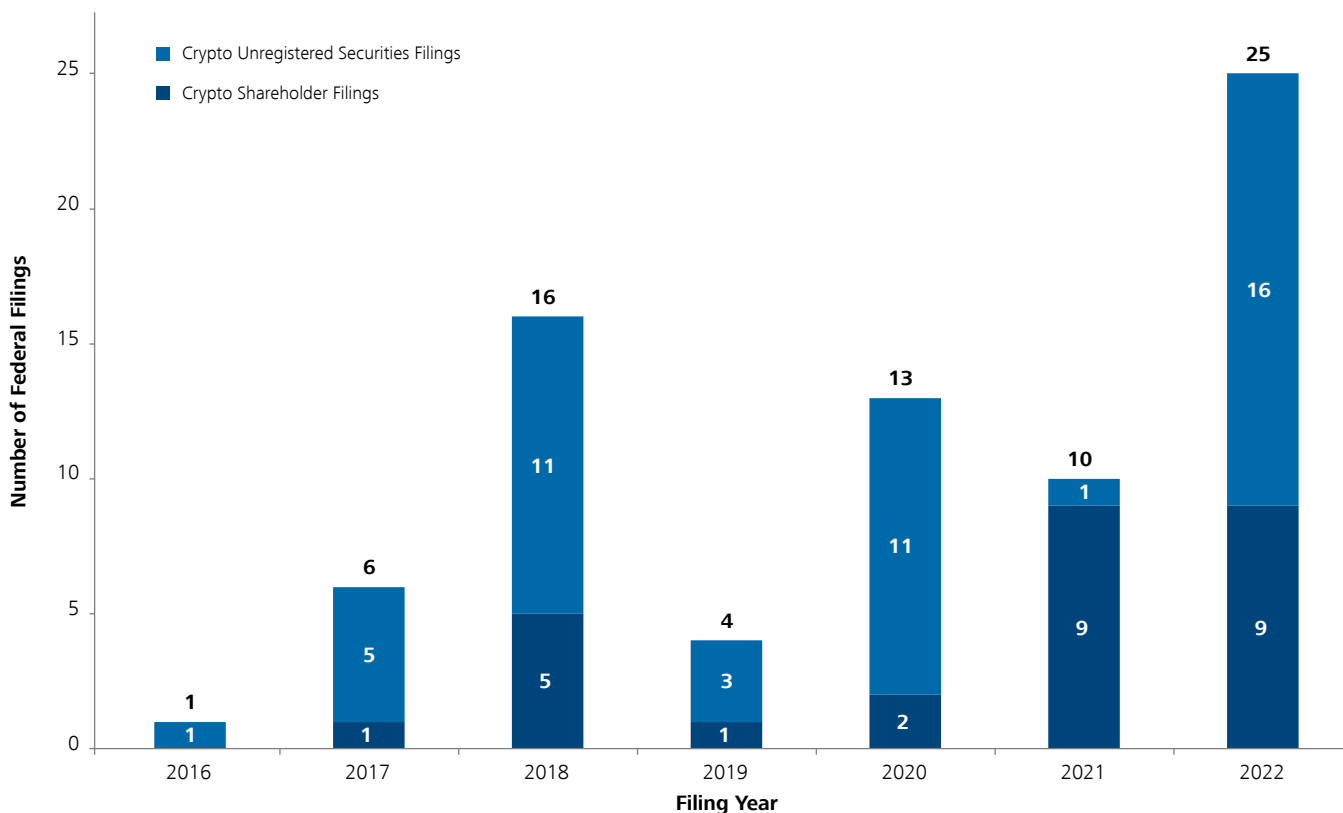
ESG Cases

Environmental, social, and governance (ESG) disclosures and companies' commitments to meet disclosure guidelines have been a developing area of interest to investors and government agencies such as the Securities and Exchange Commission over the recent decade.⁵ Along with that interest have come waves of lawsuits filed by plaintiffs alleging fraud related to ESG disclosures. For example, in a securities class action suit filed against CBS Corporation in 2018, plaintiffs alleged the defendant made false and misleading statements and/or failed to disclose that CBS executives engaged in widespread workplace sexual harassment and that the defendant's purported policies were inadequate to prevent the conduct. This suit was settled in 2022 for \$14,750,000. Similarly, in the ongoing securities suit filed against Activision Blizzard, Inc., in 2021, plaintiffs allege the defendant made false and misleading statements and/or failed to disclose that there was discrimination against women and minority employees and the existence of numerous complaints about unlawful harassment, discrimination, and retaliation made to human resources that were not addressed. As focus and interest in this area continues, this may lead to a higher number of ESG-related cases being filed.

Crypto Cases

The first securities class action related to cryptocurrency was filed against GAW Miners, LLC, in June 2016. Since 2017, there have been year-to-year fluctuations in the number of new crypto federal filings each year. In 2022, there were 25 crypto federal class actions suits filed. This is more than double the number of similar suits filed in 2021. This uptick was driven by the increase in the number of crypto unregistered securities cases.

Figure 6. **Number of Crypto Federal Filings**
January 2016–December 2022



Bribery/Kickbacks

Over the 2019–2020 period, there were 14 cases filed related to allegations of bribery or kickbacks. In 2021, there was a reduction in the number of these cases filed, with only one bribery/kickback-related case filed in that year. In 2022, four such cases were filed.

Cannabis

In 2019 and 2020, there were seven and six securities class action cases filed against defendants in the cannabis industry, respectively. Since then, there has only been one suit filed against these defendants each year.

Cybersecurity Breach

Since 2019, there have been at least three securities class action suits filed each year related to a cybersecurity breach. More specifically, between 2019 and 2020, there were a total of six such cases filed, and an additional five suits brought in 2021. In 2022, the number of new federal suits declined slightly to three filings.

COVID-19

Since the emergence of the COVID-19 pandemic in March 2020, 77 securities class action suits have been filed with claims related to the pandemic. Between March 2020 and December 2020, 33 cases were filed with COVID-19-related claims. In 2021, the number of suits filed declined to 20, but then increased slightly to 24 in 2022.

Environment

Over the 2019–2022 period, 12 environment-related securities class action suits have been filed. Of these, only three were filed in 2021–2022.

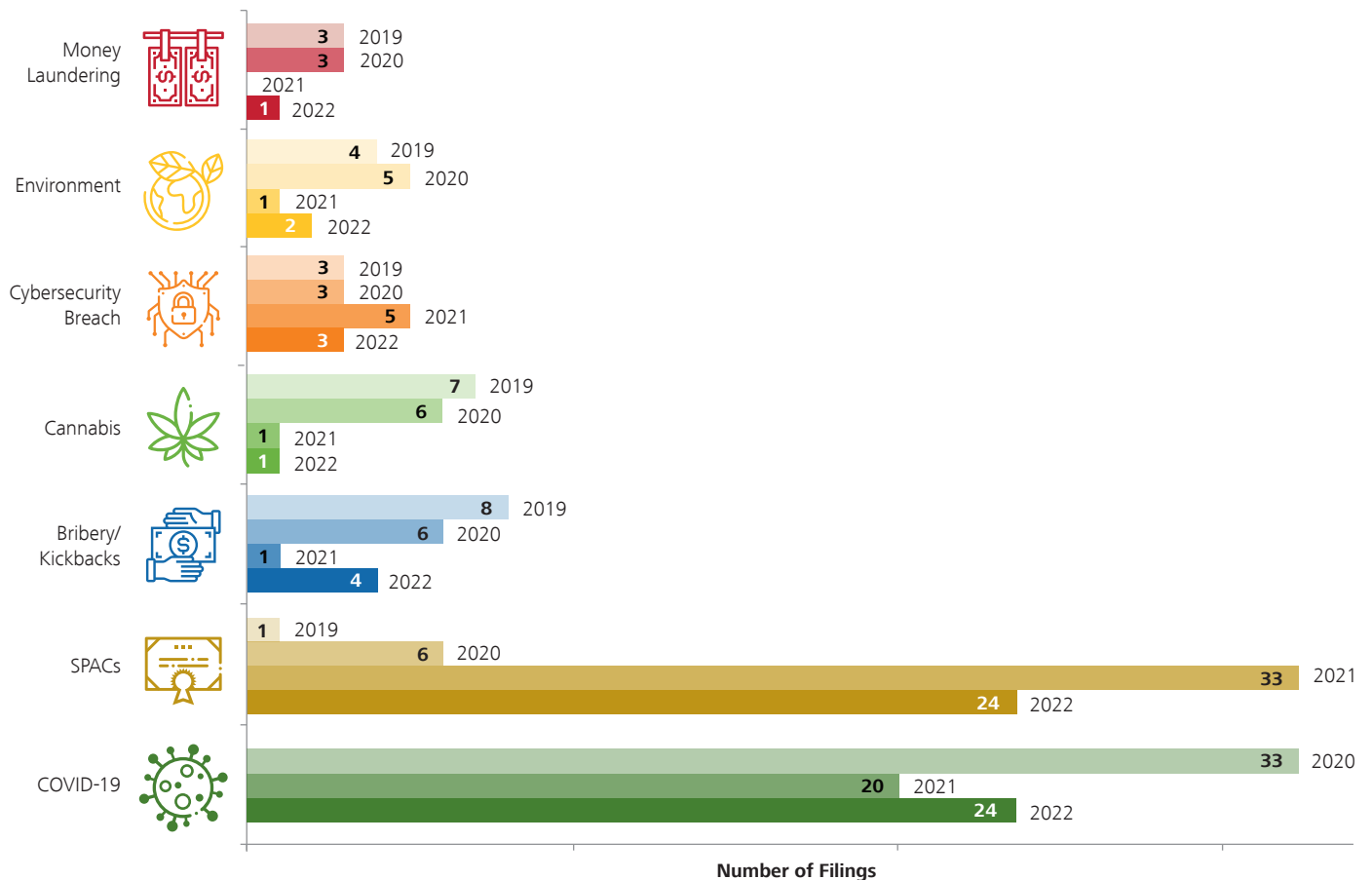
Money Laundering

In 2019 and 2020, there were three cases filed each year with claims related to money laundering. Between 2021 and 2022, only one such suit has been filed.

SPAC

In 2019, only one case related to special purpose acquisition companies (SPACs) was filed. Since then, new federal cases related to these claims have increased substantially, with six filings in 2020 and 33 cases filed in 2021. During 2022, there were 24 securities class action suits filed related to SPACs, a 27% decline from 2021.⁷

Figure 7. **Event-Driven and Other Special Cases by Filing Year**
January 2019–December 2022



Trends in Resolutions

The number of resolved cases—dismissed and settled cases—declined in 2022 to 214 from 248 in 2021 (see Figure 8).⁸ Although 2022 was a record-setting year for the number of settled non-merger-objection, non-crypto unregistered securities cases during the 2013–2022 period, there was a larger decrease in the number of dismissed non-merger-objection, non-crypto unregistered securities cases, which led to a decline in overall resolutions. In addition, in 2022, the number of merger-objection cases resolved declined to 14, a substantial decrease from the 2017–2020 period, when more than 130 such cases were resolved each year. Of the cases filed since 2015, as of 31 December 2022, a larger portion has been dismissed than have settled (see Figure 9). This is consistent with historical trends, which indicate that settlements occur later in the litigation cycle and dismissals tend to occur in the earlier stages. Taking the time between first complaint and resolution to represent the length of time taken to resolve a suit, more than half the cases resolve between one and three years, and 17% of cases resolve more than four years after the first complaint was filed (see Figure 10).

Figure 8. **Number of Resolved Cases: Dismissed or Settled**
January 2013–December 2022

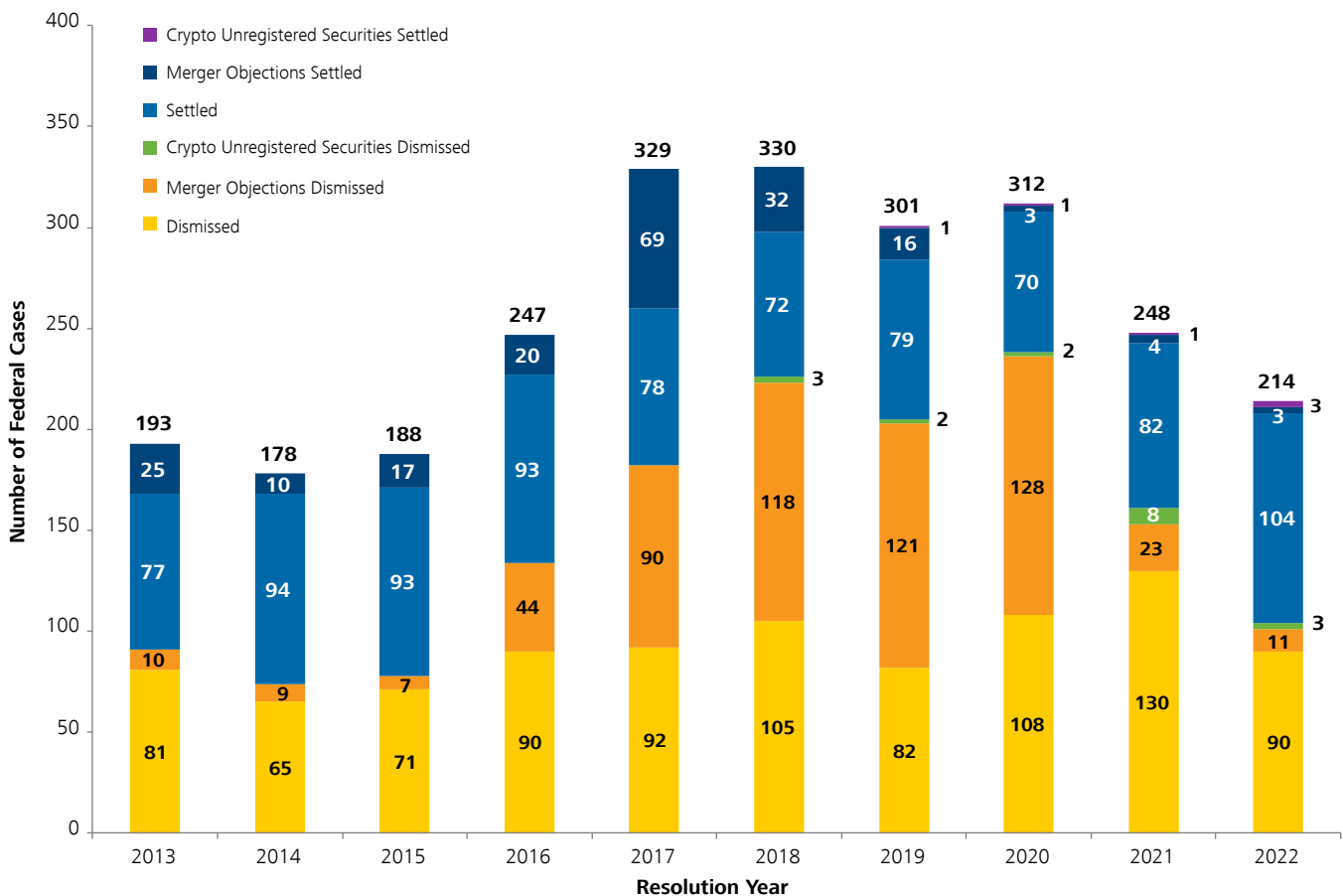
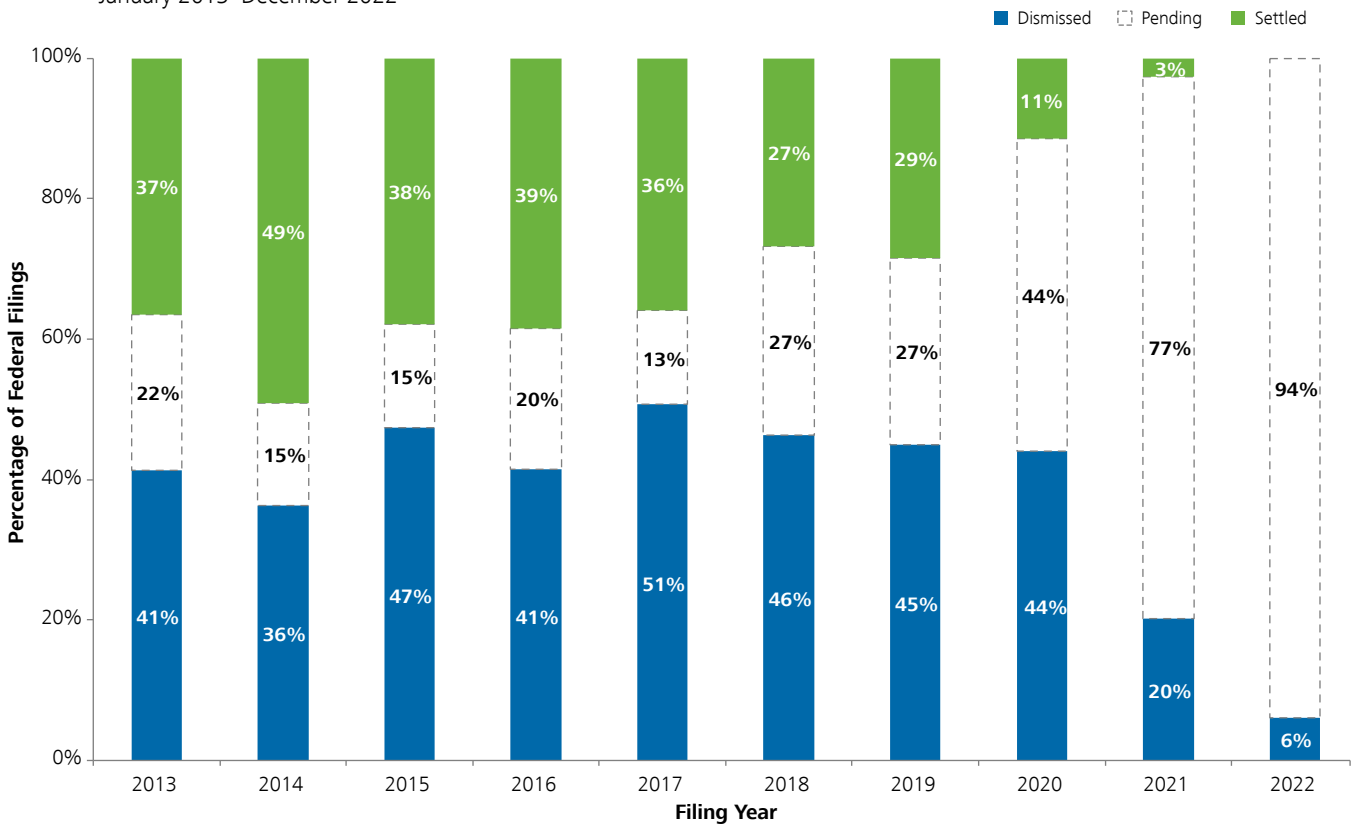
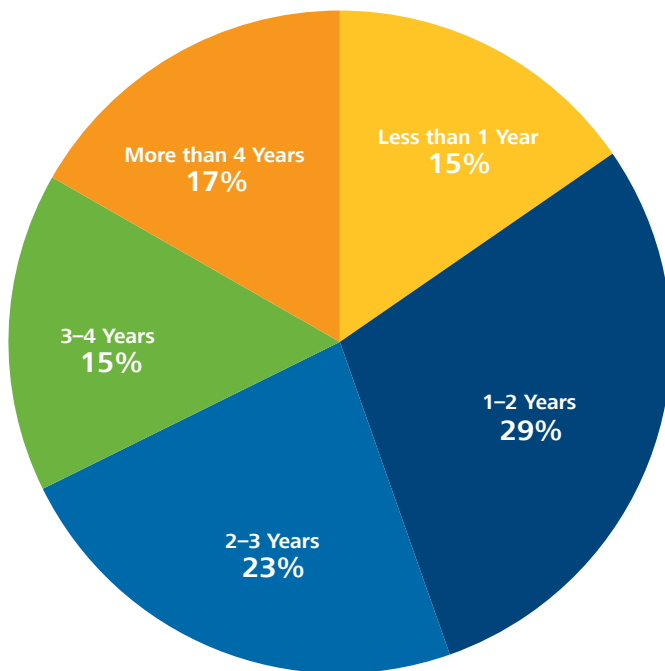


Figure 9. **Status of Cases as Percentage of Federal Filings by Filing Year**
 Excludes Merger Objections, Crypto Unregistered Securities, and Verdicts
 January 2013–December 2022



Note: Dismissals may include dismissals without prejudice and dismissals under appeal. Component values may not add to 100% due to rounding.

Figure 10. **Time from First Complaint Filing to Resolution**
 Excluding Merger Objections and Crypto Unregistered Securities
 Cases Filed January 2003–December 2018 and Resolved January 2003–December 2022



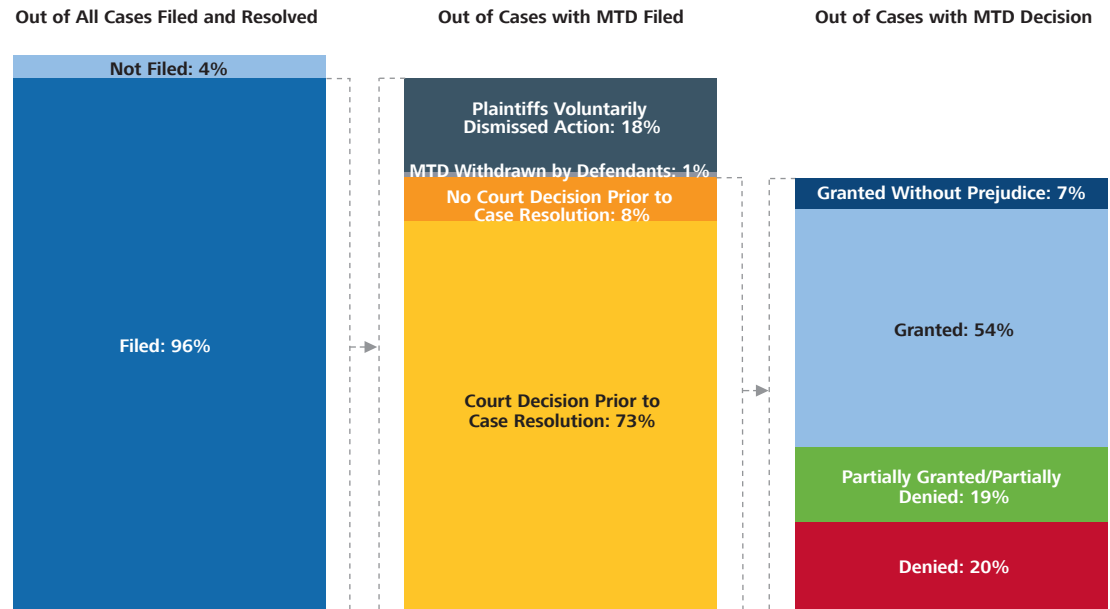
Analysis of Motions

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 2013–2022 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 73% of these cases, while 18% were voluntarily dismissed by plaintiffs, 8% settled before a court decision was reached, and 1% of the motions were withdrawn by defendants. Among the cases where a decision was reached, 61% were granted (with or without prejudice) and only 20% were denied (see Figure 11).

Figure 11. **Filing and Resolutions of Motions to Dismiss**
Cases Filed and Resolved January 2013–December 2022



Motion for Class Certification

A motion for class certification was filed in only 17% 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 where a motion for class certification was filed. Almost all of the other 40% of cases were resolved with a settlement. Among the cases where a decision was reached, the motion for class certification was granted (with or without prejudice) in 86% of cases (see Figure 12). Approximately 65% 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 13). The median time was about 2.7 years.

Figure 12. **Filing and Resolutions of Motions for Class Certification**
Cases Filed and Resolved January 2013–December 2022

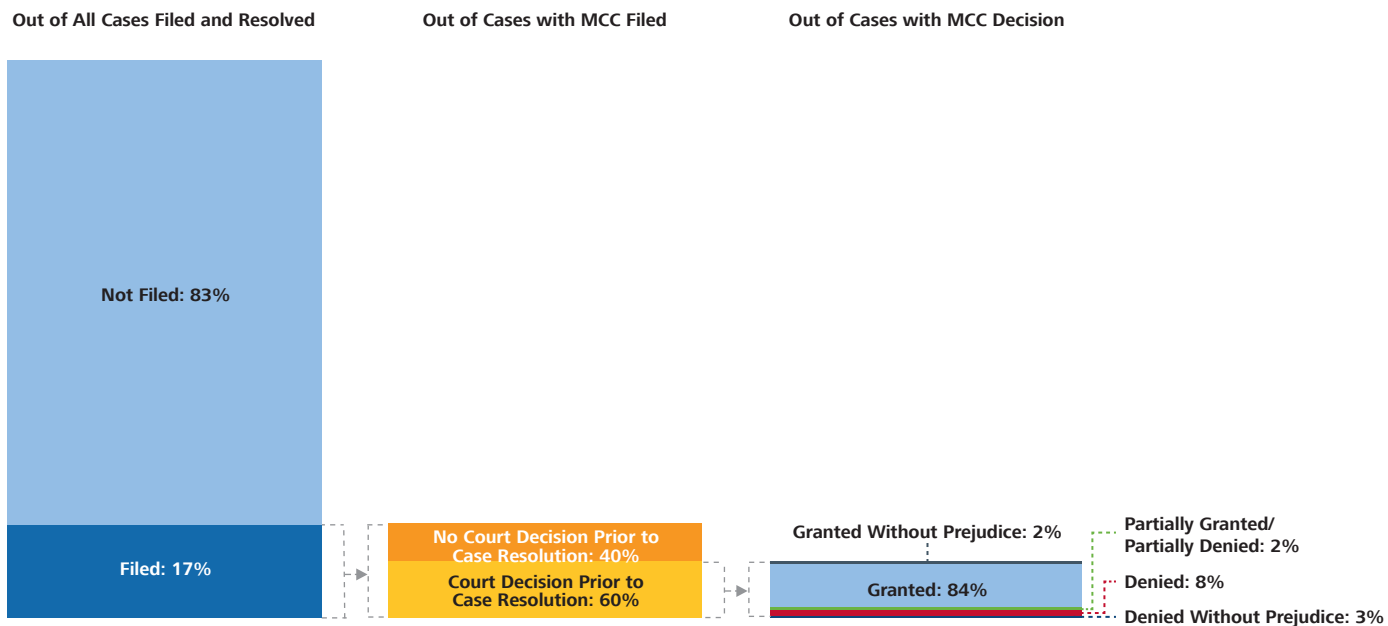
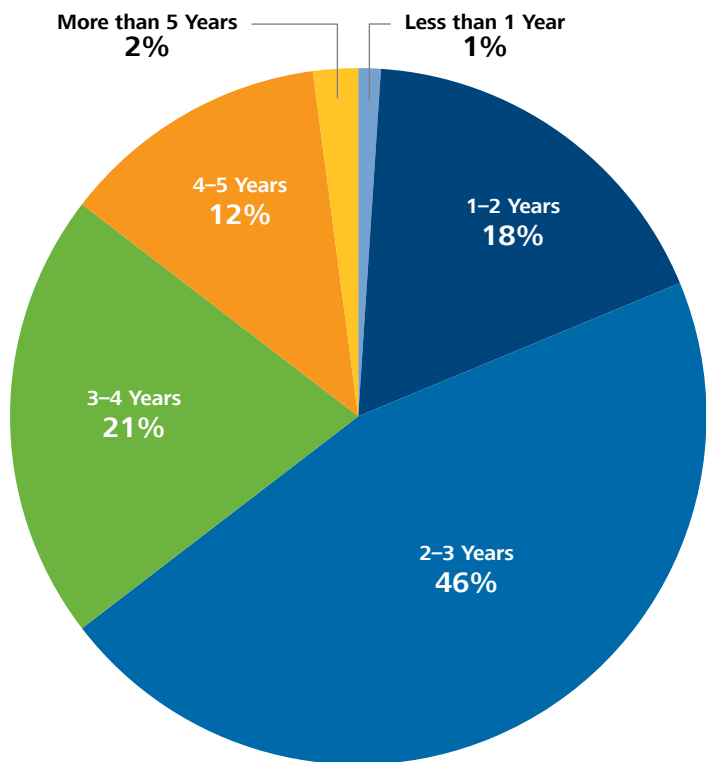


Figure 13. **Time from First Complaint Filing to Class Certification Decision**
Cases Filed and Resolved January 2013–December 2022



Trends in Settlement Values

Aggregate settlements for 2022 totaled \$4 billion, which is more than double the inflation-adjusted total for 2021 of \$1.9 billion.⁹ In 2022, the average settlement value was \$38 million, an increase of more than 70% compared to the 2021 inflation-adjusted average settlement value (see Figures 14 and 15). The distribution of 2022 settlement values differed from the settlements in 2021, with more cases settling for higher values, and more consistent with the distribution of settlement values observed in 2020 (see Figure 16). This shift is also evident in the median settlement values. The median settlement value for 2022 is \$13 million, which is approximately \$5 million higher than the 2021 inflation-adjusted median value of \$8 million (see Figure 17).¹⁰

Figure 14. **Average Settlement Value**

Excludes Merger Objections, Crypto Unregistered Securities, and Settlements for \$0 to the Class
January 2013–December 2022

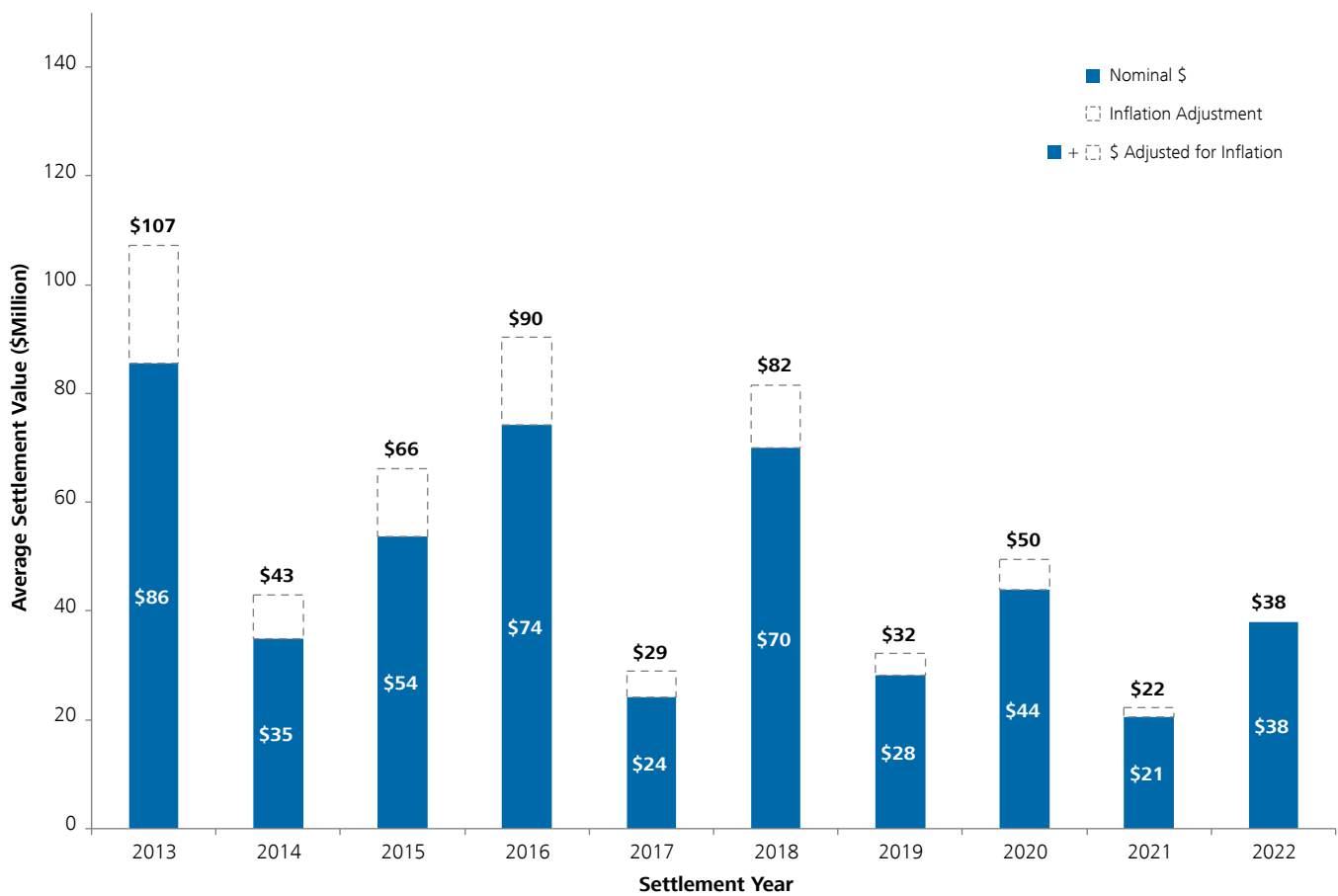


Figure 15. **Average Settlement Value**

Excludes Settlements over \$1 Billion, Merger Objections, Crypto Unregistered Securities, and Settlements for \$0 to the Class January 2013–December 2022

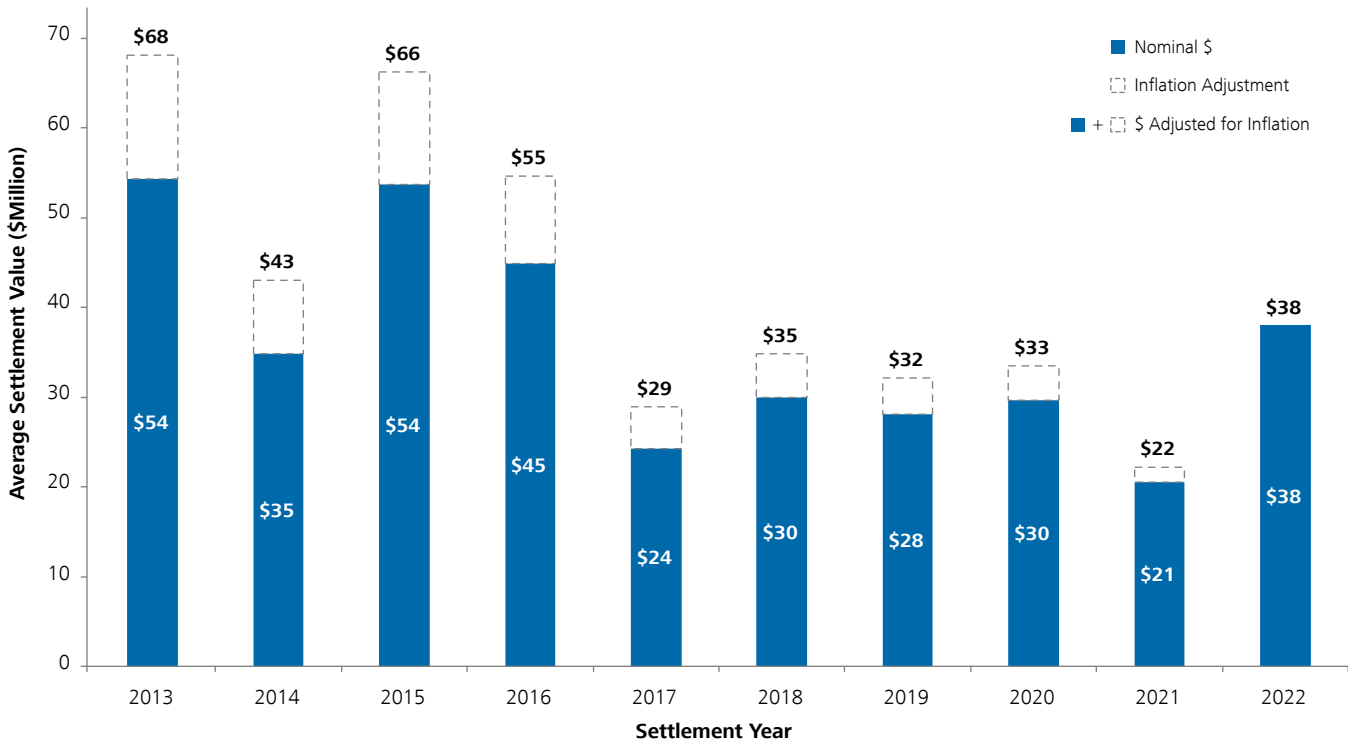


Figure 16. **Distribution of Settlement Values**

Excludes Merger Objections, Crypto Unregistered Securities, and Settlements for \$0 to the Class January 2018–December 2022

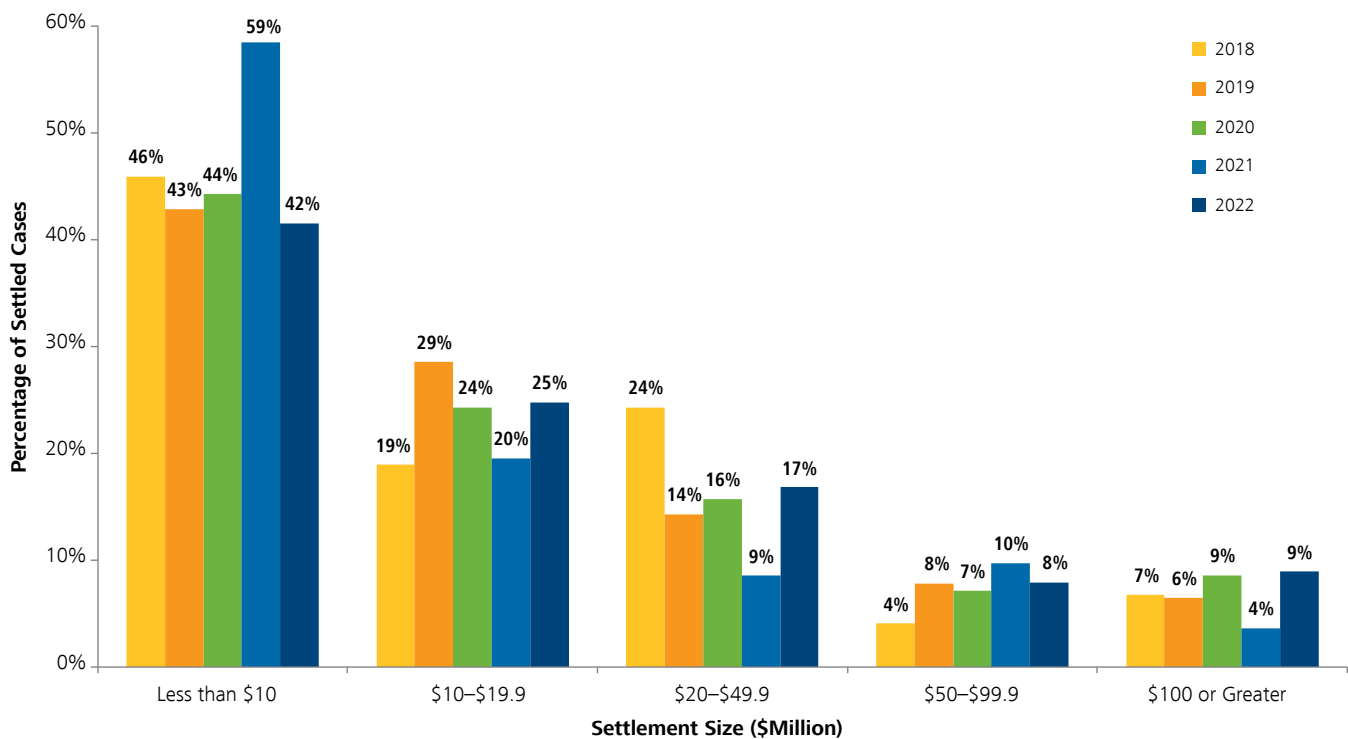
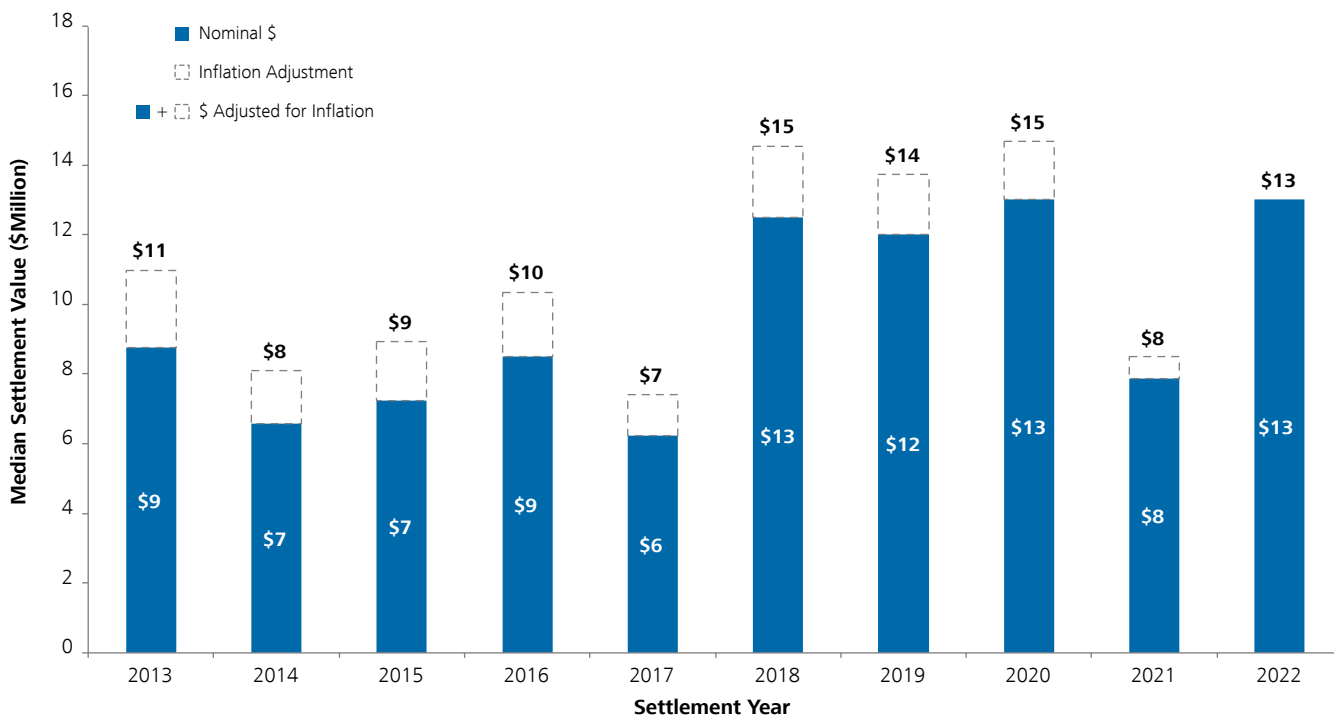


Figure 17. **Median Settlement Value**

Excludes Settlements over \$1 Billion, Merger Objections, Crypto Unregistered Securities, and Settlements for \$0 to the Class January 2013–December 2022



Top Settlements

The top 10 settlements in 2022 ranged from \$98 million to \$809.5 million and totaled \$2.2 billion. The highest settlement reached was against Twitter, Inc., for a case filed in California in 2016 (see Table 1).

Table 1. **Top 10 2022 Securities Class Action Settlements**

Ranking	Defendant	Filing Date	Settlement Date	Total Settlement Value (\$Million)	Plaintiffs' Attorneys' Fees and Expenses Value (\$Million)	Circuit	Economic Sector
1	Twitter, Inc.	16 Sept 16	11 Nov 22	\$809.5	\$185.7	9th	Technology Services
2	Teva Pharmaceutical Industries Ltd.	6 Nov 16	2 Jun 22	\$420.0	\$109.3	2nd	Health Technology
3	Luckin Coffee Inc.	13 Feb 20	22 Jul 22	\$175.0	\$31.3	2nd	Consumer Non-Durables
4	BlackBerry Ltd.	4 Oct 13	29 Sept 22	\$165.0	\$59.5	2nd	Technology Services
5	Granite Construction Inc.	13 Aug 19	24 Feb 22	\$129.0	\$21.7	9th	Industrial Services
6	Endo International plc.	14 Nov 17	23 Feb 22	\$113.4	\$20.9	3rd	Health Technology
7	Walgreen Co.	10 April 15	7 Oct 22	\$105.0	\$31.1	7th	Retail Trade
8	Novo Nordisk A/S	11 Jan 17	27 Jun 22	\$100.0	\$31.7	3rd	Health Technology
9	Stamps.com, Inc.	13 Mar 19	24 Jan 22	\$100.0	\$17.3	9th	Commercial Services
10	Mattel, Inc.	24 Dec 19	2 May 22	\$98.0	\$14.8	9th	Consumer Durables
Total				\$2,214.9	\$523.4		

The top 10 federal securities class action settlements, as of 31 December 2022, consists of settlements ranging from \$1.14 billion to \$7.24 billion. From 2018 to 2021, this list remained unchanged because there were no settlements reached in excess of \$1.1 billion during this time. In 2022, this list was updated to incorporate the \$1.21 billion partial settlement in the ongoing suit against Valeant Pharmaceuticals International, Inc. (see Table 2).

Table 2. **Top 10 Federal Securities Class Action Settlements** (As of 31 December 2022)

Ranking	Defendant	Filing Date	Settlement Year(s)	Total Settlement Value (\$Million)	Codefendant Settlements		Plaintiffs' Attorneys' Fees and Expenses Value (\$Million)	Circuit	Economic Sector
					Financial Institutions Value (\$Million)	Accounting Firms Value (\$Million)			
1	ENRON Corp.	22 Oct 01	2003–2010	\$7,242	\$6,903	\$73	\$798	5th	Industrial Services
2	WorldCom, Inc.	30 Apr 02	2004–2005	\$6,196	\$6,004	\$103	\$530	2nd	Communications
3	Cendant Corp.	16 Apr 98	2000	\$3,692	\$342	\$467	\$324	3rd	Finance
4	Tyco International, Ltd.	23 Aug 02	2007	\$3,200	No codefendant	\$225	\$493	1st	Producer Manufacturing
5	Petroleo Brasileiro S.A.- Petrobras	8 Dec 14	2018	\$3,000	\$0	\$50	\$205	2nd	Energy Minerals
6	AOL Time Warner Inc.	18 Jul 02	2006	\$2,650	No codefendant	\$100	\$151	2nd	Consumer Services
7	Bank of America Corp.	21 Jan 09	2013	\$2,425	No codefendant	No codefendant	\$177	2nd	Finance
8	Household International, Inc.	19 Aug 02	2006–2016	\$1,577	Dismissed	Dismissed	\$427	7th	Finance
9	Valeant Pharmaceuticals International, Inc.*	22 Oct 15	2020	\$1,210	\$0	\$0	\$160	3rd	Health Technology
10	Nortel Networks	2 Mar 01	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 sizable 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.¹¹

A statistical review reveals that settlement values and NERA-Defined Investor Losses are highly correlated, although the relationship is not linear. The ratio is higher for cases with lower NERA-Defined Investor Losses than for cases with higher Investor Losses (see Figure 18). Since 2013, annual median Investor Losses have ranged from a high of \$972 million to a low of \$358 million. For cases settled in 2022, the median Investor Losses were \$972 million, which is 33% higher than the 2021 value and the highest recorded value during the 2013–2022 period. Between 2020 and 2022, the median ratio of settlement amount to Investor Losses has been stable at 1.8% (see Figure 19).

Figure 18. **Median Settlement Value as a Percentage of NERA-Defined Investor Losses**
By Investor Losses
Cases Filed and Settled December 2011–December 2022

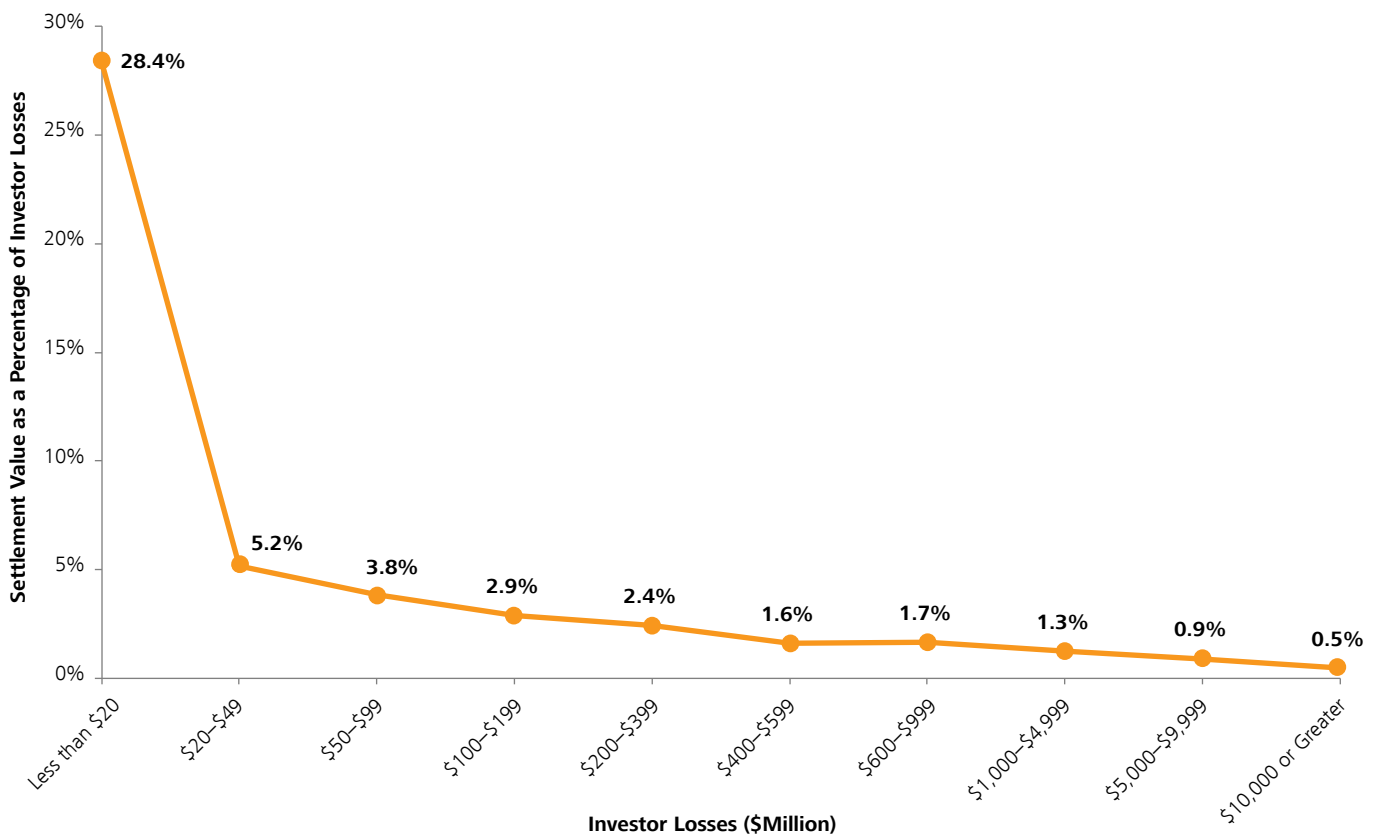
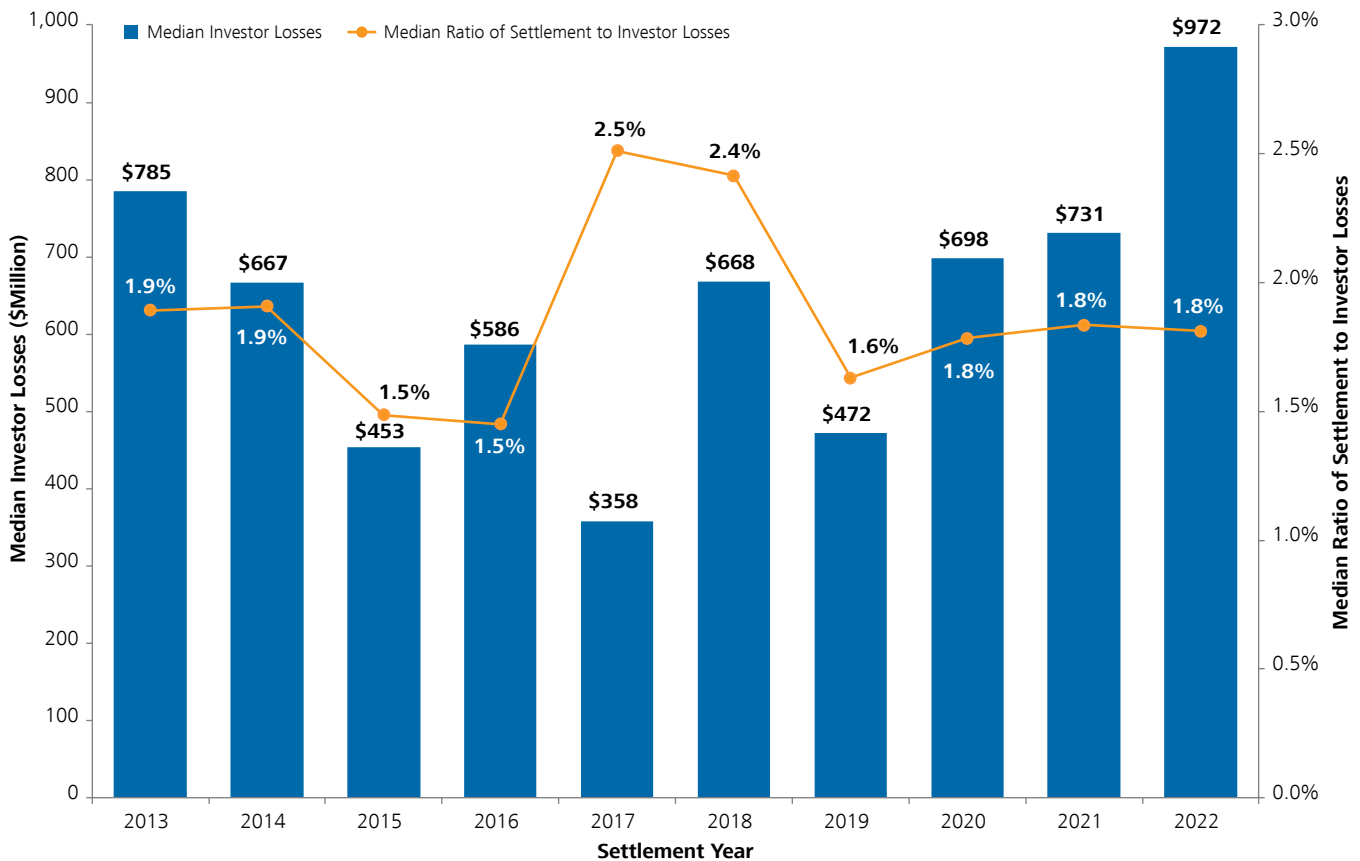


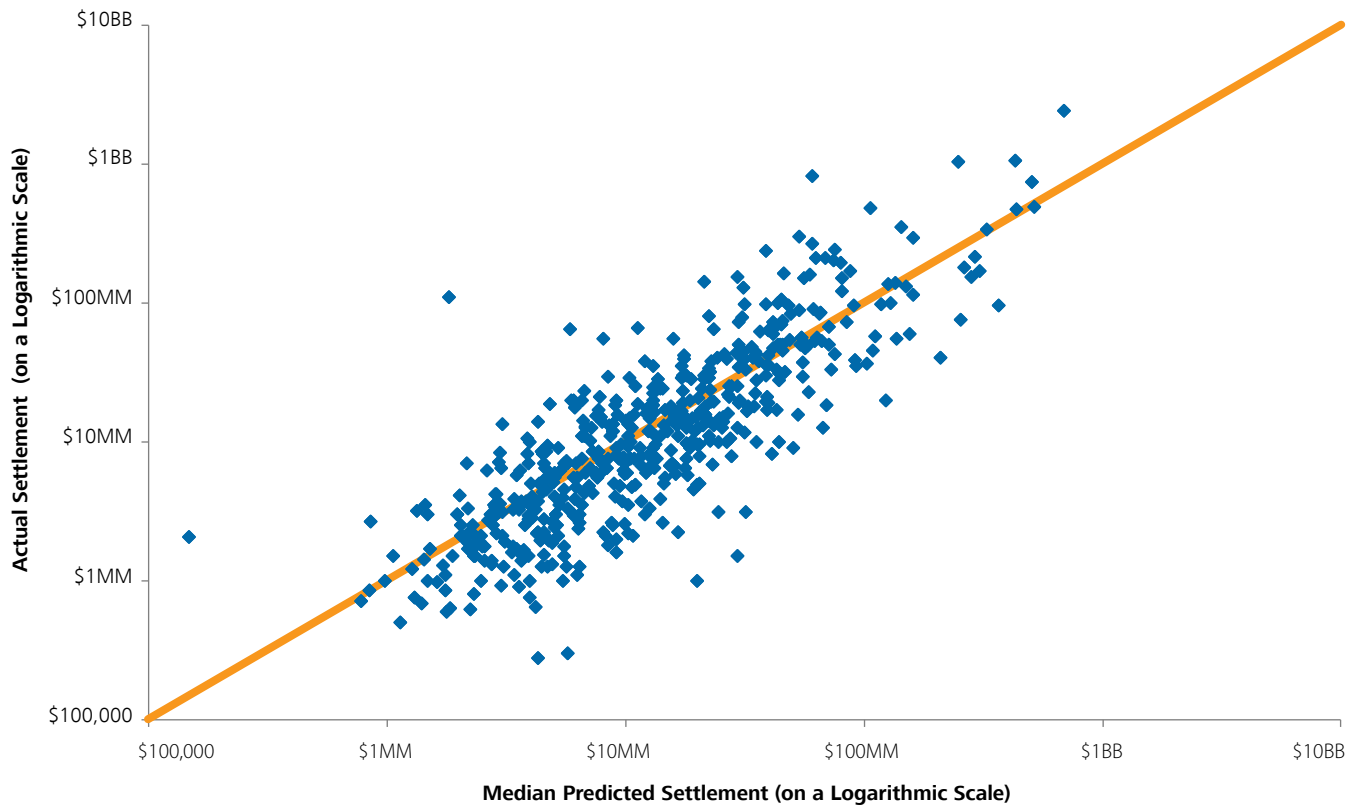
Figure 19. **Median NERA-Defined Investor Losses and Median Ratio of Settlement to Investor Losses by Settlement Year**
January 2013–December 2022



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 20).

Figure 20. **Predicted vs. Actual Settlements**
 Investor Losses Using S&P 500 Index
 Cases Settled December 2011–December 2022



Among cases settled between December 2011 and December 2022, factors in NERA’s statistical model account for a substantial fraction of the variation observed in actual settlements.

Trends in Plaintiffs’ Attorneys’ Fees and Expenses

In 2022, aggregate plaintiffs’ attorneys’ fees and expenses amounted to \$1 billion (see Figure 21). This marks the first year since 2018 that aggregate plaintiffs’ attorneys’ fees and expenses exceeded \$1 billion. The 2022 aggregate fees and expenses is double the amount observed in 2021, driven by an increase in the aggregate fees and expenses associated with settlements between \$10 million and \$499.9 million and by the \$186 million in fees and expenses associated with settlements between \$500 million and \$999.9 million. Although there are year-to-year fluctuations in the aggregate fees and expenses, the trend in the median of plaintiffs’ attorneys’ fees and expenses as a percentage of settlement amount has remained stable (see Figure 22). The data reveal that fees and expenses represent an increasing percentage of settlement value as settlement value decreases—a pattern that is consistent in cases settled since 2013 as well as in cases settled between 1996 and 2012. For cases settled in the recent period with a settlement value of \$1 billion or higher, fees and expenses accounted for 8.8% of the settlement value. This percentage increases to more than 30% for cases with a settlement value under \$10 million.

Figure 21. **Aggregate Plaintiffs’ Attorneys’ Fees and Expenses by Settlement Size**
January 2013–December 2022

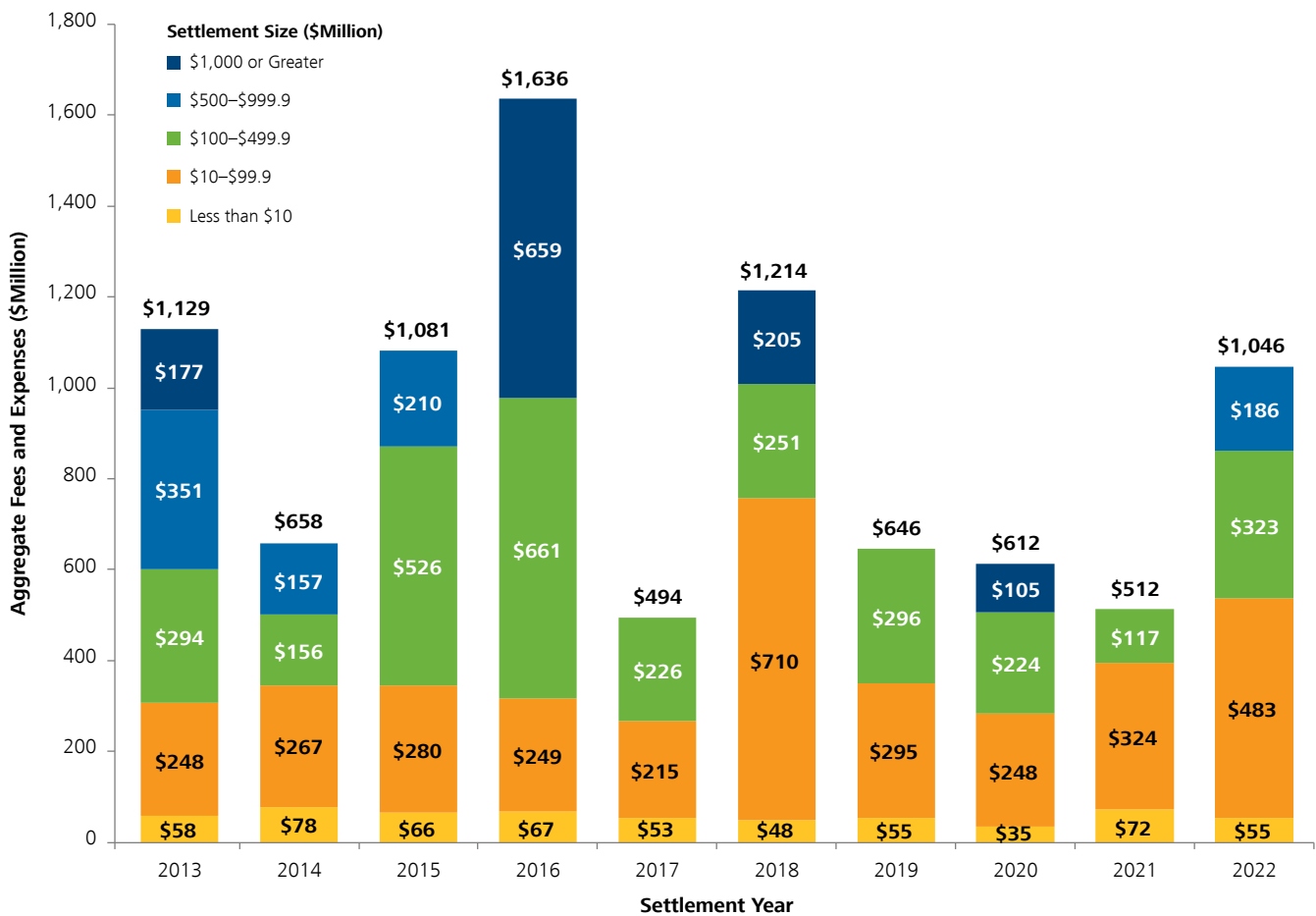
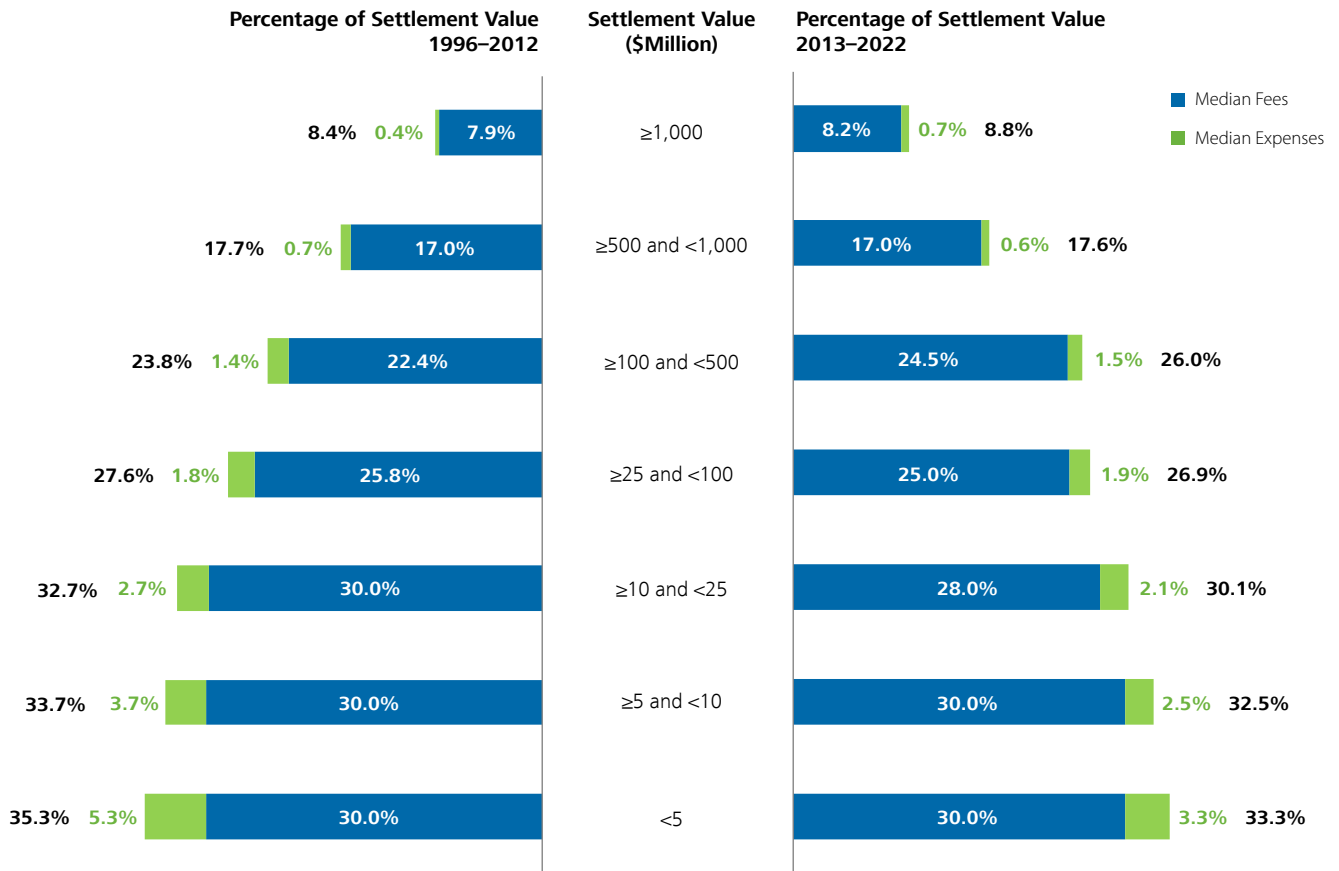


Figure 22. **Median of Plaintiffs’ Attorneys’ Fees and Expenses by Size of Settlement**
 Excludes Merger Objections, Crypto Unregistered Securities, and Settlements for \$0 to the Class



Note: Component values may not add to total value due to rounding.

Conclusion

In 2022, new filings of federal securities class actions declined for the fourth consecutive year as a result of fewer merger-objection and Rule 10b-5 cases filed. Of the 205 cases filed in 2022, more than 20% were SPAC or crypto-related filings. Total resolutions declined by 14% from 248 in 2021 to 214 in 2022 due to the continued reduction in non-merger-objection and non-crypto unregistered cases. The average settlement value and median settlement value for cases settled in 2022 were \$38 million and \$13 million, respectively, an increase over the 2021 values.

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 Plancich, and others. The authors thank Dr. David Tabak and Benjamin Seggerson for helpful comments on this edition. We thank Vlad Lee and other researchers in NERA's Securities and Finance Practice 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 In this study we introduced a new category of "special" cases, crypto cases, which 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.
- 3 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.
- 4 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.
- 5 It is important to note that due to the small number of cases in some of these categories, the findings summarized here may be driven by one or two cases.
- 6 ESG securities class action cases filed in federal courts are included in NERA's database and the analyses in this report. For this update, no analyses have been prepared on this development area specifically.
- 7 Report updated on 7 February 2023. Analyses for the "SPACs" group were updated to incorporate "blank check" company-related cases and cases that were not originally classified as SPACs prior to publishing.
- 8 Here "dismissed" is used 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.
- 9 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.
- 10 For our analysis, NERA includes settlements that have had the first settlement-approval hearing. This means 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 Valeant partial settlement in Table 2 due to its sizable amount, this case is not included in any of our resolution or settlement statistics.
- 11 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.

About NERA

NERA Economic Consulting (www.nera.com) is a global firm of experts dedicated to applying economic, finance, and quantitative principles to complex business and legal challenges. For more than six decades, we have been creating strategies, studies, reports, expert testimony, and policy recommendations for government authorities and the world's leading law firms and corporations. We bring academic rigor, objectivity, and real-world industry experience to issues arising from competition, regulation, public policy, strategy, finance, and litigation.

NERA's clients value our ability to apply and communicate state-of-the-art approaches clearly and convincingly, our commitment to deliver unbiased findings, and our reputation for quality and independence. Our clients rely on the integrity and skills of our unparalleled team of economists and other experts backed by the resources and reliability of one of the world's largest economic consultancies. Continuing our legacy as the first international economic consultancy, NERA serves clients from major cities across North America, Europe, and Asia Pacific.

Contacts

For further information, please contact:



Janeen McIntosh

Senior Consultant
New York City: +1 212 345 1375
janeen.mcintosh@nera.com



Svetlana Starykh

Senior Consultant
White Plains, NY: +1 914 448 4123
svetlana.starykh@nera.com



Edward Flores

Senior Consultant
New York City: +1 212 345 2955
edward.flores@nera.com

The opinions expressed herein do not necessarily represent the views of NERA Economic Consulting or any other NERA consultant.



To receive publications, news, and insights from NERA, please visit www.nera.com/subscribe.



Visit www.nera.com to learn more about our practice areas and global offices.

© Copyright 2023
National Economic Research
Associates, Inc.

All rights reserved.
Printed in the USA.

Exhibit 5



CORNERSTONE RESEARCH

Economic and Financial Consulting and Expert Testimony

Securities Class Action Settlements

2022 Review and Analysis

Table of Contents

2022 Highlights	1
Author Commentary	2
Total Settlement Dollars	3
Settlement Size	4
Type of Claim	5
Rule 10b-5 Claims and “Simplified Tiered Damages”	5
’33 Act Claims and “Simplified Statutory Damages”	7
Analysis of Settlement Characteristics	9
GAAP Violations	9
Derivative Actions	10
Corresponding SEC Actions	11
Institutional Investors	12
Time to Settlement and Case Complexity	13
Case Stage at the Time of Settlement	14
Cornerstone Research’s Settlement Analysis	15
Research Sample	16
Data Sources	16
Endnotes	17
Appendices	18
About the Authors	23

Figures and Appendices

Figure 1: Settlement Statistics	1
Figure 2: Total Settlement Dollars	3
Figure 3: Distribution of Settlements	4
Figure 4: Median and Average “Simplified Tiered Damages” in Rule 10b-5 Cases	5
Figure 5: Median Settlement as a Percentage of “Simplified Tiered Damages” by Damages Ranges in Rule 10b-5 Cases	6
Figure 6: Settlements by Nature of Claims	7
Figure 7: Median Settlement as a Percentage of “Simplified Statutory Damages” by Damages Ranges in ‘33 Act Claim Cases	8
Figure 8: Median Settlement as a Percentage of “Simplified Tiered Damages” and Allegations of GAAP Violations	9
Figure 9: Frequency of Derivative Actions	10
Figure 10: Frequency of SEC Actions	11
Figure 11: Median Settlement Amounts and Institutional Investors	12
Figure 12: Median Settlement by Duration from Filing Date to Settlement Hearing Date	13
Figure 13: Median Settlement Dollars and Resolution Stage at Time of Settlement	14
Appendix 1: Settlement Percentiles	18
Appendix 2: Settlements by Select Industry Sectors	18
Appendix 3: Settlements by Federal Circuit Court	19
Appendix 4: Mega Settlements	19
Appendix 5: Median and Average Settlements as a Percentage of “Simplified Tiered Damages”	20
Appendix 6: Median and Average Settlements as a Percentage of “Simplified Statutory Damages”	20
Appendix 7: Median and Average Maximum Dollar Loss (MDL)	21
Appendix 8: Median and Average Disclosure Dollar Loss (DDL)	21
Appendix 9: Median Docket Entries by “Simplified Tiered Damages” Range	22

Analyses in this report are based on 2,116 securities class actions filed after passage of the Private Securities Litigation Reform Act of 1995 (Reform Act) and settled from 1996 through year-end 2022. See page 16 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.

2022 Highlights

In 2022, the number of settled cases reached its highest level in 15 years, increasing 21% relative to 2021. The median settlement amount, median “simplified tiered damages,” and median total assets of the defendant issuer also rose dramatically.¹

- In 2022, the number of securities class action settlements increased to 105 with a total settlement value of over \$3.8 billion, compared to 87 settlements in 2021 with a total value of \$1.9 billion. (page 3)
- The median settlement amount of \$13.0 million represents an increase of 46% from 2021, while the average settlement amount (\$36.2 million) increased by 63%. (page 4)
- The \$3.8 billion total settlement dollars were 97% higher than the prior year. (page 3)
- There were eight mega settlements (equal to or greater than \$100 million), ranging from \$100 million to \$809.5 million. (page 3)
- The increase in the proportion of “midsize” settlement amounts (\$10 million to \$50 million) was accompanied by a decrease in the proportion of cases that settled for less than \$10 million. (page 4)
- Median “simplified tiered damages” increased more than 125% and reached a record high.² (page 5)
- Median “disclosure dollar losses”³ grew by more than 160%, also reaching an all-time high. (page 5)
- Compared to defendant firms involved in cases that settled in 2021, defendant firms involved in 2022 settlements were 97% larger, as measured by median total assets. (page 5)
- The historically low rate of settled cases involving a corresponding action by the U.S. Securities and Exchange Commission (SEC) observed in 2021 persisted in 2022, remaining below 9%. (page 11)

Figure 1: Settlement Statistics

(Dollars in millions)

	2017–2021	2021	2022
Number of Settlements	395	87	105
Total Amount	\$16,714.3	\$1,932.4	\$3,805.5
Minimum	\$0.3	\$0.7	\$0.7
Median	\$10.2	\$8.9	\$13.0
Average	\$42.3	\$22.2	\$36.2
Maximum	\$3,496.8	\$202.5	\$809.5

Note: Settlement dollars are adjusted for inflation; 2022 dollar equivalent figures are presented.

Author Commentary

Findings

The year 2022 was a record year for settlement activity. The number of securities class action settlements in 2022 increased sharply from 2021 and reached levels not observed since 2007. This sharp increase was accompanied by dramatic growth in case settlement amounts, “simplified tiered damages” (our rough proxy for potential shareholder losses), and the size of issuer defendant firms.

The historically high number of settlements in 2022 can be explained by the elevated number of case filings in 2018–2020, when over 70% of these settled cases were filed.

The median settlement amount is the highest since 2018. This was likely driven by the record-high level of “simplified tiered damages,” an estimate of potential shareholder losses that our research finds is the single most important factor in explaining settlement amounts.

The all-time-high median “simplified tiered damages” reflects a number of factors such as larger issuer defendants (measured by the company’s total assets) and larger disclosure dollar losses (a measure of the change in the issuer defendant’s market capitalization following the class-ending alleged corrective disclosure). Institutional investors are more likely to serve as lead plaintiffs in larger cases, i.e., cases with relatively high “simplified tiered damages.” Consistent with this observation, institutional investor involvement as lead plaintiffs for 2022 settled cases was higher than the prior year and the 2017–2021 average. Larger cases also tend to take longer to settle, and accordingly, we observe an increase in the median time to settlement in 2022 relative to prior years.

2022 was an interesting year as settlement activity reached historically high levels across several dimensions, including the number and size of settlements, and a record-high for our proxy for potential shareholder losses.

*Dr. Laarni T. Bulan
Principal, Cornerstone Research*

In contrast to the historic highs, settlements in relation to our proxy for potential shareholder losses declined sharply. In particular, both the median and average settlement as a percentage of “simplified tiered damages” in 2022 fell to their lowest levels among post–Reform Act years. These low levels are consistent with a low presence in 2022 of factors often associated with higher settlement amounts, such as the presence of an SEC action, criminal charges, or accounting irregularities.⁴

Securities class action settlements in 2022 involved substantially larger cases with larger issuer defendant firms. Overall, these cases took longer to resolve and reached more advanced litigation stages before settlement than in prior years.

*Dr. Laura E. Simmons
Senior Advisor, Cornerstone Research*

Looking Ahead

In light of the reduced level in the number of securities class action case filings in 2021–2022, we may begin to see a slowdown or flattening out in settlement activity in the upcoming years,⁵ absent a decrease in dismissal rates.

Given that SEC enforcement actions have tended to increase subsequent to when a new SEC Chair is sworn in (which last occurred in 2021), we may also begin to see a reversal in the frequency of corresponding SEC actions among settled cases in the near term. For additional details, see Cornerstone Research’s *SEC Enforcement Activity: Public Company and Subsidiaries—FY 2022 Update*.

As discussed in Cornerstone Research’s *Securities Class Action Filings—2022 Year in Review*, certain issues have emerged as focus areas in securities class actions. In particular, 26% of all core federal filings in 2020–2022 were related to special purpose acquisition company (SPAC), COVID-19, or cryptocurrency matters. While very few of these types of cases have settled to date, we expect increased settlement activity for these cases in the future.

—Laarni T. Bulan and Laura E. Simmons

Total Settlement Dollars

As has been observed in prior years, the presence or absence of just a few very large settlements can have a substantial effect on total settlement dollars for a given year.

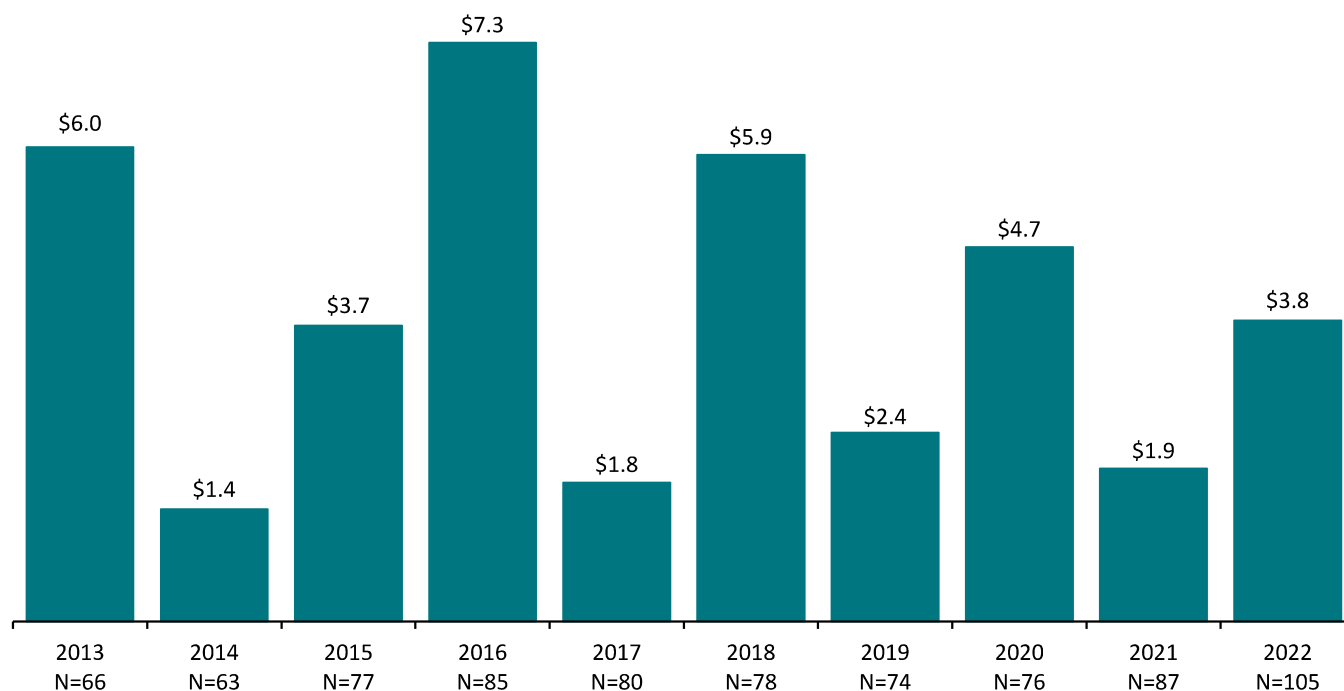
- The number of settlements in 2022 (105 cases) continued the upward trend since 2019 and represented a 38% increase from the prior nine-year average (76 cases).
- An increase in the number of mega settlements (i.e., settlements equal to or greater than \$100 million) contributed to total settlement dollars nearly doubling in 2022 compared to the prior year.

- There were eight mega settlements in 2022, ranging from \$100 million to \$809.5 million. Eight such settlements is the highest number since 2016.
- A decline in the proportion of very small settlements further contributed to the growth in total settlement dollars. Only 23% of settlements in 2022 were for less than \$5 million, compared to 33% of cases settled in the prior nine years.

The number of settlements in 2022 was the highest number since 2007.

Figure 2: Total Settlement Dollars 2013–2022

(Dollars in billions)



Note: Settlement dollars are adjusted for inflation; 2022 dollar equivalent figures are presented. “N” refers to the number of cases.

Settlement Size

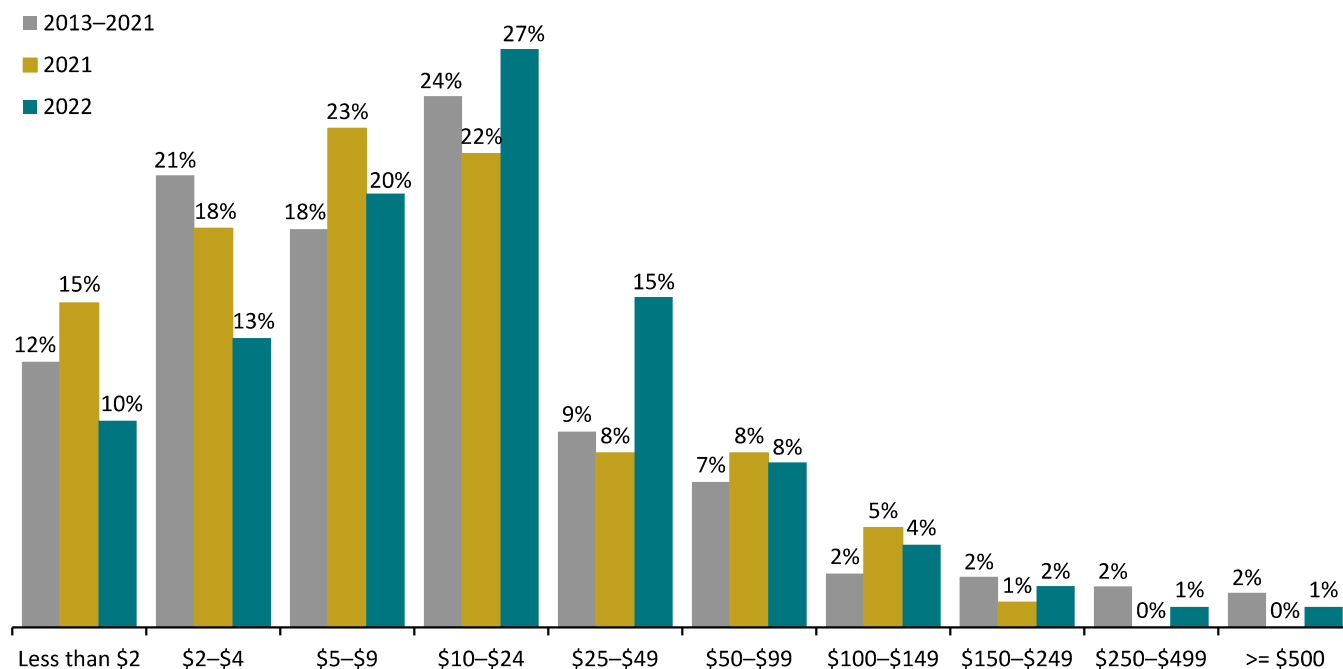
- The median settlement amount in 2022 was \$13.0 million, a 46% increase from 2021 and a 34% increase from the prior nine-year median. Median values provide the midpoint in a series of observations and are less affected than averages by outlier data.
- The average settlement amount in 2022 was \$36.2 million, a 63% increase from 2021. (See [Appendix 1](#) for an analysis of settlements by percentiles.)
- In 2022, 42% of cases settled for between \$10 million and \$50 million, compared to only 30% in 2021 and 34% in 2013–2021.

The median settlement amount in 2022 was the highest since 2018.

- The increase in the proportion of these “midsize” settlement amounts (\$10 million to \$50 million) was accompanied by a decrease in the proportion of cases that settled for less than \$10 million—43% in 2022 compared to 56% in 2021 and 51% in the prior nine years.

Figure 3: Distribution of Settlements 2013–2022

(Dollars in millions)



Note: Settlement dollars are adjusted for inflation; 2022 dollar equivalent figures are presented.

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.⁶

Cornerstone Research’s analysis finds this measure to be the most important factor in estimating settlement amounts.⁷ 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.

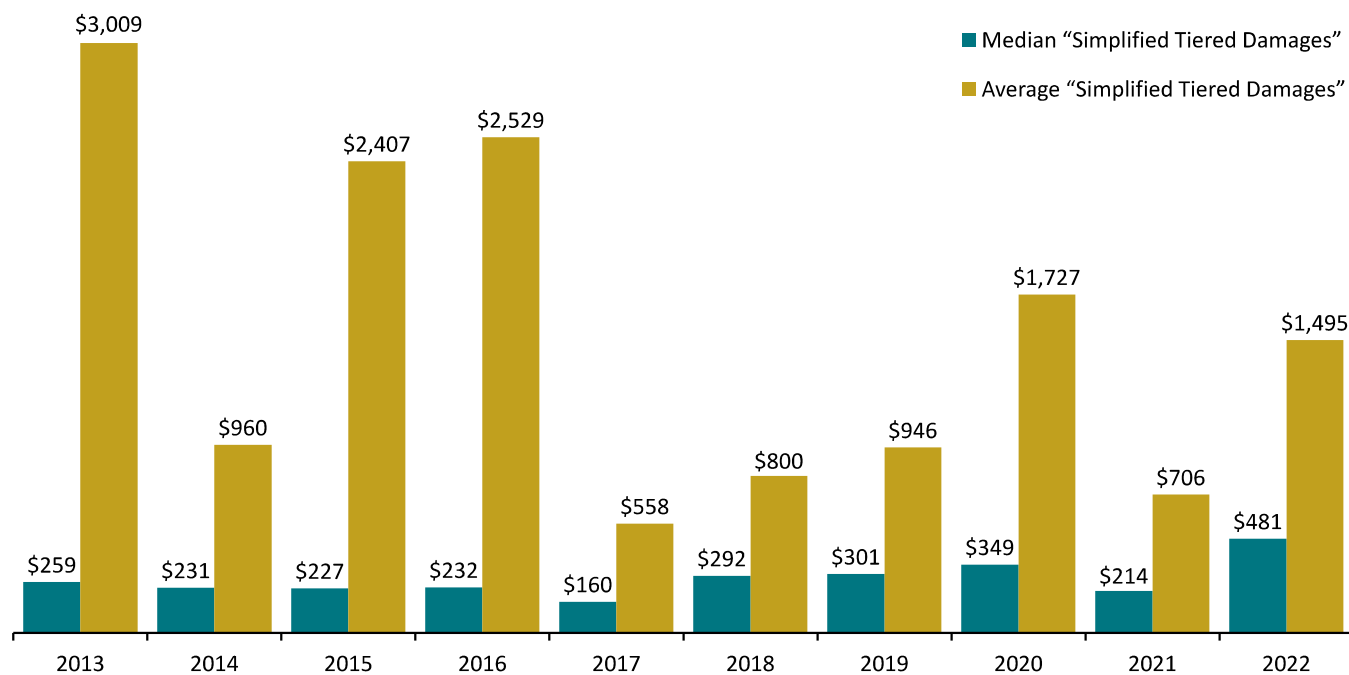
- Similar to settlement amounts, the median “simplified tiered damages” in 2022 increased 125% compared to 2021 and was over 100% higher than the median of settled cases for the prior nine years.

- In 2022, nearly half of settlements with Rule 10b-5 claims involved “simplified tiered damages” over \$500 million, an all-time high.
- Higher “simplified tiered damages” are typically associated with larger issuer defendants. Consistent with this, the median total assets of issuer defendants in 2022 settled cases was 97% higher than the median total assets for 2021 settled cases.
- Higher “simplified tiered damages” are also generally associated with larger disclosure dollar losses. In 2022, the median DDL grew by more than 160% compared to 2021, reaching an all-time high.

Median “simplified tiered damages” reached an all-time high in 2022.

Figure 4: Median and Average “Simplified Tiered Damages” in Rule 10b-5 Cases 2013–2022

(Dollars in millions)



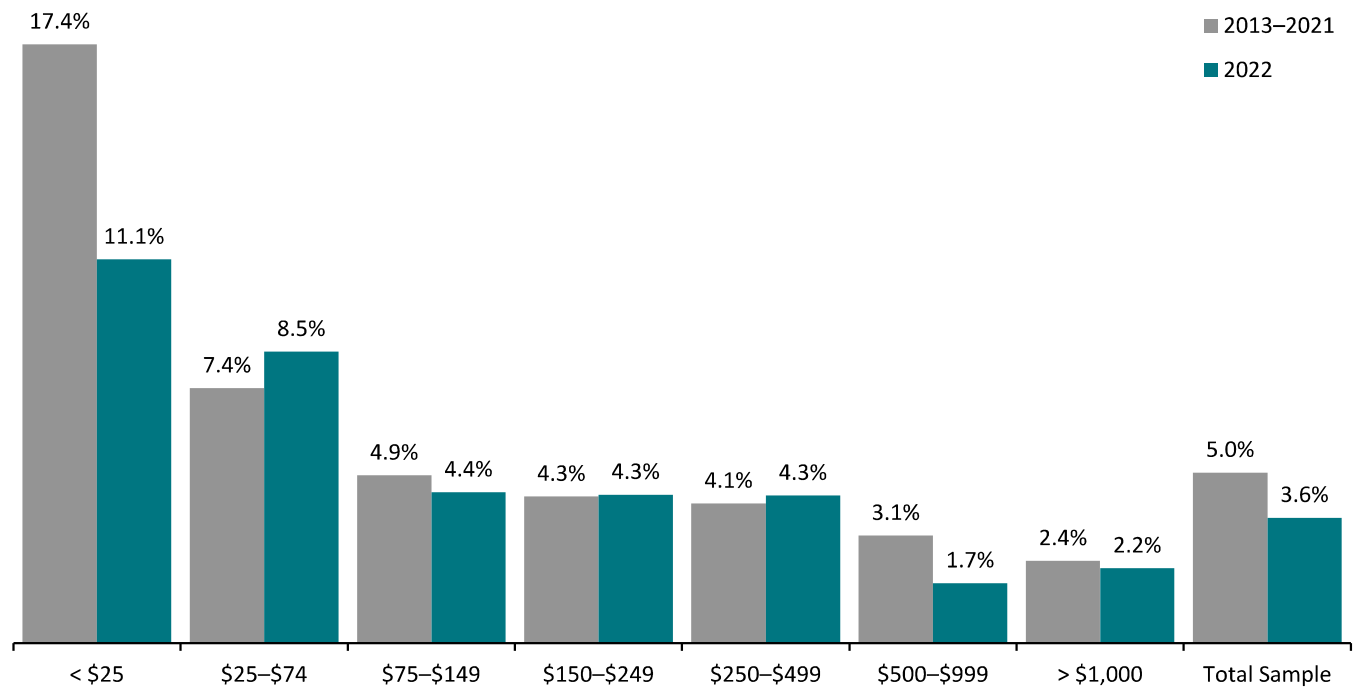
Note: “Simplified tiered damages” are adjusted for inflation based on class period end dates for common stock only; 2022 dollar equivalent figures are presented. Damages are estimated for cases alleging a claim under Rule 10b-5 (whether alone or in addition to other claims).

Type of Claim (continued)

- Only 4% of settlements in 2022 had “simplified tiered damages” less than \$25 million, the lowest observed to date.
- Cases with smaller “simplified tiered damages” are more likely to be associated with issuers that had been delisted from a major exchange and/or declared bankruptcy prior to settlement. In 2022, the percentage of such issuers for settled cases was at an all-time low (11%).
- The 2022 median and average settlement as a percentage of “simplified tiered damages” of 3.6% and 5.4%, respectively, are all-time lows. (See [Appendix 5](#) for additional information on median and average settlements as a percentage of “simplified tiered damages.”)

Figure 5: Median Settlement as a Percentage of “Simplified Tiered Damages” by Damages Ranges in Rule 10b-5 Cases 2013–2022

(Dollars in millions)



Note: Damages are estimated for cases alleging a claim under Rule 10b-5 (whether alone or in addition to other claims).

'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.” Only the offered shares are assumed to be eligible for damages.⁸

- In 2022, there were nine settlements for cases with only '33 Act claims, in line with the average from 2017 to 2020 and well below the historically high number of 16 settlements observed in 2021.

- The median settlement as a percentage of simplified statutory damages in 2022 and 2021 were 4.7% and 4.4%, respectively—the lowest levels since 2002. (See [Appendix 6](#) for additional information on median and average settlements as a percentage of “simplified statutory damages.”)
- The average settlement amount for cases with only '33 Act claims was \$7.3 million in 2022, compared to \$14.9 million during 2013-2021.

In 2022, the median settlement amount for cases with only '33 Act claims was \$7.0 million, the lowest since 2013.

Figure 6: Settlements by Nature of Claims
2013–2022

(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	82	\$9.2	\$145.2	8.7%

	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	\$15.4	\$355.7	6.3%
Rule 10b-5 Only	581	\$9.0	\$250.1	4.5%

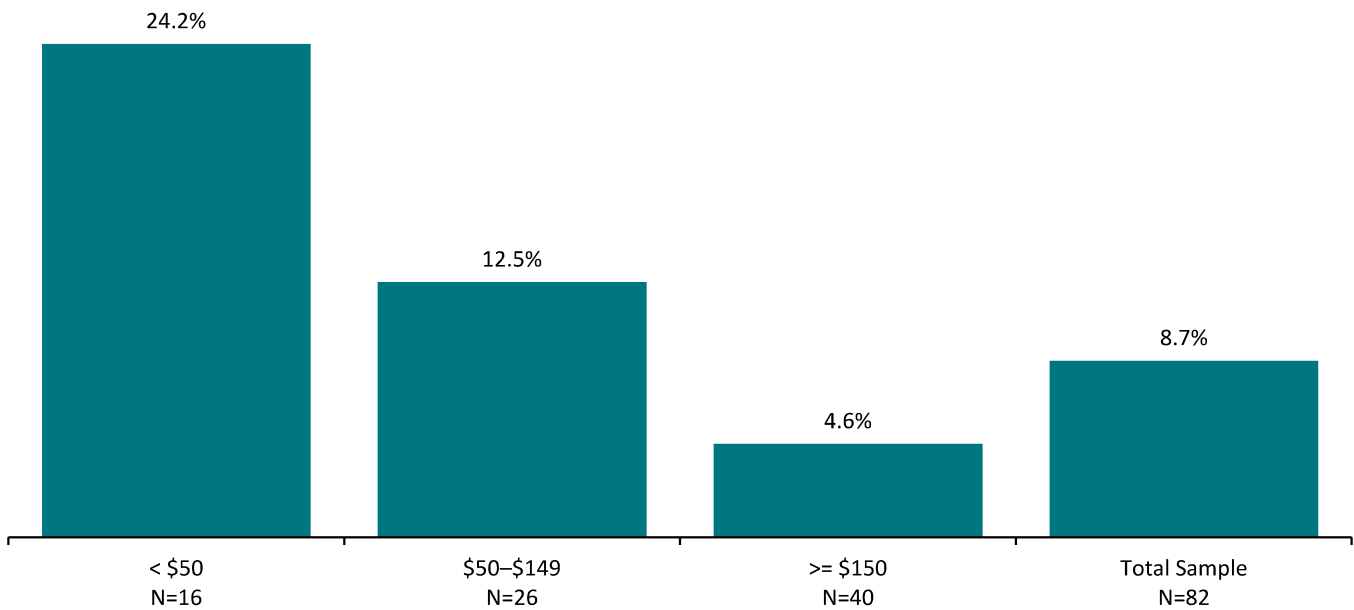
Note: Settlement dollars and damages are adjusted for inflation; 2022 dollar equivalent figures are presented.

- Settlements as a percentage of the simplified proxies for potential shareholder losses used in this report are typically smaller for cases that have larger estimated damages. As with cases with Rule 10b-5 claims, this finding holds for cases with only '33 Act claims.
- In the past decade, over 85% of the settled '33 Act claim cases involved an underwriter (or underwriters) as a named codefendant.
- Over 80% of '33 Act claim cases that settled in 2013–2022 involved an initial public offering (IPO).

Consistent with the lower median settlement amount among '33 Act claim cases, the median “simplified statutory damages” in 2022 declined by 61% from the median in 2021 and was the lowest since 2016.

Figure 7: Median Settlement as a Percentage of “Simplified Statutory Damages” by Damages Ranges in '33 Act Claim Cases 2013–2022

(Dollars in millions)



Jurisdictions of Settlements of '33 Act Claim Cases

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
State Court	1	0	2	4	5	4	4	7	6	6
Federal Court	7	2	2	6	3	4	5	1	10	3

Note: “N” refers to the number of cases. This analysis excludes cases alleging Rule 10b-5 claims..

Analysis of Settlement Characteristics

GAAP Violations

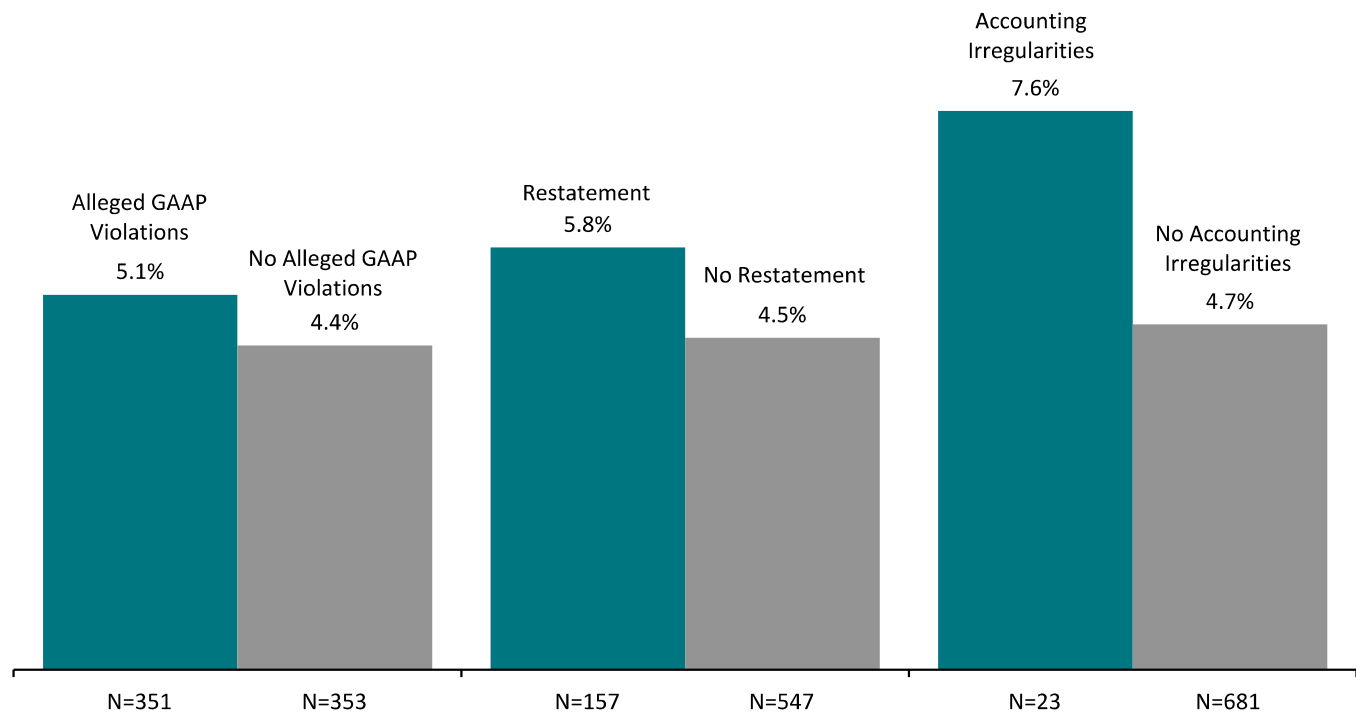
This analysis examines allegations of GAAP violations in settlements of securities class actions involving Rule 10b-5 claims, including two sub-categories of GAAP violations—financial statement restatements and accounting irregularities.⁹ For further details regarding settlements of accounting cases, see Cornerstone Research’s annual report on *Accounting Class Action Filings and Settlements*.¹⁰

- For the first time since 2017, the median settlement amount for cases involving GAAP allegations was larger than that for non-GAAP cases. Notably, in 2022 the median settlement amount for GAAP cases was more than double that of non-GAAP cases.
- As noted in prior years, settlements as a percentage of “simplified tiered damages” for cases involving GAAP allegations are typically higher than for non-GAAP cases. This result has continued despite a relatively low number of cases involving a financial restatement. For example, only 11% of settlements in 2022 involved a restatement of financial statements.

- Auditor codefendants were involved in only 3% of settled cases, consistent with 2021 but substantially lower than the average from 2013 to 2021.
- The infrequency of cases alleging accounting irregularities continued in 2022 at less than 2% of settled cases.

The proportion of settled cases in 2022 with Rule 10b-5 claims alleging GAAP violations remained at a historically low level.

Figure 8: Median Settlement as a Percentage of “Simplified Tiered Damages” and Allegations of GAAP Violations 2013–2022



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).

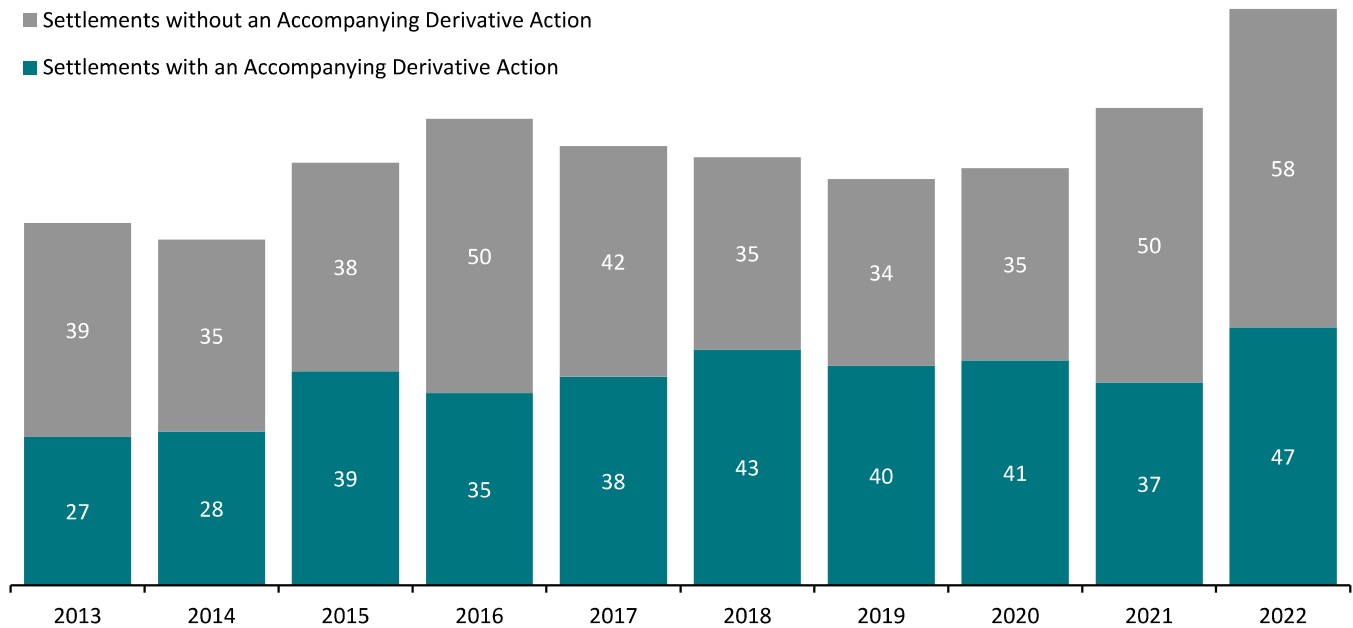
Derivative Actions

- 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 corresponding derivative matters.¹¹
- In 2022, the median settlement amount for cases with an accompanying derivative action was approximately 28% higher than for cases without (\$14.1 million versus \$11.0 million, respectively).
- For cases settled during 2018–2022, 38% of parallel derivative suits were filed in Delaware. California and New York were the next most common venues for such actions, representing 22% and 15% of such settlements, respectively.

Although the proportion of cases involving accompanying derivative actions in 2022 was higher compared to 2021, it was below the average for 2018–2021.

- It is commonly understood that most parallel derivative suits 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*.¹²

Figure 9: Frequency of Derivative Actions 2013–2022

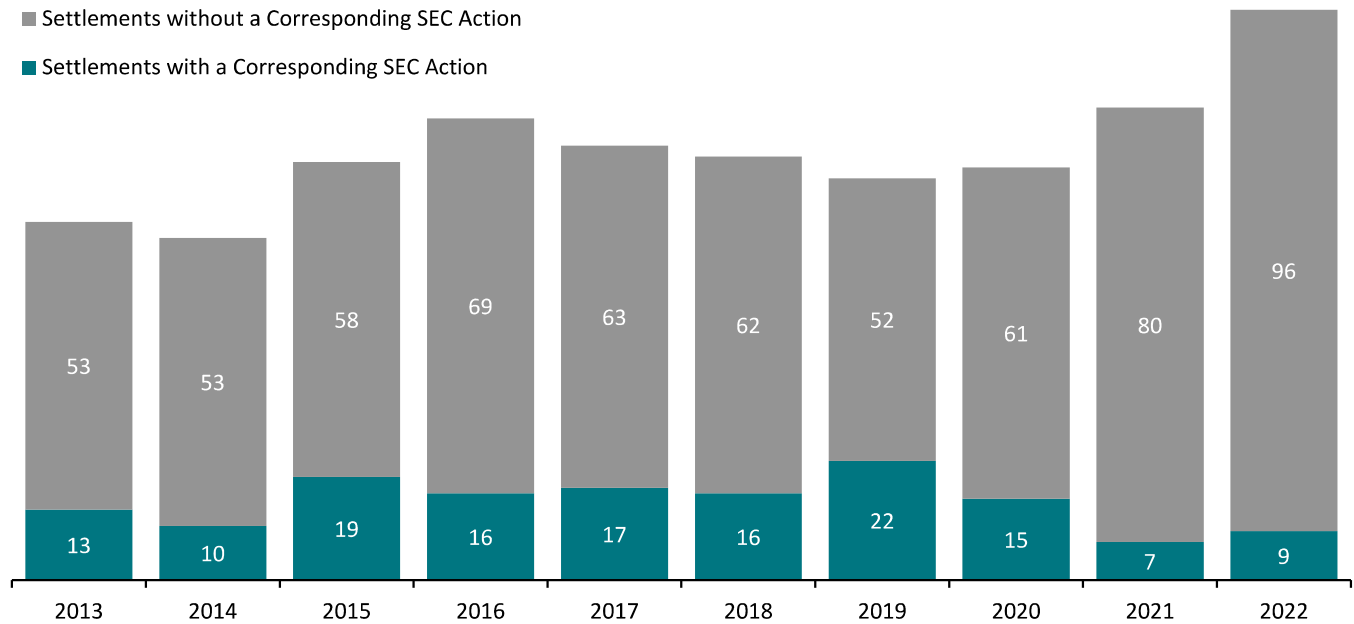


Corresponding SEC Actions

- Historically, cases with an accompanying SEC action have typically been associated with substantially higher settlement amounts.¹³ However, this pattern did not hold in 2022.
- The median settlement amount in 2022 for cases that involved a corresponding SEC action was less than 5% higher than the median for cases without such an action. In contrast, in 2021, the median settlement amount for cases with an accompanying SEC action was more than double that for cases without such an action.
- Both “simplified tiered damages” and DDL were lower in 2022 for cases with a corresponding SEC action when compared to those without, at 72% and 83% lower, respectively.
- Settled cases in 2022 with a corresponding SEC action were nearly 10% quicker to reach settlement, on average, compared to cases without such an action. In contrast, in 2021, cases with corresponding SEC actions took over 20% longer to reach a settlement than cases without corresponding SEC actions.
- The number of settled cases in 2022 involving either a corresponding SEC action or criminal charge remained below 13%, compared to an average of 24% for the years 2013–2021.

Settled cases involving SEC actions in 2022 were considerably smaller than cases without accompanying SEC actions.

Figure 10: Frequency of SEC Actions
 2013–2022



Institutional Investors

As discussed in prior reports, increasing institutional participation as lead plaintiffs in securities litigation was a focus of the Reform Act.¹⁴ Indeed, in years following passage of the Reform Act, institutional investor involvement as lead plaintiffs did increase, particularly in larger cases, that is, cases with higher “simplified tiered damages.”

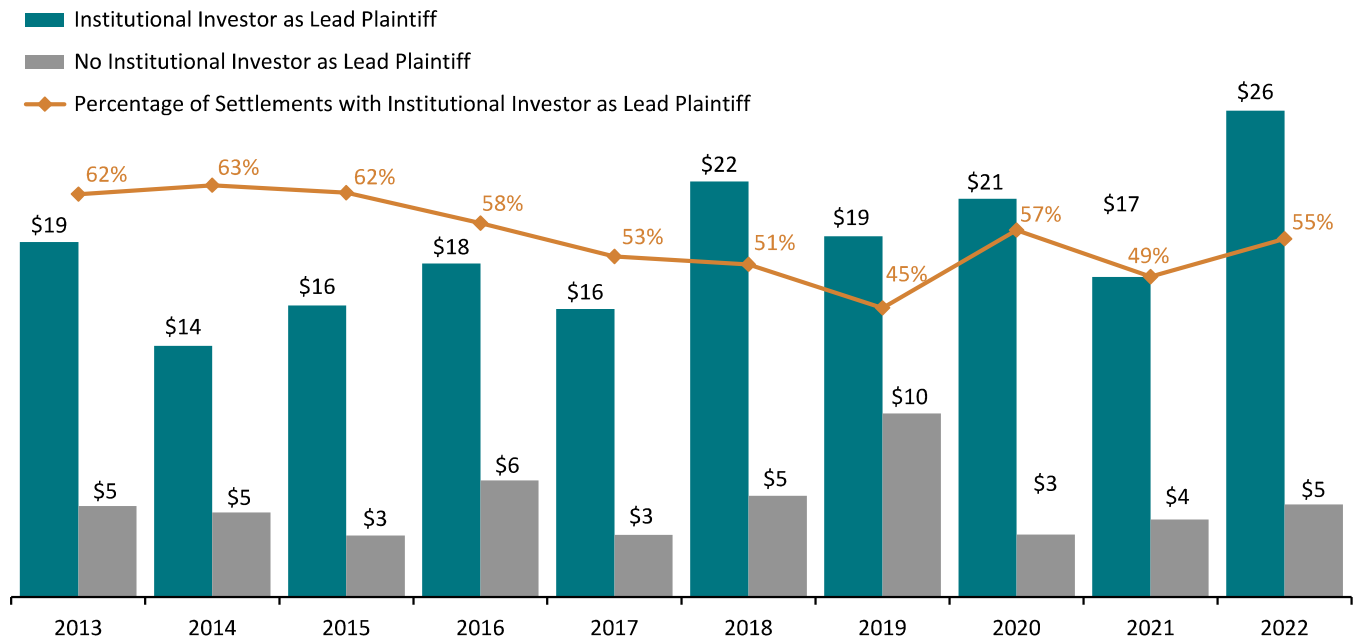
- In 2022, for cases involving an institutional investor as lead plaintiff, median “simplified tiered damages” and median total assets were five times and eight times higher, respectively, than the median values for cases without an institutional investor as a lead plaintiff.
- Since passage of the Reform Act, public pension plans have been the most frequent type of institutional lead plaintiff.

- In 2022, a public pension plan served as lead plaintiff in two-thirds of cases with an institutional lead plaintiff. Moreover, in six of the seven mega settlement cases in 2022 involving an institutional lead plaintiff, the institutional investor was a public pension plan.
- Institutional participation as lead plaintiff continues to be associated with particular plaintiff counsel. For example, an institutional investor served as a lead plaintiff in 2022 in over 85% of settled cases in which Robbins Geller Rudman & Dowd LLP and/or Bernstein Litowitz Berger & Grossmann LLP served as lead plaintiff counsel. In contrast, institutional investors served as lead plaintiffs in 21% of cases in which The Rosen Law Firm, Pomerantz LLP, or Glancy Prongay & Murray LLP served as lead plaintiff counsel.

Of the eight mega settlement cases in 2022, seven included an institutional lead plaintiff.

Figure 11: Median Settlement Amounts and Institutional Investors 2013–2022

(Dollars in millions)



Note: Settlement dollars are adjusted for inflation; 2022 dollar equivalent figures are presented.

Time to Settlement and Case Complexity

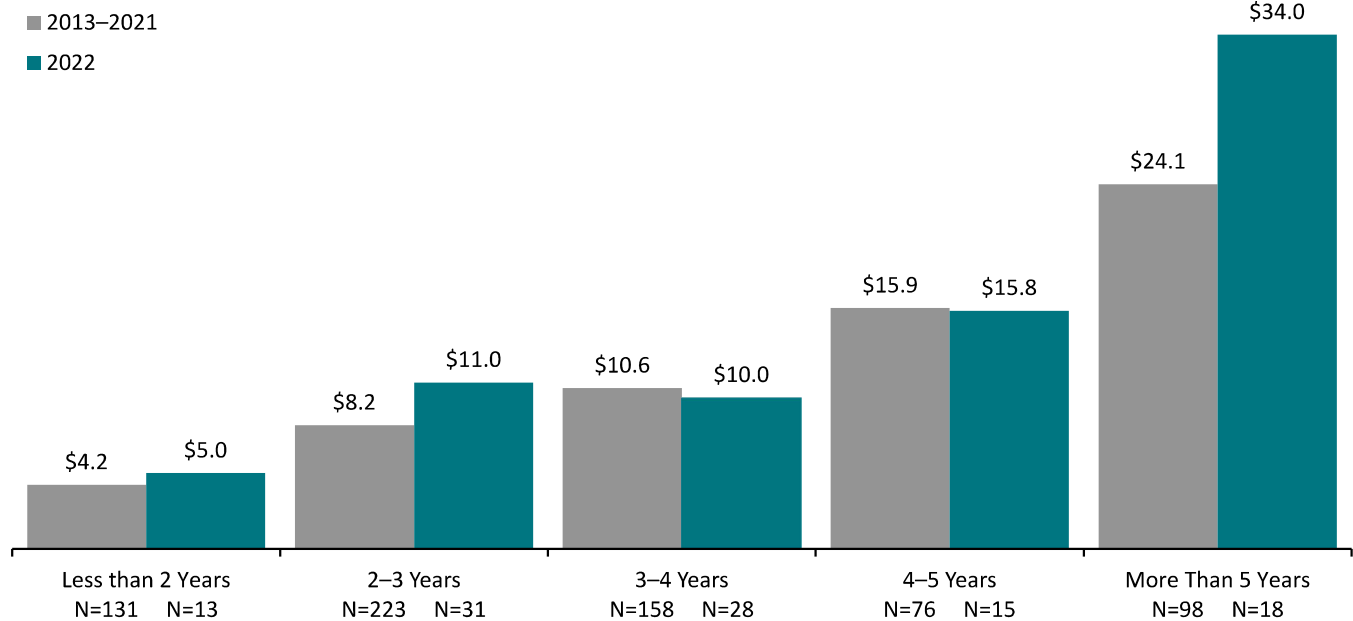
- Overall, the median time from filing to settlement hearing date in 2022 was longer—3.2 years for 2022 settlements, compared to 2.9 years for 2013–2021 settlements.
- Cases involving an institutional lead plaintiff continued to take longer to settle. In particular, settlements in 2022 with institutional lead plaintiffs took 33% longer to settle than cases not involving an institutional lead plaintiff.

Only 42% of cases in 2022 reached a settlement hearing date within three years of filing, the lowest percentage in the prior nine years.

- Larger cases (as measured by higher “simplified tiered damages”) often take longer to resolve. Consistent with this, in 2022, the median time to settlement for cases that settled for at least \$100 million was over 5.5 years—an all-time high for such cases.

Figure 12: Median Settlement by Duration from Filing Date to Settlement Hearing Date 2013–2022

(Dollars in millions)



Note: Settlement dollars are adjusted for inflation; 2022 dollar equivalent figures are presented. “N” refers to the number of cases.

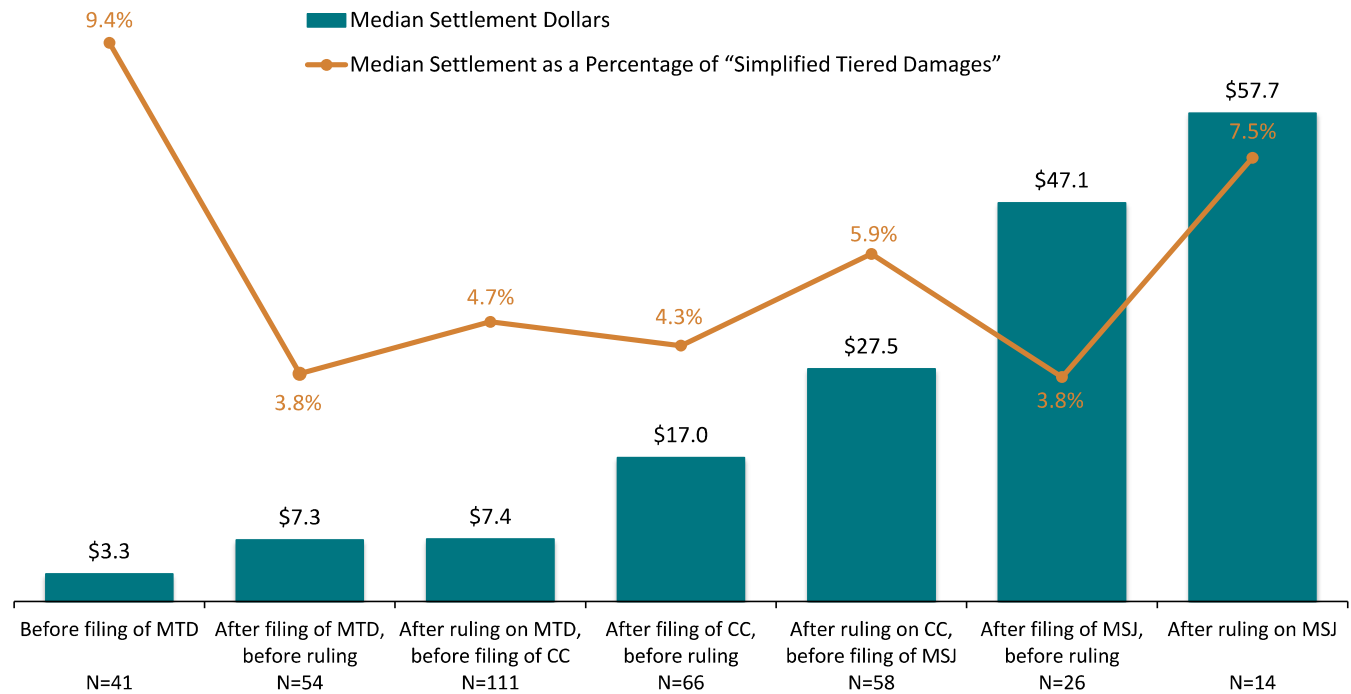
Case Stage at the Time of Settlement

In collaboration with Stanford Securities Litigation Analytics (SSLA),¹⁵ 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.”
- In particular, the median issuer defendant total assets for 2022 cases that settled after the ruling on a motion for class certification was over four times the median for cases that settled prior to such a motion being ruled on.
- In 2022, cases where a motion for class certification was filed were nearly three times as likely to have either Robbins Geller Rudman & Dowd LLP and/or Bernstein Litowitz Berger & Grossmann LLP as lead plaintiff counsel than The Rosen Law Firm, Pomerantz LLP, or Glancy Prongay & Murray LLP.
- Cases settling at later stages often included an institutional investor lead plaintiff. For example, in 2022, an institutional investor served as lead plaintiff 69% of the time for cases that settled after the filing of a motion for class certification (slightly higher than the percentage over the prior four years), compared to 44% for cases that settled prior to the filing of a motion for class certification (38% in the prior four years)
- Overall, compared to settlements in 2021, a larger proportion of cases in 2022 did not reach settlement until after a motion for class certification was filed. In addition, 14% of 2022 settled cases were resolved after a summary judgment motion, compared to less than 9% for 2018–2021 settlements.

Figure 13: Median Settlement Dollars and Resolution Stage at Time of Settlement 2018–2022

(Dollars in millions)



Note: Settlement dollars are adjusted for inflation; 2022 dollar equivalent figures are presented. “N” refers to the number of cases. MTD refers to “motion to dismiss,” CC refers to “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 2022, important determinants of settlement amounts include the following:

- “Simplified tiered damages”
- Maximum Dollar Loss (MDL)—the dollar-value change in the defendant firm’s market capitalization from its class period peak to the trading day immediately following the end of the class period.
- Most recently reported total assets of the issuer defendant firm
- Number of entries on the lead case docket
- Whether there were accounting allegations
- Whether there was a corresponding SEC action against the issuer, other defendants, or related parties
- Whether there were criminal charges against the issuer, other defendants, or related parties with similar allegations to those included in the underlying class action complaint
- Whether there was an accompanying derivative action

- Whether Section 11 and/or Section 12(a) claims were alleged in addition to Rule 10b-5 claims
- Whether the issuer defendant was distressed
- Whether an institution was a 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 and/or Section 12(a) 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 institution involved as 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 2,116 securities class actions filed after passage of the Reform Act (1995) and settled from 1996 through 2022. These settlements are identified based on a review of case activity collected by Securities Class Action Services LLC (SCAS).¹⁶
- The designated settlement year, for purposes of this report, corresponds to the year in which the hearing to approve the settlement was held.¹⁷ Cases involving multiple settlements are reflected in the year of the most recent partial settlement, provided certain conditions are met.¹⁸

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; 2022 dollar equivalent figures are analyzed.
- 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 drops on alleged corrective disclosure dates as described in the settlement plan of allocation.
- ³ Disclosure Dollar Loss or DDL is the dollar-value change in the defendant firm’s market capitalization between the end of the class period and the trading day immediately following the end of the class period.
- ⁴ Accounting irregularities reflect those cases in which the defendant has reported the occurrence of accounting irregularities (intentional misstatements or omissions) in its financial statements.
- ⁵ *Securities Class Action Filings—2022 Year in Review*, Cornerstone Research (2023).
- ⁶ 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 outcome modeling may differ substantially from damages estimates developed in conjunction with case-specific economic analysis.
- ⁷ Laarni T. Bulan, Ellen M. Ryan, and Laura E. Simmons, *Estimating Damages in Settlement Outcome Modeling*, Cornerstone Research (2017).
- 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 security price on the first complaint filing 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 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.
- ¹⁰ *Accounting Class Action Filings and Settlements—2022 Review and Analysis*, Cornerstone Research (2023), forthcoming in spring 2023.
- ¹¹ 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.
- ¹² *Parallel Derivative Action Settlement Outcomes*, Cornerstone Research (2022).
- ¹³ As noted previously, 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.
- ¹⁴ See, for example, *Securities Class Action Settlements—2006 Review and Analysis*, Cornerstone Research (2007) and 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).
- ¹⁵ Stanford Securities Litigation Analytics (SSLA) tracks and collects data on private shareholder securities litigation and public enforcements brought by the SEC and the U.S. Department of Justice. 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/>.
- ¹⁶ Available on a subscription basis. For further details see <https://www.issgovernance.com/securities-class-action-services/>.
- ¹⁷ Movements of partial settlements between years can cause differences in amounts reported for prior years from those presented in earlier reports.
- ¹⁸ 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
2013	\$90.8	\$2.4	\$3.8	\$8.2	\$27.9	\$103.6
2014	\$22.5	\$2.1	\$3.5	\$7.4	\$16.3	\$61.8
2015	\$48.6	\$1.6	\$2.7	\$8.0	\$20.1	\$116.1
2016	\$86.1	\$2.3	\$5.1	\$10.4	\$40.2	\$178.0
2017	\$22.0	\$1.8	\$3.1	\$6.3	\$18.2	\$42.3
2018	\$75.6	\$1.8	\$4.2	\$13.1	\$28.8	\$57.3
2019	\$32.3	\$1.7	\$6.4	\$12.6	\$22.9	\$57.2
2020	\$62.3	\$1.6	\$3.6	\$11.1	\$22.9	\$60.3
2021	\$22.2	\$1.9	\$3.4	\$8.9	\$19.3	\$63.3
2022	\$36.2	\$2.0	\$5.0	\$13.0	\$33.0	\$71.8

Note: Settlement dollars are adjusted for inflation; 2022 dollar equivalent figures are presented.

Appendix 2: Settlements by Select Industry Sectors

2013–2022

(Dollars in millions)

Industry	Number of Settlements	Median Settlement	Median “Simplified Tiered Damages”	Median Settlement as a Percentage of “Simplified Tiered Damages”
Financial	92	\$14.8	\$293.3	5.0%
Healthcare	20	\$14.2	\$189.4	6.4%
Pharmaceuticals	119	\$7.6	\$237.6	3.8%
Retail	50	\$13.2	\$294.2	4.8%
Technology	103	\$9.3	\$315.9	4.6%
Telecommunication	26	\$10.5	\$311.0	4.4%

Note: Settlement dollars and “simplified tiered damages” are adjusted for inflation; 2022 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 2013–2022

(Dollars in millions)

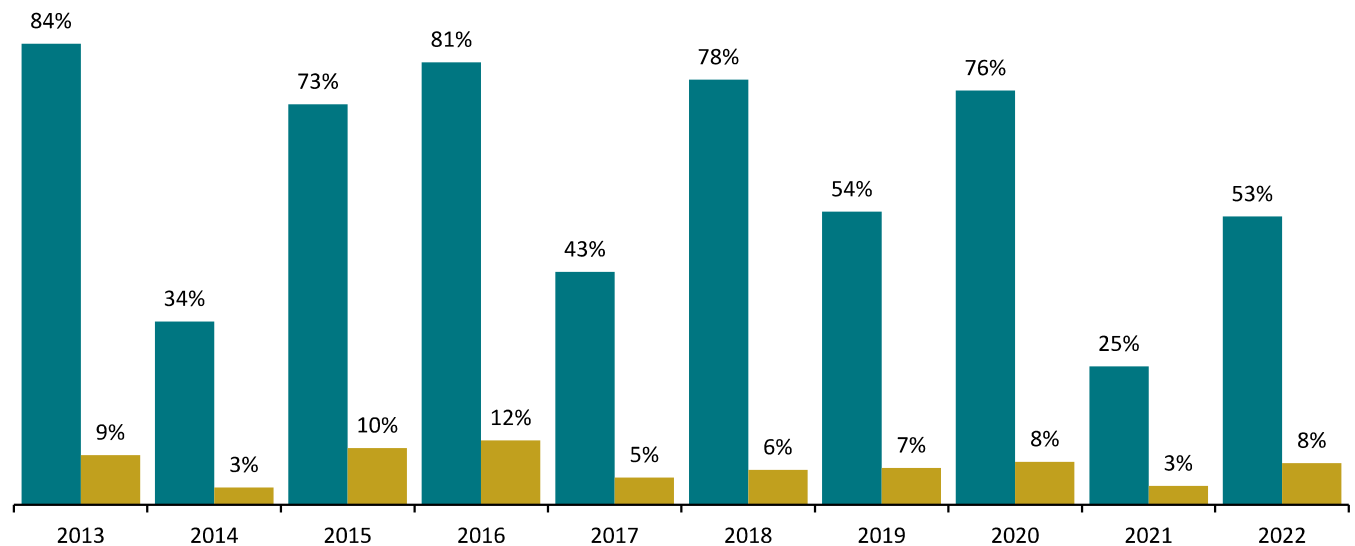
Circuit	Number of Settlements	Median Settlement	Median Settlement as a Percentage of “Simplified Tiered Damages”
First	21	\$12.4	3.0%
Second	202	\$9.0	5.0%
Third	81	\$7.5	4.9%
Fourth	26	\$22.9	3.8%
Fifth	38	\$10.7	4.9%
Sixth	32	\$13.5	7.4%
Seventh	37	\$15.5	3.6%
Eighth	14	\$46.4	5.1%
Ninth	191	\$7.6	4.6%
Tenth	17	\$10.2	5.8%
Eleventh	37	\$11.9	4.9%
DC	5	\$33.7	2.4%

Note: Settlement dollars are adjusted for inflation; 2022 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 2013–2022

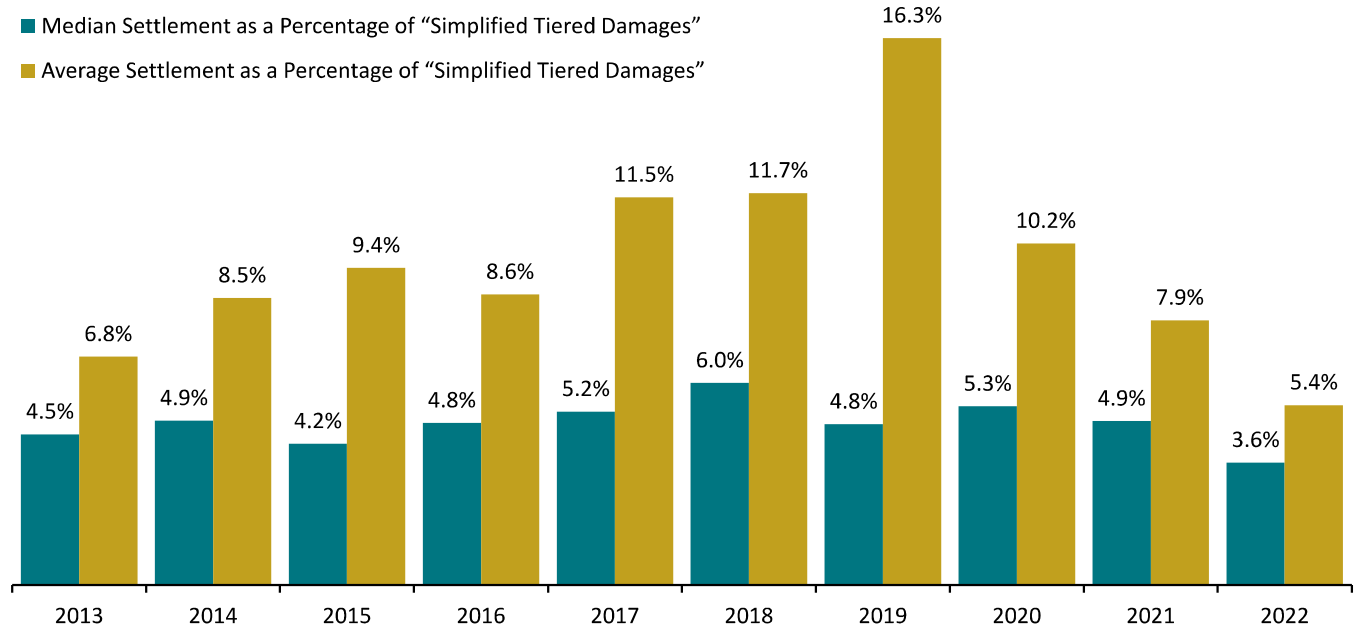
■ Total Mega Settlement Dollars as a Percentage of All Settlement Dollars

■ Number of Mega Settlements as a Percentage of All Settlements



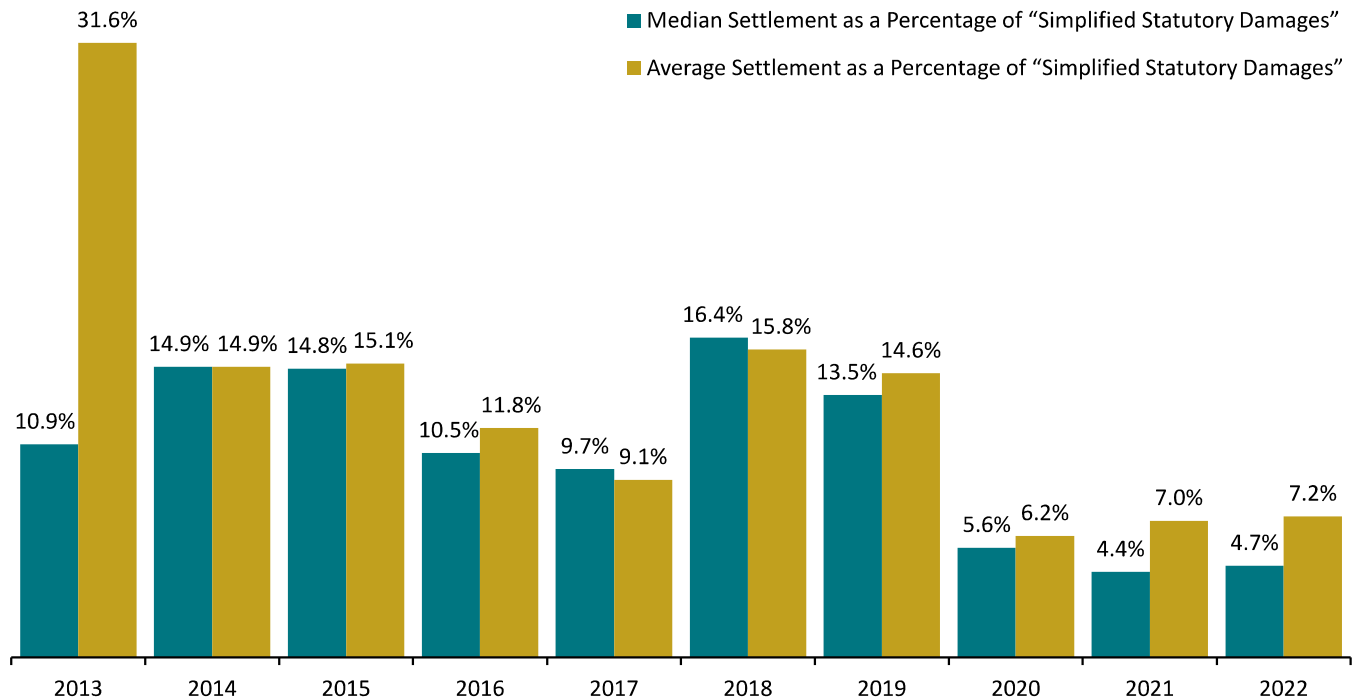
Note: Mega settlements are defined as total settlement funds equal to or greater than \$100 million.

**Appendix 5: Median and Average Settlements as a Percentage of “Simplified Tiered Damages”
2013–2022**



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”
2013–2022**

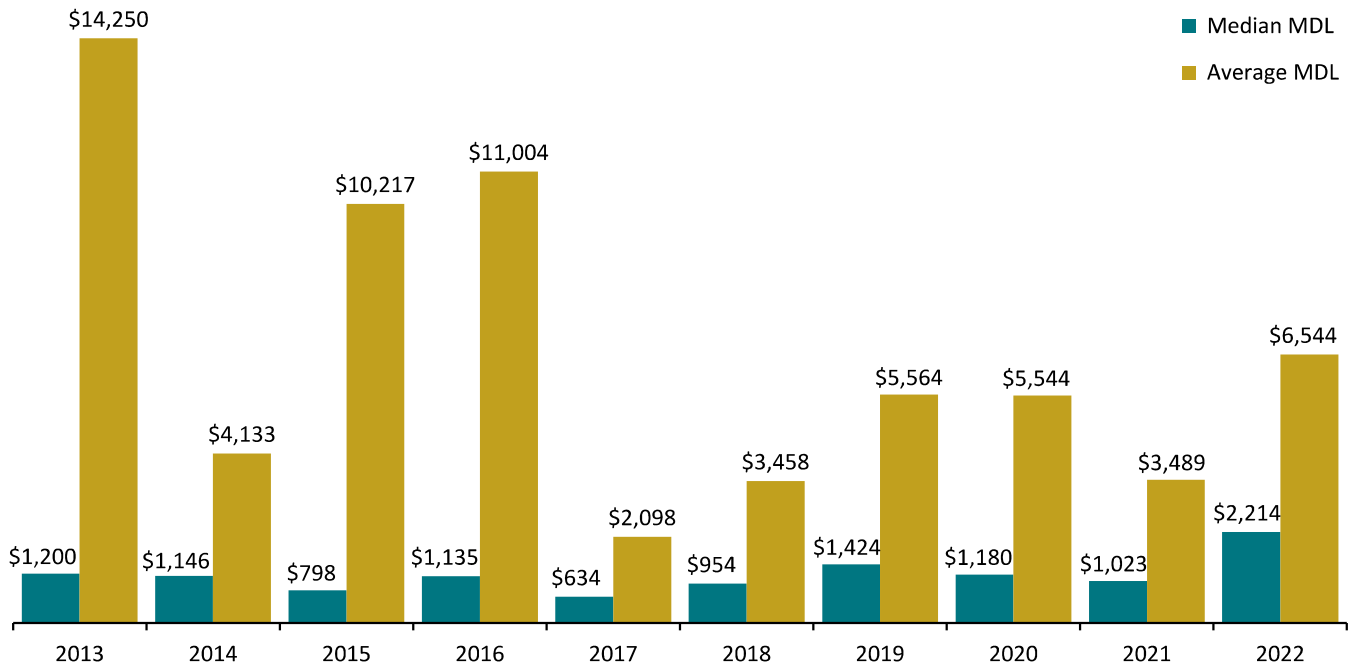


Note: “Simplified statutory damages” are calculated only for cases alleging Section 11 (’33 Act) claims and no Rule 10b-5 claims.

Appendix 7: Median and Average Maximum Dollar Loss (MDL)

2013–2022

(Dollars in millions)

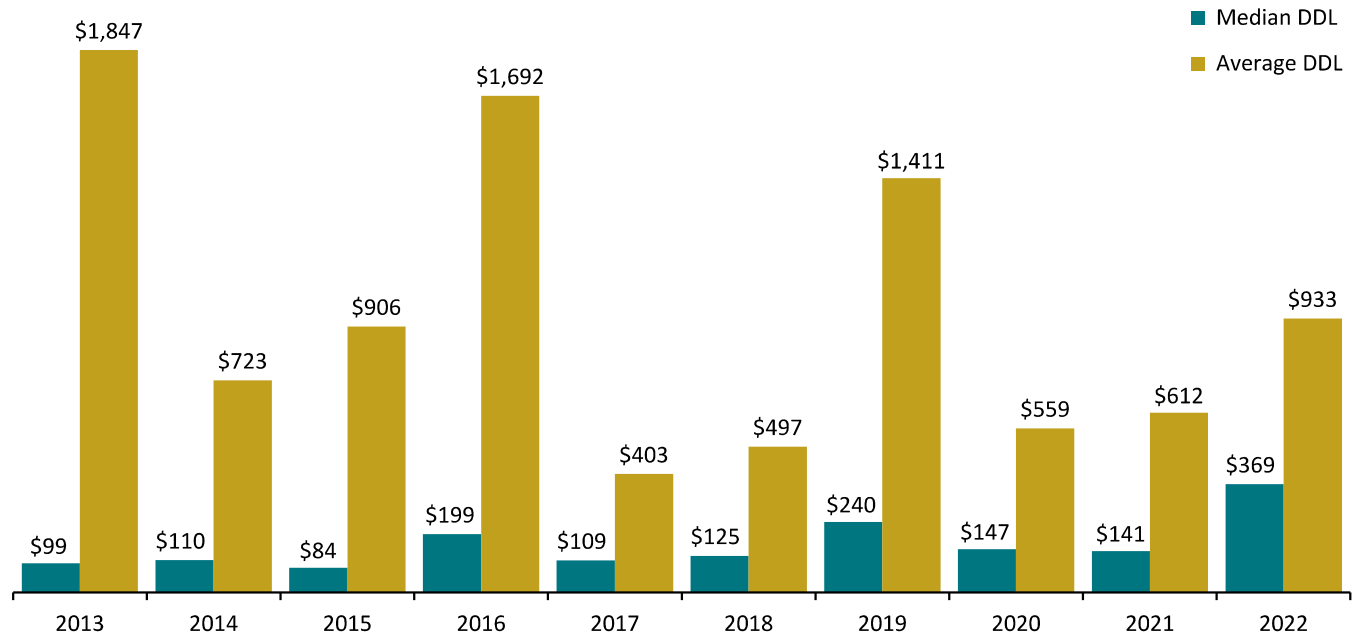


Note: MDL is adjusted for inflation based on class period end dates; 2022 dollar equivalents are presented. MDL is the dollar value change in the defendant firm’s market capitalization from the trading day with the highest market capitalization during the class period to the trading day immediately following the end of the class period. This analysis excludes cases alleging ‘33 Act claims only.

Appendix 8: Median and Average Disclosure Dollar Loss (DDL)

2013–2022

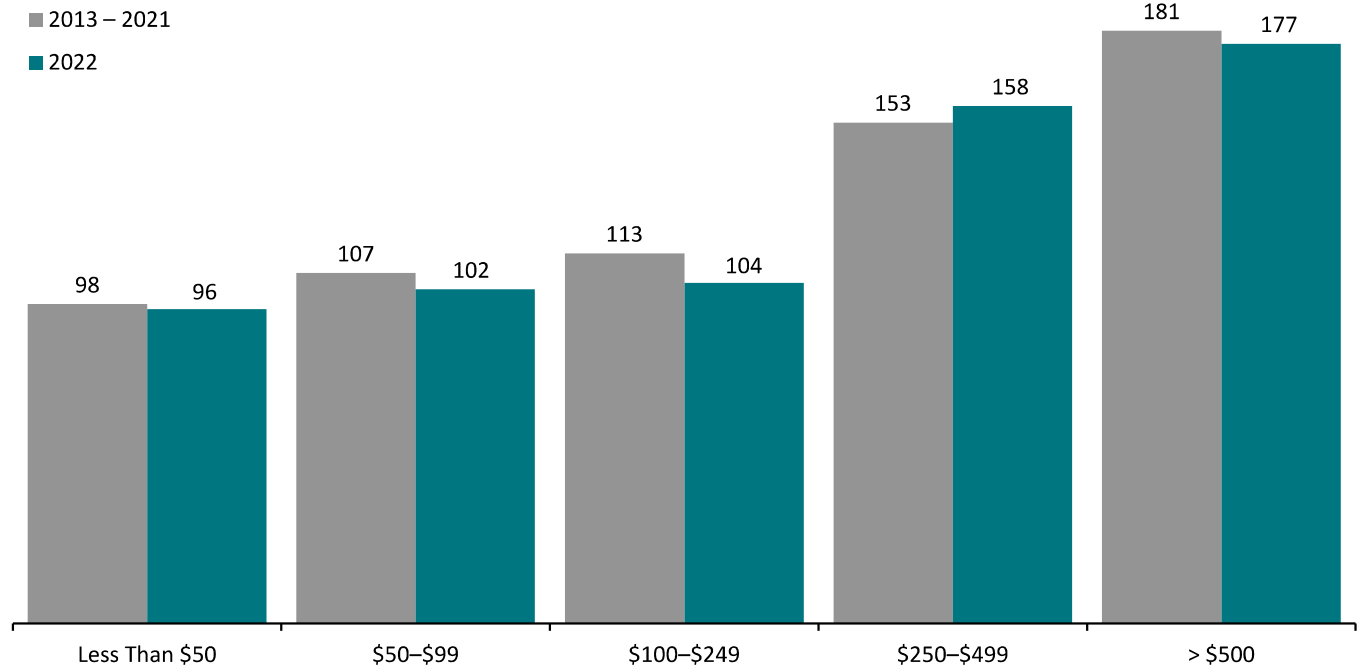
(Dollars in millions)



Note: DDL is adjusted for inflation based on class period end dates; 2022 dollar equivalents are presented. DDL is the dollar-value change in the defendant firm’s market capitalization between the end of the class period and the trading day immediately following the end of the class period. This analysis excludes cases alleging ‘33 Act claims only.

Appendix 9: Median Docket Entries by “Simplified Tiered Damages” Range
2013–2022

(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).

About the Authors

Laarni T. Bulan

Ph.D., Columbia University; M.Phil., Columbia University; B.S., University of the Philippines

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, 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.

Dr. Bulan has published notable academic articles in peer-reviewed journals. Her research covers topics in dividend policy, capital structure, executive compensation, corporate governance, and real options. Prior to joining Cornerstone Research, Dr. Bulan had a joint appointment at Brandeis University as an assistant professor of finance in its International Business School and in the economics department.

Laura E. Simmons

Ph.D., University of North Carolina at Chapel Hill; M.B.A., University of Houston; B.B.A., University of Texas at Austin

Laura Simmons is a senior advisor with Cornerstone Research. She has more than 25 years of experience in economic consulting. Dr. Simmons has focused on damages and liability issues in securities class actions, as well as litigation involving the Employee Retirement Income Security Act (ERISA). She has also managed cases involving financial accounting, valuation, and corporate governance issues. She has served as a testifying expert in litigation involving accounting analyses, securities case damages, ERISA matters, and research on securities lawsuits.

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.

Many publications quote, cite, or reproduce data, charts, or tables from Cornerstone Research reports. The authors request that you reference Cornerstone Research in any reprint, quotation, or citation of the charts, tables, or data reported in this study.

Please direct any questions and requests for additional information to the settlement database administrator at settlementdatabase@cornerstone.com.

Boston

617.927.3000

Chicago

312.345.7300

London

+44.20.3655.0900

Los Angeles

213.553.2500

New York

212.605.5000

San Francisco

415.229.8100

Silicon Valley

650.853.1660

Washington

202.912.8900

www.cornerstone.com



Exhibit 6

RESUME

LEVI & KORSINSKY LLP

NEW YORK

55 Broadway
4th Floor, Suite 427
New York, NY 10006
T. 212-363-7500
F. 212-363-7171

WASHINGTON, D.C.

1101 30th Street NW
Suite 115
Washington, D.C. 20007
T. 202-524-4290
F. 202-333-2121

CONNECTICUT

1111 Summer Street
Suite 401
Stamford, CT 06905
T. 203-992-4523

CALIFORNIA

Los Angeles

445 South Figueroa Street
31st Floor
Los Angeles, CA 90071
T. 213-985-7290

San Francisco

1160 Battery Street East
Suite 100 - #3425
San Francisco, CA 94111
T. 415-373-1671
F. 415-484-1294

 [Levi&Korsinsky LLP](#)

 [MergerAlerts](#)

www.zlk.com

CONTENTS

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

Counsel ANDREW E. LENCYK

Associates	RACHEL BERGER JORDAN A. CAFRITZ MORGAN EMBLETON NOAH GEMMA DEYVN R. GLASS GARY ISHIMOTO DAVID C. JAYNES	ALEXANDER KROT NICHOLAS LANGE COURTNEY E. MACCARONE ADAM C. MCCALL AMANDA MILLER MELISSA MULLER CINAR ONEY	BRIAN STEWART CORREY A. SUK COLE VON RICHTHOFEN MAX WEISS DANIEL WEISS
------------	---	--	--

Law Clerks AARON PARNAS

Staff Attorneys	KATHY AMES-VALDIVIESO KAROLINA CAMPBELL CHRISTINA FUHRMAN	RUBEN MARQUEZ RAZVAN VOICU
-----------------	---	-------------------------------

ABOUT THE FIRM

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 Class Actions

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 Firm 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 Tesla Inc. Securities Litigation**, Case No. 18-cv-4865-EMC (N.D. Cal.), the firm represents a certified class of Tesla investors who sustained damages when Elon Musk tweeted "Am considering taking Tesla private at \$420. Funding secured," on August 7, 2018. In 2023, after more than four years of litigation, our attorneys went to trial against Mr. Musk, Tesla, and its board of directors in the U.S. District Court for the Northern District of California. Trials in federal securities fraud lawsuits are exceedingly rare due to the risks inherent in high-stakes complex jury trials. We accepted these risks out of a commitment to our clients, the class, and our firm belief that investors deserved a full 100% recovery. The firm continues to represent the class in post-trial proceedings and remains committed to securing a class recovery.

In **In re U.S. Steel Consolidated Cases**, Case No. 17-559-CB (W.D. Pa.), the firm recovered \$40 million cash on behalf of purchasers of securities of United States Steel Corporation. Plaintiffs in the action alleged that U. S. Steel and its executive officers made false and misleading statements throughout the class period regarding the company's Reliability Centered Maintenance program and U. S. Steel's capability to meet demand for steel. During the litigation, Levi & Korsinsky defeated two motions to dismiss, and successfully moved for class certification.

In two related actions, **In re Nutanix, Inc. Securities Litigation**, Case 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.**, Case No. 3:19-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.

As Lead Counsel in **In re Avon Products Inc. Securities Litigation**, Case No. 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.**, Case No. 17-cv-2399 (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 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 **In Re Helios and Matheson Analytics, Inc. Sec. Litig.**, Case No. 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.

In **In re Restoration Robotics, Inc. Sec. Litig.**, Case No. 18-cv-03712-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.



“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 **Stein v. U.S. Xpress Enterprises, Inc., et al.**, Case 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 achieved the preliminary approval of a settlement. The settlement provides for the payment of \$13 million to eligible class members. Lead plaintiff Deirdre Terry alleged violations of §§ 11 and 15 of the Securities Act of 1933 based on false and misleading misstatements that the company made that allegedly concealed from shareholders facts relating to driver retention and the harm the U.S. Xpress was suffering from its inability to retain drivers.

We have also been appointed Lead or Co-Lead Counsel in the following securities class actions:

- **Sean Ryan v. FIGS, Inc. et al.**, 2:22-cv-07939-ODW (C.D. Cal. February 14, 2023)
- **Schoen v. Eiger Biopharmaceuticals, Inc., et al.**, 3:22-cv-6985-RS (N.D. Cal. February 3, 2023)
- **Jamia Fernandes v. Centessa Pharmaceuticals plc, et al.**, 1:22-cv-08805-GHW-SLC (S.D.N.Y. December 12, 2022)
- **Gilbert v. Azure Power Global Limited, et al.**, 1:22-cv-07432-GHW (S.D.N.Y. December 8, 2022)
- **Pugley v. Fulgent Genetics, Inc. et al.**, 2:22-cv-06764-CAS-KS (C.D. Cal. November 30, 2022)
- **Michalski v. Weber Inc., et al.**, 1:21-cv-03966-EEB (N.D. Ill. November 29, 2022)
- **Edge v. Tupperware Brands Corporation, et al.**, 6:22-cv-1518-RBD-LHP (M.D. Fla. September 16, 2022)
- **In re Nano-X Imaging Ltd. Securities Litigation**, 1:20-cv-04355-WFK (E.D.N.Y. August 30, 2022)
- **Patterson v. Cabaletta Bio, Inc., et al.**, 2:22-cv-00737-JMY (E.D. Pa. August 10, 2022)
- **Rose v. Butterfly Network, Inc., et al.**, 2:22-cv-00854-EP-JBC (D.N.J. August 8, 2022)
- **Winter v. Stronghold Digital Mining, Inc., et al.**, 1:22-cv-03088-RA (S.D.N.Y. August 4, 2022)
- **Poirer v. Bakkt Holdings, Inc.**, 1:22-cv-02283-EK-PK (E.D.N.Y. August 3, 2022)
- **In re Meta Materials Inc. Securities Litigation**, 1:21-cv-07203-CBA-JRC (E.D.N.Y. July 15, 2022)
- **Deputy v. Akebia Therapeutics, Inc. et al.**, 1:22-cv-01411-AMD-VMS (E.D.N.Y. June 28, 2022)



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. 20 CIV. 2863 (S.D.N.Y. Jan. 5, 2021)

- **In re Grab Holdings Limited Securities Litigation**, 1:22-cv-02189-VM (S.D.N.Y. June 7, 2022)
- **Jiang v. Bluecity Holdings Limited et al.**, 1:21-cv-04044-FB-CLP (E.D.N.Y. December 22, 2021)
- **In re AppHarvest Securities Litigation**, 1:21-cv-07985-LJL (S.D.N.Y. December 13, 2021)
- **In re Coinbase Global, Inc. Securities Litigation**, 3:21-cv-05634-VC (N.D. Cal. November 5, 2021)
- **Miller v. Rekor Systems, Inc. et al.**, 1:21-cv-01604-GLR (D. Md. September 16, 2021)
- **John P. Norton, On Behalf Of The Norton Family Living Trust UAD 11/15/2002 V. Nutanix, Inc. Et Al**, 3:21-cv-04080-WHO (N.D. Cal. September 8, 2021) • **The Daniels Family 2001 Revocable Trust v. Las Vegas Sands Corp., et al.**, 1:20-cv-08062-JMF (D. Nev. Jan. 5, 2021)
- **Zaker v. Ebang International Holdings Inc. et al.**, 1:21-cv-03060-KPF (S.D.N.Y. July 21, 2021)
- **Valdes v. Kandi Technologies Group, Inc. et al.**, 2:20-cv-06042-LDH-AYS (E.D.N.Y. April 20, 2021)

- **In re QuantumScape Securities Class Action Litigation**, 3:21-cv-00058-WHO (N.D. Cal. April 20, 2021)
- **In re Minerva Neurosciences, Inc. Sec. Litig.**, 1:20-cv-12176-GAO (D. Mass. March 5, 2021)
- **White Pine Investments v. CVR Refining, LP, et al.**, 1:20-cv-02863-AT (S.D.N.Y. Jan. 5, 2021)
- **Yaroni v. Pintec Technology Holdings Limited, et al.**, 1:20-cv-08062-JMF (S.D.N.Y. Dec. 15, 2020)
- **Nickerson v. American Electric Power Company, Inc., et al.**, 2:20-cv-04243-SDM-EPD (S.D. Ohio Nov. 24, 2020)
- **Ellison v. Tufin Software Technologies Ltd., et al.**, 1:20-cv-05646-GHW (S.D.N.Y. Oct. 19, 2020)
- **Hartel v. The GEO Group, Inc., et al.**, 9:20-cv-81063-RS (S.D. Fla. Oct. 1, 2020)
- **Posey, Sr. v. Brookdale Senior Living, Inc., et al.**, 3:20-cv-00543-AAT (M.D. Tenn. Sept. 14, 2020)
- **Snyder v. Baozun Inc.**, 1:19-cv-11290-ALC (S.D.N.Y. Sept. 8, 2020)
- **In re eHealth Inc. Sec. Litig.**, 4:20-cv-02395-JST (N.D. Cal. Jun. 24, 2020)
- **Mehdi v. Karyopharm Therapeutics Inc.**, 1:19-cv-11972-NMG (D. Mass. Apr. 29, 2020)
- **Brown v. Opera Ltd.**, 1:20-cv-00674-JGK (S.D.N.Y. Apr. 17, 2020)
- **In re Dropbox Sec. Litig.**, 5:19-cv-06348-BLF (N.D. Cal. Jan. 16, 2020)
- **In re Yunji Inc. Sec. Litig.**, 1:19-cv-6403-LDH-SMG (E.D.N.Y. Feb. 3, 2020)
- **Zhang v. Valaris plc**, 1:19-cv-7816-NRB (S.D.N.Y. Dec. 23, 2019)
- **In re Sundial Growers Inc. Sec. Litig.**, 1:19-cv-08913-ALC (S.D.N.Y. Dec. 20, 2019)
- **Costanzo v. DXC Technology Co.**, 5:19-cv-05794-BLF (N.D. Cal. Nov. 20, 2019)
- **Ferraro Family Foundation, Inc. v. Corcept Therapeutics Incorporated**, 5:19-cv-1372-LHK (N.D. Cal. Oct. 7, 2019)
- **Roberts v. Bloom Energy Corp.**, 4:19-cv-02935-HSG (N.D. Cal. Sept. 3, 2019)
- **Luo v. Sogou Inc.**, 1:19-cv-00230-JPO (S.D.N.Y. Apr. 2, 2019)
- **In re Aphria Inc. Sec. Litig.**, 1:18-cv-11376-GBD (S.D.N.Y. Mar. 27, 2019)



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

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)

- **Chew v. MoneyGram International, Inc.**, 1:18-cv-07537 (N.D. Ill. Feb. 12, 2019)
- **Johnson v. Costco Wholesale Corp.**, 2:18-cv-01611-TSZ (W.D. Wash. Jan. 30, 2019)
- **Tung v. Dycom Industries, Inc.**, 9:18-cv-81448-RLR (S.D. Fla. Jan. 11, 2019)
- **Guyer v. MGT Capital Investments, Inc.**, 1:18-cv-09228-LAP (S.D.N.Y. Jan. 9, 2019)
- **In re Adient plc Sec. Litig.**, 1:18-CV-09116 (S.D.N.Y. Dec. 21, 2018)

- **In re Prothena Corp. plc Sec. Litig.**, 1:18-cv-06425 (S.D.N.Y. Oct. 31, 2018)
- **Pierrelouis v. Gogo Inc.**, 1:18-cv-04473 (N.D. Ill. Oct. 10, 2018)
- **Balestra v. Cloud With Me Ltd.**, 2:18-cv-00804-LPL (W.D. Pa. Oct. 18, 2018)
- **Balestra v. Giga Watt, Inc.**, 2:18-cv-00103-SMJ (E.D. Wash. June 28, 2018)
- **Chandler v. Ulta Beauty, Inc.**, 1:18-cv-01577 (N.D. Ill. June 26, 2018)
- **In re Longfin Corp. Sec. Litig.**, 1:18-cv-2933 (S.D.N.Y. June 25, 2018)
- **Chahal v. Credit Suisse Group AG**, 1:18-cv-02268-AT (S.D.N.Y. June 21, 2018)

“ 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 re Bitconnect Sec. Litig.**, 9:18-cv-80086-DMM (S.D. Fla. June 19, 2018)
- **In re Aqua Metals Sec. Litig.**, 4:17-cv-07142-HSG (N.D. Cal. May 23, 2018)
- **Davy v. Paragon Coin, Inc.**, 4:18-cv-00671-JSW (N.D. Cal. May 10, 2018)
- **Rensel v. Centra Tech, Inc.**, 1:17-cv-24500-JLK (S.D. Fla. Apr. 11, 2018)
- **Cullinan v. Cemtrex, Inc.** 2:17-cv-01067 (E.D.N.Y. Mar. 3, 2018)
- **In re Navient Corporation Sec. Litig.**, 1:17-cv-08373-RBK-AMD (D.N.J. Feb. 2, 2018)
- **Huang v. Depomed, Inc.**, 3:17-cv-04830-JST (N.D. Cal. Dec. 8, 2017)
- **In re Regulus Therapeutics Inc. Sec. Litig.**, 3:17-cv-00182-BTM-RBB (D. Mass. Oct. 26, 2017)
- **Murphy III v. JBS S.A.**, 1:17-cv-03084-ILG-RER (E.D.N.Y. Oct. 10, 2017)
- **Ohren v. Amyris, Inc.**, 3:17-cv-002210-WHO (N.D. Cal. Aug. 8, 2017)
- **Beezley v. Fenix Parts, Inc.**, 2:17-cv-00233 (D.N.J. June 28, 2017)
- **M & M Hart Living Trust v. Global Eagle Entertainment, Inc.**, 2:17-cv-01479 (C.D. Cal. June 26, 2017)
- **In re Insys Therapeutics, Inc.**, 1:17-cv-1954 (S.D.N.Y. May 31, 2017)
- **Clevlen v. Anthera Pharmaceuticals, Inc.**, 3:17-cv-00715 (N.D. Cal. May 18, 2017)

- **In re Agile Therapeutics, Inc. Sec. Litig.**, 3:17-cv-00119-AET-LHG (D.N.J. May 15, 2017)
- **Roper v. SITO Mobile Ltd.**, 2:17-cv-01106-ES-MAH (D.N.J. May 8, 2017)
- **In re Illumina, Inc. Sec. Litig.**, 3:16-cv-03044-L-KSC (S.D. Cal. Mar. 30, 2017)
- **In re PTC Therapeutics, Inc.**, 2:16-cv-01224-KM-MAH (D.N.J. Nov. 14, 2016)
- **The TransEnterix Investor Group v. TransEnterix, Inc.**, 5:16-cv-00313-D (E.D.N.C. Aug. 30, 2016)
- **Gormley v. magicJack VocalTec Ltd.**, 1:16-cv-01869-VM (S.D.N.Y. July 12, 2016)
- **Azar v. Blount Int'l Inc.**, 3:16-cv-00483-SI (D. Or. July 1, 2016)
- **Plumley v. Sempra Energy**, 3:16-cv-00512-BEN-RBB (S.D. Cal. June 6, 2016)
- **Francisco v. Abengoa, S.A.**, 1:15-cv-06279-ER (S.D.N.Y. May 24, 2016)
- **De Vito v. Liquid Holdings Group, Inc.**, 2:15-cv-06969-KM-JBC (D.N.J. Apr. 7, 2016)

“ 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)

- **Ford v. Natural Health Trends Corp.**, 2:16-cv-00255-TJH-AFM (C.D. Cal. Mar. 29, 2016)
- **Levin v. Resource Capital Corp.**, 1:15-cv-07081-LLS (S.D.N.Y. Nov. 24, 2015)
- **Martin v. Altisource Residential Corp.**, 1:15-cv-00024 (D.V.I. Oct. 7, 2015)
- **Paggos v. Resonant, Inc.**, 2:15-cv-01970 SJO (VBKx) (C.D. Cal. Aug. 7, 2015)
- **Fragala v. 500.com Ltd.**, 2:15-cv-01463-MMM (C.D. Cal. July 7, 2015)
- **Stevens v. Quiksilver Inc.**, 8:15-cv-00516-JVS-JCGx. (C.D. Cal. June 26, 2015)
- **In re Ocean Power Technologies, Inc. Sec. Litig.**, 3:14-cv-3799 (FLW) (LHG) (D.N.J. Mar. 17, 2015)
- **In re Energy Recovery Inc. Sec. Litig.**, 3:15-cv-00265 (N.D. Cal. Jan. 20, 2015)
- **Ford v. TD Ameritrade Holding Corporation, et al.**, 8:14-cv-00396 (D. Neb. Dec. 2, 2014)
- **In re China Commercial Credit Sec. Litig.**, 1:15-cv-00557 (ALC) (D.N.J. Oct. 31, 2014)
- **In re Violin Memory, Inc. Sec. Litig.**, 4:13-cv-05486-YGR (N.D. Cal. Feb. 26, 2014)
- **Berry v. KiOR, Inc.**, 4:13-cv-02443 (S.D. Tex. Nov. 25, 2013)
- **In re OCZ Technology Group, Inc. Sec. Litig.**, 3:12-cv-05265-RS (N.D. Cal. Jan. 4, 2013)
- **In re Digital Domain Media Group, Inc. Sec. Litig.**, 2:12-cv-14333 (JEM) (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**, C.A. 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 (Del. Ch.). The action resulted in a settlement where Skechers Inc. cancelled nearly \$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.

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 and total net benefits estimated as exceeding \$3 billion.

In **In re Activision, Inc. Shareholder Derivative Litigation**, Case No. 06-cv-04771-MRP (JTLX) (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.

In **Pfeiffer v. Toll** (Toll Brothers Derivative Litigation), C.A. 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**, C.A. 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 \$6.5 million it had paid in consulting fees, or approximately 33% of the total at issue and the consulting agreements were discontinued.

In **Scherer v. Lu** (Diodes Incorporated), Case 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.**, Case 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), Case 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.), Case 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), Case 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**, C.A. 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.



“...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 **Lopez v. Nudelman** (CTI BioPharma Corp.), 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 i2 Technologies, Inc. Shareholder Litigation**, C.A. No. 4003-CC (Del. Ch.), as Counsel for the Lead Plaintiff, we challenged the fairness of certain asset sales made by the company and secured a \$4 million recovery.

In **In re Corinthian Colleges, Inc. Shareholder Derivative Litigation**, Case 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), Case 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**, Case 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.), Case 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**, C.A. 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.

In **In re Bluegreen Corp. Shareholder Litigation**, Case 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**, C.A. 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.

In **Chen v. Howard-Anderson**, C.A. 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.**, C.A. 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**, Consolidated Case 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**, C.A. 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**, C.A. 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.

In **Dias v. Purches**, C.A. 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**, C.A. 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 **Forgo v. Health Grades, Inc.**, C.A. 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.*, 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 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 **In re Integrated Silicon Solution, Inc. Stockholder Litigation**, Lead Case 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.”

The Honorable Ronald B. Rubin in Teoh v. Ferrantino, C.A. No. 356627 (Cir. Ct. for Montgomery Cnty., MD 2012)

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**, Case 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., Case 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 \$500 million in cash (proposed settlement pending).

In Re: Intel Corp. CPU Marketing, Sales Practices and Products Liability Litig., Case 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.

In Re: ZF-TRW Airbag Control Units Products Liability Litig., Case 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., Case No. 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, Case No. 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., Case No. 1:17-cv-00249 (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., Case No. 19-cv-61350-RKA (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., Case No. 06 Civ. 2308 (HAA) (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., Case 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.

“The quality of the representation... has been extremely high, not just in terms of the favorable outcome in terms of the substance of the settlement, but in terms of the diligence and the hard work that has gone into producing that outcome.”

The Honorable Joseph F. Bianco, in Landes v. Sony Mobile Communications, 17-cv-02264-JFB-SIL (E.D.N.Y. Dec. 1, 2017)

OUR ATTORNEYS

Managing Partners



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.**, 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**, C.A. No. 4140-VCL (Del. Ch. 2010), \$16.25 million in insider trading profits recovered
- **In re Net2Phone, Inc. S'holder Litig.**, Case 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.**, C-89-09 (N.J. Ch. Hudson Cty. 2011) & 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, defeated motion for summary judgment, and obtained an increase in consideration of between 15-23% for the members of the Class
- **In re Google Inc. Class C S'holder Litig.**, C.A. 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.**, 1:2011cv00879 (D. Del. 2012), one of a few successful challenges to say on pay voting, recovered millions of dollars in reductions to compensation
- **i2 Technologies, Inc. S'holder Litig.**, C.A. No. 4003-CC (Del. Ch. 2008), \$4 million recovered, challenging fairness of certain asset sales made by the company

- **Pfeiffer v. Alpert (Beazer Homes)**, C.A. No. 10-cv-1063-PD (D. Del. 2011), obtained substantial revisions to an unlawful executive compensation structure
- **In re NCS Healthcare, Inc. Sec. Litig.**, C.A. 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

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)
- "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)

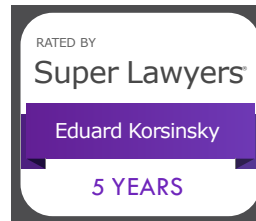
EDUCATION

- 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)

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)

AWARDS





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...”

Vice Chancellor Sam Glasscock, III in Dias v. Purches, C.A. No. 7199-VCG (Del. Ch. Apr. 5, 2012)

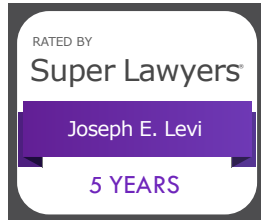
EDUCATION

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

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)

AWARDS



OUR ATTORNEYS

Partners



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**, C.A. 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.**, 2020 WL 1873441 (N.D. Cal.2020)
- **In Re Aphria, Inc. Securities Litigation**, 2020 WL 5819548 (S.D.N.Y. 2020)
- **Voulgaris, v. Array Biopharma Inc.**, 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.**, 2019 WL 4850188 (Del. Ch. 2019)
- **Martin v. Altisource Residential Corp.**, 2019 WL 2762923 (D.V.I. 2019)
- **In re Navient Corp. Sec. Litig.**, 2019 WL 7288881 (D.N.J. 2019)
- **In re Bridgestone Inv. Corp.**, 789 Fed. App'x 13 (9th Cir. 2019)
- **Klein v. TD Ameritrade Holding Corp.**, 327 F.R.D. 283 (D. Neb. 2018)
- **Beezley v. Fenix Parts, Inc.**, 2018 WL 3454490 (N.D. Ill. 2018)
- **In re PTC Therapeutics Sec. Litig.**, 2017 WL 3705801 (D.N.J. 2017)
- **Zaghian v. Farrell**, 675 Fed. Appx. 718 (9th Cir. 2017)
- **Gormley v. magicJack VocalTec Ltd.**, 220 F. Supp. 3d 510 (S.D.N.Y. 2016)
- **Carlton v. Cannon**, 184 F. Supp. 3d 428 (S.D. Tex. 2016)

- **In re Violin Memory Sec. Litig.**, 2014 WL 5525946 (N.D. Cal. Oct. 31, 2014)
- **Garnitschnig v. Horovitz**, 48 F. Supp. 3d 820 (D. Md. 2014)
- **SEC v. Cuban**, 620 F.3d 551 (5th Cir. 2010)
- **Cozzarelli v. Inspire Pharmaceuticals, Inc.**, 549 F.3d 618 (4th Cir. 2008)
- **Teachers' Retirement System of Louisiana v. Hunter**, 477 F.3d 162 (4th Cir. 2007)

Mr. Porritt was selected by Lawdragon as one of the 500 leading plaintiff lawyers in financial litigation and was selected to the 2020 DC Super Lawyers list published by Thomson Reuters.

Mr. Porritt speaks frequently on current topics relating to securities laws and derivative actions, including presentations on behalf of the Council for Institutional Investors, Nasdaq, and the Practising Law Institute. He currently serves as co-chair of the American Bar Association Sub-Committee on Derivative Actions.

Before joining the Firm, Mr. Porritt practiced as a partner at Akin Gump Strauss Hauer & Feld LLP and prior to that was a partner at Wilson Sonsini Goodrich & Rosati PC. Mr. Porritt formerly practiced as a Barrister and Solicitor in Wellington, New Zealand and is a Solicitor of the Senior Courts of England & Wales.

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)

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)

AWARDS





DONALD J. ENRIGHT

PARTNER

During his 24 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.**, 267 F. 3d 400, 413 (5th Cir. 2001)
- **SEC v. Butler**, 2005 U.S. Dist. LEXIS 7194 (W.D. Pa. April 18, 2005)
- **Belizan v. Hershon**, 434 F. 3d 579 (D.C. Cir. 2006)
- **Rensel v. Centra Tech, Inc.**, 2021 WL 2659784 (11th Cir. June 29, 2021)

Most recently, in **In re Schuff International, Inc. Stockholders Litigation**, Case 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**, Case 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.

Also, in **In re CNX Gas Corp. Shareholders Litigation**, C.A. 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.**, G.D. 10-3547 (Ct. Com. Pleas Pa. 2010)
- **In re Craftmade International, Inc. S'holder Litig.**, C.A. No. 6950-VCL (Del. Ch. 2011)
- **Dias v. Purches**, C.A. No. 7199-VCG (Del. Ch. 2012)
- **In re Complete Genomics, Inc. S'holder Litig.**, C.A. No. 7888-VCL (Del. Ch. 2012)
- **In re Integrated Silicon Solution, Inc. Stockholder Litig.**, Lead Case No. 115CV279142 (Sup. Ct. Santa Clara, CA 2015)

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**, C.A. 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**, C.A. 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.”

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)

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)

AWARDS





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 a decade 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:

- **In re Force Protection, Inc. S'holder Litig.**, C.A. No. A-11-651336-B (D. Nev. 2015), \$11 million shareholder recovery
- **Craig Telke v. New Frontier Media, Inc.**, C.A. No. 1:12-cv-02941-JLK (D. Co. 2015), \$2.25 million shareholder recovery
- **Shona Investments v. Callisto Pharmaceuticals, Inc.**, C.A. No. 652783/2012 (NY Sup. Ct. 2015), shareholder recovery of \$2.5 million and increase in exchange ratio from 0.1700 to 0.1799
- **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 Cogent, Inc. S'holder Litig.**, C.A. No. 5780-VCP (Del. Ch. 2010), \$1.9 million shareholder recovery and corrective disclosures relating to the Merger
- **In re CMS Energy Sec. Litig.**, Civil No. 02 CV 72004 (GCS) (E.D. Mich. Sept. 6, 2007), \$200 million recovery
- **In re Sears, Roebuck and Co. Sec. Litig.**, No. 02-cv-07527 (N.D. Ill. Jan. 8, 2007), \$200 million recovery
- **In re El Paso Electric Co. Sec. Litig.**, C.A. No. 3:03-cv-00004-DB (W.D. Tex. Sept. 15, 2005), \$10 million recovery
- **In re Novastar Fin. Sec. Litig.**, 4:04-cv-00330-ODS (W.D. Mo. Apr. 14, 2009), \$7.25 million recovery

The quality of Ms. Hopkin's work has been noted by courts. In **In re Health Grades, Inc. Shareholder Litigation**, C.A. No. 5716-VCS (Del. Ch. 2010), where Ms. Hopkins was significantly involved with the briefing of the preliminary injunction motion, then Vice Chancellor Strine "applaud[ed]" Co-Lead Counsel for their preparation and the extraordinary high-quality of the briefing.

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.

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

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)

AWARDS



“ 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., 2:12-cv-05227-GAF-JEM (C.D. Cal. Sept. 14, 2012)



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 Federalist Society, 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.

EDUCATION

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

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)

AWARDS





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 – 2022.

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

- **Siegmund v. Bian**, Case 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**, Case 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**, 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.**, 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**, 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**, Case 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.
- **CMIA Partners Equity Ltd. v. O’Neill**, 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.**, 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

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)

AWARDS





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**, Case 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.**, Case 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**, C.A. No. 7328-VCN (Del. Ch. 2012), where there was a \$93 million (57%) increase in merger consideration
- **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**, G.D. 10-3547 (Ct. Com. Pleas Pa. 2010)
- **In re Craftmade International, Inc. S'holder Litig**, C.A. No. 6950-VCL (Del. Ch. 2011)
- **Dias v. Purches, et al.**, C.A. No. 7199-VCG (Del. Ch. 2012)
- **In re Complete Genomics, Inc. S'holder Litig**, C.A. No. 7888-VCL (Del. Ch. 2012)
- **In re Integrated Silicon Solution, Inc. Stockholder Litig.**, Lead Case 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).

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)

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)

AWARDS





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.

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**, 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**, 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., 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.**, 1:15-cv-07081-LLS (S.D.N.Y.) (\$9.5 million settlement in class action over fraudulent statements about toxic mezzanine loan assets)
- **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)

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)
- District of Columbia (2013)
- 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)

AWARDS





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



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

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

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.”

- Richard Thome, California

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.

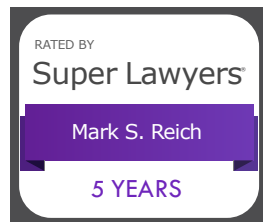
EDUCATION

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

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)

AWARDS





GREGORY M. 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 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, 17-cv-07142-HSG (N.D. Cal.) (\$7 million recovery)

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)

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)

OUR ATTORNEYS

Counsel



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 Practising 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)

Cases in which Mr. Lencyk actively represented plaintiffs include:

- **Kirkland et al. v. WideOpenWest, Inc.**, Index 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**, 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.**, Civ. 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.**, 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.**, 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**, 2018 U.S. Dist. LEXIS 22717 (N.D. Ill. Feb. 12, 2018) (denying defendants' motion to dismiss in its entirety)
 - **Flynn v. Sientra, Inc.**, 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**, 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**, 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.**, 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.**, 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.**, Case No. 99-6181-CIV-Zloch (S.D. Fla. June 6, 2000) (denying defendants' motion to dismiss in its entirety)
- **Berke v. Presstek, Inc.**, Civ. No. 96-347-M (MDL Docket No. 1140) (D.N.H. Mar. 30, 1999) (denying defendants' motion to dismiss)
- **Chalverus v. Pegasystems, Inc.**, 59 F. Supp. 2d 226 (D. Mass. 1999) (denying defendants' motion to dismiss);
- **Danis v. USN Communications, Inc.**, 73 F. Supp. 2d 923 (N.D. Ill. 1999) (denying defendants' motion to dismiss)

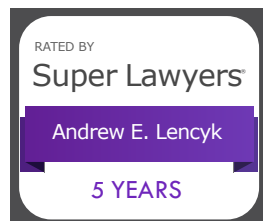
EDUCATION

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

ADMISSIONS

- New York (1993)
- Connecticut (1992)
- 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)

AWARDS



OUR ATTORNEYS

Associates



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)



JORDAN A. CAFRITZ

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

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)



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

ADMISSIONS

- 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)



DAVID C. JAYNES

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*, Civil Action No. 17-579 (W.D. Pa.)
- *Stein v. U.S. Xpress Enterprises, Inc.*, et al., 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*, 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*, 5:19-cv-1372-LHK (N.D. Cal.)
- *The Daniels Family 2001 Revocable Trust v. Las Vegas Sands Corp.*, et al., 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)



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., 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)



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)

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)



COURTNEY E. MACCARONE

ASSOCIATE

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 for the past seven consecutive years.

EDUCATION

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

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)

PUBLICATIONS

- "Crossing Borders: A TRIPS-Like Treaty on Quarantines and Human Rights," published in the Spring 2011 edition of the *Brooklyn Journal of International Law*

AWARDS





ADAM C. MCCALL

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)



AMANDA MILLER

ASSOCIATE

Amanda Miller is an Associate in Levi and 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)



MELISSA MULLER

ASSOCIATE

Melissa Muller is an Associate with the Firm's New York Office focusing on federal securities litigation. Ms. Muller previously worked as a paralegal for the New York office while attending law school.

EDUCATION

- 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.

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)

PUBLICATIONS

- *FinTech Industrial Banks and Beyond: How Banking Innovations Affect the Federal Safety Net*, 23 FORDHAM J. CORP. & FIN. L. 541 (2018)



BRIAN STEWART

ASSOCIATE

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)



CORREY A. SUK

ASSOCIATE

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.

EDUCATION

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

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)

PUBLICATIONS

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

AWARDS





COLE VON RICHTHOFEN

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)



DANIEL WEISS

ASSOCIATE

Daniel Weiss is an associate in the firm's Stamford, Connecticut office. His practice focuses on securities class actions, representing investors who were defrauded by false or misleading statements or omissions made to the public by companies and their officers. Daniel believes investors have a right to truthful and accurate information when making investment decisions and is deeply committed to protecting the marketplace from financial manipulation.

While attending law school, Daniel served as a Senior Staff Member of the law journal, *The Tax Lawyer*. Daniel was selected as a Super Lawyer "Rising Star" for the New York Metro area in 2022.

EDUCATION

- Georgetown University Law Center, J.D. (2012)
- Syracuse University, B.A. (2007)

ADMISSIONS

- New Jersey (2012)
- New York (2013)
- United States District Court for the Southern District of New York (2014)
- United States District Court for the Eastern District of New York (2014)
- United States District Court for the Eastern District of Michigan (2017)



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)

OUR ATTORNEYS

Law Clerks



AARON PARNAS

LAW CLERK

Aaron Parnas is a law clerk 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)

Exhibit 7

1 **LEVI & KORSINSKY, LLP**
Adam M. Apton (SBN 316506)
2 Adam C. McCall (SBN 302130)
75 Broadway, Suite 202
3 San Francisco, CA 94111
Tel: (415) 373-1671
4 Email: aapton@zlk.com
Email: amccall@zlk.com

5 **LEVI & KORSINSKY, LLP**
6 Shannon L. Hopkins (admitted *pro hac vice*)
Gregory M. Potrepka (admitted *pro hac vice*)
7 1111 Summer Street, Suite 403
Stamford, CT 06905
8 Tel: (203) 992-4523
Email: shopkins@zlk.com
9 Email: gpotrepka@zlk.com

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

12
13 **UNITED STATES DISTRICT COURT**
14 **NORTHERN DISTRICT OF CALIFORNIA**
15 **SAN FRANCISCO DIVISION**
16

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

19 Plaintiff,

20 v.

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

23 Defendants.
24
25
26
27
28

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

**DECLARATION OF ERIC NORDSKOG
IN SUPPORT OF LEAD PLAINTIFF'S
UNOPPOSED MOTION FOR
PRELIMINARY APPROVAL OF
SETTLEMENT**

Judge: Hon. James Donato

1 I, ERIC NORDSKOG, declare as follows:

2 1. I am a Senior Project Manager with A.B. Data, Ltd. (“A.B. Data”), a nationally
3 recognized class action administration firm. At the request of Lead Counsel, I am submitting this
4 declaration to provide the Court and the Parties to the above-captioned action (“Action”)¹ with
5 information about the procedures and methods to be used to provide notice of the proposed Settlement
6 to Settlement Class Members, and the administration of the claims process. The following statements
7 are based on my personal knowledge and information provided by other A.B. Data employees working
8 under my supervision, and if called on to do so, I could and would testify competently thereto.

9 2. A.B. Data has successfully implemented notification and claims administration programs
10 in hundreds of class actions. A.B. Data’s staff consists of experienced certified public accountants,
11 information technology specialists, and various other professionals with substantial experience in notice
12 and claims administration. In addition, members of our team have administered many of the most
13 noteworthy securities class action settlements in recent years, including *In re AIG Securities Litigation*,
14 No. 04 Civ. 8141 (S.D.N.Y.); *In re Countrywide Financial Corp. Securities Litigation*, No. 07 Civ.
15 05295 (C.D. Cal.); *In re Fannie Mae 2008 Securities Litigation*, No. 08 Civ. 7831 (S.D.N.Y.); *In re*
16 *General Electric Co. Securities Litigation*, No. 09 Civ. 1951 (S.D.N.Y.); and *In re Facebook, Inc., IPO*
17 *Securities & Derivative Litigation*, MDL No. 12-2389 (S.D.N.Y.), and have administered many class
18 action settlements in the Northern District of California, including *SEB Investment Management AB v.*
19 *Symantec Corp.*, Case No. C 18-02902-WHA and *In re RH, Inc. Securities Litigation*, Case No. 4:17-
20 00554-YGR. More information on A.B. Data’s qualifications and experience can be found on our
21 website at www.abdataclassaction.com. A detailed description of A.B. Data’s background and
22 capabilities, and lists of representative cases and clients, is set forth in A.B. Data’s firm resume, attached
23 as Exhibit A.

24 3. A.B. Data has numerous control systems and procedures in place to ensure the secure
25 handling of class members’ data that we believe meet or exceed relevant industry standards. A summary
26

27 _____
28 ¹ Unless otherwise indicated, capitalized terms shall have their meaning as defined in the Stipulation
and Agreement of Settlement, dated April 11, 2023 (the “Stipulation”).

1 of those procedures, addressing the issues highlighted in the updated Northern District of California
2 Procedural Guidance for Class Action Settlements (including technical, administrative, and physical
3 controls; retention; destruction; audits; crisis response; etc.) is attached hereto as Exhibit B.

4 4. A.B. Data accepts responsibility for security of Claimants' data; accurate calculation of
5 Claimant's claims pursuant to the Court-approved Plan of Allocation, subject to guidance of Lead
6 Counsel; and accurate distribution of funds pursuant to a Class Distribution Order to be entered by the
7 Court. A.B. Data maintains adequate insurance in case of errors, which includes (a) professional liability
8 errors and omissions insurance coverage; (b) a fidelity bond for employee dishonesty losses (plus
9 additional computer fraud and wire transfer communication fraud coverages); and (c) network and
10 information security liability coverage.

11 5. A.B. Data affirms that data provided to it by Corcept Therapeutics Incorporated
12 ("Corcept"), brokers and nominees, and Claimants for the purposes of providing notice and
13 administering the Settlement will be used solely for those purposes.

14 6. A.B. Data was selected by Lead Counsel to serve as Claims Administrator for this Action,
15 subject to the approval of the Court, after submitting a detailed proposal in response to a request for
16 proposals received from Lead Counsel Levi & Korsinsky, LLP. A.B. Data's proposal included
17 information on its proposed pricing for the engagement including its per-claim fees for claims processing
18 and per-unit fees for others costs such as printing notice postcards, postage, telephone, and website
19 services. In the past two years, Levi & Korsinsky, LLP has engaged A.B. Data seven times.

20 **Proposed Plan for Disseminating Notice of the Settlement to the Settlement Class**

21 7. The proposed notice plan for the Settlement in this matter uses customary procedures that
22 have been widely adopted in securities class action and which have been designed to provide direct mail
23 notification to all investors who are members of the Settlement Class and who can be identified with
24 reasonable effort, as well as additional notice through publication in relevant publications and over the
25 Internet.

26 8. As set forth in the proposed Order Preliminarily Approving Settlement and Providing for
27 Notice (the "Order"), no later than fifteen (15) business days after entry of the Order (which date shall
28

1 be the “Notice Date”), A.B. Data will email to the extent email addresses are made available or mail the
2 Postcard Notice to all Settlement Class Members who can be identified with reasonable effort.

3 9. As in most class actions of this nature, the large majority of Settlement Class Members
4 will be beneficial purchasers who hold their securities in “street name,” *i.e.*, the securities are purchased
5 by banks, brokers, and other nominees (“Nominees”) in the name of the Nominee on behalf of the
6 beneficial purchaser. Accordingly, to effectuate notice to the majority of the Settlement Class, A.B. Data
7 will mail a Postcard Notice to its list of the largest and most common Nominees who may have
8 purchased Corcept common stock for the beneficial ownership of other persons and entities.²

9 10. A.B. Data will also submit the Notice of Pendency of Class Action and Proposed
10 Settlement, Final Approval Hearing and Motion For Attorneys’ Fees and Reimbursement of Litigation
11 Expense (the “Long-Form Notice”) for the Depository Trust Company (“DTC”) to post on the DTC
12 Legal Notice System (“LENS”). LENS enables DTC member banks and brokers to review the Long-
13 Form Notice and contact A.B. Data directly to obtain copies of the Postcard Notice for their clients who
14 may be potential Settlement Class Members.

15 11. On a rolling basis as requests for notice are received, A.B. Data will mail Postcard
16 Notices (in bulk) to Nominees, or directly email or mail the Postcard Notice to potential Settlement
17 Class Members identified by Nominees. To further reduce administrative costs, A.B. Data will
18 emphasize language from the Stipulation which encourages Nominees requesting a bulk shipment to
19 email the Postcard Notice to their clients whenever possible. A.B. Data will also disseminate the
20 Postcard Notice to any other persons or entities requesting them or other points of contact for potential
21 Settlement Class Members as appropriate. Any notices that are returned as undeliverable will be
22 reviewed to determine if an alternative or updated address is available from the U.S. Postal Service or
23 through a third-party vendor to which A.B. Data subscribes and will be re-mailed to the updated or
24 alternative address, if available.

25 12. To supplement direct emailed or mailed notice to potential Settlement Class Members,
26 _____

27 ² Currently, A.B. Data’s list of Nominees contains approximately 4,140 Nominees. This list is
28 continually monitored and updated as Nominees change addresses, merge, go out of business, and/or
come into existence.

1 A.B. Data will cause the Summary Notice to be published in *Investor's Business Daily* and be
2 transmitted over *PR Newswire* no later than ten (10) calendar days after the Notice Date.

3 13. Simultaneously with the initial mailing of the Postcard Notice, A.B. Data will establish
4 a settlement website, www.CorceptSecuritiesLitigation.com, where Settlement Class Members can
5 access and download copies of the Long-Form Notice, the Claim Form, the Stipulation, and other
6 documents related to the Settlement.

7 14. A toll-free telephone number, 1-877-390-3297, and dedicated email address,
8 info@CorceptSecuritiesLitigation.com, will also be established and staffed with customer service
9 representatives trained to answer questions about the Settlement. Both the toll-free telephone number
10 and dedicated email address will be displayed, in multiple places, in the notices and Claim Form and
11 on the Settlement Website.

12 **Information on Settlement Administration, Estimated Settlement Class Size,**
13 **and Number of Potential Claims**

14 15. In developing the proposed notice plan for the Settlement, A.B. Data was asked to
15 provide a rough estimate of the number of potential Settlement Class Members and, relatedly, the
16 number of Postcard Notices to be emailed or mailed. As noted above, the majority of potential class
17 members for any securities class action are beneficial purchasers who hold their securities in "street
18 name." Because of this street name system, even corporate entities often do not know the identity of the
19 vast majority of their shareholders. Thus, in estimating class size for any securities case, A.B. Data
20 utilizes historical settlement data from other securities class action settlements that A.B. Data has
21 administered, particularly those settlements of similar size and/or involving companies with similar
22 market capitalization and numbers of shareholders. Based on the trading volume of Corcept common
23 stock during the Settlement Class Period, A.B. Data estimates that it will email and/or mail a total of
24 approximately 100,000 copies of the Postcard Notice to potential Settlement Class Members and
25 nominees. Based on A.B. Data's experience, we expect approximately 15,000 claims to be submitted
26 (which equates to 15% of the 100,000 expected mailings) and approximately 8,500 claims will be valid
27
28

1 and eligible for payment.³

2 16. Settlement Class Members who wish to be potentially eligible to receive a distribution
3 from the Settlement will be required to complete and submit to A.B. Data a properly executed Claim
4 either by mail or online through the Settlement Website such that it is postmarked (if mailed) or received
5 no later than the claims-submission deadline established by the Court, together with adequate supporting
6 documentation for the transactions and holdings in Corcept common stock reported therein.

7 17. Each Claim received by A.B. Data will be reviewed upon receipt to verify that all
8 required information has been provided. The documentation provided with each Claim will be reviewed
9 for authenticity and compared to the information provided in the Claim to verify the Claimant's identity
10 and the purchase/acquisition, sale, and holding information. A.B. Data will process each Claim in
11 accordance with the Court-approved plan of allocation using the loss calculation module developed for
12 the Settlement.

13 18. If a Claim is determined to be defective, a deficiency notification will be sent to the
14 Claimant, via letter or email, describing the deficiency in the Claim including, where applicable, what
15 is necessary to cure the deficiency. The deficiency notification will also advise Claimants how much
16 time they have to submit the appropriate information and/or documentary evidence to complete/cure
17 their Claim. If the deficiency in the Claim is not cured, the Claim will be recommended for rejection (in
18 whole or in part). The deficiency notification will also advise Claimants of their right to contest A.B.
19 Data's administrative determination with respect to their Claim and to request Court review of their
20 Claim.

21 19. After the Claims (and responses to deficiency notifications) have been fully processed,
22

23 ³ In making the estimates for potential number of Postcard Notices to be mailed and potential number
24 of Claims received, A.B. Data considered publicly available trading history during the Class Period for
25 Corcept and looked at several other recent A.B. Data administrations including similarly sized
26 settlements, and settlements involving actions with similar alleged claims and/or similar company
27 profiles (*i.e.*, market capitalization, trading volume of the security at issue, etc.). These settlements
28 included *In Re Qudian Inc. Securities Litigation*, Case No. 1:17-cv-09741-JMF (S.D.N.Y. 2021) (claims received represented 30% of notices mailed); *In re Quality Sys., Inc. Sec. Litig.*, No. 8:13-cv-01818-CJC-JPR (C.D. Cal. 2018) (23%); and *Oklahoma Law Enforcement Ret. Sys. v. Adeptus Health Inc.*, Case No. 4:17-CV-0449-ALM (E.D. Tex. 2020) (22%).

1 quality assurance reviews performed, and final administrative determinations have been made as to
2 which Claims are valid, A.B. Data will present its administrative report on the Claims received for the
3 Settlement to the Court, along with a proposed plan for distribution. Thereafter, upon Court approval,
4 A.B. Data will distribute the net Settlement proceeds to eligible Settlement Class Members *pro rata*
5 based upon each Claim's recognized loss amount as calculated pursuant to the Court-approved plan of
6 allocation, the total recognized losses of all eligible Claims, and the amount available for distribution.

7 20. Distributions from the net Settlement proceeds will be sent to eligible Settlement Class
8 Members via check or wire with, in the case of check payments, a specified period for each Claimant to
9 cash their payment (typically 90 or 120 days). For any checks that are not cashed, A.B. Data will conduct
10 an outreach campaign to encourage cashing and to provide Claimants with reissued checks where
11 applicable.

12 21. The procedure described above is the standard claims administration process for all
13 securities class action settlements handled by A.B. Data.

14 **Estimated Administration Costs**

15 22. Based on A.B. Data's experience with securities settlements with similar numbers of
16 shareholders, we estimate that administering the settlement notice, claims processing, and settlement
17 distribution aspects of this proposed settlement will generate professional services fees and expenses of
18 approximately \$175,000 as well as approximately \$35,000 in expected fees charged by brokers and
19 nominees for providing names and addresses of potential Settlement Class Members or for forwarding
20 the Postcard Notice to their clients.

21 23. Based on A.B. Data's experience, utilizing electronic mail where appropriate and
22 disseminating postcard notice rather than notice packets containing long-form notice substantially
23 reduces administrative costs without negatively impacting effectiveness.

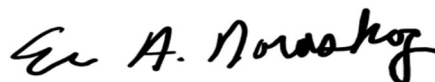
24 24. Accordingly, A.B. Data estimates that the total Notice and Administration Costs will be
25 approximately \$210,000. which is approximately 1.5% of the proposed Settlement Amount. Further,
26 utilizing electronic mail where appropriate and disseminating postcard notice rather than notice packets
27 containing long-form notice substantially reduces administrative costs without negatively impacting
28

1 effectiveness. In A.B. Data's experience, the notice process, claims process, and estimated fees and
2 expenses outlined above are reasonable in relation to the value of the settlement, and consistent with
3 those incurred in other securities settlements of similar size and complexity.

4 25. The foregoing amounts are estimates and the ultimate cost of this administration could
5 change if the number of Postcard Notices mailed is substantially greater (or smaller) than A.B. Data's
6 estimate or if the number of Claims received is substantially greater (or smaller) than the estimate. In
7 addition, the costs of this administration could also be impacted by any out of scope work encountered
8 during the course of the administration. A.B. Data will always strive to keep costs down whenever
9 possible.

10 I declare under penalty of perjury that the foregoing is true and correct.

11 Executed this 11th day of April 2023.

12 

13 _____
ERIC NORDSKOG

EXHIBIT A

**Class
Action
Administration**



Headquarters

600 A.B. Data Drive
Milwaukee, WI 53217
P: 866-217-4470
F: 414-961-3099

New York

One Battery Park Plaza
32nd Floor
New York, NY 10004
P: 646-290-9137

Washington DC

915 15th St., NW, Ste. 300
Washington, DC 20005
P: 202-618-2900
F: 202-462-2085

Florida

5080 PGA Boulevard, Ste. 209
Palm Beach Gardens, FL 33418
P: 561-336-1801
F: 561-252-7720


Israel

19 Weissburg Street
Tel Aviv 69358
Israel
P: +972 (3) 720-8782




CAPABILITIES

About A.B. Data


 Founded in 1981, **A.B. Data has earned a reputation** for expertly managing the complexities of class action administration in consumer, antitrust, securities, Securities and Exchange Commission (SEC) enforcement actions, and ERISA, Attorneys General, employment, civil rights, insurance, environmental, wage and hour, and other class action cases. **A.B. Data's work in all aspects of class action administration** has been perfected by decades of experience in hundreds of class action cases involving billions of dollars in total settlements. Dedicated professionals deliver **A.B. Data's all-inclusive services**, working in partnership with its clients to administer their class action cases effectively, efficiently, and affordably, regardless of size or scope.

A.B. Data offers unmatched resources and capacity and is capable of expertly administering any class action notice, settlement, and/or fund administration. Whether notifying millions of class members in the United States or throughout the world, processing millions of claims, distributing payments digitally via A.B. Data's Digital PayPortalSM, or printing and distributing millions of checks, **A.B. Data matches its talent and technology** to the specific needs of its clients, delivering unparalleled service on time and on budget without ever compromising quality.

Location, Ownership Structure

 **A.B. Data is an independently owned**, more than 40-year-old, Milwaukee, Wisconsin-based company that prides itself on its vast expertise and industry-leading innovations. We like to remind our clients and partners that we're not just a class action administration company, but a group of experienced, dedicated professionals who believe that relationships are just as important as the accurate and timely management of class action administrations. In other words, we are people who do business with people.

Services

 **Every A.B. Data client is deserving of the best job we can put forward.** A.B. Data makes class action administration easy for our clients with clarity, convenience, and efficiency. Our priority is to navigate the intricacies of our clients' matters and deliver successful results by using our solid expertise, advanced technology, and top-quality products and services. We pay attention to the details and get it right the first time.

We aim to provide our clients the full experience of a truly collaborative working relationship. It is why we believe much of our success originates from our philosophy of "people doing business with people."

Services

All Digital — From Notice to Distribution

A.B. Data is uniquely positioned to design, implement, and maintain notice and settlement administration programs using an innovative, "all-digital" approach that replaces the more traditional and less efficient methods of administration, such as newspaper ads, mailed notices, and paper checks. Many of our recent proposed notice plans and claim programs utilize the latest technologies such as microtargeted digital ads for notice, streamlined online claims, and distributing settlement funds electronically using a digital paywall. These methods provide significant cost savings, are consistent with the amendments to Rule 23 that are now in effect, and importantly provide much-needed alignment of class action notice and administration with current consumer behaviors.

Pre-Settlement Consultation

The pre-settlement consultation is a collaborative session designed to help A.B. Data clients prepare a stronger case. Our support teams simplify the task of sorting through a maze of documents during investigation and discovery, streamlining the process and preserving fund assets. From there, we assist with fully interactive media packages for court presentations and settlement negotiations. A.B. Data works closely with our clients, offering expert testimony on documents, processing, class and notice manageability, and proposed plans of allocation.

Media Services

A.B. Data continues to earn our reputation as the early innovator in integrating advanced micro-targeting techniques, including contextual targeting, behavioral targeting, and predictive modeling. Coupled with inventive digital media strategies to drive claims, case-specific banner ad development, class member research, and comScore analysis services, our multi-tiered media programs are designed to cost-effectively deliver notice to potential class members and increase claims rates.

Notice Administration

In A.B. Data, clients have a comprehensive resource with a depth of experience in direct notice. Our compliance and understanding of Rule 23 of the Federal Rules of Civil Procedure are crucial in meeting the "plain language" legal requirements for any campaign. From our sophisticated digital media capabilities and extensive global experience with class member research, our experts create notice documents that are easily understandable and cost-efficient to produce. We consult with our clients to deliver notice documents from multi-page, mailed, or emailed notice packets to concise postcards that establish the most influential and cost-effective means of communicating with potential claimants.

Claims Processing

A.B. Data continues to bring game-changing technologies to improve the speed and precision in claims processing. Our robust system for online claims submissions allows us to meticulously verify data and documentation, preserve and authenticate claims, and calculate and verify settlement amounts. In addition, our data network infrastructure includes on-site data storage, backup, contingency plans, and security for electronic and hard copy claim filings. It is all part of a total commitment to be the most innovative and comprehensive resource in the industry. At A.B. Data, we take pride in having the in-house capacity to process millions of pages, as well as the organizational integrity to treat every claim as if it were the only one.

Contact Center

A.B. Data's Contact Center is comprised of a full staff that is trained on and equipped with online and telecommunication systems to monitor and connect with class members. Associates routinely monitor class member communication for all class action administrations, including antitrust, consumer, and securities.

Utilizing monitoring software, associates watch multiple social media channels simultaneously, allowing for instantaneous routing of inquiries and interaction with claimants. Detailed and concise analytical reports outlining Contact Center activities are always provided.

Our Contact Center and case websites are capable of handling millions of class member engagements, as recently displayed in a campaign which garnered over 1.2 million website visits in two months and had more than 72,500 Facebook engagements. Facebook comments and threads are monitored and claimants are guided to the website for more information. Google AdWords and display advertising have also brought hundreds of thousands of visitors to various case websites.

A.B. Data's Contact Center also has Spanish language associates in-house and we can accommodate any language, given proper lead time. Traditional call center facilities are also available, if needed.

Case Websites

We offer a state-of-the-art technology platform that supports every step of our class action administration process. Our expert marketing professionals design customized case-specific websites that provide potential class members easy access to case information, critical documents, important deadlines, as well as the capability to file claim forms and register for future mailings about the case. Claimants can use the website to elect to receive their settlement payments by mail or by one of several digital payment options, all accessible by mobile devices.

Settlement Fund Distribution

From complete escrow services to establishment of qualified settlement funds, check printing and mailing, electronic cash or stock distribution and tax services, A.B. Data has always provided a full-service solution to Settlement Fund Distribution. Our IT team has decades of experience in developing and implementing fast, secure databases and claims administration systems that ensure class members receive the correct amount in their settlement disbursement. Today's digital capabilities allow even greater convenience for class members. In certain instances, claimants can now elect to

instantaneously receive settlement payments through popular digital-payment options, such as PayPal, Amazon, and virtual debit cards.

A.B. Data's Leadership



A.B. Data's administration team is composed of the following key executives, who collectively have decades of experience settling and administering class actions:

Bruce A. Arbit, Co-Managing Director and one of the founders of the A.B. Data Group, serves as Chairman of the Board and oversees the day-to-day operations of the A.B. Data Group of companies, employing almost 400 people in the United States and Israel. Mr. Arbit is also Chairman of the Board of Integrated Mail Industries, Ltd. and has served as a member of the Board of Directors of University National Bank and State Financial Bank. He is the past Chairman of Asset Development Group, Inc., Home Source One, and American Deposit Management and is a member of the National Direct Marketing Association, the Direct Marketing Fundraising Association, and the American Association of Political Consultants. He was named 1996 Direct Marketer of the Year by the Wisconsin Direct Marketing Association.

A.B. Data's work in class action litigation support began with the Court selecting A.B. Data to oversee the restitution effort in the now-famous Swiss Banks Class Action Case, the International Commission on Holocaust Era Insurance Claims, and every other Holocaust Era Asset Restitution program, in which it was the company's job to identify, contact, and inform survivors of the Holocaust. A.B. Data delivered by reaching out to millions of people in 109 countries who spoke more than 30 languages. Since those days, Mr. Arbit has guided the class action division through phenomenal growth and success. Today, A.B. Data manages hundreds of administrations annually that distributes billions of dollars to class members.

Thomas R. Glenn, President, Mr. Glenn's management of A.B. Data's Class Action Administration Company includes designing and implementing notice plans and settlement administration programs for antitrust, securities, and Securities and Exchange Commission settlements and SEC disgorgement fund distributions, as well as consumer, employment, insurance, and civil rights class actions. Mr. Glenn previously served as Executive Vice President at Rust Consulting and has more than 30 years of executive leadership experience.

Eric Miller, Senior Vice President, as a key member of A.B. Data's Class Action Administration Leadership Team, oversees the Case Management Department and supervises the operations and procedures of all of A.B. Data's class action administration cases. Mr. Miller is recognized in the class action administration industry as an expert on securities, SEC, consumer, product recall, product liability, general antitrust, pharmaceutical antitrust, and futures contract settlements, to name a few settlement types. Prior to joining A.B. Data, Mr. Miller served as the Client Service Director for Rust Consulting, responsible there for its securities practice area. He has more than 20 years of operations, project management, quality assurance, and training experience in the class action administration industry. In addition, Mr. Miller manages A.B. Data's office in Palm Beach Gardens, Florida.

Elaine Pang, Vice President, Media, oversees the Media Department and is responsible for the direction, development, and implementation of media notice plans for A.B. Data's clients. Ms. Pang brings more than 15 years of experience in developing and implementing multifaceted digital and traditional media for high profile complex legal notice programs. She uses her experience in class actions and advertising to provide the best practicable notice plans for large scale campaigns across domestic and international regions, and she leverages her expertise to better understand the evolving media landscape and utilize cutting-edge technology and measurement tools. Prior to entering the class action industry, Ms. Pang worked with many leading reputable brands, including General Mills, Air Wick, Jet-Dry, Comedy Central, Madison Square Garden, Radio City Music Hall, and Geox. She earned her MBA from Strayer University and holds a BS in Marketing from Pennsylvania State University. Ms. Pang's credentials include Hootsuite Social Marketing Certification, Google Adwords and Analytics Certification, and IAB Digital Media Buying and Planning Certification.

Eric Schachter, Senior Vice President, is a member of A.B. Data's Class Action Administration Leadership Team. He has over 15 years of experience in the legal settlement administration services industry. Mr. Schachter's responsibilities include ensuring successful implementation of claims administration services for A.B. Data's clients in accordance with settlement agreements, court orders, and service agreements. He also works closely with Project Managers to develop plans of administration to provide the highest level of effective and efficient delivery of work product. A frequent speaker on claims administration innovation and best practices at industry events nationwide, Mr. Schachter has a bachelor's degree in sociology from Syracuse University, earned his law degree at Hofstra University School of Law, and was previously an associate at Labaton Sucharow LLP in New York City.

Paul Sauberer, Vice President of Quality, is responsible for overseeing quality assurance and process management, working diligently to mitigate risk, ensure exceptional quality control, and develop seamless calculation programming. Mr. Sauberer brings more than 20 years of experience as a quality assurance specialist with a leading claims-processing company where he developed extensive knowledge in securities class action administration. He is recognized as the class action administration industry's leading expert on claims and settlement administrations of futures contracts class actions.

Justin Parks, Vice President, is a member of A.B. Data's Class Action Administration Leadership Team. Mr. Parks brings extensive experience in client relations to A.B. Data's business development team. Mr. Parks has over 15 years of experience in the legal settlement administration services industry and has successfully managed and consulted on notice plans and other administrative aspects in hundreds of cases. Mr. Parks is uniquely experienced in Data Privacy matters, having consulted with clients on numerous matters stemming from data breaches as well as violations of the Illinois Biometric Information Privacy Act (BIPA), including some of the first ever Biometric Privacy related settlements in history. Mr. Parks' knowledge and understanding of the class action industry, as well as his client relationship skills, expand A.B. Data's capacity to achieve its business development and marketing goals effectively.

Steve Straub, Claimant Operations Director, started with A.B. Data in 2012 as a Claims Administrator. He moved through the ranks within the company where he spent the past five years as Senior Project Manager managing many of the complex commodities cases such as *In re LIBOR-Based Financial Instruments Antitrust Litigation*, *In re London Silver Fixing, Ltd. Antitrust Litigation*, and *Laydon v. Mizuho Bank, Ltd., et al.* Mr. Straub's performance in these roles over the past ten years, along with his comprehensive knowledge of company and industry practices and first-person experience leading the project management team, has proven him an invaluable member of the A.B. Data team.

In his role as Claimant Operations Director, his responsibilities include developing efficiencies within the operations center, which includes mailroom, call center, and claims processing areas. His areas of expertise include business process development, strategic/tactical operations planning and implementation, risk analysis, budgeting, business expansion, growth planning and implementation, cost reduction, and profit, change, and project management. Mr. Straub is well-versed in the administration of securities, consumer, and antitrust class action settlements. He earned his Juris Doctor degree from Seton Hall University School of Law in Newark, New Jersey.

Jack Ewashko, Director of Client Services, brings twenty years of industry and brokerage experience to his role with A.B. Data. He is an accomplished client manager adept at facilitating proactive communications between internal and outside parties to ensure accurate and timely deliverables. Mr. Ewashko previously held positions at two claim administration firms where he oversaw the securities administration teams and actively managed numerous high-profile matters, including the \$2.3 billion foreign exchange litigation. He notably served as Vice President, FX and Futures Operations at Millennium Management, a prominent global alternative investment management firm. As he progressed through trading, analytic, management, and consultancy roles at major banks and brokerage firms, Mr. Ewashko gained hands-on experience with vanilla and exotic securities products, including FX, commodities, mutual funds, derivatives, OTC, futures, options, credit, debt, and equities products. In the financial sector, he also worked closely with compliance and legal teams to ensure accuracy and conformity with all relevant rules and regulations regarding the marketing and sale of products, as well as the execution and processing of trades. He has held Series 4, Series 6, Series 7, and Series 63 licenses, and has been a member of the Futures Industry Association (FIA) and Financial Industry Regulatory Authority (FINRA). Mr. Ewashko earned his Bachelor of Business Administration from Long Island University, Brooklyn, New York.

Brian Devery, Director of Client Services, brings more than a decade of experience in class action administration and project management, as well as over two decades of experience as an attorney (ret.). Mr. Devery currently focuses on consumer, antitrust, employment, and other non-securities based administrations. In addition to driving project administration, he is focused on the implementation of process improvement, streamlining, and automation. Mr. Devery is admitted to practice law in State and Federal Courts of New York with his Juris Doctorate earned from the Maurice A. Deane School of Law at Hofstra University, Hempstead, New York.

Adam Walter, PMP, Senior Project Manager, has nearly fifteen years of experience managing the administration of securities class action settlements and SEC disgorgements totaling more than \$4 billion. He has managed settlement programs in engagements involving some of the largest securities class action settlements and is a key contributor to the development of administration strategies that meet the evolving needs of our clients. His responsibilities include developing case administration strategies to ensure that all client and court requirements and objectives are met, overseeing daily operations of case administrations, ensuring execution of client deliverables, providing case-related legal and administration support to class counsel, overseeing notice dissemination programs, implementing complex claims-processing and allocation methodologies, establishing quality assurance and quality control procedures, and managing distribution of settlement funds. Mr. Walter holds a bachelor's degree in business administration from Florida Atlantic University, Boca Raton, Florida. He also has been an active member of the Project Management Institute since 2010 and is PMP®-certified.

Eric Nordskog, Senior Project Manager, started with A.B. Data in 2012 on the operations team, managing dozens of team leads and claims administrators in the administration of legal cases and actions. In 2017, Mr. Nordskog was promoted to Project Manager, due in part to his proven ability to add consistency and efficiency to the e-claim filing process with new streamlined processes and audit practices. Today, as Senior Project Manager, he directs many of A.B. Data's securities, insurance, and

consumer cases. He regularly oversees the administration of large insurance cases, such as two recent Cigna Insurance matters that involved complex calculations and over one million class members each. He is also the primary hiring and training manager for new project managers and coordinators. Mr. Nordskog earned his Juris Doctor degree from Marquette University Law School, Milwaukee, in 2001.

Bruce Holman, Senior Project Manager, began working with A.B. Data in 2020, bringing his many years of claims administration management experience to the team. Mr. Holman oversees many of A.B. Data's labor and employment cases, acting as a consultant to A.B. Data's clients and offering strategy approaches to his fellow project managers and the class action administration team. His industry knowledge and expertise have made him an invaluable member of the A.B. Data team.

Eric Schultz, MCSE, Information Technology Manager and Security Team Chairperson, has been with A.B. Data for more than 19 years, and is currently responsible for overseeing all information technology areas for all A.B. Data divisions across the United States and abroad, including network infrastructure and architecture, IT operations, data security, disaster recovery, and all physical, logical, data, and information systems security reviews and audits required by our clients or otherwise. As a Microsoft Certified Systems Engineer (MCSE) with more than 25 years of experience in information technology systems and solutions, Mr. Schultz has developed specializations in network security, infrastructure, design/architecture, telephony, and high-availability network systems.

Secure Environment



A.B. Data's facilities provide the highest level of security and customization of security procedures, including:

- A Secure Sockets Layer server
- Video monitoring
- Limited physical access to production facilities
- Lockdown mode when checks are printed
- Background checks of key employees completed prior to hire
- Frequency of police patrol – every two hours, with response time of five or fewer minutes
- Disaster recovery plan available upon request

Data Security



A.B. Data is committed to protecting the confidentiality, integrity, and availability of personal identifying information and other information it collects from our clients, investors, and class members and requires that its employees, subcontractors, consultants, service providers, and other persons and entities it retains to assist in distributions do the same. A.B. Data has developed an Information Security Policy, a suite of policies and procedures intended to cover all information security issues and bases for A.B. Data, and all of its divisions, departments, employees, vendors, and clients. A.B. Data has also recently taken the necessary, affirmative steps toward compliance with the EU's General Data Protection Regulation and the California Consumer Privacy Act.

A.B. Data has a number of high-profile clients, including the Securities and Exchange Commission (SEC), the United States Department of Justice, the Attorneys General of nearly all 50 states, other agencies of the United States government, and the Government of Israel, as well as direct banking and payment services companies with some of the most recognized brands in United States financial services and some of the largest credit card issuers in the world.

We are therefore frequently subjected to physical, logical, data, and information systems security reviews and audits. We have been compliant with our clients' security standards and have also been determined to be compliant with ISO/IEC 27001/2 and Payment Card Industry (PCI) data-security standards, the Gramm-Leach-Bliley Act (GLB) of 1999, the National Association of Insurance Commissioners (NAIC) Regulations, the Health Insurance Portability and Accountability Act (HIPAA) of 1996, and the Health Information Technology for Economic and Clinical Health Act (HITECH).

The Government of Israel has determined that A.B. Data is compliant with its rigorous security standards in connection with its work on Project HEART (Holocaust Era Asset Restitution Taskforce).

A.B. Data's fund distribution team has been audited by EisnerAmper LLP and was found compliant with class action industry standards and within 99% accuracy. EisnerAmper LLP is a full-service advisory and accounting firm and is ranked the 15th-largest accounting firm in the United States.

In addition, as part of PCI compliance requirements, A.B. Data has multiple network scans and audits from third-party companies, such as SecurityMetrics and 403 Labs, and is determined to be compliant with each of them.

Fraud Prevention and Detection



A.B. Data is at the forefront of class action fraud prevention.

A.B. Data maintains and utilizes comprehensive proprietary databases and procedures to detect fraud and prevent payment of allegedly fraudulent claims.

We review and analyze various filing patterns across all existing cases and claims. Potential fraudulent filers are reported to our clients as well as to the appropriate governmental agencies where applicable.

Representative Class Action Engagements



A.B. Data and/or its team members have successfully administered hundreds of class actions, including many major cases. Listed below are just some of the most representative or recent engagements.

Consumer & Antitrust Cases

- *In re EpiPen Marketing, Sales Practices and Antitrust Litigation*

- *In re Broiler Chicken Antitrust Litigation - Commercial (Indirect)*
- *In re Broiler Chicken Antitrust Litigation - Indirect*
- *In re Broiler Chicken Antitrust Litigation - Direct*
- *In re Pork Antitrust Litigation - Directs*
- *In re Pork Antitrust Litigation - Indirects*
- *Peter Staley, et al. v. Gilead Sciences, Inc., et al.*
- *In re: Opana ER Antitrust Litigation*
- *In re Ranbaxy Generic Drug Application Antitrust Litigation*
- *In re Valeant Pharmaceuticals Int'l, Inc. Third-Party Payor Litigation*
- *Staley, et al., v. Gilead Sciences*
- *In Re: Generic Pharmaceuticals Pricing Antitrust Litigation - Direct Purchasers*
- *Beef Direct Purchaser Antitrust Litigation*
- *BCBSM, Inc. v. Vyera Pharmaceuticals, et al. (Daraprim)*
- *In re Automobile Antitrust Cases I and II*
- *Olean Wholesale Grocery Cooperative, Inc., et al. v. Agri Stats, Inc., et al. (Turkey)*
- *Integrated Orthopedics, Inc., et al. v. UnitedHealth Group, et al.*
- *In Re: Restasis (Cyclosporine Ophthalmic Emulsion) Antitrust Litigation*
- *Vista Healthplan, Inc., et al. v. Cephalon, Inc., et al. (Provigil)*
- *Jeffrey Koenig, et al. v. Vizio, Inc.*
- *Wit, et al. v. United Behavioral Health*
- *Weiss, et al. v. SunPower Corporation*
- *Smith, et al. v. FirstEnergy Corp., et al.*
- *Resendez, et al. v. Precision Castparts Corp. and PCC Structural, Inc.*
- *Julian, et al. v. TTE Technology, Inc., dba TCL North America*
- *Eugenio and Rosa Contreras v. Nationstar Mortgage LLC*
- *Phil Shin, et al. v. Plantronics, Inc.*
- *In re: Qualcomm Antitrust Litigation*
- *In re Resistors Antitrust Litigation*
- *The Hospital Authority of Metropolitan Government of Nashville and Davidson County, Tennessee v. Momenta Pharmaceuticals, Inc. and Sandoz Inc. ("Lovenox Antitrust Matter")*
- *William Kivett, et al. v. Flagstar Bank, FSB, and DOES 1-100, inclusive*
- *Adelphia, Inc. v. Heritage-Crystal Clean, Inc.*
- *LLE One, LLC, et al. v. Facebook, Inc.*
- *Bach Enterprises, Inc., et al. v. Advanced Disposal Services South, Inc., et al.*
- *JWG Inc., et al. v. Advanced Disposal Services Jacksonville, L.L.C., et al.*
- *State of Washington v. Motel 6 Operating L.P. and G6 Hospitality LLC*
- *In re GSE Bonds Antitrust Litigation*
- *Wave Lengths Hair Salons of Florida, Inc., et al. v. CBL & Associates Properties, Inc., et al.*
- *In re Loestrin 24 FE Antitrust Litigation*
- *Office of the Attorney General, Department of Legal Affairs, State of Florida v. Pultegroup, Inc. and Pulte Home Company, LLC*
- *In re Cigna-American Specialties Health Administration Fee Litigation*
- *In re: Intuniv Antitrust Litigation*
- *High Street, et al. v. Cigna Corporation, et al.*
- *Gordon Fair, et al. v. The Archdiocese of San Francisco, San Mateo, and Marin County*
- *Bizzarro, et al. v. Ocean County Department of Corrections, et al.*
- *Meeker, et al. v. Bullseye Glass Co.*
- *MSPA Claims 1, LLC v. Ocean Harbor Casualty Insurance Company*
- *Tennille v. Western Union Company - Arizona*
- *Garner, et al. v. Atherotech Holdings, Inc. and Garner, et al. v. Behrman Brothers IV, LLC, et al.*

- *Robinson, et al. v. Escallate, LLC*
- *Josefina Valle and Wilfredo Valle, et al. v. Popular Community Bank f/k/a Banco Popular North America*
- *Vision Construction Ent., Inc. v. Waste Pro USA, Inc. and Waste Pro USA, Inc. and Waste Pro of Florida, Inc.*
- *Plumley v. Erickson Retirement Communities, et al.*
- *In re London Silver Fixing, Ltd. Antitrust Litigation*
- *Ploss v. Kraft Foods Group, Inc. and Mondelēz Global LLC*
- *In re Mexican Government Bonds Antitrust Litigation*
- *In re Ready-Mixed Concrete Antitrust Litigation*
- *In re: Marine Hose Antitrust Litigation*
- *Iowa Ready Mixed Concrete Antitrust Litigation*
- *In re Potash Antitrust Litigation (II)*
- *In re Evanston Northwestern Healthcare Corp. Antitrust Litigation*
- *In re Polyurethane Foam Antitrust Litigation*
- *In re LIBOR-Based Financial Instruments Antitrust Litigation*
- *In re Lorazepam and Clorazepate Antitrust Litigation*
- *In re Cardizem CD Antitrust Litigation*
- *Vista Healthplan, Inc., and Ramona Sakiestewa v. Bristol-Myers Squibb Co., and American BioScience, Inc.*
- *In re Lupron Marketing and Sales Practices Litigation*
- *In re Terazosin Hydrochloride Antitrust Litigation*
- *In re Warfarin Sodium Antitrust Litigation*
- *Rosemarie Ryan House, et al. v. GlaxoSmithKline PLC and SmithKline Beecham Corporation*
- *Carpenters and Joiners Welfare Fund, et al. v. SmithKline Beecham*
- *New Mexico United Food and Commercial Workers Union's and Employers' Health and Welfare Trust Fund, et al. v. Purdue Pharma L.P.*
- *In Re Pharmaceutical Industry Average Wholesale Price Litigation*
- *Alma Simonet, et al. v. SmithKline Beecham Corporation, d/b/a GlaxoSmithKline*
- *In re Relafen Antitrust Litigation*
- *In Re Remeron Direct Purchaser Antitrust Litigation*
- *In re TriCor Indirect Purchasers Antitrust Litigation*
- *Nichols, et al., v. SmithKline Beecham Corporation*
- *In re: DDAVP Indirect Purchaser Antitrust Litigation*

Securities Cases

- *Plymouth County Retirement Association v. Spectrum Brands Holdings, Inc., et al.*
- *Tung, et al. v. Dycom Industries, Inc., et al.*
- *Boutchard., et al. v. Gandhi, et al. ("Tower/e-Minis")*
- *MAZ Partners LP v. First Choice Healthcare Solutions, Inc.*
- *SEB Investment Management AB, et al. v. Symantec Corporation, et al.*
- *In re Impinj, Inc. Securities Litigation*
- *In re Netshoes Securities Litigation*
- *Yellowdog Partners, LP, et al. v. Curo Group Holdings Corp., et al.*
- *In re Brightview Holdings, Inc. Securities Litigation*
- *In re Obalon Therapeutics, Inc. Securities Litigation*
- *In re Willis Towers Watson PLC Proxy Litigation*
- *In re Blue Apron Holdings, Inc. Securities Litigation*
- *In re: Qudian Inc. Securities Litigation*

- *Plymouth County Contributory Retirement System v. Adamas Pharmaceuticals, et al.*
- *In re Perrigo Company PLC Securities Litigation*
- *Enriquez, et al. v. Nabriva Therapeutics PLC, et al.*
- *Teamsters Local 456 Pension Fund, et al. v. Universal Health Services, Inc., et al.*
- *Olenik, et al. v. Earthstone Energy, Inc.*
- *Shenk v. Mallinckrodt plc, et al.*
- *In re The Allstate Corp. Securities Litigation*
- *Christopher Vataj v. William D. Johnson, et al. (PG&E Securities II)*
- *Kirkland v. WideOpenWest, Inc.*
- *Oklahoma Police Pension and Retirement System v. Sterling Bancorp, Inc.*
- *In re Uxin Limited Securities Litigation*
- *City of Hallandale Beach Police Officers' & Firefighters' Personnel Retirement Trust v. Ergen, et al. (Echostar)*
- *Lewis v. YRC Worldwide Inc., et al.*
- *Tomaszewski v. Trevena, Inc., et al.*
- *In re Restoration Robotics, Inc. Securities Litigation*
- *Public Employees' Retirement Systems of Mississippi, et al. v. Treehouse Foods, Inc., et al.*
- *Ronald L. Jackson v. Microchip Technology, Inc., et al.*
- *In re Micro Focus International plc Securities Litigation*
- *In re Dynagas LNG Partners LP Securities Litigation*
- *Weiss, et al. v. Burke, et al. (Nutraceutical)*
- *Yaron v. Intersect ENT, Inc., et al.*
- *Utah Retirement Systems v. Healthcare Services Group, Inc., et al.*
- *In re PPDAI Group Inc. Securities Litigation*
- *In re: Evoqua Water Technologies Corp. Securities Litigation*
- *In re Aqua Metals, Inc. Securities Litigation*
- *St. Lucie County Fire District Firefighters' Pension Trust Fund v. Southwestern Energy Company*
- *In re CPI Card Group Inc. Securities Litigation*
- *Arkansas Teacher Retirement System, et al. v. Alon USA Energy, Inc., et al.*
- *In re TAL Education Group Securities Litigation*
- *GCI Liberty Stockholder Litigation*
- *In re SciPlay Corporation Securities Litigation*
- *In re Allergan Generic Drug Pricing Securities Litigation*
- *In re Vivint Solar, Inc. Securities Litigation*
- *In re YayYo Securities Litigation*
- *In re JPMorgan Treasury Futures Spoofing Litigation*
- *Searles, et al. v. Crestview Partners, LP, et al. (Capital Bank)*
- *In re Lyft, Inc. Securities Litigation*
- *In re Aegean Marine Petroleum Network, Inc. Securities Litigation*
- *In re JPMorgan Precious Metals Spoofing Litigation*
- *In re Pivotal Software, Inc. Securities Litigation*
- *Longo, et al. v. OSI Systems, Inc., et al.*
- *In re Homefed Corporation Stockholder Litigation*
- *Pierrelouis v. Gogo Inc., et al.*
- *Pope v. Navient Corporation, et al.*
- *In re Merit Medical Systems, Inc. Securities Litigation*
- *In re Frontier Communications Corporation Stockholder Litigation*
- *Holwill v. AbbVie Inc.*
- *Budicak, Inc., et al. v. Lansing Trade Group, LLC, et al. (SRW Wheat Futures)*
- *Yannes, et al. v. SCWorx Corporation*

- *In re Fannie Mae/Freddie Mac Senior Preferred Stock Purchase Agreement Class Action Litigations*
- *In re Myriad Genetics, Inc. Securities Litigation*
- *In re Chicago Bridge & Iron Co. N.V. Securities Litigation*
- *The Arbitrage Fund, et al. v. William Petty, et al. (Exactech)*
- *In re Columbia Pipeline Group, Inc. Merger Litigation*
- *Martinek v. AmTrust Financial Services, Inc.*
- *City of Pittsburgh Comprehensive Municipal Pension Trust Fund, et al. v. Benefitfocus, Inc., et al.*
- *In re: Evoqua Water Technologies Corp. Securities Litigation*
- *Laydon v. Mizuho Bank, Ltd., et al.*
- *Lomingkrit, et al. v. Apollo Education Group, Inc., et al.*
- *In re Caraco Pharmaceutical Laboratories, Ltd. Shareholder Litigation*
- *Norfolk County Retirement System, et al. v. Community Health Systems, Inc., et al.*
- *Chester County Employees' Retirement Fund v. KCG Holdings, Inc., et al.*
- *Oklahoma Law Enforcement Retirement System, et al. v. Adeptus Health Inc., et al.*
- *Di Donato v. Insys Therapeutics, Inc., et al.*
- *Lundgren-Wiedinmyer, et al. v. LJM Partners, Ltd, et al.*
- *Martin, et al. v. Altisource Residential Corporation, et al.*
- *Stephen Appel, et al. v. Apollo Management, et al.*
- *In re Medley Capital Corporation Stockholder Litigation*
- *Forman, et al. v. Meridian BioScience, Inc., et al.*
- *Public Employees' Retirement System of Mississippi, et al. v. Endo International PLC, et al.*
- *In Re Flowers Foods, Inc. Securities Litigation*
- *Jiangchen, et al. v. Rentech, Inc., et al.*
- *In re Liberty Tax, Inc. Stockholder Litigation*
- *In re RH, Inc. Securities Litigation*
- *Lazan v. Quantum Corporation, et al.*
- *Nabhan v. Quantum Corporation, et al.*
- *Edmund Murphy III, et al. v. JBS S.A.*
- *Public Employees' Retirement System of Mississippi, et al. v. Sprouts Farmers Market, Inc., et al.*
- *In re Starz Stockholder Litigation*
- *Judith Godinez, et al. v. Alere Inc., et al.*
- *Rahman and Giovagnoli, et al. v. GlobalSCAPE, Inc., et al.*
- *Arthur Kaye, et al. v. ImmunoCellular Therapeutics, Ltd., et al.*
- *In re CPI Card Group Inc. Securities Litigation*
- *Daniel Aude, et al. v. Kobe Steel, Ltd., et al.*
- *In re Quality Systems, Inc. Securities Litigation*
- *Cooper, et al. v. Thoratec Corporation, et al.*
- *Washtenaw County Employees' Retirement System, et al. v. Walgreen Co., et al.*
- *Elkin v. Walter Investment Management Corp., et al.*
- *In Re CytRx Corporation Securities Litigation*
- *Ranjit Singh, et al. v. 21Vianet Group, Inc., et al.*
- *In re PTC Therapeutics, Inc. Securities Litigation*
- *Securities and Exchange Commission v. Mark A. Jones*
- *In re Sequans Communications S.A. Securities Litigation*
- *In re Henry Schein, Inc. Securities Litigation*
- *Ronge, et al. v. Camping World Holdings, Inc., et al.*
- *Oklahoma Firefighters Pension & Retirement System v. Lexmark International, Inc.*
- *Christakis Vrakas, et al. v. United States Steel Corporation, et al.*
- *Emerson et al. v. Mutual Fund Series Trust, et al. ("Catalyst")*
- *In re Fannie Mae 2008 Securities Litigation*

- *In re Anadarko Petroleum Corporation Class Action Litigation*
- *Ge Dandong, et al., v. Pinnacle Performance Limited, et al.*
- *In Re: Rough Rice Commodity Litigation*
- *Xuechen Yang v. Focus Media Holding Limited et al.*
- *In re Massey Energy Co. Securities Litigation*
- *In re Swisher Hygiene, Inc.*
- *The City of Providence vs. Aeropostale, Inc., et al.*
- *In re Metrologic Instruments, Inc. Shareholders Litigation*
- *Public Pension Fund Group v. KV Pharmaceutical Company et al.*
- *Pension Trust Fund for Operating Engineers, et al. v. Assisted Living Concepts, Inc., et al.*
- *In re Lehman Brothers Equity/Debt Securities Litigation*
- *In re: Platinum and Palladium Commodities Litigation (Platinum/Palladium Physical Action)*
- *In re: Platinum and Palladium Commodities Litigation (Platinum/Palladium Futures Action)*
- *In re General Electric Co. Securities Litigation*
- *In re CNX Gas Corporation Shareholders Litigation*
- *Oscar S. Wyatt, Jr. et al. v. El Paso Corporation, et al.*
- *In re Par Pharmaceutical Securities Litigation*
- *In re Par Pharmaceutical Companies, Inc. Shareholders Litigation*
- *In re Delphi Financial Group Shareholders Litigation*
- *In re SLM Corporation Securities Litigation*
- *In re Del Monte Foods Company Shareholder Litigation*
- *Leslie Niederklein v. PCS Edventures!.com, Inc. and Anthony A. Maher*
- *In re Beckman Coulter, Inc. Securities Litigation*
- *Michael Rubin v. MF Global, Ltd., et al.*
- *Allen Zametkin v. Fidelity Management & Research Company, et al.*
- *In re BP Prudhoe Bay Royalty Trust Securities Litigation*
- *Police and Fire Retirement System of the City of Detroit et al. v. SafeNet, Inc., et al.*
- *In re Limelight Networks, Inc. Securities Litigation*
- *In re Gilead Sciences Securities Litigation*
- *In re ACS Shareholder Litigation, Consolidated C.A. No. 4940-VCP*
- *Lance Provo v. China Organic Agriculture, Inc., et al.*
- *In re LDK Solar Securities Litigation*

Labor & Employment Cases

- *Verizon OFCCP Settlement*
- *Alvarez, et al. v. GEO Secure Services, LLC*
- *Sartena v. Meltwater FLSA*
- *Carmen Alvarez, et al. v. Chipotle Mexican Grill, Inc., et al.*
- *Turner, et al. v. Chipotle Mexican Grill, Inc.*
- *Long, et al. v. Southeastern Pennsylvania Transportation Authority*
- *Matheson, et al. v. TD Bank, N.A.*
- *Ludwig, et al. v. General Dynamics Information Technology, Inc., et al.*
- *Bedel, et al. v. Liberty Mutual Group Inc.*
- *Irene Parry, et al. v. Farmers Insurance Exchange, et al.*
- *Maldonado v. The GEO Group, Inc.*
- *Alderman and Maxey v. ADT, LLC*
- *Albaceet v. Dick's Sporting Goods*
- *Rodriguez v. The Procter & Gamble Company*
- *Adekunle, et al. v. Big Bang Enterprises, Inc. d/b/a The Revenue Optimization Companies*

- *Gorski, et al. v. Wireless Vision, LLC*
- *Lopez, et al. v. New York Community Bank, et al.*
- *Hamilton, et al. v. The Vail Corporation, et al.*
- *Eisenman v. The Ayco Company L.P.*
- *Matheson v. TD Bank, N.A.*
- *Simon v. R.W. Express LLC, d/b/a Go Airlink NYC*
- *Perez v. Mexican Hospitality Operator LLC, d/b/a Cosme*
- *Shanahan v. KeyBank, N.A.*
- *Loftin v. SunTrust Bank*
- *Alvarez v. GEO Secure Services, LLC*
- *Weisgarber v. North American Dental Group, LLC*
- *Talisa Borders, et al. v. Wal-mart Stores, Inc.*
- *Reale v. McClain Sonics Inc., et al.*
- *Larita Finisterre and Songhai Woodard, et al. v. Global Contact Services, LLC*
- *Adebisi Bello v. The Parc at Joliet*
- *Garcia, et al. v. Vertical Screen, Inc.*
- *Brook Lemma and Matthieu Hubert, et al. v. 103W77 Partners LLC, et al. ("Dovetail Settlement")*
- *American Federation of Government Employees, Local 1145 v. Federal Bureau of Prisons, U.S. Penitentiary, Atlanta, Georgia*
- *Lisa Ferguson, Octavia Brown, et al. v. Matthew G. Whitaker, Acting AG, DOJ Bureau of Prisons ("USP Victorville")*
- *American Federation of Government Employees, Local 2001 v. Federal Bureau of Prisons, Federal Correctional Institution, Fort Dix, New Jersey*
- *American Federation of Government Employees, Local 506 v. U.S. Department of Justice, Federal Bureau of Prisons, U.S. Penitentiary Coleman II, Coleman, Florida*
- *Vargas v. Sterling Engineering*
- *Rosenbohm v. Verizon*
- *Alex Morgan, et al. v. United States Soccer Federation, Inc.*
- *Iskander Rasulev v. Good Care Agency, Inc.*
- *Kyndl Buzas, et al., v. Phillips 66 Company and DOES 1 through 10*
- *American Federation of Government Employees, Local 408 v. U.S. Dept. of Justice, Federal Bureau of Prisons, Federal Correctional Complex, Butner, NC*
- *In re 2014 Avon Products, Inc. ERISA Litigation*
- *In re Eastman Kodak ERISA Litigation*
- *Taronica White, et al. v. Attorney General Loretta Lynch, Department of Justice*
- *Lisa Ferguson, et al. v. Acting Attorney General Matthew Whitaker, Department of Justice*
- *Melissa Compere v. Nusret Miami, LLC, et al.*
- *Abelar v. American Residential Services, L.L.C., Central District of California*
- *Flores, et al. v. Eagle Diner Corp., et al., Eastern District of Pennsylvania*
- *Michael Furman v. Godiva Chocolatier, Inc., 15th Judicial Circuit, Palm Beach County, Florida*
- *Finisterre et. al v. Global Contact Services, LLC, New York State Supreme Court, Kings County*
- *McGuire v. Intelident Solutions, LLC, et al., Middle District of Florida, Tampa Division*
- *Duran De Rodriguez, et al. v. Five Star Home Health Care Agency, Inc. et al., Eastern District of New York*

Data Breach/BIPA Cases

- *Hunter v. J.S.T. Corp. BIPA Settlement*
- *Atkinson, et al. v. Minted, Inc.*
- *Rosenbach, et al. v. Six Flags Entertainment Corporation and Great America LLC*
- *Pratz, et al. v. MOD Super Fast Pizza, LLC*

- *The State of Indiana v. Equifax Data Breach Settlement*
- *In re: Vizio, Inc. Consumer Privacy Litigation*
- *In re: Google, Inc. Street View Electronic Communications Litigation*
- *Devin Briggs and Bobby Watson, et al. v. Rhinoag, Inc.* ("Briggs Biometric Settlement")
- *Trost v. Pretium Packaging L.L.C.*
- *In re: Barr, et al. v. Drizly, LLC f/k/a Drizly, Inc., et al.*

Telephone Consumer Protection Act (TCPA) Cases

- *Perrong, et al. v. Orbit Energy & Power, LLC*
- *Baldwin, et al. v. Miracle-Ear, Inc.*
- *Floyd and Fabricant, et al. v. First Data Merchant Services LLC, et al.*
- *Hoffman, et al. v. Hearing Help Express, Inc., et al.*
- *Lowe and Kaiser, et al. v. CVS Pharmacy, Inc., et al.*
- *Johansen v. HomeAdvisor, Inc., et al.*
- *Charvat, et al. v. National Holdings Corporation*
- *Hopkins, et al. v. Modernize, Inc.*
- *Diana Mey vs. Frontier Communications Corporation*
- *Matthew Donaca v. Dish Network, L.L.C.*
- *Matthew Benzion and Theodore Glaser v. Vivint, Inc.*
- *John Lofton v. Verizon Wireless (VAW) LLC, et al.*
- *Lori Shamblin v. Obama for America, et al.*
- *Ellman v. Security Networks*

For More Information

For more detailed information regarding A.B. Data's experience, services, or personnel, please see our website at www.abdataclassaction.com.

EXHIBIT B



Settlement Administration Data Protection Checklist

Category	Control / Question	Response
Limitation on Use of Data	Affirmation that data provided to the administrator for purposes of notice, settlement, or award administration will be used solely for settlement implementation and for no other purpose	All data provided directly to A.B. Data will be used solely for the purpose of effecting the terms of the Settlement. A.B. Data will not use such information or information to be provided by Settlement Class Members for any other purpose than the administration of the Settlement in this Action; specifically the information provided will not be used, disseminated, or disclosed by or to any other person/entity for any other purpose.
Technical Controls	Firewalls and intrusion detection/prevention systems	A.B. Data uses modern next generation firewall systems which include intrusion detection, prevention, and alerting functions. A.B. Data's Information Security Policy requires firewalls be configured for intrusion detection and alerting of incidents to the A.B. Data IT department staff.
Technical Controls	Endpoint detection and response (EDR) systems	A.B. Data uses host based endpoint protection systems which are managed by the A.B. Data IT Department. These protection systems are configured to provide alerting to the IT team for security events who are in turn responsible for responding as required based on incident severity.
Technical Controls	Complex password requirements	A.B. Data requires complex passwords as part of its Information Security Policy. User accounts are required to have a minimum of 12 character passwords with alpha, numeric, and symbols along with upper and lower cases.
Technical Controls	Multi-factor authentication for access to systems and data	A.B. Data Class Action Administration Systems require Multi-Factor Authentication for access to all claims systems and data.
Technical Controls	Malware protection, anti-virus and vulnerability scanning and penetration tests	A.B. Data uses industry leading endpoint protection systems which include Malware, Anti-Virus and host based intrusion protection technologies. A.B. Data utilizes regular vulnerability testing scans on a monthly basis to detect vulnerabilities in its systems on both internal and external networks. These vulnerability scans are performed by a third party and reported back to the A.B. Data IT department for review and remediation as necessary.
Technical Controls	Data encryption (including, "encrypted at rest and in transit," "scrambled in storage," and "cell- or column-level encryption for PII" protocols)	A.B. Data's data encryption standards follow its Information Security Policy requirements such that all data is encrypted at rest on all servers, and, while in transit, must meet encryption standards of AES256 bit or greater.
Technical Controls	"Key management" for access to encrypted databases (e.g., using a hardware security module (HSM) or a key management service (KMS))	A.B. Data utilizes a KMS (Key Management System) for encrypted databases.

Category	Control / Question	Response
Technical Controls	Access only provided on need-to-know basis	A. B. Data Group uses the "Least Privilege" security model, whereby all user accounts are granted no security permissions by default and only given the least level of security permissions necessary to properly complete user assigned work duties as defined by the specific department management.
Administrative Policies	Personnel and support staff risk assessment and management, including pre-hire background checks and screening processes	All employees must pass a pre-employment background check, including a lawful ten-year criminal record review, employment verification, education verification (if required by position), and credit history. In addition, substance testing is a hiring requirement.
Administrative Policies	Personnel and support staff required to enter into non-disclosure and confidentiality agreements	All employees must sign a Confidentiality Agreement ensuring they will recognize their responsibilities in upholding confidential information accessed using data and resources through A.B. Data's networks, databases, and all technology systems. All employees must also sign a Non-Compete, Trade Secret, Proprietary and Confidential Information Non-Disclosure Agreement. This agreement requires the employee to understand, acknowledge, and agree to all the covenants and conditions not to compete and not to disclose proprietary information without consequences for any violation.
Administrative Policies	Access controls to systems and data, including guidance for granting, modifying, and reviewing access rights	A.B. Data access, modifications and removal is authorized by human resources and managed by its IT department. Access permissions are reviewed and approved by management.
Administrative Policies	Information security and privacy policy trainings, including policy review, best practices, and data security	A.B. Data requires annual Security Awareness Trainings of all employees and upon hire. These trainings cover existing and new security policy changes to the organization. The Information Security Policy is reviewed annually by A.B. Data's Security and Compliance team ensuring it is meeting industry best practices and procedures for the industry. Additional security trainings are required for roles that require elevated levels of data access.
Administrative Policies	No remote access to systems for employees	A.B. Data allows certain employees remote access privileges to its systems as required for performance of their job duties. All remote access utilizes two-factor authentication.
Administrative Policies	Exit interviews/confirmation that terminated/departed employees are immediately cut off from access	A.B. Data's termination procedures require all user account access be removed immediately upon termination. A.B. Data's IT Department is required upon receipt of termination notification to disable account and system access (physical and logical) within one (1) hour, 24 hours per day, 7 days per week.
Administrative Policies	Robust audits of data privacy policies by third-party vendors	A.B. Data currently holds SOC1 SSAE18 annual audit by third part auditors who review its policies annually. Additionally, A.B. Data is currently in the process of obtaining a SOC2 audit report in 2023.
Administrative Policies	Accreditation in accordance with ISO 27001 and SOC2 (among the industry standards listed below)	A.B. Data currently holds SOC1 SSAE18 annual audit by third part auditors who review its policies annually. Additionally, A.B. Data is currently in the process of obtaining a SOC2 audit report in 2023.

Category	Control / Question	Response
Administrative Policies	Disclosure of external certifications and any notice of expiration	A.B. Data may only disclose certifications and expirations upon written request.
Crisis and Risk Management	Incident response / "disaster plan" for immediate response to security incidents such as data breach	A.B. Data has a formal written Incident Response Policy which addresses immediate security incidents. This plan addresses all levels of response and coordination which include management, security response teams, and law enforcement if required.
Crisis and Risk Management	Process and timing for notification to attorneys, claimants, and other stakeholders of a data breach and consideration of resources and/or remedies to provide thereto	A.B. Data has a formal written Incident Response Policy which addresses immediate security incidents. This plan addresses all levels of response and coordination which include management, security response teams, external partners, and law enforcement if required.
Crisis and Risk Management	Vendor management program that determines and defines requirements to manage risk associated with outsourcing	A.B. Data has a formal vendor management and risk management policy which defines requirements for vendors of A.B. Data. This policy is available for review upon request.
Physical Access Controls	Physical Access Security - Security Guards	A.B. Data contracts physical security monitoring to an accredited alarm monitoring company. As part of this contract, A.B. Data has access to security guards on patrol who will respond to issues at our facilities.
Physical Access Controls	Physical Access Security - Access cards to facilities with assignment of identification card subject to approval and review	A.B. Data utilizes access control cards (ACS) and identification cards to control physical access to its facilities. Cards are only issued through a management approval process.
Physical Access Controls	Physical Access Security - Logs of access	A.B. Data retains logs of all access to/from our facilities.
Physical Access Controls	Alarm Systems	AB Data utilizes multiple alarm systems which offer intrusion, fire, and duress alarms. These systems are monitored by certified third party monitoring companies and respond to alarms on a 24 hour basis, 7 days a week, 365 days per year.
Physical Access Controls	CCTV recording systems	AB Data manages CCTV and recording systems in house through its IT department management. Video recordings are maintained for 90 days for review retention. All building external entrances and exits are covered by CCTV recordings. In our datacenter, additional coverage is monitoring all exits and entrances along with coverage views of critical equipment and systems. All systems are maintained under a battery and generator power backup to ensure continuous coverage.
Data Collection and Retention	Minimization of collection of personally identifiable information, e.g., social security numbers and banking information	A.B. Data only requests information that is needed for purposes of settlement administration and approved by the Court. Typically complete social security numbers and banking information are not required.
Data Collection and Retention	Data collection only required to extent necessary for settlement administration	A.B. Data only requests information that is needed for purposes of settlement administration and approved by the Court. Typically complete social security numbers and banking information are not required.
Data Collection and Retention	Various methods for ensuring data protection and security - Data classification (including implementation of appropriate safeguards to protect from theft, loss, and/or unauthorized disclosure, use, access, destruction)	A.B. Data's Information Security Policy addresses all data classification and protection policies and procedures. Additionally A.B. Data's staff sign confidentiality and privacy agreements to ensure data is handled appropriately. These policies are available for review upon request.

Category	Control / Question	Response
Data Collection and Retention	Various methods for ensuring data protection and security - Compliance with applicable laws and regulations (see below)	A.B. Data's Information Security Policy addresses all data compliance and regulatory protections. These policies are available for review upon request.
Data Collection and Retention	Various methods for ensuring data protection and security - Secure Data Transfer	A.B. Data requires all data transfers to follow industry standard security requirements. A.B. Data's Information Security Policy details these requirements, which include use of encryption during data transfers along with additional security measures.
Data Destruction	Preservation of data only for so long as required for administration of the settlement and any relevant reporting required following the payments or distributions	A.B. Data retains settlement administration data based on the requirements set forth in relevant Court Order and/or client agreements. If no guidance is provided, A.B. Data destroys all data when no longer needed for purposes of settlement administration.
Data Destruction	Secure data destruction (e.g., 6 months – 1 year or when no longer required)	A.B. Data retains settlement administration data based on the requirements set forth in relevant Court orders and/or client agreements. If no guidance is provided, A.B. Data destroys all data when no longer needed for purposes of settlement administration.
Data Destruction	Physical media (e.g., paper, CDs) shredded or destroyed to point where they cannot be reconstructed	A.B. Data's Information Security Policy details physical media destruction requirements which meet industry standards. Electronic media that is being retired from service must be erased using the NIST Data Destruction Standard 800-88 Media Sanitation Procedures. If media is no longer functional, the media must be physically destroyed via shredding, degaussing, hammer, or other physical method to make the media fully unusable and severely difficult for physical reconstruction.
Data Destruction	Destruction of all derivative copies and/or back-ups	A.B. Data's Information Security Policy details physical media destruction requirements which meet industry standards. Electronic media that is being retired from service must be erased using the NIST Data Destruction Standard 800-88 Media Sanitation Procedures. If media is no longer functional, the media must be physically destroyed via shredding, degaussing, hammer, or other physical method to make the media fully unusable and severely difficult for physical reconstruction.
Applicable Laws, Standards, and Other Regulation	Industry standards: National Institute of Standards and Technology (NIST), HIPAA, FISMA, System and Organization Controls (SOC1 and SOC2) or more advanced assessment, ISO 27001	A.B. Data follows all applicable local, national, and international privacy regulations. A.B. Data's security team facilitates and monitors compliance with privacy policies.
Applicable Laws, Standards, and Other Regulation	Local, national, international privacy regulations (including CCPA)	A.B. Data follows all applicable local, national, and international privacy regulations. A.B. Data's security team facilitates and monitors compliance with privacy policies.
Ethical Rules	Administrative policies and/or employee handbook incorporating commitment to ethical rules (e.g., company, court ethical rules) setting forth standards of ethical and legal behavior	All employees are subject to the terms of A.B. Data's Employee Handbook which outlines all employee administrative policies, obligations, and requirements.
Ethical Rules	Enforcement clauses, violation resulting in disciplinary action including and up to termination of employment	Consequences of employee breaches of administrative policies is subject to management discretion.
Customer Service Measures	Description of settlement website and posting thereto of relevant privacy policies or statements (including portal for reporting suspected loss of confidential data submitted with claim)	All settlement websites contain a link to A.B. Data's privacy policy and, for dynamic websites where A.B. Data collects data, A.B. Data utilize an SSL certificate that authenticates a website's identity and enables an encrypted connection.

Category	Control / Question	Response
Customer Service Measures	Explanation of role of claims administrator and how to prevent phishing (e.g., clear indication that administrator will not request confidential information by e-mail and how to identify a valid email sent from the administrator)	Emails sent to class members are written in concise language, contain prominent links to the settlement website, and include an explanation of how the email is related to a court-approved settlement. A.B. Data never requests that confidential information be sent over email. A.B. Data also implements certain best practices when disseminating email to minimize confusion and maximize deliverability. For example, the subject line, the sender, and the body of the message will be designed to overcome SPAM filters and encourage readership. Emails are sent in an embedded html text format without graphics, tables, images, attachments, and other elements that would increase the likelihood that the message could be blocked by an e-mail service provider or labeled as SPAM. Emails are also transmitted with a digital signature to the header and content, which allows e-mail service providers to programmatically authenticate that the emails are from A.B. Data's authorized mail servers.