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**UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF PENNSYLVANIA**

SOUTHEASTERN PENNSYLVANIA
TRANSPORTATION AUTHORITY, on
behalf of itself and all others similarly
situated,

Plaintiff,

v.

ORRSTOWN FINANCIAL SERVICES,
INC., ET AL,

Defendants.

Civil Action No. 1:12-cv-00993

CLASS ACTION

**DECLARATION OF KIMBERLY M. DONALDSON-SMITH
IN SUPPORT OF LEAD PLAINTIFF'S UNOPPOSED
MOTION FOR FINAL APPROVAL OF THE CLASS ACTION
SETTLEMENT AND MOTION FOR ATTORNEYS' FEES AND
REIMBURSEMENT OF LITIGATION EXPENSES**

I, Kimberly M. Donaldson-Smith, declare under penalty of perjury, pursuant
to 28 U.S.C. § 1746:

1. I am an attorney duly licensed to practice in the Commonwealth of Pennsylvania and I am admitted *pro hac vice* to the United States District Court for the Middle District of Pennsylvania to appear in this matter.

2. I am a partner of the law firm of Chimicles Schwartz Kriner & Donaldson-Smith LLP (“CSKD” or “Lead Counsel”), Court-appointed Lead Counsel in this proposed class action (“Action”) and counsel of record for Plaintiff Southeastern Pennsylvania Transportation Authority (“SEPTA” or “Lead Plaintiff”).

3. I respectfully submit this Declaration in Support of Lead Plaintiff’s Motion for Final Approval of Class Action Settlement, and Motion for An Award of Attorneys’ Fees and Reimbursement of Litigation Expenses.

4. Unless otherwise defined, capitalized terms used herein have the same meaning as set forth in the December 5, 2022 Stipulation and Agreement of Settlement and exhibits thereto (the “Stipulation”), which was filed as Exhibit 1 to my Declaration submitted in support of Lead Plaintiff’s Motion for Preliminary Approval at Dkt. 297.

5. Among other things, this Declaration catalogues pertinent information concerning the investigation, initiation, prosecution, and resolution of the Action by Lead Plaintiff and Lead Counsel.

I. SUMMARY OF THE INVESTIGATION, PROSECUTION AND SETTLEMENT OF THE ACTION

6. On March 15, 2012, Orrstown Financial services, Inc. (“Orrstown”) filed its 2011 Annual Report disclosing: that it had a “material weakness” in its internal controls; that throughout 2011 it had “failed to implement a structured process with appropriate controls to ensure that updated loan ratings were incorporated timely into the calculation of the Allowance for Loan Losses”; and, as of March 2012, it had failed to “fully remediate its material weakness in its internal control over financial reporting relating to loan ratings and its impact on the allowance for loan losses.” Form 10-K 2011 Annual Report, filed 3/15/2012, at 74-75.

7. Then, one week later, on March 23, 2012, Orrstown shareholders were told about the examination conducted by the Federal Reserve Bank of Philadelphia and the Pennsylvania Department of Banking (the “Regulators”), which had resulted in enforcement actions against the Bank. Among other things, the enforcement actions provided for continuing oversight of Orrstown and recommended review of various controls over underwriting, risk management and financial reporting.

8. In light of these material disclosures and developments, and in light of the material decline in Orrstown’s stock price from approximately \$27.00 per share in March 2010 to \$8.20 per share on April 5, 2012, Lead Counsel promptly began

its investigation of whether Orrstown shareholders had viable claims under the federal securities laws.

9. Lead Counsel identified that in March 2010 Orrstown had raised nearly \$40 million in investor capital (“March 2010 Offering”), telling investors in the Offering Documents about its “enviable record regarding its control of loan losses,” “loan loss history [that] has been much better than peer standards,” and “ample” allowance for loan losses “given the current composition of the loan portfolio”, and assuring investors that Orrstown maintained effective “internal control over financial reporting.” Lead Counsel also identified similar public statements and other potential material omissions from Orrstown’s filings with the SEC from early 2010.

10. Lead Counsel conducted a rigorous investigation prior to filing the initial complaint. Among other things, Lead Counsel:

- a. reviewed and analyzed Orrstown’s SEC Filings, including Registration Statements, Prospectuses, Proxy Statements, Annual and Quarterly Reports, Form 8-Ks, and press releases;
- b. reviewed and analyzed Orrstown’s formation documents, including the Charter and bylaws, and amendments thereto;
- c. identified, reviewed and analyzed analyst reports concerning Orrstown as well as comparable banks and banking industry

generally;

- d. identified, reviewed and analyzed new articles and commentary concerning Orrstown, as well as comparable banks and banking industry generally;
- e. analyzed Orrstown's financial statements to assess, among other things: disclosures and information about the capital raise, ability to raise capital, loan loss reserves, underwriting risks, lending policies, borrowers, internal controls, management, and, generally, Orrstown's financial condition;
- f. analyzed and considered market conditions at the time of the March 2010 Offering; and,
- g. analyzed and reviewed the practices of other regional banks with respect to, among other things, raising capital, lending policies, loan loss reserves, internal controls, and dividend payments/suspensions, during the relevant period.

11. Lead Counsel also thoroughly reviewed, researched and assessed, based on all public filings and publicly available information, the disclosures made by Orrstown in connection with the March 2020 Offering, the suspension of the dividend in 2011, and the Regulators' enforcement action.

12. Based on Lead Counsel's investigation, on May 25, 2012, SEPTA, a purchaser of Orrstown common stock, commenced the Action by filing a Class Action Complaint for Violations of Federal Securities Laws ("Initial Complaint", Dkt. No. 1) in the United States District Court for the Middle District of Pennsylvania ("Court"), on behalf of itself and a proposed class of purchasers of Orrstown common stock from March 24, 2010 to October 27, 2011.

13. The Initial Complaint asserted claims against Orrstown and certain Individual Defendants under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, as amended ("Exchange Act") and United States Securities and Exchange Commission ("SEC") Rule 10b-5 (collectively, the "Exchange Act Claims"), and under Sections 11, 12(a)(2), and 15 of the Securities Act of 1933, as amended ("Securities Act" and "Securities Act Claims").

14. As set forth in the Initial Complaint, the Exchange Act Claims and Securities Act Claims generally involved allegations that Orrstown's filings with the SEC, which include filings by Orrstown in March 2010 for a \$45 million public offering of 1.7 million shares of its common stock at \$27 per share (the "March 2010 Offering" and "Offering Documents") and Orrstown's periodic, quarterly, and annual SEC reports beginning with Orrstown's Form 10-K annual report for the fiscal year ended 2009 (the "Reports"): contained materially false and misleading statements about Orrstown's loan portfolio, its financial condition, and whether

Orrstown had taken adequate reserves to cover loan losses; concealed Orrstown's failures of internal controls over financial reporting; and, included false and misleading audit opinions. As of April 27, 2012, Orrstown's stock was trading at \$7.94 per share.

15. On August 20, 2012 the Court appointed SEPTA as Lead Plaintiff, and approved Chimicles Schwartz Kriner & Donaldson-Smith LLP ("CSKD") as Lead Counsel, pursuant to the Private Securities Litigation Reform Act of 1995 ("PSLRA"). Dkt. No. 33.

16. Subsequently, and during which time Lead Plaintiff secured tolling and preservation agreements from Defendants, the Parties engaged in substantive discussions about the Action, Lead Plaintiff's claims, and Defendants' defenses thereto, and discussed whether resolution of the Action at that time was possible.

17. To aid Lead Plaintiff in its analyses of the claims, as well as the discussions with Orrstown as to whether an early-resolution was possible, Lead Counsel engaged GlenDevon Group, Inc. ("GDG"). Kathleen P. Chimicles, to whom Nicholas Chimicles is married, is the founder and President of GDG. After having been the Financial Specialist from 1992 through 2004 of Chimicles & Tikellis LLP (now known as CSKD), Ms. Chimicles established GDG in January 2005 to provide forensic investigation, damages analyses and expert services for complex litigation cases including structured allocation plans. Lead Counsel engaged GDG to provide

litigation support work, including specifically to aid in Lead Counsel's investigation and analyses of financial-related data and facts, and as of this time, to perform preliminary, but extensive, analyses concerning the potential range of damages for both the Securities Act and Exchange Act Claims.

18. The Parties, however, did not reach a resolution.

19. Lead Counsel conducted further investigation into the claims, which included (among other things):

- a. Retaining a private investigator;
- b. Gathering information from potential witnesses (both Orrstown former employees and borrowers);
- c. Conducting banking industry-related research, including into the practices of other regional banks concerning capital raises, lending policies, loan loss reserves, internal controls and dividend payments/suspensions during the relevant period;
- d. Researching auditing standards and regulations applicable to regional banks;
- e. Communicating with Orrstown shareholders;
- f. Preparing and serving FOIA requests directed to banking regulators;
- g. Researching bankruptcy filings pertaining to certain of the Bank's borrowers; and,

- h. Researching Orrstown borrowers, including county property records, for pertinent information about the borrowers and their commercial loans.
20. Lead Plaintiff prepared a detailed amended complaint (“AC”, Dkt. No. 40), which was filed on March 4, 2013.
21. The 347-paragraph, 180-page AC added Exchange Act Claims against Orrstown’s auditor, Smith, Elliott, Kearns & Company (“SEK”), and Securities Act Claims against SEK and the underwriters of Orrstown’s March 2010 public offering, Piper Sandler & Co. and Janney Montgomery Scott LLC (collectively, the “Underwriters”), and added detailed factual allegations to support those additional claims as well as the Securities Act and Exchange Act Claims asserted against the Orrstown Defendants. The AC also extended the claims to Persons who purchased Orrstown Financial Services, Inc. common stock between March 15, 2010 and April 5, 2012, inclusive.
22. All Defendants moved to dismiss the AC, which motions Lead Plaintiff vigorously opposed. The motions were fully briefed and argued as of April 2014.
23. Subsequently, in April 2015, the parties submitted supplemental briefing to address the U.S. Supreme Court’s decision in *Omnicare Inc. et al. v. Laborers District Council Construction Industry Pension Fund et al.*, Case Number 13-435, (U.S. October Term, 2014), which issued on March 24, 2015, and its

application to the issues raised in Defendants’ motions to dismiss that were *sub judice*.

24. In addition, to such briefing, while Defendants’ motions were *sub judice*, Lead Plaintiff continued with its investigation, including to, for example, appeal the Federal Reserve’s denial of FOIA requests, speak with confidential witnesses, and review public filings and information available about Orrstown.

25. On June 22, 2015, the Court granted Defendants’ motions to dismiss the AC in its entirety. Dkt. Nos. 92-93.

26. Over Defendants’ objection, Lead Plaintiff secured the right to file an amended complaint. *Id.*

27. With the aim of addressing the concerns identified in the Court’s order dismissing the AC, Lead Plaintiff thereafter further researched and prepared its Second Amended Complaint (“SAC”), which was deemed filed on February 6, 2016. Dkt. No. 101.

28. Again, each group of Defendants moved to dismiss the SAC on March 18, 2016 (Dkt. Nos. 105–10). Lead Plaintiff spent a significant amount of time opposing, as reflected in its 50-page omnibus opposition brief. *Id.*

29. While Defendants’ motions were *sub judice*, on September 27, 2016, Defendants Orrstown, Quinn, Everly and Embly consented to the entry of an Order Instituting Administrative and Cease-and-Desist Proceedings Pursuant to Section

8A of the Securities Act, Sections 4C and 21C of the Exchange Act and Rule 102(e) of the SEC's Rules of Practice, Making Findings and Imposing Remedial Sanctions and Cease-and-Desist Orders ("SEC Order") that found, after an investigation into certain Defendants by the Securities and Exchange Commission, that, *inter alia*, Orrstown had under-reported its impaired loans beginning second quarter 2010 and through 2011 by as much as \$69.5 million. Pursuant to the SEC Order, Orrstown was required to pay a civil monetary penalty of \$1 million, and Quinn, Everly, and Embly were required to pay civil penalties of \$100,000 each.

30. The SEC Order did not provide any recovery for Orrstown investors.

31. The Court was promptly apprised of the SEC Order by the parties. Dkt. No. 122.

32. On December 7, 2016, the Court granted in part and denied in part Defendants' motions to dismiss the SAC. Dkt. Nos. 126–27. The Court upheld Exchange Act Claims against Orrstown, Quinn, Everly, and Embly, but dismissed the Exchange Act Claims against SEK, dismissed all Exchange Act Claims arising prior to the second quarter of 2010, and dismissed the Securities Act Claims against all Defendants.

33. In the first quarter of 2017, with the motions to dismiss the SAC resolved, and the PSLRA-imposed stay of discovery lifted, Lead Plaintiff commenced discovery in earnest. In addition to the discovery propounded on

Defendants, Lead Plaintiff served over two dozen subpoenas directed to SEK, the Underwriters, 10 Orrstown consultants, and 13 borrowers, and thereafter conferred and negotiated document and ESI productions for each of the subpoenaed parties.

34. The documents and categories of documents Lead Counsel requested, pursued, received and analyzed, included (among many others):

- a. The policies and protocols governing Orrstown's internal controls over loan initiation, review and approval, loan underwriting, risk management and financial reporting;
- b. Loan files;
- c. Documents from and information about Orrstown's Loan Committee, Credit Administration Committee and Credit Analyst Group;
- d. Documents from and information about key management, such as Orrstown's Chief Credit Officer and Loan Review Officer;
- e. Documents from and information about the Special Assets Group and other internal reviews, stress tests, etc. conducted by Orrstown concerning the Loans during the relevant time period;
- f. Minutes, consents, resolutions, presentations, analyses, exhibits, summaries, memoranda and reports and all documents reflecting communications to or from members of the Board or any of its

subcommittees (including the Audit Committee, the Credit Administration Committee, and the Enterprise Risk Management Committee) or the Loan Committee;

- g. Information concerning Orrstown's advisors retained to review or advise Orrstown regarding issues concerning commercial lending;
- h. Information and communications with analysts, rating agencies, or journalists regarding Orrstown, Orrstown's securities, or the commercial lending market;
- i. Information concerning preparation, review and approval of Orrstown's SEC periodic, quarterly, and annual SEC filings, including all drafts and any exhibits thereof, including communications from or comments by the SEC;
- j. Organizational and staffing charts for Orrstown's commercial lending, accounting and finance departments;
- k. Public Company Accounting Oversight Board (PCAOB) related-Documents;
- l. Audits and audit workpapers; and,
- m. Documents related to the respective investigations by the Regulators.

35. Lead Plaintiff received and reviewed over a million pages of documents in discovery.

36. Due to the technical nature of many of the documents and issues, Lead Plaintiff also retained consultants with expertise in the field of banking and banking regulations to assist in Lead Plaintiff's analysis of the documents, including to put the evidence in the context of relevant operations of a financial institution and governing regulations. These consultants, by way of example only, provided insight and analysis into: the development and implementation of internal controls at financial institutions; the frameworks developed by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) for financial institutions, including with respect to internal controls; the calculation and reporting of Allowance of Loan and Lead Losses (ALLL) for banks; troubled debt restructurings (TDRs); and, loan review processes, rating systems, and policies.

37. In addition, Lead Counsel retained the services of Partners Advisory Services Corp. ("PASCORP"), an expert consultant, providing valuation and forensic accounting services to investors and their counsel. Under the direction of its founder and President, James Vodola, since 1992 PASCORP has provided valuation and forensic accounting services to investors, and their advisors and counsel. Among other things, PASCORP aided Lead Counsel with a detailed review of Orrstown's financial statements, SEK's workpapers, financial and regulator

documents, and conducted a loan-by-loan review of Orrstown's troubled commercial lending relationships.

38. Lead Plaintiff also engaged in numerous discussions with federal and state banking regulators in an attempt to obtain production of documents that were withheld by certain Defendants and certain third parties based on the assertion of confidential supervisory information ("CSI") privilege.

39. On August 9, 2018, Lead Plaintiff filed a motion to compel production of documents withheld as CSI (Dkt. Nos. 157–58), which the federal and state banking regulators opposed. Dkt. No. 173. On February 12, 2019, this Court denied the motion without prejudice to Lead Plaintiff refiling after exhausting administrative procedures, which Lead Plaintiff thereafter did. Dkt. Nos. 176–77.

40. Lead Plaintiff also responded to discovery propounded by Defendants, and deposed one representative from SEK and one of the Bank's consultants.

41. While fact discovery was ongoing, Lead Plaintiff sought out and retained a testifying class certification and damages expert, H. Nejat Seyhun, Ph.D. Dr. Seyhun was retained to, among other things: determine and testify whether Orrstown common stock traded in an "efficient market" during the relevant period and whether the calculation of damages on a class-wide basis is subject to a common methodology; and provide rebuttal expert testimony on these topics.

42. In December 2017 and January 2018, Lead Plaintiff and certain Defendants exchanged opening and rebuttal expert reports addressing whether the Action could be certified under Fed. R. Civ. P. 23 as a class action.

43. On April 11, 2019, Plaintiff sought leave to file the Third Amended Complaint (“TAC”) (Dkt. No. 182), which incorporated the substantial evidence and facts Lead Plaintiff secured in discovery. It also reflected and incorporated the work done by PASCORP, GDG, and the banking consulting experts retained by Lead Plaintiff, as discussed above.

44. The TAC reasserted the previously dismissed claims which included the Securities Act Claims against all Defendants and the Exchange Act Claims as against SEK, and expanded the class period to assert claims on behalf of Persons who purchased Orrstown Financial Services, Inc. common stock from March 15, 2010 through April 26, 2012, inclusive (“Class Period”).

45. Defendants vigorously opposed Lead Plaintiff’s motion for leave to file the TAC, asserting, *inter alia*, that claims were barred by the statute of repose. Dkt. Nos. 184–86.

46. On February 14, 2020 the Court granted Plaintiff leave to file the TAC. (Dkt. Nos. 197-198).

47. In March 2020, Defendants moved the Court to certify for immediate interlocutory appeal the issue of whether the statutes of repose barred previously

dismissed claims that were re-asserted in the TAC. Dkt. Nos. 204–05. Then, in April 2020, all Defendants filed motions to dismiss the TAC in its entirety. Dkt. Nos. 213–19. On July 8, 2020, Plaintiff filed its omnibus response to the Defendants motions to dismiss the TAC. Dkt. No. 228.

48. In April 2020, Defendants moved to dismiss the TAC in its entirety, and Lead Counsel filed extensive briefing in opposition.

49. On July 17, 2020, the Court ruled on Defendants’ motion for interlocutory appeal, finding that there existed substantial ground for difference of opinion on the issue of whether the reasserted claims were barred by the statute of repose, and certified the issue for interlocutory appeal (Dkt. Nos. 229- 230).

50. On July 27, 2020, Defendants filed a petition to appeal pursuant to 28 U.S.C. §1292 in the United States Circuit Court for the Third Circuit, which SEPTA opposed on August 5, 2020. The Third Circuit granted the petition on August 13, 2020.

51. With respect to the CSI, on August 24, 2020, having exhausted all administrative procedures, Lead Plaintiff filed a renewed motion to compel production of the documents withheld as CSI. Dkt. No. 239–41.

52. With respect to Defendants’ appeal, the Parties filed their principal appeal briefs in November and December 2020, filed supplemental briefs in January 2021, and appeared for argument on February 10, 2021 before the Third Circuit

Court of Appeals. On September 2, 2021, in a unanimous, precedential opinion, the Third Circuit affirmed the Court's ruling, holding that SEPTA could reassert the previously dismissed claims in the TAC. *SEPTA v. Orrstown Fin. Servs.*, 12 F.4th 337 (3d Cir. 2021).

53. Soon thereafter, while the motions to dismiss the TAC and motion to compel production of CSI were pending, the Parties agreed to engage the services of Robert Meyer, Esquire, an experienced and nationally recognized mediator with JAMS.

54. In late 2021, while the motions to dismiss the TAC and motion to compel production of CSI were pending, the Parties engaged the services of Robert Meyer, Esquire, an experienced and nationally recognized mediator with JAMS. *See* <https://www.jamsadr.com/meyer/>.

55. In addition to extensive experience mediating settlements of complex litigation, Mr. Meyer has specifically mediated settlements in numerous securities lawsuits involving both Fortune 500 companies and start-ups, in actions that involve Securities Act and Exchange Act claims. *Id.*

56. After preparing and exchanging mediation briefs, the Parties participated in an all-day mediation with Mr. Meyer on January 19, 2022, but were unsuccessful in reaching a resolution.

57. The Parties so informed the Court, and the Court rescheduled to July 13, 2022, the previously-continued December 9, 2021 hearing and oral argument on Defendants' motions to dismiss the TAC. The parties appeared in person before the Court on July 13, 2022 for the hearing on Defendants' motions to dismiss the TAC.

58. On August 18, 2022, the Court issued its order denying in part and granting in part Defendants' motions to dismiss the TAC (Dkt. Nos. 276–77). The MTD Order, *inter alia*, upheld certain of the Securities Act Claims asserted in the TAC against SEK, the Underwriters, Orrstown, and certain Individual Defendants, and upheld certain of the Exchange Act Claims against SEK, Orrstown, and certain Individual Defendants. The MTD Order granted Defendants' motions to dismiss with respect to certain of Plaintiff's Securities Act Claims and Exchange Act Claims that were based on five out of the seven alleged false and misleading statements in the Offering Documents and Annual Reports.

59. In a separate order issued by the Court on August 18, 2022, the Court granted SEPTA's motion to compel production of the withheld CSI, giving SEPTA access to over 3,000 documents concerning or reflecting the Regulators' examinations and findings about Orrstown from 2010 through 2012. (Dkt. Nos. 278–79.)

60. Orrstown promptly produced the CSI, and Plaintiff reviewed the produced CSI.

61. On October 3, 2022, Defendants filed their answers to the TAC.

62. During an October 5, 2022 Court-scheduled status conference, the Parties informed the Court that they were re-engaging in settlement discussions with the aid of Mr. Meyer; and, conferring regarding a proposed case schedule to set deadlines for key events through the date of trial.

63. In the following weeks, the Parties separately engaged with Mr. Meyer to discuss their respective positions, and on October 28, 2022 the Parties participated in a scheduled all-day mediation session with Mr. Meyer.

64. The October 28, 2022 mediation concluded without a settlement-in-principle, but the Parties agreed to continue discussing a potential resolution with Mr. Meyer's assistance.

65. In early November 2022, after additional discussions, Mr. Meyer presented the Parties with a mediator's proposal to assist them in forging an agreement-in-principle to resolve the Action.

66. The parties accepted the mediator's proposal, and on November 7, 2022 the Parties executed a memorandum of understanding, which set forth their agreement-in-principle to resolve and settle the Action in exchange for a total payment of \$15 million to the Class, inclusive of fees and costs.

67. Accordingly, the Settlement resulted from extensive arm's-length negotiations between experienced counsel with an understanding of their respective positions in this litigation, assisted by Mr. Meyer, a highly experienced mediator.

68. The Parties then negotiated the terms of the Stipulation.

II. THE SETTLEMENT

A. *The Stipulation of Settlement*

69. The Settlement provides that Defendants shall pay a total of \$15 million (the "Settlement Amount") into a non-reversionary, interest-bearing qualified settlement fund (the "Settlement Fund"), in exchange for the release of all claims that were or could have been asserted relating to Defendants' conduct set forth in the TAC. Dkt. 297, Stipulation, ¶¶ 4.1-4.4. Of the total, Orrstown will pay \$13 million and SEK will pay \$2 million. *Id.* at ¶ 2.1.

70. The Parties' obligations are subject to approval by the Court and entry of the final proposed Judgment (Exhibit B to the Stipulation, Exhibit 1 hereto), resulting in full and final disposition of the Action with respect to the Released Parties and Released Claims. Stipulation, at ¶¶ 4.1, 4.3. The pertinent definitions of Effective Date, Released Plaintiff's Claims, Unknown Claims, Defendants' Released Parties, Plaintiff's Released Parties, Released Claims, and Released Parties are set forth at paragraphs 1.9, 1.27, 1.38, 1.8, 1.21, 1.25, and 1.28, respectively, of the Settlement Stipulation, and were provided in the Notice at pg. 6.

71. All costs of notice to the Class and the costs of settlement administration, court-approved attorneys' fees and litigation expenses, taxes, and any other Court-approved fees or expenses shall be paid from the Settlement Fund (which includes the Settlement Amount plus any interest earned thereon), and the balance (*i.e.*, the "Net Settlement Fund") shall be distributed pursuant to the proposed Plan of Allocation to Class Members who submit timely, valid claims, and whose payments would equal \$10.00 or more. *Id.* at ¶ 5.13.

72. The procedure for how Settlement Class Members' claims will be processed were detailed in the Notice at pp.7-10. Briefly, Settlement Class members will complete and submit (by mail or electronically) a Proof of Claim Form with documents identifying their relevant transactions in Orrstown stock. Because no party possessed the individual investor trading data necessary to distribute the Net Settlement Fund, this procedure (which is also used to prevent fraudulent claims) is necessary to identify Class Members, their Class Period stock purchases and sales, and to assign them a recognized loss for purposes of the Plan of Allocation and determining their payment from the Net Settlement Fund.

73. Further, the claims process being utilized allows claimants an opportunity to cure any deficiencies with, or request Court review of a denial of, their claims. *See* Notice, at pp. 7–10.

74. The Plan of Allocation, which is described in the Notice and was developed in consultation with Plaintiff's damages expert and consultant is set forth in detail in Section 8 of the Notice. The Plan of Allocation apportions the Net Settlement Fund among Class Member who submit timely, valid claims accepted by the Claims Administrator, in proportion to their losses calculated pursuant to the model developed in consultation with Plaintiff's experts. Notice, at pp. 7–10; Stipulation, at ¶ 5.10.

75. The calculation of each Class Member's Recognized Loss under the Plan of Allocation is detailed in the Notice and, as disclosed therein (*id.*), will be based on several factors, including when the shares of Orrstown stock were purchased and sold, the purchase and sale price of the shares, and the estimated artificial inflation in the respective prices of the shares at the time of purchase and at the time of sale.

76. The Plan of Allocation results in an equitable distribution of the Net Settlement Fund based on an authorized claimant's respective alleged economic losses as a result of Defendants' alleged misstatements and omissions, as opposed to losses caused by market- or industry-wide factors, or company-specific factors unrelated to the alleged misstatements and omissions.

77. It reflects a reasonable allocation of the Net Settlement Fund based on the evaluation of the trading price of Orrstown Stock in relation to the alleged

revelation of previously concealed information alleged in the TAC and Action. The Plan of Allocation takes into account the dates on which the public disclosure of relevant information occurred and the market's reaction to this information. *See* Notice, Ex. A-1 to the Stipulation at pages 7-10.

78. The Net Settlement Fund will be allocated to Authorized Claimants on a *pro rata* basis based on the relative size of their Recognized Loss.

79. SEPTA, despite its years of service in this lawsuit, requests no incentive award, nor reimbursement of costs or expenses relating to the representation of the class as allowed by 15 U.S.C. §78u-4(a)(4), and will share in the recovery only in proportion to all other Class Members who submit valid, accepted claims.

B. The Settlement is Fair and Reasonable

80. As demonstrated by the foregoing and the record in the Action, the Settlement was reached after Lead Counsel's extensive factual investigation, assessment and understanding of the law and facts underlying the claims and understanding of estimated recoverable damages.

81. The Settlement was reached after Lead Counsel and Lead Plaintiff considered, broadly:

- (a) the substantial benefits provided under the proposed Settlement;
- (b) the uncertain outcome and the risk of any litigation, especially in complex actions such as this securities litigation, including the difficulties and delays

inherent in such litigation, and the defenses to the claims asserted by and available to Defendants;

(c) that before this Action would reach the Courthouse steps, a contested motion for class certification would need to be resolved, additional expert discovery and disclosures exchanged, including on class certification, liability and damages, additional deposition discovery and further motion practice needed to occur, all of which would delay reaching trial and securing a jury verdict and judgment, and require substantial additional expense and time;

(d) even if Lead Plaintiff would have recovered a larger judgment at trial, the Class' actual recovery would likely be postponed for years due to post-trial motions and appeals; and,

(e) the desirability of permitting the Settlement to be consummated as provided by the terms of the Stipulation.

82. Lead Counsel also took into consideration the risks of continued litigation on key issues such as: the materiality of the alleged false and misleading statements; proof of whether the statements were made with scienter, recklessly, and/or negligently; any motive to deceive; and, even if each Defendant's mental state was not an issue, proving reliance, damages and loss causation depends on complicated and competing expert testimony (including about the impact of market and industry conditions on Orrstown's stock price, isolating the impact of

Defendants' false statements on Orrstown's stock price to derive damages, and whether Orrstown's shares traded on an efficient market).

83. The \$15,000,000 Settlement represents a recovery of approximately 29-36% of the maximum damages estimated by Lead Plaintiff's expert of \$42-52.5 million.

84. Lead Plaintiff's estimate of damages assumes that Plaintiff prevails on all of the claims. The range consists of the expert's most aggressive loss calculation for both the Securities Act and Exchange Act claims at the high end, and the same damages less an estimated amount for "negative loss causation" on the lower end. Defendants, however, have contended that the actual, recoverable damages, if any, are much lower. Moreover, that estimated damages range does not deduct for the potential success of all affirmative defenses that Defendants might have been able to prove at trial, meaning the Settlement amount could represent a significantly higher percentage of the damages than would have been won at trial, which in theory could be zero. The range reflects the expert's most aggressive loss calculation for both the Securities Act and Exchange Act Claims at the high end, and the same damages less an estimated amount for "negative loss causation" on the lower end. Defendants, however, have contended that the actual, recoverable damages, if any, are much lower.

85. In sum, SEPTA and Lead Counsel have relentlessly and effectively represented the interests of the Class Members. SEPTA has demonstrated its ability and willingness to pursue this action on the Class's behalf through more than a decade of vigilant involvement in the action. Throughout the litigation, SEPTA devoted significant time to reviewing filings, participating in discovery, overseeing the litigation, and, ultimately, approving the Settlement.

86. Lead Plaintiff's decision to settle this Action is the culmination of years of investigation; robust fact discovery; extensive briefing on the motions to dismiss and the motion to compel CSI; consultation with expert consultants; and, ardent participation in an arm's-length mediation process.

87. In sum, Lead Counsel believe that the proposed Settlement is an excellent recovery for Lead Plaintiff and the Settlement Class, and is in every respect fair, adequate, reasonable, and in the best interests of the Settlement Class.

III. STATUS OF THE ADMINISTRATION OF THE NOTICE

88. Attached as Exhibit 3, hereto, is the Declaration of Justin R. Hughes Regarding Administration of the Notice ("Hughes Decl."). Mr. Hughes is a Senior Director at Kroll Settlement Administration LLC, which is the Court-appointed Claims Administrator pursuant to the February 1, 2023 Preliminary Approval Order.

89. In accordance with the processes set forth in the Plan of Allocation (Section 8 of the Notice, pages 7–10) and in the Claim Form (Exhibit A-2 to the Stipulation), Lead Plaintiff implemented notice program.

90. First, with respect to the Notice, the Claims Administrator: (i) timely mailed the Notice and Claim Form to the list of approximately 2,478 record holders of Orrstown common stock during the Class Period provided by Orrstown’s former transfer agent, and to 1,482 brokers and other nominees; (ii) mailed and emailed Notices and Claim Forms to beneficial holders identified by the nominees; (iii) provided unaddressed copies of the Notice and Claim Form to the nominees to be sent to their customers who are potential Class Members; and (iv) was informed by certain nominees that they electronically disseminated the Notice and Claim Forms (or links thereto) to their customers who are potential Class Members. Hughes Decl. ¶¶1-8.

91. Second, the Claims Administrator timely caused: (a) the Summary Notice to be published in Investor’s Business Daily and transmitted over PRNewswire. Hughes Decl. ¶¶9.

92. Third, the Claims Administrator: established the case-specific toll-free telephone helpline and established the website dedicated to the Settlement (www.OrrstownSecuritesSettlement.com), both of which were published in the Notice and Summary Notice. Hughes Decl. ¶¶10-11.

93. The Notice also advised Settlement Class Members that by April 28, 2023 they could object to any part of the Settlement, including the Fee and Expense Application, and the process for doing so. Hughes Decl. ¶¶12-14.

94. As of the date of the Hughes Declaration (April 13, 2023), Kroll's records indicate that it has not received any Requests for Exclusion and has not received any objections from Class Members. *Id.* ¶14.

95. As of the time of the filing of this Declaration, Lead Counsel has not been notified of or been served with any objection to, or request to be excluded from, the Settlement.

IV. TIME AND EXPENSES INCURRED TO PROSECUTE AND SETTLE THE ACTION

96. This Declaration has summarized the work undertaken by Lead Counsel in connection with the initiation, investigation, prosecution and settlement of this Action, which supports Lead Counsel's requested fee award and expense reimbursement.

97. Lead Counsel and the attorneys at CSKD have decades of experience representing plaintiffs in securities and complex class action litigations prosecuted and settled in federal and state courts nationwide. Attached as Exhibit 4, hereto, is the Firm's current resume which contains information about the current CSKD attorneys who worked on this matter. *See also* www.chimicles.com.

98. Lead Counsel worked diligently in their prosecution of the Action, and allocated their time and resources effectively and efficiently to advocate on the Class' and Plaintiff's behalves.

99. For their work in litigating the claims and securing this substantial Settlement for the Settlement Class, Lead Counsel respectfully seek and request:

(i) a fee award of 35% of the Settlement Fund, which is \$5,250,000 and,

(ii) reimbursement of their litigation expenses in the amount of \$717,488.55,

(iii) plus the proportionate amount of interest that has accrued on the awarded amounts from the inception of the Settlement Fund, through the date of payment from the Settlement Fund.

100. The Fee and Expense Application, and these amounts (*i.e.* 35% of the Settlement Fund, up to \$800,000 of litigation expenses, and interest) were contemplated and agreed to in the Settlement Agreement (Dkt. No. 297-1, at ¶ 6, pg. 26) and disclosed to Class Members in the Notice (*Id.*, Exhibit B, Notice at PDF pg. 61-62/93).

101. Lead Counsel lodestar (time x hourly rates), discussed below, is \$8,972,785.50. Therefore, the requested fee award of 35% of the Settlement Amount represents a fractional (or negative) multiplier of .585 on Lead Counsel's lodestar.

102. Lead Counsel has, at all times, assumed the responsibility of litigating this Action on a contingent-fee basis, such that any fee would be paid, and the expenses incurred reimbursed, only upon achieving a recovery for the benefit of the Class by settlement or judgment.

103. The award of fees and reimbursement of expenses will be paid from the Settlement Fund. Stipulation ¶6.5.

A. *Lodestar*

104. As detailed in the following chart, the total number of hours expended on this litigation by CSKD from May 2012 through February 28, 2023 is 13,975.30 hours, consisting of attorneys' time and other professional staff (paralegal and law clerk) time, for a lodestar of \$8,972,785.50:

NAME	STATUS	HOURLY RATE	HOURS	LODESTAR
Nicholas E. Chimicles	P	\$1,100.00	1170.95	\$1,288,045.00
Kimberly Donaldson Smith	P	\$900	1336.40	\$1,202,760.00
Timothy N. Mathews	P	\$875.00	1967.60	\$1,721,650.00
Beena McDonald	P	\$750.00	92.60	\$69,450.00
Anthony Geyelin	OC	\$460.00	2735.70	\$1,258,422.00
Alison Gushue	OC	\$625.00	1792.60	\$1,120,375.00
Mariah Heinzerling	A	\$350.00	40.70	\$14,245.00
Mariah Heinzerling	FLC	\$280.00	75.00	\$21,000.00
Tiffany Cramer	FSC	\$700.00	743.30	\$520,310.00
Samantha Holbrook	FA	\$715.00	158.00	\$112,970.00
Catherine Pratsinakis	FA	\$600.00	83.25	\$49,950.00
Christine Saler	FA	\$575.00	2176.30	\$1,251,372.50
Carlynn Wagner	FA	\$260.00	155.60	\$40,456.00
David Birch	FIT	\$400.00	103.05	\$41,220.00

Madeline Landry	FPL	\$200.00	77.40	\$15,480.00
Corneliu Mastraghin	FPL	\$250.00	74.20	\$18,550.00
Patrick Musselman	FLC	\$200.00	279.90	\$55,980.00
Phuong Ngo	FLC	\$100.00	120.00	\$12,000
Aristotel Moumas	FLA	\$200.00	792.75	\$158,550.00
TOTALS			13,975.3	\$8,972,785.50

P = Partner; A = Associate; OC = Of Counsel; SC = Senior Counsel; FA = Former Associate; FSC = Former Senior Counsel; FLC = Former Law Clerk; FPL = Former Paralegal; FLA = Former Law Assistant; FIT = Former Information Technology Specialist

105. CSKD's lodestar was prepared from contemporaneous, daily time records regularly prepared and maintained by CSKD, which are available at the request of the Court.

106. CSKD excluded from its lodestar timekeepers who each expended less than 60 hours on this decade-long Action.

107. CSKD's lodestar reflected above is based upon the Firm's current billing rates, which rates do not include charges for expense items. For personnel who are no longer employed by CSKD, the lodestar calculation is based upon the billing rates for such personnel in his or her final year of employment by CSKD. Although not required, because of the longevity of the Action, CSKD determined to calculate and provide the Court with its lodestar using historical hourly rates (*i.e.* the timekeeper's rate for the year during which the work was conducted and billed); using such rates, CSKD's lodestar from May 2012 through February 28, 2023 is \$7,804,399.60.

108. Further, CSKD's lodestar is as of February 28, 2023 and does not include time spent on preparing the Motion, this Declaration, preparation for and attendance at the upcoming Settlement Hearing, and, if the settlement is granted final approval, the time to be spent on responding to any class member inquiries related to, and addressing any, claims administration matters.

109. In addition, the hourly rates for CSKD's attorneys and professional legal staff included above are the same as the regular current rates charged for their services in non-contingent matters and/or which have been accepted and approved in other securities or shareholder litigations, including *Gamburg, et al, v. Hines Real Estate Investment Trust, Inc. et al*, Case No. 24-C-16-004496, Circuit Court for Baltimore City, Maryland (In a June 6, 2018 Order and Final Judgment, Court approved in full the requested fee and expenses); *Johnson et al. v. W2007 Grace Acquisition I Inc. et al.*, Case No. 2:13-cv-2777 (W.D. Tenn.)(In a December 4, 2015 Order, the Court approved in full the requested fee and expense request, and stated that "Both the hours spent and the hourly rates are reasonable given the nature and circumstances of the case..."); *Roth v. The Phoenix Companies, Inc.*, et al, Index No. 650634/2016 (Judge Kornreich of the Supreme Court of the State of NY, in her 2017 Order approving in full the fee and expense request, and she specifically characterized counsel's rates as reasonable); *Alessandro Demarco v. Avalon Bay Communities, Inc.*, No. 2:15-628 (D.N.J), July 11, 2017 Order ("The court, after

careful review of the time entries and rates requested by Class Counsel, and after applying the appropriate standards required by relevant case law, hereby grants Class Counsel's application for attorneys' fees ..."); *Chambers v. Whirlpool Corp., et al.*, 11-1773 FMO (C.D. Cal.)(October 11, 2016)(reviewing the hourly rates of C&T counsel and holding, over Defendants' objections, that "the hourly rates sought by counsel are reasonable."); *Henderson v. Volvo Cars of N. Am., LLC*, 2013 U.S. Dist. LEXIS 46291 *4-47 (D.N.J. Mar. 22, 2013) (C&T's rates "are entirely consistent with hourly rates routinely approved by this Court in complex class action litigation."); *City of St. Clair Shores General Employees Ret. Sys. v. Inland Western Retail Real Estate Trust, Inc., et al.*, Case 07 C 6174 (U.S.D.C. N.D. Ill, 2011); *In re CNL Hotels & Resorts, Inc. Sec. Litig.*, Case No. 6:04-cv-1231-Orl-31KRS (USDC, MD Fla., 2006); and *In re Real Estate Associates Limited P'ship Litig.*, Case No. CV 98-7035 DDP, USDC, Central District of California (2003).

B. Expenses

110. CSKD has incurred a total of \$717,488.55 in litigation expenses in investigating, prosecuting and settling the Action, including with respect to the retention of testifying and non-testifying experts and consultants (discussed above):

Category	Amount
PASCORP	\$267,255.93
Dr. Seyhun/Testifying Expert Expenses	\$138,754.64
GlenDevon Group	\$124,875.00
Non-testifying industry experts /consultants	\$42,894.70

Technology Services/ Document Review Platform and Production Services	\$40,264.34
Internal Reproduction/Copies	\$36,291.50
Mediation Fees	\$28,442.88
Investigator	\$15,858.00
Computer Research / PACER Fees	\$9,333.85
Subpoena Service	\$5,035.39
Deposition Transcripts/Court Reporting	\$2,589.65
Travel, Meals & Related Travel Expenses	\$2,569.11
PSLRA Publication Notice	\$1,715.00
Postage/Express Delivery/Messenger	\$989.70
Filing Fees / Complaint and Pro Hac	\$600.00
Conference Calls	\$18.86
TOTAL	\$717,488.55

111. These expenses incurred by CSKD are reflected on the books and records of my firm which are prepared from expense vouchers, check records and other source materials and represent an accurate recordation of the expenses CSKD incurred.

112. The reported expenses, which consist primarily of the amounts paid to Lead Plaintiff's testifying and non-testifying experts, are reasonable and were necessary for the successful prosecution of the case and in achieving the Settlement as discussed above.

113. The expenses do not include any future expenses, including for example, expenses related to attendance at the final approval hearing.

X. EXHIBIT INDEX

114. Attached hereto are true and correct copies of the following:

EXHIBIT	DESCRIPTION
1	[Proposed] Judgment and Order Granting Final Approval of Class Action Settlement (Ex. B to the Stipulation)
2	[Proposed] Order Granting Lead Plaintiff's Fee and Expense Application
3	Declaration of Justin R. Hughes Regarding Administration of the Notice
4	CSKD Firm Resume

I declare under penalty of perjury that the foregoing is true and correct.

Executed on April 14, 2023.

/s/ Kimberly M. Donaldson-Smith
KIMBERLY M. DONALDSON-SMITH

EXHIBIT 1

EXECUTION VERSION

Exhibit B to Stipulation

**CHIMICLES SCHWARTZ KRINER
& DONALDSON-SMITH LLP**

Nicholas E. Chimicles, Pa. Id. No. 17928
Kimberly Donaldson Smith, Pa. Id. No. 84116
Timothy N. Mathews, Pa. Id. No. 91430
One Haverford Centre
361 West Lancaster Avenue
Haverford, PA 19041
Phone (610) 642-8500
Fax (610) 649-3633

**UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF PENNSYLVANIA**

SOUTHEASTERN PENNSYLVANIA
TRANSPORTATION AUTHORITY, on
behalf of itself and all others similarly
situated,

Plaintiff,

v.

ORRSTOWN FINANCIAL SERVICES,
INC., ORRSTOWN BANK, ANTHONY
F. CEDDIA, JEFFREY W. COY, MARK
K. KELLER, ANDREA PUGH,
THOMAS R. QUINN, JR., GREGORY A.
ROSENBERRY, KENNETH R.
SHOEMAKER, GLENN W. SNOKE,
JOHN S. WARD, BRADLEY S.
EVERLY, JOEL R. ZULLINGER,
JEFFREY W. EMBLY, SMITH
ELLIOTT KEARNS & COMPANY,
LLC, SANDLER O'NEILL &
PARTNERS L.P., and JANNEY
MONTGOMERY SCOTT LLC,

Defendants.

Civil Action No. 1:12-cv-00993

CLASS ACTION

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

**EXHIBIT B TO STIPULATION
AND AGREEMENT OF
SETTLEMENT**

WHEREAS, this matter came before the Court pursuant to the Order Preliminarily Approving Settlement and Providing for Notice (“Order”) dated _____, 2022, and on Plaintiff’s application for approval of the Settlement set forth in the Stipulation and Agreement of Settlement, dated as of December 7, 2022 (the “Stipulation”). Due and adequate notice having been given to the Class as required in the Order, and the Court having considered all papers filed and proceedings had herein and otherwise being fully informed, and good cause appearing therefore,

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that:

1. This Final Judgment and Order of Dismissal with Prejudice (“Judgment”) incorporates by reference: (a) the Stipulation; and (b) the Notice, Summary Notice, and Declaration of the Claims Administrator with respect to Notice, all filed with this Court. All terms used herein shall have the same meanings as set forth in the Stipulation, unless otherwise set forth herein.
2. This Court has jurisdiction over the subject matter of the Action and over all parties to the Action, including all Members of the Class.
3. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, this Court hereby affirms its determinations in the Order and finally certifies, for purposes of settlement only, a Class defined as: All Persons who purchased or otherwise acquired the common stock of Orrstown Financial Services, Inc. during the Class

Period, which is defined as the period from March 15, 2010 through April 26, 2012, inclusive. Excluded from the Class are:

- a. Defendants and their families, officers, affiliates, entities in which they have or had a controlling interest, and the legal representatives, heirs, successors-in-interest or assigns of any such excluded party; and,
 - b. Those Persons who timely and validly request exclusion from the Class who are listed on Exhibit 1 hereto as having submitted an exclusion request allowed by the Court.
4. The Court hereby affirms its determination in the Order and finds, for the purposes of the Settlement only, that the prerequisites for a class action under Rules 23(a) and (b)(3) of the Federal Rules of Civil Procedure have been satisfied in that: (a) the Class is so numerous that joinder of all Class Members is impracticable; (b) there are questions of law and fact common to the Class; (c) Plaintiff's claims are typical of those of the Class; (d) Plaintiff and Lead Counsel have fairly and adequately represented the Class's interests and will continue to do so; (e) questions of law and fact common to Class Members predominate over any questions affecting only individual Class Members; and (f) a class action is superior to other available methods for the fair and efficient adjudication of the controversy.
5. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, and for the purposes of the Settlement only, the Court hereby affirms its determinations in the

Order and finally appoints Lead Plaintiff SEPTA as Class Representative and Lead Counsel Chimicles Schwartz Kriner & Donaldson-Smith LLP as Class Counsel.

6. The Notice of Pendency and Proposed Settlement of Class Action (“Notice”) given to the Class was the best notice practicable under the circumstances, including the individual notice to all Class Members who could be identified through reasonable effort. The Notice provided the best notice practicable to Class Members under the circumstances of those proceedings and of the matters set forth in the Notice, including the proposed Settlement set forth in the Stipulation, to all Persons entitled to such notice, and said notice fully satisfied the requirements of the Federal Rules of Civil Procedure (including Rules 23(c)-(e)), the United States Constitution (including the Due Process Clause), Section 21D(a)(7) of the Securities Exchange Act of 1934, 15 U.S.C. §78u-4(a)(7), as added by the Private Securities Litigation Reform Act of 1995, the Rules of this Court, and other applicable laws. No Class Member is relieved from the terms of the Settlement, including the Releases provided for therein, based upon the contention or proof that such Class Member failed to receive actual or adequate notice.

7. A full opportunity has been offered to the Class Members to object to the proposed Settlement and to participate in the Settlement Hearing. There have been [____] objections to the Settlement [each of which was addressed by the Court at the Settlement Hearing].

8. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, the Court hereby affirms its determinations in the Order, fully and finally approves the Settlement set forth in the Stipulation in all respects and finds that:

- a. the Stipulation and Settlement contained therein are, in all respects, fair, reasonable, adequate and in the best interest of the Class;
- b. the Stipulation and Settlement were the result of informed, serious, extensive arm's-length among experienced counsel following mediation under the direction of an experienced mediator;
- c. there was not collusion in connection with the Stipulation; and,
- d. the record is sufficiently developed and compete to have enabled Plaintiff and Defendants to have adequately evaluated and considered their positions.

9. Accordingly, the Court authorizes and directs implementation and performance of all the terms and provisions of the Stipulation, as well as the terms and provisions hereof. Except as to any individual claim of those Persons (identified in Exhibit 1 attached hereto) who have validly and timely requested exclusion from the Class, the Court hereby dismisses the Action and all Released Claims with prejudice.

10. The Settling Parties are to bear their own costs, except as and to the extent provided in the Stipulation and herein.

11. The Releases set forth in Section IV.4 of the Stipulation, together with the definitions contained in the Stipulation relating thereto in Section IV.1, are expressly incorporated herein by reference. Accordingly, this Court orders that:

- a. Upon the Effective Date of the Settlement, by operation of this Judgment, Plaintiff's Released Parties shall have, fully, finally, and forever compromised, settled, released, resolved, relinquished, waived and discharged each and every Released Plaintiff's Claim against Defendants' Released Parties, and shall forever be barred and enjoined from commencing, instituting, prosecuting, or maintaining any and all of the Released Claims against any of the Defendants' Released Parties in any jurisdiction.
- b. Upon the Effective Date of the Settlement, by operation of this Judgment, Defendants shall have, fully, finally, and forever compromised, settled, released, resolved, relinquished, waived and discharged each and every Released Defendants' Claim against Plaintiff's Released Parties, and against each other, and shall forever be barred and enjoined from commencing, instituting, prosecuting, or maintaining any and all of the Released Claims against any of the Plaintiff's Released Parties and against each other, in any jurisdiction.
- c. Nothing in this Judgment shall bar any action by any of the Settling

Parties to enforce or effectuate the terms of the Stipulation or the Judgment.

12. Any Plan of Allocation submitted by Lead Counsel or any order entered regarding Plaintiff's Fee and Expense Application shall in no way disturb or affect this Judgment and shall be considered separate from this Judgment.

13. The Settlement, the Stipulation (whether or not consummated) and the Exhibits hereto, including the contents thereof, the negotiations leading to the execution of the Stipulation and the Settlement, any proceedings taken pursuant to or in connection with the Stipulation, and/or approval of the Settlement (including any arguments proffered in connection therewith), and any communication relating thereto, are not evidence, nor an admission or concession by any Settling Party or its counsel, of any fault, liability or wrongdoing whatsoever, as to any facts or claims alleged or asserted in the Action, or any other actions or proceedings, or as to the validity or merit of any of the claims or defenses alleged or asserted in any such action or proceeding.

14. Neither the Settlement, the Stipulation, the Plan of Allocation contained therein, the negotiations leading to the execution of the Stipulation and the Settlement, nor any proceedings taken pursuant to or in connection with the Stipulation, and/or approval of the Settlement (including any arguments proffered in connection therewith), nor any communication relating thereto, shall be:

- a. offered or received against any Settling Party as evidence of or construed as or deemed to be evidence of any presumption, concession, or admission by any Settling Party of the truth of any allegations by Plaintiff, or the validity of any claim or defense that has been or could have been asserted in the Litigation, or the validity or deficiency of any defense that has been or could have been asserted in the Litigation or in any other litigation, including, but not limited to, litigation of the Released Claims, or that the consideration to be given hereunder represents the amount which could be or would have been recovered after trial or in any proceeding other than the Settlement; or,
 - b. offered or received against any Settling Party as evidence of a presumption, concession, or admission of any fault, misrepresentations, or omission, the absence of any fault, misrepresentation, or omission, with respect to any statement or written document approved or made by any Defendant, or against Plaintiff or any Member of the Class as evidence of any infirmity in the claims of Plaintiff and the Class.
15. However, the Settling Parties may reference or file the Stipulation and/or Judgment from this Action in any other action that may be brought against them in order to (a) effectuate the Releases granted them hereunder; and (b) support a defense or counterclaim based on principles of res judicata, collateral estoppel,

release, good faith settlement, judgment bar or reduction, or any theory of claim preclusion or issue preclusion or similar defense or counterclaim.

16. Defendants have denied and continue to deny liability and maintain that they have meritorious defenses and have represented that they entered into the Settlement solely in order to avoid the cost and burden of litigation.

17. Without affecting the finality of this Judgment in any way, this Court hereby retains continuing jurisdiction over: (a) implementation of this Settlement and any award or distribution of the Settlement Fund, including interest earned thereon; (b) disposition of the Settlement Fund; (c) hearing and determining applications for attorneys' fees, expenses, and interest in the Action; (d) all parties herein for the purpose of construing, enforcing, and administering the Stipulation; (e) Class Members for all matters relating to the Action; and (f) other matters related or ancillary to the foregoing. The administration of the Settlement, and the decision of all disputed questions of law and fact with respect to the validity of any claim or right of any Person to participate in the distribution of the Net Settlement Fund, shall remain under the authority of this Court.

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

19. If the Settlement does not become effective in accordance with the

terms of the Stipulation, or the Effective Date does not occur, then this Judgment shall be rendered null and void to the extent provided by and in accordance with the Stipulation and shall be vacated and, in such event, all orders entered and releases delivered in connection herewith shall be null and void to the extent provided by and in accordance with the Stipulation, and the Settlement Fund shall be returned in accordance with the Stipulation.

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

IT IS SO ORDERED.

DATED: _____

THE HONORABLE YVETTE KANE
UNITED STATES DISTRICT JUDGE

EXHIBIT 2

**CHIMICLES SCHWARTZ KRINER
& DONALDSON-SMITH LLP**

Nicholas E. Chimicles, Pa. Id. No. 17928
Kimberly Donaldson Smith, Pa. Id. No. 84116
Timothy N. Mathews, Pa. Id. No. 91430
One Haverford Centre
361 West Lancaster Avenue
Haverford, PA 19041
Phone (610) 642-8500
Fax (610) 649-3633

**UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF PENNSYLVANIA**

SOUTHEASTERN PENNSYLVANIA
TRANSPORTATION AUTHORITY, on
behalf of itself and all others similarly
situated,

Plaintiff,

v.

ORRSTOWN FINANCIAL SERVICES,
INC., ORRSTOWN BANK, ANTHONY
F. CEDDIA, JEFFREY W. COY, MARK
K. KELLER, ANDREA PUGH,
THOMAS R. QUINN, JR., GREGORY A.
ROSENBERY, KENNETH R.
SHOEMAKER, GLENN W. SNOKE,
JOHN S. WARD, BRADLEY S.
EVERLY, JOEL R. ZULLINGER,
JEFFREY W. EMBLY, SMITH
ELLIOTT KEARNS & COMPANY,
LLC, SANDLER O'NEILL &
PARTNERS L.P., and JANNEY
MONTGOMERY SCOTT LLC,

Defendants.

Civil Action No. 1:12-cv-00993

CLASS ACTION

**[PROPOSED] ORDER
GRANTING LEAD COUNSEL AN
AWARD OF ATTORNEYS' FEES
AND REIMBURSEMENT OF
LITIGATION EXPENSES**

WHEREAS, this matter came before the Court pursuant to Lead Plaintiff's Motion for an award of attorneys' fees and reimbursement of litigation expenses ("Fee and Expense Application"), in connection with the presentment for approval of the Settlement set forth in the Stipulation and Agreement of Settlement (including exhibits thereto), dated as of December 7, 2022 (the "Stipulation"), Dkt. 297-1.

The Court having considered all papers filed and proceedings had herein and otherwise being fully informed, and good cause appearing therefore,

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that:

1. This Order incorporates by reference the Stipulation and all terms used herein shall have the same meanings as set forth in the Stipulation, unless otherwise set forth herein.

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

3. Pursuant to Federal Rule of Civil Procedure 23(h), for their work in litigating the Action and securing the Settlement for the benefit of the Class, the Court orders the payment of the following Fee and Expense Award to Lead Counsel:

- (i) a fee award of _____ % of the Settlement Fund, which is \$_____; and,
- (ii) reimbursement of their litigation expenses in the amount of \$_____; plus,

(iii) the proportionate amount of interest that has accrued on the awarded amounts from the inception of the Settlement Fund, through the date of payment from the Settlement Fund.

4. The Fees and Expense Award shall be paid to Lead Counsel solely from the Settlement Fund and in accordance with Paragraphs 6.2 – 6.5 of the Stipulation.

5. In accordance with Paragraph 6.4 of the Stipulation, any appeal or proceeding relating to this Order or reversal or modification thereof, shall not operate to terminate or cancel the Stipulation, or affect or delay the finality of the Judgment approving the Stipulation and the Settlement of the Litigation set forth therein.

IT IS SO ORDERED.

DATED: _____

THE HONORABLE YVETTE KANE
UNITED STATES DISTRICT JUDGE

EXHIBIT 3

**UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF PENNSYLVANIA**

SOUTHEASTERN PENNSYLVANIA
TRANSPORTATION AUTHORITY, on behalf of
itself and all others similarly situated,

Plaintiff,

v.

ORRSTOWN FINANCIAL SERVICES, INC., et al,
Defendants.

Civil Action No.
1:12-cv-00993

CLASS ACTION

**DECLARATION OF JUSTIN R. HUGHES
REGARDING ADMINISTRATION OF NOTICE**

I, Justin R. Hughes, declare and state as follows:

1. I am a Senior Director at Kroll Settlement Administration LLC (“Kroll”),¹ the Claims Administrator appointed in the above-captioned case, whose principal office is located at 2000 Market Street, Suite 2700, Philadelphia, Pennsylvania 19103. I am over twenty-one (21) years of age and am authorized to make this declaration on behalf of Kroll and myself. The following statements are based on my personal knowledge and information provided by other experienced Kroll employees working under my general supervision and, if called upon, I could and would testify thereto.

¹ All terms with initial capitalization not otherwise defined herein shall have the meanings ascribed to them in the *Stipulation and Agreement of Settlement*, dated as of December 7, 2022 (the “Stipulation”) and the *Order*, entered February 1, 2023 (the “Preliminary Approval Order”).

2. Kroll was retained by Lead Counsel for Orrstown Financial Services, Inc. (“Orrstown” or the “Company”) to effectuate the mailing of the *Notice of Pendency of Class Action and Proposed Settlement, Motion for Attorneys’ Fees, and Settlement Hearing* (the “Notice”) and the *Proof of Claim and Release Form* (the “Claim Form” and, collectively with the Notice, the “Notice Packet”) to Members of the Class in accordance with the Stipulation and the Preliminary Approval Order. A copy of the Notice Packet is attached hereto as Exhibit A.

MAILING OF THE NOTICE PACKET

3. On February 1, 2023, Kroll received the Orrstown Notice List, an Excel file with the unique names and addresses of 2,478 potential Class Members on the records of the transfer agent for Orrstown. On February 22, 2023, Kroll disseminated 2,478 copies of the Notice Packets by First-Class Mail to the potential Class Members contained on the list.

4. As in most actions of this nature, a large majority of potential Class Members are beneficial holders whose securities were held in “street name” – *i.e.*, the securities were held by brokerage firms, banks, institutions, and other third-party nominees in the name of the nominee, on behalf of the beneficial holders. Kroll maintains a proprietary database with the names and addresses of the largest and most common U.S. banks, brokerage firms, and nominees, including national and regional offices of certain nominees (the “Nominee Database”). Kroll’s Nominee Database is updated from time to time as new nominees are identified, and others

merge or cease to exist. At the time of the initial mailing, the Nominee Database contained 1,482 mailing records. On February 22, 2023, Kroll caused the Notice Packet to be mailed to all of the mailing records contained in Kroll's Nominee Database. In addition, Kroll caused the Notice to be posted on the Depository Trust Company's ("DTC") Legal Notice System ("LENS") on February 22, 2023. LENS is a service hosted by the DTC that offers access to a comprehensive online library of notices concerning DTC-eligible securities that are published and furnished by third-party agents, courts and security issuers.

5. The Notice directed those who purchased or otherwise acquired Orrstown common stock during the Class Period for the beneficial interest of another to either (a) within ten (10) calendar days after receipt of the Notice, request from Kroll sufficient copies of the Notice Packet to forward to all such beneficial owners and within ten (10) calendar days after receipt of those Notice Packets, forward them to all such beneficial owners; or (b) within ten (10) calendar days after receipt of the Notice, provide a list of the names, last known addresses and, if possible, email addresses of all such beneficial owners to Kroll. If the nominee chose the second option, Kroll then caused the Notice Packet to be mailed or emailed promptly to said beneficial owner(s).

6. As of April 13, 2023, Kroll has received 51 additional unique names and addresses and/or email addresses of potential Class Members from individuals or nominees requesting that a Notice Packet be mailed or emailed to such persons or

entities. Kroll also received requests from nominees for an additional 865 unaddressed copies of the Notice Packet to be forwarded by such nominees to their customers. All such requests have been honored by Kroll in a timely manner, and Kroll will continue to disseminate the Notice Packet upon receipt of any additional requests and/or upon receipt of updated addresses through the date of the Settlement Hearing. Further, one nominee – BNY Mellon – represented to Kroll that they sent another 202 Notices to their clients electronically. And finally, Broadridge Financial Solutions (“Broadridge”) has represented to Kroll that it sent 453 emails containing links to the Notice to its customers that had previously elected to receive notification of potential settlements via email.

7. In addition to the foregoing, Kroll also received updated addresses for another 217 potential Class Members whose Notices were previously returned by the United States Postal Service as undeliverable.

8. As a result of the efforts described above, as of April 13, 2023, Kroll has sent a total of 5,093 copies of the Notice Packet to potential Class Members and nominees. In addition, BNY Mellon represented to Kroll that they sent an additional 202 copies of the Notice Packet electronically and Broadridge represented that they sent 453 emails containing links to the Notice.

PUBLICATION OF THE SUMMARY NOTICE

9. In accordance with the Preliminary Approval Order, on February 27, 2023, Kroll caused the Summary Notice to be published in *Investor’s Business Daily*

and transmitted over *PR Newswire*. Attached hereto as Exhibit B-1 is a copy of the Summary Notice as published in *Investor's Business Daily* and attached hereto as Exhibit B-2 is a copy of the Summary Notice as transmitted over *PR Newswire*.

TELEPHONE HELPLINE AND WEBSITE

10. On February 22, 2023, Kroll established and continues to maintain a case-specific, toll-free telephone helpline – 1-833-709-0094 – to accommodate potential Class Member inquiries. The toll-free number was set forth in the Notice and is posted on the settlement website for the Action. Kroll has promptly responded to all inquiries to the toll-free telephone helpline and will continue to do so.

11. On February 22, 2023, Kroll established and continues to maintain a website dedicated to this Settlement (www.OrrstownSecuritiesSettlement.com) to provide additional information to Class Members and to provide answers to frequently asked questions. The web address was set forth in the Notice, the Summary Notice, and the Claim Form. The website includes information regarding the Action and the Settlement, including the exclusion, objection, and claim-filing deadlines, and the date, time, and location of the Court's Settlement Hearing. Copies of the Notice, Claim Form, Stipulation, and Preliminary Approval Order are posted on the website and are available for downloading. Class Members can also complete and submit a Proof of Claim through the website.

REQUESTS FOR EXCLUSION & OBJECTIONS RECEIVED TO DATE

12. The Notice informs potential Class Members that written Requests for

Exclusion from the Class must be mailed to Orrstown Securities Settlement, EXCLUSIONS, c/o Kroll Settlement Administration, P.O. Box 5324, New York, NY 10150-5324, such that they are postmarked no later than April 28, 2023.

13. The Notice also informs potential Class Members that objections must be in writing and filed with the Court, such that they are received on or before April 28, 2023, and that the objector must also serve the papers on Lead Counsel and Defendants' Counsel such that they are received on or before April 28, 2023. Should any potential Class Member erroneously forward their request for objection to the Claims Administrator, the Claims Administrator will report them to Lead Counsel, Defendants' Counsel and the Court.

14. The Notice also sets forth the information that must be included in each Request for Exclusion and objection. Kroll has monitored and will continue to monitor all mail delivered to this address. As of the date of this declaration, Kroll's records indicate that it has not received any Requests for Exclusion and has not received any objections from Class Members.

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

Executed in Oakland, CA on April 13, 2023.

Justin R. Hughes

EXHIBIT A

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF PENNSYLVANIA

SOUTHEASTERN PENNSYLVANIA TRANSPORTATION
AUTHORITY, on behalf of itself and all others similarly situated,
Plaintiff,
v.
ORRSTOWN FINANCIAL SERVICES, INC., et al,
Defendants.

Civil Action No. 1:12-cv-00993

CLASS ACTION

**NOTICE OF PENDENCY OF CLASS ACTION AND PROPOSED SETTLEMENT,
MOTION FOR ATTORNEYS' FEES, AND SETTLEMENT HEARING**

A Federal Court authorized this Notice. This is not a solicitation from a lawyer.

NOTICE OF PENDENCY OF CLASS ACTION: Please be advised that your rights may be affected by the proceedings in this Action¹ if you purchased or acquired the common stock of Orrstown Financial Services, Inc. (NASDAQ: ORRF) from March 15, 2010 through, and including, April 26, 2012 ("Class Period").

NOTICE OF SETTLEMENT: Please note that the Court-appointed Lead Plaintiff Southeastern Pennsylvania Transportation Authority ("Plaintiff") has reached a proposed settlement in the amount of \$15,000,000 in cash, on behalf of itself and the Class ("Settlement"), that, if approved, will resolve all claims in the Action (the "Settlement") against the Released Parties (as defined below).

PLEASE READ THIS NOTICE CAREFULLY. This Notice explains important rights you may have, including that you may be entitled to share in the proceeds of the Settlement and that **to claim your share of the Settlement Fund you must submit a valid and timely Proof of Claim and Release Form ("Claim Form") postmarked or submitted online on or before June 22, 2023.**

Description of the Action and the Class: This Notice relates to a proposed Settlement of claims in a pending securities class action lawsuit brought by an Orrstown shareholder alleging, among other things, that Defendants violated the federal securities law by failing to make required disclosures to shareholders regarding Orrstown's operations and financial performance. The proposed Settlement, if approved by the Court, will settle claims of all Persons who purchased or otherwise acquired the common stock of Orrstown from March 15, 2010 through, and including, April 26, 2012 (the "Class").

Statement of the Class's Recovery: Subject to Court approval, Plaintiff, on behalf of itself and the proposed Class, has agreed to settle all claims in the Action in exchange for a payment of \$15,000,000 in cash ("Settlement Amount") to be deposited into an interest-bearing escrow account (the "Settlement Fund"). The Net Settlement Fund (which is the Settlement Fund less taxes, tax expenses, notice and administration costs, and attorneys' fees and litigation expenses awarded to Lead Counsel) will be distributed in accordance with a plan of allocation ("Plan of Allocation") to be approved by the Court. The proposed Plan of Allocation is set forth in this Notice.

Estimate of Average Amount of Recovery Per Share: Based on Plaintiff's damages expert's estimates, the conduct at issue in the Action affected approximately 7 million shares of Orrstown common stock purchased during the Class Period.² Assuming that all eligible Class Members elect to participate in the Settlement and valid claims are timely submitted for every eligible Orrstown common share (which is unlikely), the estimated average recovery from the Settlement Fund is approximately \$2.14 per share, before deducting fees, expenses or other awards that the Court may approve. **This is only an estimate.** Class Members will receive more or less than the estimated amount per share depending on various factors, including: (1) the number of valid claims filed; and (2) when and at what prices they purchased, acquired and/or sold their Orrstown shares.

Average Amount of Damages Per Share: The Settling Parties do not agree on whether Plaintiff would have prevailed on its claims against Defendants. Nor do they agree on the average amount of damages that Class Members could have recovered if Plaintiff prevailed on its claims on behalf of the Class.

Statement of Attorneys' Fees and Litigation Expenses Sought: Lead Counsel has been prosecuting this Action on a wholly contingent basis since its inception, which means that Lead Counsel has not received any payment of attorneys' fees for their representation of the Class and has advanced the funds to pay expenses necessarily incurred to prosecute the Action. Lead Counsel

¹ All capitalized terms used in this Notice shall have the meanings provided in the Stipulation and Agreement of Settlement dated December 7, 2022 ("Stipulation"), which is available at www.OrrstownSecuritiesSettlement.com.

² An affected share might have been traded more than once during the Class Period, and this average recovery would be the total for all purchasers of that share.

will apply to the Court for an award of attorneys' fees from the Settlement Fund in an amount up to thirty-five percent (35%) of the Settlement Amount plus an award of litigation expenses incurred in connection with prosecuting and resolving the Action, in an amount not to exceed \$800,000, plus interest on both amounts from the date of the funding of (and at the same rate as earned by) the Settlement Fund. Other than receipt of its share of the Net Settlement Fund pursuant to the Plan of Allocation on an equal, per share basis to other Class Members, the Plaintiff is not applying for an additional monetary award for its service to the Class. Any fees and expenses awarded by the Court will be paid from the Settlement Fund. Class Members are not personally liable for any such fees or expenses. If the maximum amount of fees and expenses are requested and the Court approves Lead Counsel's fee and expense application, the estimated average amount of fees and expenses, assuming claims are filed for all affected shares, will be approximately \$0.86 per share. The Court will determine the fairness and reasonableness of the fee and of the allowance of expenses.

Identification of Attorneys for Plaintiff and the Class: Plaintiff and the Class are represented by Court-appointed Lead Counsel: Nicholas E. Chimicles, Kimberly M. Donaldson-Smith and Timothy N. Mathews, Chimicles Schwartz Kriner & Donaldson-Smith LLP, 361 W. Lancaster Avenue, Haverford, Pennsylvania 19041, Telephone: 610/642-8500.

Reasons for the Settlement: Lead Plaintiff's principal reason for entering into the Settlement is the immediate benefit of a substantial cash recovery for the Class. This benefit must be compared to the risk that no recovery or a smaller recovery might be achieved after contested motions, a trial and the likely appeals that would follow. For Defendants, the principal reason for the Settlement is to eliminate the burden, expense, and uncertainty of further litigation. The proposed Settlement eliminates the risks and uncertainties associated with this Action for both Plaintiff and Defendants and provides Class Members with the certainty of a monetary recovery regardless of Plaintiff's ability to prove these claims, or Defendants' ability to defeat these claims, at trial.

The Court in charge of the Action still has to decide whether to approve the Settlement. Cash payments will be made to Authorized Claimants eligible to receive payment if the Court approves the Settlement and after any appeals are resolved, which may be a lengthy process. **Please be patient.**

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THE SETTLEMENT:	
ACTIONS YOU MAY PURSUE	EFFECT OF TAKING THIS ACTION
SUBMIT A PROOF OF CLAIM FORM <u>ONLINE OR POSTMARKED</u> NO LATER THAN JUNE 22, 2023.	This is the only way to be potentially eligible to receive a payment from the Net Settlement Fund. If you are a Class Member and you remain in the Class, you will be bound by the Settlement as approved by the Court and you will give up the Released Claims (defined below) that you have against Released Parties (defined below), so it is in your interest to submit a Claim Form.
EXCLUDE YOURSELF FROM THE CLASS BY SUBMITTING A WRITTEN REQUEST FOR EXCLUSION THAT IS <u>POSTMARKED</u> NO LATER THAN APRIL 28, 2023.	If you exclude yourself from the Class, you will get no payment from the Settlement Fund. This is the only option that allows you to ever be part of any other lawsuit against Released Parties for the Released Claims. If you are considering excluding yourself from the Class, please note that there is a risk that any new claims asserted against Defendants would be time-barred. You should talk to a lawyer before you request exclusion from the Class if it is for the purpose of bringing a separate lawsuit.
COMMENT ON OR OBJECT TO THE SETTLEMENT BY SUBMITTING A WRITTEN OBJECTION SO THAT IT IS <u>RECEIVED</u> NO LATER THAN APRIL 28, 2023.	Writing to the Court and counsel identified herein to comment on the Settlement or to explain why you do not like the Settlement, the proposed Plan of Allocation, and/or the request for attorneys' fees and litigation expenses. In order to object, you must remain a Class Member, therefore, you cannot request to exclude yourself from the Class and object to the Settlement.
GO TO THE SETTLEMENT HEARING ON MAY 19, 2023 AT 10:00 A.M., AND FILE A NOTICE OF INTENTION TO APPEAR AT THE SETTLEMENT HEARING SO THAT IT IS <u>RECEIVED</u> NO LATER THAN APRIL 28, 2023.	Filing a written objection plus a notice of intention to appear allows you to speak in Court at the discretion of the Court about the fairness of the Settlement, the proposed Plan of Allocation, and/or the request for attorneys' fees and litigation expenses. If you submit a written objection, you may, but do not have to, attend the hearing and, at the discretion of the Court, speak to the Court about your objection.
DO NOTHING.	If you are a member of the Class and you do not submit a valid Claim Form, you will not be eligible to receive any payment from the Settlement. You will, however, remain a member of the Class, which means that you will give up your right to sue about the claims that are resolved by the Settlement, and you will still be bound by the Settlement and any judgments or orders entered by the Court in the Action.

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1. Why did I get this Notice?

The Court directed that this Notice be sent to you because you, someone in your family, or an investment account for which you serve as a custodian, may have purchased or otherwise acquired Orrstown common stock during the Class Period. The Court directed that this Notice be sent to you because, as a potential Class Member, you have the right to know about the proposed Settlement, about all of your options, and how the lawsuit and Settlement may generally affect your legal rights, before the Court decides whether to approve the Settlement. If the Court approves the Settlement, the Settlement will end all of the Class’s and Class Members’ claims against the Defendants (discussed in Section 6, below).

The Court will consider whether to approve the Settlement at a Settlement Hearing on May 19, 2023, at 10:00 a.m. If the Court approves the Settlement, and after any appeals are resolved and the Settlement administration is completed, the Claims Administrator appointed by the Court will make the payments that the Settlement allows.

2. What is this lawsuit about and what has happened so far?

The entity who filed the lawsuit is called a “Plaintiff” and the entities and others sued are called “Defendants.”³ On May 25, 2012, the Plaintiff, a purchaser of Orrstown Financial Services, Inc. common stock, commenced this Action by filing a complaint with the Court, on behalf of itself and a proposed class of purchasers of Orrstown Financial Services, Inc. common stock.

Plaintiff’s claims in the Action are set forth in the Third Amended Complaint (“TAC”) filed as of February 14, 2020. The TAC alleges that Defendants violated the federal securities laws, specifically, Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, as amended (“Exchange Act”) and United States Securities and Exchange Commission (“SEC”) Rule 10b-5 (collectively, the “Exchange Act Claims”), and under Sections 11, 12(a)(2), and 15 of the Securities Act of 1933, as amended (“Securities Act” and “Securities Act Claims”). Generally, the Action alleges that Orrstown Financial Services, Inc.’s (the “Company”) filings with the SEC, which include filings in March 2010 for its \$45 million public offering of 1.7 million shares of its common stock at \$27 per share (“Offering Documents”), and the Company’s periodic, quarterly, and annual SEC reports beginning with the Company’s Form 10-K annual report for the fiscal year 2009 (the “Reports”): (a) contained materially false and misleading statements about the Company’s loan portfolio, its financial condition, and whether it had taken adequate reserves to cover loan losses; (b) concealed the Company’s failures of internal controls over financial reporting; and, (c) included false and misleading audit opinions.

³ The “Plaintiff” is Southeastern Pennsylvania Transportation Authority (“SEPTA”). The “Defendants” are (i) Orrstown Financial Services, Inc. and Orrstown Bank (collectively, “Orrstown”); (ii) Anthony F. Ceddia, Jeffrey W. Coy, Mark K. Keller, Andrea Pugh, Thomas R. Quinn, Jr., Gregory A. Rosenberry, Kenneth R. Shoemaker, Glenn W. Snoke, John S. Ward, Bradley S. Everly, Joel R. Zullinger, and Jeffrey W. Embly (collectively, “Individual Defendants”); (iii) Smith Elliott Kearns & Company, LLC (“SEK”); and, (iv) Piper Sandler & Co. and Janney Montgomery Scott LLC (collectively, the “Underwriters”).

In August 2012 the Court appointed SEPTA as Lead Plaintiff and approved Chimicles Schwartz Kriner & Donaldson-Smith LLP as Lead Counsel pursuant to applicable provisions of the Private Securities Litigation Reform Act of 1995 (“PSLRA”). On March 4, 2013, Plaintiff filed its first amended complaint, which, among other things, named SEK and the Underwriters as additional defendants. Each group of Defendants moved to dismiss the Action, which motion the Court granted on June 22, 2015.

On February 6, 2016, Plaintiff filed a second amended complaint, and in March 2016, each group of Defendants moved to dismiss the Action. On December 7, 2016, the Court granted in part and denied in part Defendants’ motions to dismiss, upholding certain of the Exchange Act Claims, but dismissing in full the Securities Act Claims, the Exchange Act Claims as against outside auditor SEK, and all Exchange Act Claims that were based on Company Reports filed prior to the second quarter of 2010.

With the motions to dismiss resolved, in or around March 2017, the Parties commenced fact and expert discovery. Plaintiff received and reviewed over a million pages of documents from Defendants and over two dozen third-parties, began to take depositions, and sought the production of documents being withheld on an asserted confidential supervisory information (“CSI”) privilege applicable to certain communication between the Company and its banking regulators. During this time, in December 2017 and January 2018, Plaintiff and certain Defendants exchanged opening and rebuttal expert reports on whether the Action could be certified under Fed. R. Civ. P. 23 as a class action.

In April 2019, Plaintiff sought leave, which the Court granted in February 2020, to file the TAC, which incorporated evidence and facts Plaintiff secured in discovery and reasserted the previously dismissed claims, including the Securities Act Claims and the Exchange Act Claims as against SEK, and expanded the class period to assert claims on behalf of Persons who purchased Orrstown Financial Services, Inc. common stock from March 15, 2010 through April 26, 2012, inclusive (“Class Period”).

In March 2020, Defendants moved the Court to certify for immediate interlocutory appeal the issue of whether the statutes of repose barred certain previously dismissed claims that were re-asserted in the TAC, and in April 2020, Defendants moved to dismiss the TAC in its entirety. In July 2020, after the Court granted Defendants’ motion for interlocutory appeal, Defendants filed a petition to appeal pursuant to 28 U.S.C. §1292 in the United States Circuit Court for the Third Circuit, which was granted in August 2020. After briefing and argument, on September 2, 2021, in a unanimous, precedential opinion, the Third Circuit affirmed the Court’s ruling, holding that SEPTA could reassert the previously dismissed claims in the TAC.

Soon thereafter, while the motions to dismiss the TAC and motion to compel production of CSI were pending, the Parties agreed to engage the services of Robert Meyer, Esquire, an experienced and nationally recognized mediator with JAMS. After exchanging mediation briefs, the Parties participated in an all-day mediation with Mr. Meyer in January 2022 but were unsuccessful in reaching a resolution. The Parties so informed the Court, and the Court rescheduled to July 13, 2022 the previously-continued December 9, 2021 hearing and oral argument on Defendants’ motions to dismiss the TAC.

On August 18, 2022, the Court issued two rulings. It ruled on Defendants’ motions to dismiss the TAC, upholding certain of the Securities Act Claims and certain of the Exchange Act Claims against SEK, Orrstown, and certain Individual Defendants but, dismissing claims that were based on certain statements in the Offering Documents and Reports. It also granted SEPTA’s motion to compel production of the withheld CSI, which certain Defendants produced and Plaintiff reviewed. On October 3, 2022, Defendants filed their answers to the TAC.

During an October 5, 2022 Court-scheduled status conference, the Parties informed the Court that they were re-engaging in settlement discussions with the aid of Mr. Meyer; and, conferring regarding a proposed case schedule to set deadlines for key events through the date of trial. The Parties then separately engaged with Mr. Meyer to discuss their respective positions, and on October 28, 2022 the Parties participated in a scheduled all-day mediation session with Mr. Meyer, which concluded without a settlement-in-principle, but the Parties agreed to continue discussing a potential resolution with Mr. Meyer’s assistance. In early November 2022, Mr. Meyer presented the Parties with a mediator’s proposal to assist them in forging an agreement-in-principle to resolve the Action. The parties accepted the mediator’s proposal, and on November 7, 2022 the Parties executed a memorandum of understanding, which set forth their agreement-in-principle to resolve and settle the Action in exchange for a total payment of \$15 million to the Class, inclusive of fees and costs. The Parties then negotiated the terms of the Settlement and Stipulation.

3. What are the reasons for the Settlement?

Lead Plaintiff and Lead Counsel believe that the claims asserted in the Action against Defendants have merit, having prevailed in defeating Defendants’ efforts to dismiss the Action and having conducted extensive discovery on the claims. Lead Plaintiff and Lead Counsel recognize, however, the expense and length of continued proceedings necessary to pursue the claims against Defendants through trial and appeals, as well as the risks they would face in establishing liability and damages. The proposed Settlement eliminates risks and uncertainties, and provides Class Members with the certainty of a substantial monetary recovery.

Defendants deny that they have engaged in any wrongdoing, deny that they have any liability for any of the claims alleged in the Action, and deny that the Company’s stock price or value was artificially inflated by misstatements and omissions alleged by Plaintiff. Defendants maintain that they have meritorious defenses to all claims alleged in the Litigation. Nonetheless, Defendants recognize the cost, risks, and distraction of continued litigation, trial and any appeals. The Settlement is not and may not be construed as an admission of any wrongdoing by Defendants.

In light of the above, the amount of the Settlement and the immediacy of recovery to the Class, Lead Plaintiff and Lead Counsel believe that the proposed Settlement is fair, reasonable and adequate and in the best interests of the Class. Lead Plaintiff and Lead Counsel believe that the Settlement provides a substantial benefit to the Class, namely \$15,000,000 in cash (less the various deductions described in this Notice), as compared to the risks described above.

4. How do I know if I am part of the Settlement? Are there Exceptions to being included?

The Court has issued an Order, for the purposes of the Settlement only, that everyone who fits the following description, and is not excluded by definition from the Class, is a member of the Class, or a "Class Member," unless they take steps to opt out and exclude themselves:

All Persons who purchased or otherwise acquired the common stock of Orrstown Financial Services, Inc. from March 15, 2010 through April 26, 2012, inclusive.

There are some people who are excluded from the Class. Those people are: (a) Defendants and their families, officers, affiliates, entities in which they have or had a controlling interest, and the legal representatives, heirs, successors-in-interest or assigns of any such excluded party; and, (b) Any Persons who timely and validly request and submit exclusion from the Class, pursuant to the requirements described below in Section 9.

RECEIPT OF THIS NOTICE DOES NOT MEAN YOU ARE A CLASS MEMBER OR THAT YOU WILL BE ENTITLED TO RECEIVE PROCEEDS FROM THE SETTLEMENT. If you are a Class Member and you wish to be eligible to participate in the distribution of proceeds from the Settlement, you are required to submit the Claim Form that is being sent with this Notice and the required supporting documentation as set forth therein *postmarked no later than June 22, 2023*. Please check your records or contact your broker to see if you acquired eligible Orrstown common stock. If you are not sure whether you are included in the Class, please either email the Claims Administrator at info@OrrstownSecuritiesSettlement.com; write to Orrstown Securities Settlement, c/o Kroll Settlement Administration, P.O. Box 5324, New York, NY 10150-5324; Call 833-709-0094; or visit www.OrrstownSecuritiesSettlement.com. Or you can fill out and return or submit the Proof of Claim Form to see if you qualify.

5. What does the Settlement provide?

In the Settlement, Defendants have agreed to pay and/or cause to be paid \$15 million in cash, which will be deposited in the Settlement Fund, which is an interest-bearing escrow account for the benefit of the Class (the "Settlement Fund"). If the Settlement is approved by the Court and the Effective Date occurs (defined in Section 6), after the deduction from the Settlement Fund of (i) all Court-awarded attorneys' fees, litigation expenses, and any interest thereon; (ii) Notice and Claims Administration Expenses; (iii) Taxes and Tax Expenses; and (iv) any other Court-approved fees, expenses or deductions, the Net Settlement Fund will be divided among all Class Members who timely submit valid Proofs of Claim that are accepted for payment and pursuant to the terms of the Stipulation and Plan of Allocation ("Authorized Claimants"), which is discussed in Section 8 of this Notice.

6. What am I giving up by staying in the Class?

Unless you submit a valid and timely request for exclusion, you will stay in the Class, which means that if the Settlement becomes effective under the terms of the Stipulation (the "Effective Date", defined below), you and your "Plaintiff's Released Parties"⁴ shall have, fully, finally, and forever compromised, settled, released, resolved, relinquished, waived and discharged each and every Released Plaintiff's Claim including Unknown Claims (defined below) against Defendants' Released Parties (defined below), and shall forever be barred and enjoined from commencing, instituting, prosecuting, or maintaining any and all of the Released Claims against any of the Defendants' Released Parties in any jurisdiction. **This means that You and your Plaintiff's Released Parties will not in the future be able to bring a case asserting any Released Claim against any Released Party.** In turn, the Stipulation also provides that upon the Effective Date, Defendants shall have, fully, finally, and forever compromised, settled, released, resolved, relinquished, waived and discharged each and every Released Defendants' Claim including Unknown Claims against Plaintiff's Released Parties, and against each other, and shall forever be barred and enjoined from commencing, instituting, prosecuting, or maintaining any and all of the Released Claims against any of the Plaintiff's Released Parties and against each other in any jurisdiction.

(a) "Defendants' Released Parties" means (i) Defendants; (ii) each and all of their respective current and former parents, affiliates, subsidiaries, beneficial owners, successors, predecessors, assigns, and assignees; (iii) the current and former

⁴ "Plaintiff's Released Parties" means (i) Plaintiff, Lead Counsel, and all other Class Members; (ii) the current and former parents, affiliates, subsidiaries, successors, predecessors, assigns, and assignees of each of the foregoing in (i); and, (iii) the current and former officers, directors, heirs, trusts, trustees, executors, estates, administrators, beneficiaries, agents, affiliates, insurers, reinsurers, predecessors, successors, assigns, and advisors of each of the Persons or entities listed in (i) and (ii), in their capacities as such and who has the right, ability, standing, or capacity to assert or maintain any of the Released Claims.

officers, directors, employees, heirs, trusts, trustees, executors, estates, administrators, beneficiaries, attorneys, agents, affiliates, insurers (including but not limited to Liberty International Underwriters and Liberty Insurance Underwriters, Inc.), reinsurers, predecessors, successors, assigns, and advisors of each and all of the Persons or entities listed in (i) and (ii); and (iv) any entity in which a Defendants' Released Party has a direct or indirect controlling interest or which has a direct or indirect controlling interest in a Defendants' Released Party.

(b) "Released Claims" means all Released Defendants' Claims and all Released Plaintiff's Claims.

(c) "Released Defendants' Claims" means all claims demands, rights, liabilities and causes of action of every nature and description, whether known or Unknown Claims, whether arising under federal, state, common or foreign law, that arise out of or relate in any way to the institution, prosecution, or settlement of the claims against Defendants, except for (i) claims relating to the enforcement of the Settlement; and (ii) claims for contractual indemnity as between Defendants.

(d) "Released Plaintiff's Claims" means all claims demands, rights, liabilities and causes of action of every nature and description, whether known or Unknown Claims, accrued or unaccrued, in law or in equity, whether arising under federal, state, common or foreign law, whether direct, indirect, or derivative, that Lead Plaintiff or any other member of the Class (i) asserted in the TAC, or (ii) could have asserted in any forum that arise out of, relate to, or are based upon the allegations, transactions, facts, matters or occurrences, representations or omissions, set forth in the TAC and relate to or arise from the purchase or acquisition of Orrstown common stock during the Class Period. Released Plaintiff's Claims do not include: (i) any claims relating to the enforcement of the Settlement; and (ii) any claims of any person or entity who or which submits a request for exclusion that is accepted by the Court.

(e) "Releasee(s)" or "Released Parties" mean each and any of the Defendants' Released Parties and each and any of the Plaintiff's Released Parties.

(f) "Unknown Claims" means any Released Plaintiff's Claims which the Plaintiff or Class Member does not know or suspect to exist in their favor at the time of the release of such claims, and any Released Defendants' Claims which Defendants do not know or suspect to exist in their favor at the time of the release of such claims, which, if known by them, might have affected their decision with respect to this Settlement. With respect to any and all Released Claims, the Settling Parties stipulate and agree that, upon the Effective Date of the Settlement, Plaintiff and Defendants shall expressly waive, and each of the other Class Members shall be deemed to have waived, and by operation of the Judgment shall have expressly waived, 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 foreign law, which is similar, comparable, or equivalent to 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.

Plaintiff and Defendants acknowledge, and the Class Members shall be deemed by operation of law to have acknowledged, that the foregoing waiver was separately bargained for and a key element of the Settlement of which this release is a part.

"Effective Date," or the date upon which this Settlement becomes "effective," is the date by which all of these events and conditions, as specified in the Stipulation, have been met and have occurred: (a) the Settlement Amount has been deposited into the Escrow Account; (b) the Court has entered the Preliminary Approval Order, substantially in the form set forth in Exhibit A attached hereto; (c) the Court has granted final approval to the Settlement, following notice to the Class and a hearing, as required by Rule 23 of the Federal Rules of Civil Procedure, and entered the Judgment; (d) Defendants have not exercised their option to terminate the Settlement under the terms provided for in Section IV.7 of the Stipulation; and (e) the Judgment has become Final.

7. How and when can I get a payment?

To be eligible for a payment from the proceeds of the Settlement, you must be a member of the Class and timely complete and return a valid Proof of Claim with adequate supporting documents **submitted online or postmarked no later than June 22, 2023**. A Proof of Claim Form is enclosed with this Notice and is also available at www.OrrstownSecuritiesSettlement.com. The Claims Administrator needs all of the information requested in the Proof of Claim in order to determine if you are eligible to receive a distribution from the Net Settlement Fund. After all Proofs of Claim are submitted, the Claims Administrator will determine the eligibility and validity of the claims and may request further information which is a lengthy process.

Any Class Member who fails to submit a Proof of Claim by the date identified above shall be barred from receiving any distribution from the Net Settlement Fund or payment pursuant to this Settlement unless, by order of the Court or the discretion of Lead Counsel, late-filed Proofs of Claim are accepted, but shall in all other respects be bound by all terms of the Stipulation and Settlement, including the terms of the Judgment and all releases provided for herein and therein, and will be permanently barred and enjoined from bringing any action, claim or other proceeding of any kind against any Released Party concerning the Released Claims.

The Court will hold the Settlement Hearing to decide whether to approve the Settlement and Plan of Allocation, and no payment will be made unless the Court approves the Settlement and the Effective Date occurs (as defined in Section 6). Even if the Court approves the Settlement, there may still be appeals which would delay payment.

8. How much will my payment be? What is the Plan of Allocation?

At this time, it is not possible to make any determination as to how much any individual Class Member may receive from the Settlement. The Plan of Allocation explains how the Net Settlement Fund will be allocated among purchasers and/or acquirers of Orrstown Financial Services, Inc. common stock ("Orrstown Stock") and how Authorized Claimants' "Recognized Claims" will be calculated. Your share of the Net Settlement Fund will depend on several factors, including when you bought and sold your Orrstown Stock and how much you paid. It is unlikely that you will receive payment for your entire Recognized Claim, given the number of potential Class Members. After all Class Members have sent in their Proofs of Claim, the payment any Authorized Claimant will get will be their *pro rata share* of the Net Settlement Fund based on the Plan of Allocation approved by the Court.

PROPOSED 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 misstatements and omissions, as opposed to losses caused by market- or industry-wide factors, or company-specific factors unrelated to the alleged misstatements and omissions. If the Settlement is approved by the Court and the Effective Date occurs, the Net Settlement Fund will be distributed to Class Members who have submitted a valid and timely Proof of Claim pursuant to the following proposed Plan of Allocation. The Court may approve the Plan of Allocation as proposed or it may modify it without further notice to the Class. Any Orders regarding any modification of the Plan of Allocation will be posted on the settlement website, www.OrrstownSecuritiesSettlement.com.

The Plan of Allocation was created with the assistance of work performed by Plaintiff's consulting damages expert and reflects a reasonable allocation of the Net Settlement Fund based on their evaluation of the trading price of Orrstown Stock in relation to the alleged revelation of previously concealed information alleged in the TAC and Action. The Plan of Allocation takes into account the dates on which the public disclosure of relevant information occurred and the market's reaction to this information.

A "**Recognized Claim**" is the sum of the **Recognized Loss amounts for Eligible Shares (defined in Section A. below), as determined in accordance with Section B, below.** The Net Settlement Fund will be distributed to Authorized Claimants on a *pro rata* basis based on the size of their Recognized Claim relative to the aggregate amount of Recognized Claims submitted. If any Authorized Claimant's Distribution Amount is less than \$10.00, it will not be included in the calculation and no distribution will be made to that Authorized Claimant. Also, if any Authorized Claimant has a Market Gain (described below) with respect to its transactions in Orrstown Stock during the Class Period, the value of the Recognized Claim shall be zero. If you suffered an overall Market Loss (described below) with respect to overall transactions in Orrstown Stock during the Relevant Period, but that market loss was less than the total Recognized Claim calculated below, then the Recognized Claim for that security shall be limited to the amount of your actual Market Loss (in other words, your Recognized Claim cannot exceed your Market Loss).

A. **Eligible Shares:** Publicly tradable common shares of Orrstown Financial Services, Inc., that were purchased on or between March 15, 2010, through, and including, April 26, 2012, are potentially eligible for damages under the Securities Act and the Exchange Act. All such shares are deemed "Eligible Shares."

B. Recognized Loss Calculation:

(1) **No Recognized Loss for Sales of Eligible Shares that took place on or before July 14, 2011.** No losses shall be included as a Recognized Loss on any sales of Eligible Shares that occurred on or before July 14, 2011, because such sales of Orrstown Stock occurred before the date of the first public disclosure of relevant information alleged in the TAC. The U.S. securities laws allow investors to seek to recover losses, and give defendants an affirmative defense to limit losses to only those, caused by disclosures that correct misleading statements and omissions. Lead Plaintiff identified that the market reacted to corrective disclosures made on July 15 and 18, 2011, October 27, 2011, January 26, 2012 and April 27, 2012. (Defendants deny such assertions.) Therefore, in order for a Class Member to have a Recognized Loss under the Plan of Allocation, the Orrstown Stock purchased/acquired during the Class Period must not have been sold on or before July 14, 2011.

(2) **Calculation of Recognized Losses on Eligible Shares.** For each Eligible Share, the Recognized Loss for each such share shall be the inflation per share on the date of purchase minus the inflation per share on the date of sale (unless a lower Recognized Loss amount would result by applying the loss limitation and eligibility rules set forth in B(3)(i)-(v) below, in which case the lower amount will apply). The Plan of Allocation and dates in Table I reflect the dates on which the public disclosure of relevant information occurred and the market's reaction to this information. Defendants deny such assertions.

For each Eligible Share that was sold on or after July 15, 2011 through the close of trading on April 26, 2012, the Recognized Loss is the lesser of:

- a. The amount of per-share price inflation on the date of purchase as appears in Table 1 below *minus* the amount of per-share price inflation on the date of sale as appears in Table 1 below; or,
- b. The purchase price *minus* the sale price.

For each Eligible Share that was sold during the period April 27, 2012 and July 26, 2012 (*i.e.* the 90-Day Lookback Period⁵), the Recognized Loss is the *lesser of*:

- The amount of per-share price inflation on the date of purchase as appears in Table I; or
- The purchase price *minus* the sale price; or
- The purchase price *minus* the 90-Day Lookback Value on the date of sale, as provided in Table II below.

For each Eligible Share that was sold or held after July 26, 2012 (*i.e.* the last day of the 90-Day Lookback Period), the Recognized Loss is the *lesser of*:

- The amount of per-share price inflation on the date of purchase as appears in Table I; or
- The purchase price *minus* the 90-Day Lookback Value on July 26, 2012, which is \$7.88.

Table I: Inflation per Eligible Shares Based on Date of Purchase and Sale

Period	Beginning Date for Purchase or Sale	Ending Date for Purchase or Sale	Inflation per Share
1	March 15, 2010	July 14, 2011	\$11.09
2	July 15, 2011	July 18, 2011	\$8.35
3	July 19, 2011	October 27, 2011	\$6.15
4	October 28, 2011	January 26, 2012	\$1.43
5	January 27, 2012	April 26, 2012	\$0.56
6	April 27, 2012	Thereafter	\$0.00

Table II: 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
4/27/2012	\$7.94	5/29/2012	\$7.65	6/27/2012	\$7.67
4/30/2012	\$7.84	5/30/2012	\$7.65	6/28/2012	\$7.68
5/1/2012	\$7.78	5/31/2012	\$7.65	6/29/2012	\$7.68
5/2/2012	\$7.73	6/1/2012	\$7.64	7/2/2012	\$7.69
5/3/2012	\$7.69	6/4/2012	\$7.64	7/3/2012	\$7.70
5/4/2012	\$7.66	6/5/2012	\$7.64	7/5/2012	\$7.72
5/7/2012	\$7.66	6/6/2012	\$7.64	7/6/2012	\$7.74
5/8/2012	\$7.64	6/7/2012	\$7.64	7/9/2012	\$7.75
5/9/2012	\$7.66	6/8/2012	\$7.65	7/10/2012	\$7.76
5/10/2012	\$7.67	6/11/2012	\$7.65	7/11/2012	\$7.78
5/11/2012	\$7.68	6/12/2012	\$7.65	7/12/2012	\$7.80
5/14/2012	\$7.67	6/13/2012	\$7.65	7/13/2012	\$7.81
5/15/2012	\$7.66	6/14/2012	\$7.65	7/16/2012	\$7.83
5/16/2012	\$7.65	6/15/2012	\$7.64	7/17/2012	\$7.84
5/17/2012	\$7.64	6/18/2012	\$7.64	7/18/2012	\$7.85
5/18/2012	\$7.64	6/19/2012	\$7.64	7/19/2012	\$7.86
5/21/2012	\$7.65	6/20/2012	\$7.64	7/20/2012	\$7.86
5/22/2012	\$7.65	6/21/2012	\$7.64	7/23/2012	\$7.87
5/23/2012	\$7.65	6/22/2012	\$7.64	7/24/2012	\$7.87
5/24/2012	\$7.65	6/25/2012	\$7.66	7/25/2012	\$7.88
5/25/2012	\$7.66	6/26/2012	\$7.67	7/26/2012	\$7.88

⁵ The “90-Day Lookback” provision of the PSLRA is incorporated into the calculation of the Recognized Loss. The limitations on the calculation of the Recognized Loss imposed by the PSLRA are applied such that: (a) Recognized Loss on Eligible Shares of Orrstown Stock purchased during the Class Period and sold during the 90-day period subsequent to the Class Period (the “90-Day Lookback Period”) cannot exceed the difference between the purchase price paid for such shares and the rolling average closing price of Orrstown Stock during the portion of the 90-Day Lookback Period that elapsed as of the date of the sale (the “90-Day Lookback Value”); and, (b) Recognized Losses on Eligible Shares of Orrstown Stock purchased during the Class Period and held as of the close of the 90-Day Lookback Period cannot exceed the difference between the purchase price paid for such shares and the average closing price of Orrstown Stock during the 90-Day Lookback Period.

(3) Additional Provisions Applicable to the Calculation of Recognized Losses

(i) **FIFO Matching:** For Class Members who made more than one purchase/acquisition or sale of Eligible Shares, all such purchases/acquisitions and sales shall be matched on a First-In, First-Out (“FIFO”) basis. Sales made during the Class Period will be matched first against any holdings at the beginning of the Class Period, and then against purchases/acquisitions in chronological order, beginning with the earliest purchase/acquisition made during the Class Period.

(ii) **“Purchase/Sale” Dates:** The date of purchase or date of sale is the “contract” or “trade” date as distinguished from the “settlement” date. The receipt or grant by gift, devise, inheritance, or operation of law of Orrstown Stock during the Class Period shall not be deemed a purchase, acquisition, or sale of such Orrstown Stock for the calculation of a claimant’s Recognized Loss, nor shall such receipt or grant be deemed an assignment of any claim relating to the purchase of such Orrstown Stock unless (i) the donor or decedent purchased or otherwise acquired such Orrstown Stock during the Class Period; (ii) the instrument of gift or assignment specifically provides that it is intended to transfer such rights; and (iii) not Claim Form was submitted by or on behalf of the donor, on behalf of the decedent, or by anyone else with respect to such Orrstown Stock.

(iii) **Fees, Taxes and Commissions Excluded:** All purchase, acquisition, and sale prices shall exclude any fees and commissions.

(iv) **Short Sales and Options:** For short sales, the date of covering a “short sale” is deemed to be the date of purchase of Eligible Shares. The date of a “short sale” is deemed to be the date of sale of the Eligible Shares. Option contracts are not eligible to participate in the Settlement. With respect to Eligible Shares purchased or sold through the exercise of an option, the purchase/sale date of such shares is the exercise date of the option and the purchase/sale price is the exercise price of the option.

(v) **Market Gains and Losses:** With respect to all Orrstown Stock purchased or acquired during the Class Period, 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 Orrstown Stock during the Class Period. For purposes of making this calculation, the Claims Administrator shall determine the difference between (i) the claimant’s Total Purchase Amount⁶ and (ii) the sum of the claimant’s Sales Proceeds⁷ and the claimant’s Holding Value⁸. If the claimant’s Total Purchase Amount *minus* the sum of the claimant’s 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 the claimant had a Market Gain with respect to his, her or its overall transactions in Orrstown Stock during the 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 Orrstown Stock during the Class Period, but that Market Loss was less than the claimant’s Recognized Claim, as calculated above, then the claimant’s Recognized Claim will be limited to the amount of the Market Loss.

(vi) **Determination of the Distribution Amount:** If the sum total of Recognized Claims of all Authorized Claimants who are entitled to receive payment out of the Net Settlement Fund is greater than the Net Settlement Fund, each Authorized Claimant shall receive this, her or its *pro rata* share of the Net Settlement Fund. The *pro rata* share shall be the Authorized Claimant’s Recognized Claim divided by the total of Recognized Claims of all Authorized Claimants, multiplied by the total amount in the Net Settlement Fund. If the Net Settlement Fund exceeds the sum total amount of the Recognized Claims of all Authorized Claimants entitled to receive payment out of the Net Settlement Fund, the excess amount in the Net Settlement Fund shall be distributed *pro rata* to all Authorized Claimants entitled to receive payment. The Net Settlement Fund will be allocated among all Authorized Claimants whose prorated payment is \$10.00 or greater. If the prorated payment to any Authorized Claimant calculates to less than \$10.00, it will not be included in the calculation (*i.e.*, the Recognized Claim will be deemed to be zero) and no distribution will be made to that Authorized Claimant. Any prorated amounts of less than \$10.00 will be included in the pool distributed to those whose prorated payments are \$10.00 or greater.

(vii) **Contesting Claim Determination:** Once the Claims Administrator has considered a timely submitted Proof of Claim, it shall determine whether such claim is valid, deficient, or rejected. For each claim determined to be either deficient or rejected, the Claims Administrator shall send a deficiency letter or rejection letter, as appropriate, describing the basis on which the claim was so determined. If any claimant whose claim has been rejected in whole or in part wishes to contest such rejection, the claimant must, within twenty (20) calendar days after the date of mailing of the notice of rejection, serve upon the Claims Administrator a notice and statement of reasons indicating the claimant’s ground for contesting the rejection

⁶ The “Total Purchase Amount” is the total amount the claimant paid (excluding all fees, taxes and commissions) for all Orrstown Stock purchased or acquired during the Class Period.

⁷ The Claims Administrator shall match any sales of Orrstown Stock during the Class Period first against the claimant’s opening position in Orrstown Stock (the proceeds of those sales will not be considered for purposes of calculating market gains or losses). The total amount received for sales of Orrstown Stock sold during the Class Period and Lookback Period is the “Sales Proceeds.”

⁸ For each share of Orrstown Stock purchased or acquired during the Class Period that was still held as of the close of trading on July 26, 2012, the Claims Administrator shall ascribe a “Holding Value” of \$7.88.

along with any supporting documentation. If an issue concerning a claim cannot be otherwise resolved, the claimant may thereafter present the request for review to the Court.

(viii) **Re-Distribution:** After the initial distribution of the Net Settlement Fund, the Claims Administrator will make reasonable and diligent efforts to have Authorized Claimants cash their distribution checks. To the extent any monies remain in the Net Settlement Fund six (6) months after the initial distribution, if Lead Counsel, in consultation with the Claims Administrator, determines that it is cost-effective to do so, the Claims Administrator will conduct a re-distribution of the funds remaining after payment of any unpaid fees and expenses incurred in administering the Settlement, including for such re-distribution, to Authorized Claimants who have cashed their initial distributions and who would receive at least \$10.00 from such re-distribution. Additional re-distributions to Authorized Claimants who have cashed their prior checks and who would receive at least \$10.00 on such additional re-distributions may occur thereafter if Lead Counsel, in consultation with the Claims Administrator, determine that additional re-distributions, after the deduction of any additional fees and expenses incurred in administering the Settlement, including for such re-distributions, would be cost-effective. At such time as it is determined that the re-distribution of funds remaining in the Net Settlement Fund is not cost-effective, the remaining balance shall be contributed to non-sectarian, not-for-profit organization(s), to be recommended by Lead Counsel and approved by the Court.

(ix) **Jurisdiction:** Each Authorized Claimant will be deemed to have submitted to the jurisdiction of the Court with respect to their Proof of Claim. The Court has reserved jurisdiction to hear an appeal of any determination regarding a Class Member's claim and to allow, disallow, or adjust the claim of any Class Member on equitable grounds.

Payment pursuant to the Plan of Allocation is conclusive against all Authorized Claimants. Defendants will have no responsibility or liability whatsoever for the investment of the Settlement Fund, the distribution of the Net Settlement Fund, the Plan of Allocation, or the calculation or payment of any claim. No Person shall have any claim against Defendants and their counsel, Plaintiff, Lead Counsel, or the Claims Administrator, based on determinations or distributions made substantially in accordance with the Stipulation and the Settlement contained herein, the Plan of Allocation, or further order(s) of the Court.

9. How do I "opt out" (exclude myself) from the Class and proposed Settlement?

To "opt out" (exclude yourself) from the Class, you must deliver or mail a written and signed request for exclusion ("Request for Exclusion") by First-Class Mail stating that you: "request exclusion from the Class in *Southeastern Pennsylvania Transportation Authority, et al., v. Orrstown Financial Services, et al*, Civil Action No. 1:12-cv-00993 (M.D. Pa.)." Your Request for Exclusion must also state (a) the name, address, and telephone number of the Person requesting exclusion; and (b) information on the Person's purchases, acquisitions and sales of Orrstown common stock during the Class Period, with supporting documentation for the Person's transactions in Orrstown common stock reported therein, such as broker confirmation slips, broker account statements, an authorized statement from the broker containing the transactional information found in a broker confirmation slip, or such other documentation as is deemed adequate by Lead Counsel. This information is needed to determine whether you are a Class Member.

You must submit your Request for Exclusion addressed to Orrstown Securities Settlement, c/o Kroll Settlement Administration, EXCLUSIONS, P.O. Box 5324, New York, NY 10150-5324. The Request for Exclusion **must be postmarked on or before April 28, 2023**. You cannot exclude yourself after that date and cannot exclude yourself or opt out by telephone or by email.

The Request for Exclusion shall not be effective and valid unless it provides the required information and is made within the time stated above, or the exclusion is otherwise accepted by the Court. Your request for exclusion must comply with these requirements in order to be valid. **If you are excluded, you will not be eligible to get any payment from the Settlement proceeds and you cannot object to the Settlement, the proposed Plan of Allocation or the application for attorneys' fees and expenses.** Any Person who submits a valid and timely Request for Exclusion may, at any point up to five (5) calendar days before the Settlement Hearing, submit a written revocation of their Request for Exclusion following the same instructions as above. Defendants have the right to terminate the Settlement if timely and valid Requests for Exclusion are received from Class Members in an amount that exceeds an amount agreed to by the Lead Plaintiff and Defendants.

10. If I do not exclude myself, can I sue Defendants and other Released Parties for the same thing later?

No. Unless you exclude yourself, you give up any rights you or the Releasing Plaintiff Parties may have to sue Defendants and other Released Parties for all Released Claims, and you will be bound by all determinations and judgments in this Action, whether favorable or unfavorable.

11. Do I have a lawyer in this case?

The Court appointed the law firm of Chimicles Schwartz Kriner & Donaldson-Smith LLP as Lead Counsel to represent all Class Members. You will not be separately charged for the services of these lawyers. The Court will determine the amount of Lead Counsel's fees and expenses, and any such fees and expenses awarded by the Court will be paid from the Settlement Fund. If you want to be represented by your own lawyer, you may hire one at your own expense.

12. How will Plaintiff's lawyers be paid?

Lead Counsel have not received any payment for their services, nor have they been paid or reimbursed at this point for any of their Litigation expenses. Lead Counsel will ask the Court to award them, from the Settlement Fund, attorneys' fees of up to thirty-five percent (35%) of the Settlement Amount, plus Litigation expenses they have incurred in an amount not to exceed \$800,000, plus interest on both amounts from the date of funding at the same rate earned by the Settlement Fund. The Court will determine the amount of any award of attorneys' fees or reimbursement of litigation expenses, and such sums as may be approved by the Court will be paid from the Settlement Fund.

13. How do I tell the Court that I do not like something about the proposed Settlement?

If you are a Class Member and do not exclude yourself ("opt out"), you can object to any part of the Settlement, the Plan of Allocation, or Lead Counsel's motion for an award of attorneys' fees and reimbursement of Litigation expenses. **Unless the Court orders otherwise, any Class Member who does not object in the manner described in this Section 13 will be deemed to have waived any objection and shall forever be foreclosed from making any objection to the Settlement, Plan of Allocation or Lead Counsel's motion for an award of attorneys' fees and reimbursement of Litigation expenses.**

The objection must be in writing and must: (i) state the name, address, and telephone number of the objector and must be signed by the objector (even if the objector is represented by counsel); (ii) state whether the objector is a Class Member; (iii) include documents sufficient to prove the objector's membership in the Class, such as documents sufficient to show the number of Orrstown Financial Services, Inc. common shares purchased or acquired during the Class Period, as well as the dates and prices of each such purchase or acquisition; (iv) state what the objector is objecting to, such as the proposed Settlement, the Plan of Allocation, or Plaintiff's Fee and Expense Application; (v) state the objection(s) and the specific reasons for each objection, including legal and evidentiary support the objector wishes to bring to the Court's attention; (vi) state with specificity whether the objection applies only to the objector, to a specific subset of the Class, or to the entire Class; (vii) state whether the objector is represented by counsel; and (viii) identify any other class actions to which either the objector or their counsel has previously objected within the preceding five years.

Your written objection, including copies of any papers and briefs in support of such objections, must be both: (i) filed with the Court by hand or by mail such that it is **received (not just postmarked) on or before April 28, 2023** by the Clerk's Office at the address below; and, (ii) served on Lead Counsel and Orrstown's Counsel at the below addresses, so that the papers are **received (not just postmarked) on or before April 28, 2023**.

Clerk's Office

Clerk of the United States District Court
Middle District of Pennsylvania
Sylvia H. Rambo United States Courthouse
1501 N 6th St, Harrisburg, PA 17102

Lead Counsel

Nicholas E. Chimicles
Kimberly M. Donaldson-Smith
Timothy N. Mathews
**Chimicles Schwartz Kriner &
Donaldson-Smith LLP**
361 West Lancaster Avenue
Haverford, Pennsylvania 19041
610-642-8500

**Orrstown's Counsel on Behalf of
Defendants**

David J. Creagan
David E. Edwards
Farzana Islam
White and Williams, LLP
1650 Market Street, Suite 1800
Philadelphia, Pennsylvania 19103

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

The Court will hold a Settlement Hearing at 10:00 a.m., on May 19, 2023, before the Honorable Yvette Kane, United States District Judge, at the United States District Court for the Middle District of Pennsylvania, Sylvia H. Rambo United States Courthouse, 1501 N 6th St, Harrisburg, PA 17102, to determine whether to approve the Settlement, the proposed Plan of Allocation, and Lead Counsel's request for attorneys' fees and expenses. The Court will also consider written objections filed in accordance with the instructions set out above. We do not know how long it will take the Court to make these decisions. The Court may change the date and time of the Settlement Hearing without further notice to Class Members. If you want to attend the hearing, please check with Lead Counsel, review the docket, or review the Settlement website to be sure that the date or time has not changed.

15. Do I have to come to the Settlement Hearing, and may I speak if I do?

You do not have to attend the Settlement Hearing. Lead Counsel will answer any questions the Court may have.

But, you are welcome to come at your own expense. If you validly submit an objection, you do not have to come to Court to talk about your objection. However, if you wish to speak at the Settlement Hearing about your objection, you may ask the Court for permission to do so by including with your objection a statement that it is your "notice of intention to appear in *Southeastern Pennsylvania Transportation Authority, et al., v. Orrstown Financial Services, et al*, Civil Action No. 1:12-cv-00993 (M.D. Pa.)."

You also are not required to hire an attorney to represent you, but if you decide to hire an attorney, it will be at your own expense, and that attorney must file a notice of appearance with the Clerk's Office and serve it on Counsel at the addresses set forth in Section 13 above so that such notice is **received (not just postmarked) on or before April 28, 2023**.

16. What happens if I do nothing at all?

If you do nothing, you will get no money from this Settlement and you and your Releasing Plaintiff Parties will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendants and their Related Parties about the Released Claims in this case.

17. Are there more details about the proposed Settlement and the lawsuit?

This Notice summarizes the proposed Settlement. You can contact the Claims Administrator at 833-709-0094, or Lead Counsel (information in Section 13, above), or visit the Settlement website at www.OrrstownSecuritiesSettlement.com. The Settlement website has a copy of the Stipulation and other documents concerning the Settlement. All documents filed in the Action can be accessed during business hours at the Office of the Clerk of the Court, Sylvia H. Rambo United States Courthouse, 1501 N 6th St, Harrisburg, PA 17102, or through the Court's Public Access to Court Electronic Records (PACER) system at <https://pacer.uscourts.gov/>. **Please do not call the Court, the Clerk's Office, Defendants, or Defendants' Counsel with questions about the Settlement.**

18. What if I bought the common stock on someone else's behalf?

If you purchased or otherwise acquired Orrstown common stock during the Class Period for the beneficial interest of another, you must either (1) within ten (10) calendar days after receipt of this Notice, request from the Claims Administrator sufficient copies of the Notice and the Claim Forms to forward to all such beneficial owners and within ten (10) calendar days after receipt of these Notices and Claim Forms forward them to all such beneficial owners; or (2) within ten (10) calendar days after receipt of this Notice, provide a list of the names, last known addresses and, if possible, email addresses of all such beneficial owners to the Claims Administrator at info@OrrstownSecuritiesSettlement.com or Orrstown Securities Settlement, c/o Kroll Settlement Administration, P.O. Box 5324, New York, NY 10150-5324. If you choose the second option, the Claims Administrator will send a copy of the Notice and Claim Form to the beneficial owners you have identified on your list, either by physically mailing or by electronic means.

Additional copies of the Notice and Claim Form shall be made available to any nominee requesting same for the purpose of distribution to beneficial owners and can be obtained from the Settlement website at www.OrrstownSecuritiesSettlement.com. Regardless of whether you choose to complete the physical or electronic mailing yourself or elect to have such mailing performed for you, if requested, you may obtain reimbursement out of the Settlement Fund solely for administrative costs actually incurred in connection with forwarding the Notice and which would not have been incurred but for the obligation to forward the Notice up to \$0.20 per record plus postage (if applicable), upon submission of appropriate documentation to the Claims Administrator, and subject to further order of this Court with respect to any dispute concerning such reimbursement.

PLEASE DO NOT CONTACT THE COURT FOR INFORMATION OR QUESTIONS ABOUT THE TERMS OF THE SETTLEMENT. INSTEAD, PLEASE DIRECT ALL QUESTIONS TO LEAD COUNSEL AND/OR THE CLAIMS ADMINISTRATOR, AS DIRECTED ABOVE.

DATED: FEBRUARY 1, 2023

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF PENNSYLVANIA

MUST BE POSTMARKED
(IF MAILED) OR
RECEIVED
(IF SUBMITTED ONLINE)
NO LATER THAN
JUNE 22, 2023

Orrstown Securities Settlement
c/o Kroll Settlement Administration
P.O. Box 5324
New York, NY 10150-5324
833-709-0094

www.OrrstownSecuritiesSettlement.com

Email: info@OrrstownSecuritiesSettlement.com

PROOF OF CLAIM AND RELEASE FORM

Please Type or Print - Use Blue or Black Ink Only

For Office Use
Only

To be eligible to receive a share of the Net Settlement Fund in connection with the Settlement of this Action, you must be a Settlement Class Member and complete and sign this Proof of Claim and Release Form ("Claim Form") and either submit it online at www.OrrstownSecuritiesSettlement.com or mail it by First-Class Mail to the above address. Your Claim Form must be **submitted online or postmarked no later than June 22, 2023**.

Failure to submit your Claim Form by the date specified will subject your claim to rejection and may preclude you from being eligible to recover any money in connection with the Settlement.

Do not mail or deliver your Claim Form to the Court, the Settling Parties or their counsel. Submit your Claim Form only to the Claims Administrator at the address set forth above.

PART I – CLAIMANT INFORMATION

(Please read General Instructions below before completing this page.)

The Claims Administrator will use this information for all communications regarding this Claim Form. Please also note that, if eligible for payment, the check will be issued according to the information listed below. If this information changes, you **MUST** notify the Claims Administrator in writing at the address above.

Beneficial Owner (Enter name exactly as you would like it to appear on a payment.)

Beneficial Owner (continued)

Beneficial Owner (continued)

Street Address:

Street Address:

City: State: Zip Code: -

Foreign Province: Foreign Postal Code:

Foreign Country:

Area Code Telephone No. (day)

Area Code Telephone No. (evening)

Account Number¹ (account(s) through which the securities were traded):

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.):

Last Four Digits of
Social Security Number

OR

Last Four Digits of Taxpayer Identification
Number (for estates, corporations, etc.)

¹ If the account number is unknown, you may leave this blank. If the same legal entity traded through more than one account you may write "multiple." Please see paragraph 12 of the General Instructions for more information on when to file separate Claim Forms for multiple accounts, i.e., when you are filing on behalf of distinct legal entities.

PART II – GENERAL INSTRUCTIONS

1. It is important that you completely read and understand the Notice of Pendency of Class Action and Proposed Settlement, Motion for Attorneys’ Fees, and Settlement Hearing (the “Notice”) that accompanies this Claim Form, including the Plan of Allocation of the Net Settlement Fund set forth in the Notice. The Notice describes the proposed Settlement, how Settlement Class Members are affected by the Settlement, and the manner in which the Net Settlement Fund will be distributed if the Settlement and Plan of Allocation are approved by the Court. The Notice also contains the definitions of many of the defined terms (which are indicated by initial capital letters) used in this Claim Form. By signing and submitting this Claim Form, you will be certifying that you have read and that you understand the Settlement Notice, including the terms of the releases described therein and provided for herein.

2. This Claim Form is directed to all persons who and entities that purchased or otherwise acquired the common stock of Orrstown Financial Services, Inc. from March 15, 2010 through April 26, 2012, inclusive (the “Class Period”). All persons who and entities that are members of the Class are referred to as “Class Members.”

3. Excluded from the Class are (a) Defendants and their families, officers, affiliates, entities in which they have or had a controlling interest, and the legal representatives, heirs, successors-in-interest or assigns of any such excluded party; and, (b) Any Persons who timely and validly request and submit exclusion from the Class, pursuant to the requirements described in Section 9 in the Notice, that is accepted by the Court.

4. If you are not a Class Member do not submit a Claim Form. **YOU MAY NOT, DIRECTLY OR INDIRECTLY, PARTICIPATE IN THE SETTLEMENT IF YOU ARE NOT A CLASS MEMBER. THUS, IF YOU ARE EXCLUDED FROM THE SETTLEMENT CLASS (AS SET FORTH IN PARAGRAPH 3 ABOVE), ANY CLAIM FORM THAT YOU SUBMIT, OR THAT MAY BE SUBMITTED ON YOUR BEHALF, WILL NOT BE ACCEPTED.**

5. If you are a Class Member, you will be bound by the terms of any judgments or orders entered in the Action **WHETHER OR NOT YOU SUBMIT A CLAIM FORM**, unless you submit a valid and timely request for exclusion from the Class. Thus, if you are a Class Member, the Judgment will release, and you will be barred and enjoined from commencing, instituting, prosecuting, or continuing to prosecute any action or other proceeding in any court of law or equity, arbitration tribunal, or administrative forum, asserting each and every Released Plaintiff’s Claim (including Unknown Claims) against Defendants’ Released Parties.

6. You are eligible to participate in the distribution of the Net Settlement Fund only if you are a member of the Class and if you complete and return this form as specified below. If you fail to submit a timely, properly addressed, and completed Claim Form with the required documentation, your claim may be rejected and you may be precluded from receiving any distribution from the Net Settlement Fund.

7. Submission of this Claim Form does not guarantee that you will share in the proceeds of the Settlement. The distribution of the Net Settlement Fund will be governed by the Plan of Allocation set forth in the Settlement Notice, if it is approved by the Court, or by such other plan of allocation approved by the Court.

8. Any Class Member who files a Claim Form shall reasonably cooperate with the Claims Administrator, including by promptly responding to any inquiry made by the Claims Administrator.

9. Use the Schedule of Transactions in Section III of this Claim Form to supply all required details of your transaction(s) (including free transfers) in and holdings of Orrstown Stock. On the Schedule of Transactions, please provide all of the requested information with respect to your holdings, purchases, acquisitions, and sales of Orrstown Stock, whether such transactions resulted in a profit or a loss. Failure to report all transaction and holding information during the requested time periods may result in the rejection of your claim.

10. Please note: Only Orrstown Common Stock purchased or acquired during the Class Period is eligible under the Settlement. However, because the PSLRA provides for a “90-day look back period” (described in the Plan of Allocation set forth in the Notice), you must provide documentation related to your purchases and sales of Orrstown Stock during the period from April 27, 2012 through and including July 26, 2012 (*i.e.*, the 90-day look back period) in order for the Claims Administrator to calculate your Recognized Loss amount under the Plan of Allocation and process your claim.

11. You are required to submit genuine and adequate documentation for all of your transactions and holdings in Orrstown Stock that are set forth in the Schedule of Transactions in this Claim Form. Documentation may consist of copies of broker confirmation slips, broker account statements, or an authorized statement from the broker containing the transactional and holding information found in a broker confirmation slip and or account statement. The Parties and the Claims Administrator do not independently have information about your investments in Orrstown Stock. **IF SUCH DOCUMENTS ARE NOT IN YOUR POSSESSION, PLEASE OBTAIN COPIES OR EQUIVALENT CONTEMPORANEOUS DOCUMENTS FROM YOUR BROKER. FAILURE TO SUPPLY THIS DOCUMENTATION MAY RESULT IN THE REJECTION OF YOUR CLAIM. DO NOT SEND ORIGINAL DOCUMENTS. Please keep a copy of all documents that you send to the Claims Administrator. Also, please do not highlight any portion of the Claim Form or any supporting documents.**

12. Separate Claim Forms should be submitted for each separate legal entity (*e.g.*, a claim from joint owners should not include separate transactions through an account that is in the name of just one of the joint owners, and an individual should not combine his or her IRA transactions with transactions made through an account in the individual’s name). Conversely, a single Claim Form should be submitted on behalf of one legal entity, including all transactions made by that entity on one Claim Form, no matter how many separate accounts that entity has (*e.g.*, a corporation with multiple brokerage accounts should include all transactions made in all accounts on one Claim Form).

13. All joint beneficial owners must sign this Claim Form. If you purchased or otherwise acquired Orrstown Stock during the Class Period and held the Orrstown Stock in your name, you are the beneficial owner as well as the record owner and you must sign this Claim Form to participate in the Settlement. If, however, you purchased or otherwise acquired Orrstown Stock during the Class Period and the Orrstown Stock was registered in the name of a third party, such as a nominee or brokerage firm, you are the beneficial owner of these securities, but the third party is the record owner. The beneficial owner, not the record owner, must sign this Claim Form.

14. Agents, executors, administrators, guardians, and trustees must complete and sign the Claim Form on behalf of persons represented by them, and they must:

(a) expressly state the capacity in which they are acting;

(b) identify the name, account number, Social Security Number (or Taxpayer Identification Number), address and telephone number of the beneficial owner of (or other person or entity on whose behalf they are acting with respect to) the Orrstown Stock; and,

(c) furnish herewith evidence of their authority to bind to the Claim Form the person or entity on whose behalf they are acting. (Authority to complete and sign a Claim Form cannot be established by stockbrokers demonstrating only that they have discretionary authority to trade stock in another person's accounts.)

15. By submitting a signed Claim Form, you will be swearing that you:

(a) own(ed) the Orrstown Stock you have listed in the Claim Form; or

(b) are expressly authorized to act on behalf of the owner thereof.

16. If the Court approves the Settlement, payments to eligible Authorized Claimants pursuant to the Plan of Allocation (or such other plan of allocation as the Court approves) will be made after the completion of all claims processing. This could take substantial time. Please be patient.

17. PLEASE NOTE: As set forth in the Plan of Allocation, each Authorized Claimant shall receive his, her or its *pro rata share* of the Net Settlement Fund. **If the prorated payment to any Authorized Claimant, however, calculates to less than \$10.00, it will not be included in the calculation and no distribution will be made to that Authorized Claimant.**

18. By submitting a signed Claim Form, you will be swearing to the truth of the statements contained therein and the genuineness of the documents attached thereto, subject to penalties of perjury under the laws of the United States of America. The making of false statements, or the submission of forged or fraudulent documentation, will result in the rejection of your claim and may subject you to civil liability or criminal prosecution.

19. If you have questions concerning the Claim Form, or need additional copies of the Claim Form or the Settlement Notice, you may contact the Claims Administrator, Kroll Settlement Administration, LLC by emailing info@OrrstownSecuritiesSettlement.com, by toll-free telephone at 833-709-0094, or by writing to Orrstown Securities Settlement, c/o Kroll Settlement Administration, P.O. Box 5324, New York, NY 10150-5324. You may also download the documents from the Settlement website, www.OrrstownSecuritiesSettlement.com.

20. 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. To obtain the mandatory electronic filing requirements and file layout, you may visit the Settlement website at www.OrrstownSecuritiesSettlement.com or you may email the Claims Administrator at info@OrrstownSecuritiesSettlement.com. Any file not in accordance with the required electronic filing format will be subject to rejection. No electronic files will be considered to have been properly submitted unless the Claims Administrator issues an email to that effect after processing your file with your claim numbers and respective account information. Do not assume that your file has been received or processed until you receive this email. If you do not receive such an email within 10 days of your submission, you should contact the electronic filing department at info@OrrstownSecuritiesSettlement.com to inquire about your file and confirm it was received and acceptable.

IMPORTANT: PLEASE NOTE

FOR MAILED CLAIMS, YOU WILL RECEIVE AN ACKNOWLEDGEMENT POSTCARD. THE CLAIMS ADMINISTRATOR WILL ACKNOWLEDGE RECEIPT OF YOUR CLAIM FORM BY MAIL WITHIN 60 DAYS. IF YOU DO NOT RECEIVE AN ACKNOWLEDGEMENT POSTCARD WITHIN 60 DAYS, PLEASE CALL THE CLAIMS ADMINISTRATOR TOLL FREE AT 833-709-0094.

PART III – SCHEDULE OF TRANSACTIONS IN ORRSTOWN COMMON STOCK

Complete this Part III if and only if you purchased/acquired common stock of Orrstown Financial Services, Inc. (“Orrstown Stock”) from March 15, 2010 through April 26, 2012, inclusive (“Class Period”). Please include proper documentation with your Claim Form as described in detail in Part II – General Instructions, Paragraph 11, above.

1. BEGINNING HOLDINGS – State the total number of shares of Orrstown Stock held as of the opening of trading on March 15, 2010. (Must be documented.) If none, write “zero” or “0.” _____

2. PURCHASES/ACQUISITIONS DURING THE CLASS PERIOD – Separately list each and every purchase/acquisition (including free receipts) of Orrstown Stock from after the opening of trading on March 15, 2010, through and including the close of trading on April 26, 2012. (Must be documented.)

Date of Purchase/Acquisition (List Chronologically) (Month/Day/Year)	Number of Shares Purchased/Acquired	Purchase/ Acquisition Price Per Share (check box if result of a stock option)	Total Purchase/ Acquisition Price (excluding taxes, commissions, and fees)
/ /		\$ <input type="checkbox"/>	\$
/ /		\$ <input type="checkbox"/>	\$
/ /		\$ <input type="checkbox"/>	\$
/ /		\$ <input type="checkbox"/>	\$

3. PURCHASES/ACQUISITIONS DURING THE 90-DAY LOOKBACK PERIOD – State the total number of shares of Orrstown Stock purchased/acquired (including free receipts) from after the opening of trading on April 27, 2012, through and including the close of trading on July 26, 2012. If none, write “zero” or “0.”² _____

4. SALES DURING THE CLASS PERIOD AND THROUGH JULY 26, 2012 – Separately list each and every sale/disposition (including free deliveries) of Orrstown Stock from after the opening of trading on March 15, 2010, through and including the close of trading on July 26, 2012, the end of the 90-Day Lookback Period. (Must be documented.)

**IF NONE,
CHECK HERE**
☐

Date of Sale (List Chronologically) (Month/Day/Year)	Number of Shares Sold	Sale Price Per Share (check box if result of a stock option)	Total Sale Price (excluding taxes, commissions, and fees)
/ /		\$ <input type="checkbox"/>	\$
/ /		\$ <input type="checkbox"/>	\$
/ /		\$ <input type="checkbox"/>	\$

5. ENDING HOLDINGS – State the total number of shares of Orrstown Common Stock held as of the close of trading on July 26, 2012. (Must be documented.) If none, write “zero” or “0.” _____

**IF YOU NEED ADDITIONAL SPACE TO LIST YOUR TRANSACTIONS YOU MUST
PHOTOCOPY THIS PAGE AND CHECK THIS BOX** ☐

IF YOU DO NOT CHECK THIS BOX THESE ADDITIONAL PAGES WILL NOT BE REVIEWED

² Please note: Information requested with respect to your purchases/acquisitions of Orrstown Stock from after the opening of trading on April 27, 2012, through and including July 26, 2012, is needed in order to balance your claim; but purchases/acquisitions during this period are **not** eligible under the Settlement and will not be used for purposes of calculating your Recognized Loss pursuant to the Plan of Allocation.

PART IV – RELEASE OF CLAIMS AND SIGNATURE**YOU MUST ALSO READ THE RELEASE AND CERTIFICATION
BELOW AND SIGN ON PAGES 5-6 OF THIS CLAIM FORM.**

I (we) hereby acknowledge that as of the Effective Date of the Settlement, pursuant to the terms set forth in the Stipulation, I (we), on behalf of myself (ourselves) and my (our) respective current and former parents, affiliates, subsidiaries, successors, predecessors, assigns, assignees, officers, directors, heirs, trusts, trustees, executors, estates, administrators, beneficiaries, agents, insurers, reinsurers, and advisors, in their capacities as such and who has the right, ability, standing, or capacity to assert or maintain any of the Released Claims, shall be deemed to have, and by operation of law and of the Judgment shall have, fully, finally, and forever compromised, settled, released, resolved, relinquished, waived and discharged each and every Released Plaintiff's Claim (as defined in the Stipulation and in the Notice) against Defendants' Released Parties (as defined in the Stipulation and in the Settlement Notice), and shall forever be barred and enjoined from commencing, instituting, prosecuting, or maintaining any and all of the Released Claims against any of the Defendants' Released Parties in any jurisdiction.

CERTIFICATION

By signing and submitting this Claim Form, the Claimant(s) or the person(s) who represent(s) the Claimant(s) certifies (certify), as follows:

1. that I (we) have read and understand the contents of the Notice and this Claim Form, including the releases provided for in the Settlement and the terms of the Plan of Allocation;
2. that the Claimant(s) is a (are) Class Member(s), as defined in the Notice and in paragraph 2 on page 2 of this Claim Form, and is (are) not excluded from the Class by definition or pursuant to request as set forth in the Notice and in paragraph 3 on page 2 of this Claim Form;
3. that I (we) own(ed) the Orrstown Stock identified in the Claim Form and have not assigned the claim against the Defendants' Released Parties to another, or that, in signing and submitting this Claim Form, I (we) have the authority to act on behalf of the owner(s) thereof;
4. that the Claimant(s) has (have) not submitted any other claim covering the same purchases/acquisitions of Orrstown Stock and knows (know) of no other person having done so on the Claimant's (Claimants') behalf;
5. that the Claimant(s) submit(s) to the jurisdiction of the Court with respect to Claimant's (Claimants') claim and for purposes of enforcing the releases identified above and in the Notice;
6. that I (we) agree to furnish such additional information with respect to this Claim Form as Lead Counsel, the Claims Administrator or the Court may require;
7. that the Claimant(s) waive(s) the right to trial by jury, to the extent it exists, and agree(s) to the Court's summary disposition of the determination of the validity and amount of the claim made by means of this Claim Form and knowingly and intentionally waive(s) any right of appeal to any court including the U.S. Court of Appeals for the Third Circuit;
8. that I (we) acknowledge that the Claimant(s) will be bound by and subject to the terms of any judgment(s) that may be entered in the Action; and
9. that the Claimant(s) is (are) NOT subject to backup withholding under the provisions of Section 3406(a)(1)(C) of the Internal Revenue Code because (a) the Claimant(s) is (are) exempt from backup withholding or (b) the Claimant(s) has (have) not been notified by the IRS that he/she/it is subject to backup withholding as a result of a failure to report all interest or dividends or (c) the IRS has notified the Claimant(s) that he/she/it is no longer subject to backup withholding. **If the IRS has notified the Claimant(s) that he, she, or it is subject to backup withholding, please strike out the language in the preceding sentence indicating that the claim is not subject to backup withholding in the certification above.**

UNDER THE PENALTIES OF PERJURY, I (WE) CERTIFY THAT ALL OF THE INFORMATION PROVIDED BY ME (US) ON THIS CLAIM FORM IS TRUE, CORRECT, AND COMPLETE, AND THAT THE DOCUMENTS SUBMITTED HERewith ARE TRUE AND CORRECT COPIES OF WHAT THEY PURPORT TO BE.

Signature of Claimant

____/____/_____
Date (mm/dd/yyyy)

Print your name here

Signature of Joint Claimant, if any

____/____/_____
Date (mm/dd/yyyy)

Print your name here

If the Claimant is other than an individual, or is not the person completing this form, the following also must be provided:

Signature of person signing on behalf of Claimant

Date

Print your name here

CAPACITY OF PERSON SIGNING ON BEHALF OF CLAIMANT, IF OTHER THAN AN INDIVIDUAL, *E.G.*, EXECUTOR, PRESIDENT, TRUSTEE, CUSTODIAN, *ETC.* (MUST PROVIDE EVIDENCE OF AUTHORITY TO ACT ON BEHALF OF CLAIMANT – SEE PARAGRAPH 14 ON PAGE 3 OF THIS CLAIM FORM.)

REMINDER CHECKLIST:

1. Please sign the above release and certification. If this Claim Form is being made on behalf of joint Claimants, then both must sign.
2. Remember to attach only **copies** of acceptable supporting documentation as these documents will not be returned to you.
3. Please do not highlight any portion of the Claim Form or any supporting documents.
4. Do not send original security certificates or documentation. These items cannot be returned to you by the Claims Administrator.
5. Keep copies of the completed Claim Form and documentation for your own records.
6. The Claims Administrator will acknowledge receipt of your mailed Claim Form by mail, within 60 days. **If you do not receive an acknowledgement postcard within 60 days, please email the Claims Administrator at info@OrrstownSecuritiesSettlement.com, or call toll-free at 833-709-0094.**
7. If any claimant whose claim has been rejected in whole or in part wishes to contest such rejection, the claimant must, within twenty (20) calendar days after the date of mailing of the notice of rejection, serve upon the Claims Administrator a notice and statement of reasons indicating the claimant's ground for contesting the rejection along with any supporting documentation. If an issue concerning a claim cannot be otherwise resolved, the claimant may thereafter present the request for review to the Court.
8. If your address changes in the future, or if this Claim Form was sent to an old or incorrect address, please send the Claims Administrator written notification of your new address. If you change your name, please inform the Claims Administrator.
9. If you have any questions or concerns regarding your claim, please contact the Claims Administrator at the address below, by email at info@OrrstownSecuritiesSettlement.com, or by toll-free telephone call at 833-709-0094, or visit www.OrrstownSecuritiesSettlement.com. Please DO NOT call the Court, Defendants, or their counsel with questions regarding your claim.

THIS CLAIM FORM MUST BE MAILED TO THE CLAIMS ADMINISTRATOR BY FIRST CLASS MAIL, **POSTMARKED NO LATER THAN JUNE 22, 2023**, ADDRESSED AS FOLLOWS:

Orrstown Securities Settlement
c/o Kroll Settlement Administration
P.O. Box 5324
New York, NY 10150-5324

OR SUBMITTED ONLINE AT WWW.ORRSTOWNSECURITIESSETTLEMENT.COM ON OR BEFORE JUNE 22, 2023.

A Claim Form received by the Claims Administrator shall be deemed to have been submitted (when posted) if a postmark date on or before June 22, 2023 is indicated on the envelope and it is mailed First Class, and addressed in accordance with the above instructions. In all other cases, a Claim Form shall be deemed to have been submitted when actually received by the Claims Administrator.

You should be aware that it will take a significant amount of time to fully process all of the Claim Forms. Please be patient and notify the Claims Administrator of any change of address.

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Orrstown Securities Settlement
c/o Kroll Settlement Administration
P.O. Box 5324
New York, NY 10150-5324

EXHIBIT B-1

A12 WEEK OF FEBRUARY 27, 2023

MUTUAL FUND PERFORMANCE

INVESTORS.COM

3-Mo Performance Rating / Fund	YTD 12Wk % / % After Chg / Chg (Tax Rtn)	5 Yr % Value	Net Asset NAV
Invesco Funds Y			
\$29.3 bil 800-959-4246			
E Dev Mkt	+0 +8 -1.0	37.52	0.00
B+ Discovery	+0 +0 +8	94.96	1.15
C+ Intl Sm Co	+0 +3 +2	41.04	0.16
C OppenIntGro	+0 +4 +1	35.28	0.11
A+ SP MLP SI	+0 +4 +2	6.99	0.03
Ivy Funds			
\$28.0 bil 800-923-3355			
A+ Core Equity	+0 +0 +6	14.56	0.06
A+ LargeCapGro	+0 +2 +9	25.88	0.20
A MidCapGrowth	+0 +6 +9	29.60	0.22
B Science&Tec+11	+4 +6	40.63	0.46
A Value Fund	+0 +0 +5	21.86	-0.03
-J-K-L-			
Janus Henderson C			
\$25.6 bil 800-525-0020			
C+ Balanced	+0 +0 +4	38.08	0.18
Janus Henderson S			
\$25.6 bil 800-525-0020			
A+ Enterprise	+0 +7 +8	123.63	0.32
JHIF Hl Dispal			
\$30.1 bil 888-972-8696			
A+ Ds Val	+0 -2 +5	21.33	0.08
A+ DVMC	+0 +3 +6	25.95	0.09
JHITFCpCpCofrd			
\$2.3 bil 800-225-5291			
A+ HancockFdmm+0+3	+5	54.63	0.37
John Hancock			
\$22.4 bil 800-225-5291			
E HancockBond+0+1	0	13.47	0.05
A+ HancockClsc+0+6	+4	34.29	0.13
C IntG	+0 +6 +2	23.78	0.10
John Hancock Class 1			
\$23.0 bil 800-225-5291			
B+ MM Ls Ag	+0 +3 +4	12.47	0.08
B+ MM Ls Bl	+0 +2 +3	12.00	0.06
B+ MM Ls Gr	+0 +3 +3	12.34	0.06
C MM Ls Md	+0 +2 +2	11.34	0.05
John Hancock Funds A			
\$14.8 bil 800-225-5291			
B+ HancockBals+0-1	+3	22.93	0.05
John Hancock Instl			
\$3.4 bil 888-972-8696			
D Str I O	+0 +1 0	9.69	0.03
JPMorgan A Class			
\$42.5 bil 800-480-4111			
C+ Inv Bal	+0 +2 +2	14.18	0.05
C+ Inv Cvsr Gr	+0 +1 +1	11.66	0.04
B+ Inv Gr&Inc	+0 +2 +3	16.62	0.07
A+ Inv Growth	+0 +2 +4	20.66	0.09
A US Value	+0 -2 +6	65.48	0.18
JPMorgan I Class			
\$76.9 bil 800-480-4111			
D+ Em Mkt Eq	+0 +6 0	29.16	0.05
A Equity Idx	+0 +0 +7	60.28	0.32
A Equity Inc	+0 -3 +7	22.53	0.04
A+ Gro Advlg	+0 +3 +9	25.33	0.29
A+ LgCp Gro	+0 -1 +10	46.84	0.31
A+ LgCp Val	+0 +0 +6	18.58	0.02
A MidCp Eq	+0 +2 +7	52.27	0.28
B+ MdCp Gro	+0 +4 +8	40.81	0.35
A+ SC Blend	+0 +3 +8	28.48	0.17
A+ SmCp Equity	+0 +5 +6	54.58	0.23
A TA Equity	+0 -1 +7	34.76	0.25
A+ US Eqt	+0 +8 +7	17.95	0.09
A US LCC	+0 +7 +7	15.60	0.08
A Val Advlg	+0 -1 +5	35.63	0.10
JPMorgan L Class			
\$8.2 bil 800-480-4111			
A MidCp Val	+0 +1 +5	35.90	0.10
JPMorgan R Class			
\$48.5 bil 800-480-4111			
E Core Bond	+0 +1 +1	10.22	0.03
E Core Pl Bd	+0 +1 +1	7.19	0.02
D+ High Yield	+0 +2 +1	6.26	0.04
D+ Mtge Secs	+0 +1 +1	10.03	0.03
D+ Sh Dur Bd	+0 +1 +1	10.51	0.00
A+ SmCp Val	+0 +2 +4	26.28	0.17
A US Res Enlg	+0 +0 +8	30.70	0.15
Kinetics Funds			
\$1.4 bil 800-930-3828			
A+ Paradigm	-15 -22 +12	78.51	-0.54
A+ SC Optly	-11 -16 +14	115.40	-0.72
Laudus Funds			
\$1.8 bil 800-447-3332			
C SelectLgCap	+0 +3 +6	18.73	0.21
Lazard Instl			
\$17.0 bil 800-823-6300			
D+ Emg Mkt	+0 +0 -1.0	15.67	0.23
C+ GldstInfr	+0 -1 +5	14.61	0.04
C+ Int Str Eq	+0 +3 +1	14.11	0.07
Legg Mason I			
\$3.9 bil 877-721-1926			
C+ Intl Gro	+0 +3 +3	56.83	0.17
A+ Value Trust	+0 +2 +7	113.35	0.48
LKCM Funds			
\$95.6 bil 800-688-5526			
A Equity Funds	+0 -2 +7	31.50	0.15
Loomis Sayles Fds			
\$8.7 bil 800-633-3330			
D Bond	+0 +2 0	11.56	0.05
3-Mo Performance Rating / Fund	YTD 12Wk % / % After Chg / Chg (Tax Rtn)	5 Yr % Value	Net Asset NAV
A SCV	+0 +5 +4	24.36	0.23
Lord Abbett A			
\$40.9 bil 888-522-2388			
B Affilted	+0 -2 +3	15.54	0.04
A Div Gro	+0 -1 +5	17.21	0.11
A+ Fund Eq	+0 +0 +4	12.28	0.05
E Hl Muni	+0 +2 +2	10.55	0.01
D+ Intl TxFr	+0 +2 +1	10.03	0.00
B+ MA Bal	+0 +2 +0	10.19	0.04
A MidCp Stk	+0 +3 +3	29.82	0.14
E Natl TF	+0 +2 +2	10.23	0.02
Lord Abbett I			
\$42.1 bil 888-522-2388			
D+ Bond Deb	+0 +1 +1	6.96	0.03
C Flt Rte	+0 +3 +1	7.98	0.00
D+ High Yld	+0 +1 0	6.15	0.03
D+ Sh Dur	+0 +2 +1	3.84	0.00
-M-N-O-			
MainStay Fds A			
\$8.2 bil 800-624-6782			
A MK Convert	+0 +0 +6	17.76	0.09
C+ MK HY CB	+0 +1 0	4.96	0.02
A+ WMC End C	+0 +0 +6	30.71	0.07
A+ WMC Val	+0 -2 +7	27.14	0.08
MainStay Fds I			
\$3.3 bil 800-624-6782			
A+ S&P500 Idx	+0 +0 +6	45.89	0.24
Mairs&Power			
\$5.5 bil 800-304-7044			
A+ 8PowerGrowth	+0 +2 +7	125.84	1.18
A Sml Cap	+0 +2 +5	28.08	0.33
Mass Mutual			
\$147 bil 888-309-3539			
C+ Bl Ch	+11 +5 +5	18.05	0.19
MassMutual Select			
\$12.2 bil 888-309-3539			
A Eq Op	+0 -1 +7	16.20	0.04
A Fnd V	+0 -1 +5	8.45	0.03
B MCG	+0 +4 +6	18.73	0.06
A S&P500	+0 +0 +7	13.62	0.08
Meridian Funds			
\$1.5 bil 800-446-6662			
A+ Contrarian	+0 +2 +6	36.48	0.33
Metropolitan West			
\$67.5 bil 800-241-4671			
D LowDurBond	+0 +2 +1	8.22	0.01
E Total Rtn	+0 +1 0	9.09	0.03
D+ Uncons Bd	+0 +2 0	10.33	0.02
MFS Funds A			
\$52.3 bil 888-225-2606			
B+ AggrGloAlc	+0 +2 +4	25.81	0.09
A Core Equity	+0 +0 +6	39.54	0.15
E Corp Bond	+0 +1 0	12.02	0.04
C+ IntlIntlVal	+0 +4 +2	37.78	0.10
A MassInvGro	+0 +0 +8	34.26	0.12
A+ Mass Inv Tr	+0 -2 +5	32.67	0.09
E MunHighInc	+0 +2 +2	7.23	0.01
D+ Muni Income	+0 +1 +1	7.99	0.00
E TotRetRet	+0 +1 0	9.39	0.03
B+ TotalReturn	+0 +0 +3	18.74	0.04
C+ Utilities	-3 -3 +6	21.93	-0.07
MFS Funds I			
\$51.8 bil 800-225-2606			
C+ Growth	+0 +1 +7	139.57	1.10
B+ Intl Equity	+0 +5 +4	29.98	0.04
A MidCapGrowth	+0 +2 +7	19.74	0.09
A MidCapValue	+0 +2 +6	29.41	0.08
B+ Research	+0 -1 +7	49.51	0.18
A+ Value	+0 -2 +5	47.70	0.08
Morgan Stanley Inst			
\$147 bil 800-548-7786			
B+ Gl Fr	+0 +1 +6	30.79	0.11
E Growth	+15 +5 +3	26.32	-0.14
MorganStanleyPathway			
\$4.3 bil 888-673-9950			
A Core Fl	+0 +1 0	6.86	0.02
E LgCp Gro	+0 +1 +6	19.74	0.09
A+ SMid Cap Eq	+0 +4 +4	15.75	0.10
Muhlenkamp			
\$15.9 bil 800-860-3863			
A+ Fund	+0 -1 +6	55.77	0.36
Munder Funds			
\$1.8 bil 800-539-3863			
C+ Intl SmCp	+0 +6 +1	13.61	0.08
Munder Funds CI A			
\$735 mil 800-539-3863			
A Multi-Cap	+0 +2 +4	42.46	0.28
Munder Funds CI Y			
\$856 mil 800-539-3863			
A+ IntegritySC	+0 +5 +4	35.64	0.26
Nationwide Fds R6			
\$1.5 bil 800-848-0920			
A MC Mkt Idx	+0 +3 +5	16.08	0.07
Nationwide Funds			
\$717 mil 800-848-0920			
A S&P 500	+0 +0 +7	19.17	0.10
Natixis Funds			
\$13.9 bil 800-225-5478			
D Inv G8	+0 +1 +1	9.72	0.04
A+ LS Growth	+13 +8 +7	18.44	0.21
A US Eqt Opp	+11 +6 +5	32.15	0.21
Neuberger Berman Fds			
\$28.7 bil 800-366-6264			
B LngSh	+0 +0	15.76	0.01
A+ Intrl Val	+0 +6 +7	19.57	0.07
A+ LC Value	+0 -3 +9	42.87	0.03
D+ Str Inc	+0 +2 +1	9.60	0.04
A+ Sus Eqty	+0 +0 +6	35.93	0.10
Neuberger Berman Inv			
\$6.9 bil 800-877-9700			
A Guardian	+0 +2 +8	20.41	0.10
Neuberger Berman Tr			
\$5.7 bil 800-877-9700			
A Genesis	+0 +2 +7	58.82	0.35
New Covenant Funds			
\$1.2 bil 877-835-4531			
A+ Growth	+0 +0 +7	51.37	0.29
Nicholas Group			
\$4.7 bil 800-544-6547			
A Equity Inc	+0 -1 +7	20.06	0.04
A Fund	+0 +2 +8	73.39	0.45
Northern Funds			
\$33.3 bil 800-595-9111			
E Bond Index	+0 +1 0	9.13	0.03
D+ HY Fd Inc	+0 +1 +1	5.72	0.03
B+ Intl Eq Idx	+0 +2 +1	12.86	0.03
D+ Intmt TxEq	+0 +1 +2	9.70	0.00
A Lg Cp Core	+0 +0 +6	22.55	0.10
A+ Mid Cap Idx	+0 +3 +6	19.98	0.09
A+ Sm Cap Val	+0 +2 +3	19.34	0.13
A Stock Idx	+0 +0 +7	42.76	0.23
Nuveen Funds A			
\$15.5 bil 800-257-8787			
E All-Am Muni	+0 +1 +1	10.00	0.01
Nuveen Funds I			
\$9.2 bil 800-257-8787			
D+ HY Muni	+0 +1 +4	14.93	0.04
D+ IntlMuni	+0 +1 +2	8.68	0.00
D+ LtdTmMuni	+0 +1 +2	10.69	0.00
A+ MidCpValue	+0 +2 +6	49.76	0.32
A Stock Idx	+0 +2 +7	27.97	0.21
Oakmark Funds Invest			
\$19.4 bil 800-625-6275			
A Eqty & Inc	+0 +2 +4	31.01	0.06
A+ Fund	+11 +6 +7	113.38	0.30
A+ Global	+0 +8 +3	31.59	0.16
B Internatl	+13 +13 0	25.92	0.12
A+ Intl Sct	+0 +10 +2	17.80	0.09
A Select	+12 +5 +3	55.40	0.35
Old Westbury Fds			
\$35.6 bil 800-607-2200			
A Lg Cp Core	+0 +1 +7	20.86	0.09
D+ Fnd Inc	+0 +0 0	10.05	0.01
C+ LC Strat	+0 +0 +3	15.12	0.08
D Muni Bd	+0 +1 +1	11.43	0.00
C Sm&Mid Cp St+0+4	+2	14.66	0.04
Ostein			
\$284 mil 800-799-2113			
A All Cap Val	+0 +4 +5	25.79	0.02
Optimum Funds Inst			
\$7.5 bil 800-914-0278			
E Fnd Inc	+0 +1 0	8.09	0.03
C Lg Cp Gro	+0 +2 +5	17.26	0.13
A Lg Cp Val	+0 -2 +5	18.78	0.04
A S-M Cap Gro	+0 +4 +7	11.86	0.09
A S-M Cap Val	+0 +2 +3	13.87	0.02
Osterweis Strat Income			
\$4.6 bil 866-236-0050			
C+ StratIncome	+0 +2 +2	10.53	0.01
-P-Q-R-			
PACE Funds CI P			
\$4.5 bil 800-647-1568			
A Lg Co Vi	+0 +2 +4	18.60	0.06
A S/M Gr	+0 +5 +6	13.00	0.05
A+ S/M VI	+0 +3 +5	18.46	0.01
Pannassus Fds			
\$11.8 bil 800-999-3505			
A Core Eqty	+0 +0 +8	40.79	0.28
A+ JnnHealthC	+0 +3 +5	33.76	0.21
A JnnMid-Cap	+0 +3 +5	13.26	0.08
A+ JnnMtrRes	-3 -8 +5	51.61	0.81
A+ JnnSmallCo	+0 +4 +5	18.20	0.18
C JnnTlty	-4 -6 +6	14.16	0.00
PGIM Funds A			
\$16.3 bil 800-225-1852			
D High Yield	+0 +1 +1	4.56	0.02
E Tot Rtn Bnd	+0 +1 -1.0	11.87	0.03
PGIM Jenn Funds A			
\$16.3 bil 800-225-1852			
A+ JnnDvsIdGr+11	+4 +5	12.36	0.12
A JnnHealthC	-1 -3 +4	33.76	0.21
A JnnMid-Cap	+0 +3 +5	13.26	0.08
A+ JnnMtrRes	-3 -8 +5	51.61	0.81
A+ JnnSmallCo	+0 +4 +5	18.20	0.18
C JnnTlty	-4 -6 +6	14.16	

EXHIBIT B-2

SUMMARY NOTICE TO: ALL PERSONS AND ENTITIES WHO PURCHASED OR ACQUIRED THE COMMON STOCK OF ORRSTOWN FINANCIAL SERVICES, INC. ("ORRSTOWN STOCK") AT ANY TIME FROM MARCH 15, 2010 THROUGH, AND INCLUDING, APRIL 26, 2012


NEWS PROVIDED BY

Kroll Settlement Administration →

Feb 27, 2023, 09:17 ET

PHILADELPHIA, Feb. 27, 2023 /PRNewswire/ -- The following statement is being issued by Kroll Settlement Administration regarding the Orrstown Securities Settlement.

YOU ARE HEREBY NOTIFIED, pursuant to an Order of the United States District Court for the Middle District of Pennsylvania, that a hearing will be held on May 19, 2023, at 10:00 a.m., at the United States District Court for the Middle District of Pennsylvania, Sylvia H. Rambo United States Courthouse, 1501 N 6th St, Harrisburg, PA 17102, before the Honorable Yvette Kane, United States District Judge, for the purpose of determining: (1) whether the proposed Settlement of this Action, as set forth in the Stipulation and Agreement of Settlement dated December 7, 2022 ("Stipulation") reached between the parties, consisting of Fifteen Million Dollars (\$15,000,000) in cash, should be approved as fair, reasonable, and adequate to Class Members; (2) whether the release by Class Members of claims as set forth in the Stipulation should be authorized; (3) whether the proposed plan to distribute the Settlement proceeds ("Plan of Allocation") is fair, reasonable, and adequate; (4) whether to approve Lead Counsel's request for an award of attorneys' fees and for reimbursement of litigation expenses; (5)



whether this Action should be dismissed with prejudice against Orrstown Financial Services, Inc., Orrstown Bank, Anthony F. Ceddia, Jeffrey W. Coy, Mark K. Keller, Andrea Pugh, Thomas R. Quinn, Jr., Gregory A. Rosenberry, Kenneth R. Shoemaker, Glenn W. Snoke, John S. Ward, Bradley S. Everly, Joel R. Zullinger, Jeffrey W. Embly, Smith Elliott Kearns & Company, LLC, Piper Sandler & Co., and Janney Montgomery Scott LLC, as set forth in the Stipulation; and (6) whether the Judgment, in the form attached to the Stipulation, should be entered.

Please note that the date, time and location of the settlement hearing are subject to change without further notice. If you plan to attend the hearing, you should check the docket, view the Settlement website at **www.OrrstownSecuritiesSettlement.com**, or contact Lead Counsel (identified below) to be sure that no change to the date, time or location of the hearing has been made.

IF YOU PURCHASED OR ACQUIRED ORRSTOWN STOCK AT ANY TIME FROM MARCH 15, 2010 TO AND INCLUDING APRIL 26, 2012, YOUR RIGHTS WILL BE AFFECTED BY THE SETTLEMENT OF THIS LITIGATION.

If you have not received a detailed Notice of Pendency of Class Action and Proposed Settlement, Motion for Attorneys' Fees, And Settlement Hearing ("Notice") and a copy of the Proof of Claim and Release form ("Claim Form"), you may obtain copies by writing to *Orrstown Securities Settlement*, c/o Kroll Settlement Administration, P.O. Box 5324, New York, NY, 10150-5324, 833-709-0094, or by visiting **www.OrrstownSecuritiesSettlement.com**.

If you are a Class Member, in order to share in the distribution of the Net Settlement Fund, you must submit a Claim Form by First-Class mail ***postmarked no later than June 22, 2023***, or submitted electronically ***no later than June 22, 2023***, establishing that you are entitled to recovery. Unless the deadline is extended, your failure to submit your Claim Form by the above deadline will preclude you from receiving any payment from the Settlement.

If you are a Class Member and you desire to be excluded from the Class, you must submit a request for exclusion such that it is ***postmarked no later than April 28, 2023***, in the manner and form explained in the detailed Notice, referred to above. All Class Members who do not timely and validly request exclusion from the Class will be bound by any judgment entered in the Action pursuant to the Stipulation.

If you are a Class Member and want to object to the Settlement, the Plan of Allocation, or Lead Counsel's fee and expense application, the objection must be in the form and manner explained in the detailed Notice, and must be mailed to each of the following recipients, such that ***it is received no later than April 28, 2023***: **Clerk's Office**: United States District Court, Middle District of Pennsylvania, Sylvia H. Rambo United States Courthouse, 1501 N 6th St, Harrisburg, PA 17102. **Lead Counsel**: Nicholas E. Chimicles, Kimberly M. Donaldson-Smith, Timothy N. Mathews, **Chimicles Schwartz Kriner & Donaldson-Smith LLP**, 361 West Lancaster Avenue, Haverford, Pennsylvania 19041, 610-642-8500. **Orrstown's Counsel on Behalf of Defendants**: David Creagan, David Edwards, Farzana Islam, **White and Williams, LLP**, 1650 Market Street, Suite 1800, Philadelphia, Pennsylvania 19103.

PLEASE DO NOT CONTACT THE COURT, THE CLERK'S OFFICE OR ANY OF THE DEFENDANTS OR DEFENDANTS' COUNSEL REGARDING THIS NOTICE. If you have any questions about the Settlement, you may contact Lead Counsel at the address listed above. Additional information about the Settlement can be found at www.OrrstownSecuritiesSettlement.com.

Dated: February 1, 2023

BY ORDER OF THE COURT UNITED STATES DISTRICT COURT MIDDLE DISTRICT OF PENNSYLVANIA

SOURCE Kroll Settlement Administration

EXHIBIT 4



CHIMICLES
SCHWARTZ KRINER &
DONALDSON-SMITH LLP
ATTORNEYS AT LAW

HAVERFORD,

361 West Lancaster Avenue
Haverford, PA 19041
Voice: 610-642-8500
Toll Free: 866-399-2487
Fax: 610-649-3633

WILMINGTON,

2711 Centerville Rd.
Suite 201
Wilmington, DE 19808
Voice: 302-656-2500
Fax: 302-656-9053

OUR ATTORNEYS

Partners

- 3 Nicholas E. Chimicles
- 6 Robert J. Kriner, Jr.
- 7 Steven A. Schwartz
- 11 Kimberly Donaldson Smith
- 12 Timothy N. Mathews
- 15 Scott M. Tucker
- 16 Beena M. McDonald

Of Counsel & Senior Counsel

- 19 Anthony Allen Geyelin
- 20 Alison G. Gushue

Associates

- 21 Stephanie E. Saunders
- 22 Zachary P. Beatty
- 24 Alex M. Kashurba
- 26 Mariah Heinzerling
- 27 Juliana Del Pesco

28 PRACTICE AREAS

32 REPRESENTATIVE CASES

Our Attorneys-Partners

Practice Areas:

- Antitrust
- Automobile Defects and False Advertising
- Corporate Mismanagement & Shareholder Derivative Action
- Defective Products and Consumer Protection
- Mergers & Acquisitions
- Non-Listed REITs
- Other Complex Litigation
- Securities Fraud

Education:

- University of Virginia School of Law, J.D., 1973
- University of Virginia Law Review; co-author of a course and study guide entitled "Student's Course Outline on Securities Regulation," published by the University of Virginia School of Law
- University of Pennsylvania, B.A., 1970

Memberships & Associations:

- Supreme Court of Pennsylvania Disciplinary Board Hearing Committee Member, 2008-2014.
- Past President of the National Association of Securities and Commercial Law Attorneys based in Washington, D.C., 1999-2001
- Chairman of the Public Affairs Committee of the American Hellenic Institute, Washington, D.C.
- Member of the Boards of Directors of Opera Philadelphia, Pennsylvanians for Modern Courts, and the Public Interest Law Center of Philadelphia.

Admissions:

- Supreme Court of Pennsylvania
- United States Supreme Court
- Second Circuit Court of Appeals
- Third Circuit Court of Appeals

NICHOLAS E. CHIMICLES



Mr. Chimicles has been lead counsel and lead trial counsel in major complex litigation, antitrust, securities fraud and breach of fiduciary duty suits for over 40 years. Representative Cases include:

- In three related cases involving the collection of improperly imposed telephone utility users taxes, Mr. Chimicles was co-lead counsel representing taxpayers in the Superior Court in Los Angeles, resulting in the creation of settlement funds totaling more than \$120 million. *Ardon v. City of Los Angeles* (\$92.5 million)(2016); *McWilliams v. City of Long Beach* (\$16.6 million)(2018); and *Granados v. County of Los Angeles* (\$16.9 million)(2018). The suits were settled after the Supreme Court of California unanimously upheld the rights of taxpayers to file class action refund claims under the California Government Code.
- *W2007 Grace Acquisition I, Inc., Preferred Stockholder Litigation*, Civ. No. 2:13-cv-2777, involved various violations of contractual, fiduciary and corporate statutory duties by defendants who engaged in various related-party transactions, wrongfully withheld dividends and financial information, and failed to timely hold an annual preferred stockholder meeting. This litigation resulted in a swift settlement valued at over \$76 million after ten months of hard-fought litigation.
- *Lockabey v. American Honda Motor Co.*, Case No. 37-2010-87755 (Superior Ct., San Diego). A settlement valued at over \$170 million resolved a consumer action involving false advertising claims relating to the sale of Honda Civic Hybrid vehicles as well as claims relating to a software update to the integrated motor assist battery system of the HCH vehicles. As a lead counsel, Mr. Chimicles led a case that, in the court's view, was "difficult and risky" and provided "significant public value."
- *City of St. Clair Shores General Employees Retirement System, et al. v. Inland Western Retail Real Estate Trust, Inc.*, Case No. 07 C 6174 (N.D. Ill.). A \$90 million settlement was reached in 2010 in this class action challenging the accuracy of a proxy statement that sought (and received) stockholder approval of the merger of an external advisor and property managers by a multi-billion dollar real estate investment trust, Inland Western Retail Real Estate Trust, Inc. The settlement provided that the owners of the advisor/property

- Fourth Circuit Court of Appeals
- Sixth Circuit Court of Appeals
- Ninth Circuit Court of Appeals
- Tenth Circuit Court of Appeals
- Eleventh Circuit Court of Appeals
- Court of Appeals for the D.C. Circuit
- Eastern District of Pennsylvania
- Eastern District of Michigan
- Northern District of Illinois
- District of Colorado
- Eastern District of Wisconsin
- Court of Federal Claims
- Southern District of New York

Honors:

- Recipient of the American Hellenic Institute's Heritage Achievement & National Public Service Award (2019)
- Fellow of the American Bar Foundation (2017) - an honorary organization of lawyers, judges and scholars whose careers have demonstrated outstanding dedication to the welfare of their communities and to the highest principles of the legal profession.
- Prestigious 2016 Thaddeus Stevens Award of the Public Interest Law Center (Philadelphia) in recognition of his leadership and service to this organization.
- Ellis Island Medal of Honor in May 2004, in recognition of his professional achievements and history of charitable contributions to educational, cultural and religious organizations.
- Pennsylvania and Philadelphia SuperLawyers, 2006-present.
- AV® rated by Martindale-Hubbell
- *In re Real Estate Associates Limited Partnerships Litigation*, No. CV 98-7035 DDP, was tried in the federal district court in Los Angeles before the Honorable Dean D. Pregerson. Mr. Chimicles was lead trial counsel for the Class of investors in this six-week jury trial of a securities fraud/breach of fiduciary duty case that resulted in a \$185 million verdict in late 2002 in favor of the Class (comprising investors in the eight REAL Partnerships) and against the REALs' managing general partner, National Partnership Investments Company ("NAPICO") and the four individual officers and directors of NAPICO. The verdict included an award of \$92.5 million in punitive damages against NAPICO. This total verdict of \$185 million was among the "Top 10 Verdicts of 2002," as reported by the National Law Journal (verdictsearch.com). On post-trial motions, the Court upheld in all respects the jury's verdict on liability, upheld in full the jury's award of \$92.5 million in compensatory damages, upheld the Class's entitlement to punitive damages (but reduced those damages to \$2.6 million based on the application of California law to NAPICO's financial condition), and awarded an additional \$25 million in pre-judgment interest. Based on the Court's decisions on the post-trial motions, the judgment entered in favor of the Class on April 28, 2003 totaled over \$120 million.
- *CNL Hotels & Resorts, Inc. Securities Litigation*, Case No. 6:04-cv-1231 (M.D. Fla., Orl. Div. 2006). The case settled Sections 11 and 12 claims for \$35 million in cash and Section 14 proxy claims by significantly reducing the merger consideration by nearly \$225 million (from \$300 million to \$73 million) that CNL paid for internalizing its advisor/manager.
- *Prudential Limited Partnerships Litigation*, MDL 1005 (S.D.N.Y.). Mr. Chimicles was a member of the Executive Committee in this case where the Class recovered from Prudential and other defendants \$130 million in settlements, that were approved in 1995. The Class comprised limited partners in dozens of public limited partnerships that were marketed by Prudential.
- *PaineWebber Limited Partnerships Litigation*, 94 Civ. 8547 (S.D.N.Y.). Mr. Chimicles was Chairman of the Plaintiffs' Executive Committee representing limited partners who had invested in more than 65 limited partnerships that PaineWebber organized and/or marketed. The litigation was settled for a total of \$200 million, comprising \$125 million in cash and \$75 million in additional benefits resulting from restructurings and fee concessions and waivers.
- *In Re Phoenix Leasing Incorporated Limited Partnership Litigation*, Superior Court of the State of California, County of Marin, Case No. 173739. In February 2002, the Superior Court of Marin County, California, approved the settlement of this case which involved five public partnerships sponsored by Phoenix Leasing Incorporated and

- *Continental Illinois Corporation Securities Litigation*, Civil Action No. 82 C 4712 (N.D. Ill.) involving a twenty-week jury trial in which Mr. Chimicles was lead trial counsel for the Class that concluded in July, 1987 (the Class ultimately recovered nearly \$40 million).

Practice Areas:

- Corporate Mismanagement & Shareholder Derivative Action
- Mergers & Acquisitions

Education:

- Delaware Law School of Widener University, J.D., 1988
- University of Delaware, B.S. Chemistry, 1983

Memberships:

- Delaware State Bar Association

Admissions:

- Supreme Court of Delaware

ROBERT J. KRINER, JR.



Robert K. Kriner, Jr. is a Partner in the Firm's Wilmington, Delaware office. From 1988 to 1989, Mr. Kriner served as law clerk to the Honorable James L. Latchum, Senior Judge of the United States District Court for the District of Delaware. Following his clerkship and until joining the Firm, Mr. Kriner was an associate with a major Wilmington, Delaware law firm, practicing in the areas of corporate and general litigation.

Mr. Kriner has prosecuted actions, including class and derivative actions, on behalf of stockholders, limited partners and other investors with claims relating to mergers and acquisitions, hostile acquisition proposals, the enforcement of fiduciary duties, the election of directors, and the enforcement of statutory rights of investors such as the right to inspect books and records. Among his recent achievements are *Sample v. Morgan*, C.A. No. 1214-VCS (obtaining full recovery for shareholders diluted by an issuance of stock to management), *In re Genentech, Inc. Shareholders Litigation*, Consolidated C.A. No. 3911-VCS (leading to a nearly \$4 billion increase in the price paid to the Genentech stockholders) and *In re Kinder Morgan, Inc. Shareholders Litigation*, Consolidated Case No. 06-C-801 (action challenging the management led buyout of Kinder Morgan, settled for \$200 million).

Recently, Mr. Kriner led the prosecution of a derivative action in the Delaware Court of Chancery by stockholders of Bank of America Corporation relating to the January 2009 acquisition of Merrill Lynch & Co. *In re Bank of America Corporation Stockholder Derivative Litigation*, C.A. No. 4307-CS. The derivative action concluded in a settlement which included a \$62.5 million payment to Bank of America.

Practice Areas:

- Antitrust
- Corporate Mismanagement & Shareholder Derivative Action
- Defective Products and Consumer Protection
- Other Complex Litigation
- Securities Fraud

Education:

- Duke University School of Law, J.D., 1987
- ◊ Law & Contemporary Problems Journal, Senior Editor
- University of Pennsylvania, B.A., 1984 - *cum laude*

Memberships & Associations:

- National Association of Shareholder and Consumer Attorneys (NASCAT) Executive Committee Member
- American Bar Association
- Pennsylvania Bar Association

Admissions:

- United States Supreme Court
- Pennsylvania Supreme Court
- Third Circuit Court of Appeals
- Sixth Circuit Court of Appeals
- Eighth Circuit Court of Appeals
- Ninth Circuit Court of Appeals
- Eastern District of Pennsylvania
- Western District of Pennsylvania
- Eastern District of Michigan
- District of Colorado

Honors:

- National Trial Lawyers Top 100
- AV Rating from Martindale Hubbell
- Pennsylvania Super Lawyer, 2006-Present
- America's Top 100 High Stakes Litigator

Steven A. Schwartz



STEVEN A. SCHWARTZ has prosecuted complex class actions in a wide variety of contexts. Notably, Mr. Schwartz has been successful in obtaining several settlements and judgments where class members received a full recovery on their damages. Representative cases include:

- *In re Philips Recalled CPAP, Bi-Level PAP, And Mechanical Ventilator Products Litigation*, MDL No. 3014 (W.D. Pa.). The Court appointed Mr. Schwartz as Plaintiffs' Co-Lead Counsel in

this multi district litigation alleging claims for economic losses, medical monitoring and personal injury in connection with Philips' recall of millions of CPAPs, BiPAPs and ventilators that contained polyester-based polyurethane foam that degrades into particles and emits volatile toxic compounds. This case is ongoing.

- *Edward Asner v. SAG-AFTRA Health Fund*, No. 20-10914 & *Frances Fisher v. SAG-AFTRA*, No. 21-5215 (C.D. Cal.). Mr. Schwartz serves as Co-Lead Class Counsel in these cases. The *Health Fund* case challenges the SAG-AFTRA Health Plan Trustees' decision to merge the SAG and AFTRA health plans, their related failures to implement the merger and properly manage the Plan's deteriorating financial condition, their imprudent negotiation of the 2019 and 2020 Commercials, Netflix and TV/Theatrical contracts, and the subsequent decision to eliminate health benefits for senior actors. The *Fisher* case asserts related claims for breaches of fiduciary duty and the duty of fair representation against the trustees of the SAG AFTRA Union. See <https://youtu.be/4LgRxJnxI8o> featuring prominent actors supporting the lawsuits. These cases are ongoing.
- *Snitzer v. Board of Trustees of the American Federation of Musicians Pension Plan*, No. 1:17-cv-5361 (S.D.N.Y.). Mr. Schwartz served as Plaintiffs' Lead Counsel in this case which alleged that the Trustees of the AFM Pension Plan made a series of imprudent, overly-aggressive bets by investing an excessive percentage of plan assets in risky asset classes such as emerging markets equities and private equity far beyond the percentage of such investment by other Taft-Hartley pension plans. The cases settled shortly before trial for \$26.85 million plus substantial governance reforms including appointment of a Neutral Independent Fiduciary. The Trustee independent neutral trustee. The \$26.85 million cash recovery represented the vast majority of provable damages that likely could have been won at trial and between about 65% to 75% of the Trustees' available insurance policy limits to pay any final judgment achieved through continued litigation.
- *In re Cigna-American Specialty Health Administrative Fee Litigation*, No. 2:16-cv-03967-NIQA (E. D. Pa.). Mr. Schwartz served as co-lead counsel in this national class action alleging that defendant Cigna and its subcontractor, ASH, violated the written terms of ERISA medical benefit by treating ASH's administrative fees as medical expenses to artificially inflate the amount of "benefits" owed by plans and the cost-sharing obligations of plan participants and

beneficiaries. The Court approved the \$8.25 million settlement in which class members were automatically mailed checks representing a full or near-full recovery of the actual amount they paid for the administrative fees. ECF 101 at 4, 23-24.

- ***Rodman v. Safeway Inc.***, No. 11-3003-JST (N.D. Cal.). Mr. Schwartz served as Plaintiffs' Lead Trial Counsel and presented all of the district court and appellate arguments in this national class action regarding grocery delivery overcharges. He was successful in obtaining a national class certification and a series of summary judgment decisions as to liability and damages resulting in a \$42 million judgment, which represents a full recovery of class members' damages plus interest. The \$42 million judgment was entered shortly after a scheduled trial was postponed due to Safeway's discovery misconduct, which resulted in the district court imposing a \$688,000 sanction against Safeway. The Ninth Circuit affirmed the \$42 million judgment. 2017 U.S. App. LEXIS 14397 (9th Aug. 4, 2017).
- ***In re Apple iPhone/iPod Warranty Litig.***, 3:10-1610-RS (N.D. Cal.). Mr. Schwartz served as co-lead counsel in this national class action in which Apple agreed to a \$53 million non-reversionary, cash settlement to resolve claims that it had improperly denied warranty coverage for malfunctioning iPhones due to alleged liquid damage. Class members were automatically mailed settlement checks for more than 117% of the average replacement costs of their iPhones, net of attorneys' fees, which represented an average payment of about \$241.
- ***In re Sears, Roebuck & Co. Front-Loading Washer Prods. Liab. Litig.***, No. 06 C 7023, (N.D. Ill.) & Case 1:09-wp-65003-CAB (N. D. Ohio) (MDL No. 2001). Schwartz served as co-lead class counsel in this case which related to defective central control units ("CCUs") in front load washers manufactured by Whirlpool and sold by Sears. After extensive litigation, including two trips to the Seventh Circuit and a trip to the United States Supreme Court challenging the certification of the plaintiff class, he negotiated a settlement shortly before trial that the district court held, after a contested proceeding approval proceeding, provided a "full-value, dollar-for-dollar recovery" that was "as good, if not a better, [a] recovery for Class Members than could have been achieved at trial." 2016 U.S. Dist. LEXIS 25290 at *35 (N.D. Ill. Feb. 29, 2016).
- ***Chambers v. Whirlpool Corp., et al.***, Case No. 11-1773 FMO (C.D. Cal.). Mr. Schwartz served as co-lead counsel in this national class action involving alleged defects resulting in fires in Whirlpool, Kenmore, and KitchenAid dishwashers. The district court approved a settlement which he negotiated that provides wide-ranging relief to owners of approximately 24 million implicated dishwashers, including a full recovery of out-of-pocket damages for costs to repair or replace dishwashers that suffered Overheating Events. In approving the settlement, Judge Olguin of the Central District of California described Mr. Schwartz as "among the most capable and experienced lawyers in the country in [consumer class actions]." 214 F. Supp. 3d 877, 902 (C.D. Cal. 2016).
- ***Wong v. T-Mobile***, 05-cv-73922-NGE-VMM (E.D. Mich.). In this billing overcharge case, Mr. Schwartz served as co-lead class counsel and negotiated a settlement where T-Mobile automatically mailed class members checks representing a 100% net recovery of

the overcharges and with all counsel fees paid by T-Mobile in addition to the class members' 100% recovery.

- ***In re Certainteed Corp. Roofing Shingle Products Liability Litig.***, No. 07-md-1817-LP (E.D. Pa.). In this MDL case related to defective roof shingles, Mr. Schwartz served as Chair of Plaintiffs' Discovery Committee and worked under the leadership of co-lead class counsel. The parties reached a settlement that provided class members with a substantial recovery of their out-of-pocket damages and that the district court valued at between \$687 to \$815 million.
- ***Shared Medical Systems 1998 Incentive Compensation Plan Litig.***, Mar. Term 2003, No. 0885 (Phila. C.C.P.). In this case on behalf of Siemens employees, after securing national class certification and summary judgment as to liability, on the eve of trial, Mr. Schwartz negotiated a net recovery for class members of the full amount of the incentive compensation sought (over \$10 million) plus counsel fees and expenses. At the final settlement approval hearing, Judge Bernstein remarked that the settlement "should restore anyone's faith in class action[s]. . . ." Mr. Schwartz served as co-lead counsel in this case and handled all of the arguments and court hearings.
- ***In re Pennsylvania Baycol: Third-Party Payor Litig.***, Sept. Term 2001, No. 001874 (Phila. C.C.P.) ("Baycol"). Mr. Schwartz served as co-lead class counsel in this case brought by health and welfare funds and insurers to recover damages caused by Bayer's withdrawal of the cholesterol drug Baycol. After extensive litigation, the court certified a nationwide class and granted plaintiffs' motion for summary judgment as to liability, and on the eve of trial, he negotiated a settlement providing class members with a net recovery that approximated the maximum damages (including pre-judgment interest) that class members suffered. That settlement represented three times the net recovery of Bayer's voluntary claims process (which AETNA and CIGNA had negotiated and was accepted by many large insurers who opted out of the class early in the litigation)
- ***Wolens v. American Airlines, Inc.*** Schwartz served as plaintiffs' co-lead counsel in this case involving American Airlines' retroactive increase in the number of frequent flyer miles needed to claim travel awards. In a landmark decision, the United States Supreme Court held that plaintiffs' claims were not preempted by the Federal Aviation Act. 513 U.S. 219 (1995). After eleven years of litigation, American Airlines agreed to provide class members with mileage certificates that approximated the full extent of their alleged damages, which the Court, with the assistance of a court-appointed expert and after a contested proceeding, valued at between \$95.6 million and \$141.6 million.
- ***In Re ML Coin Fund Litigation***, (Superior Court of the State of California for the County of Los Angeles). Mr. Schwartz served as plaintiffs' co-lead counsel and successfully obtained a settlement from defendant Merrill Lynch in excess of \$35 million on behalf of limited partners, which represented a 100% net recovery of their initial investments (at the time of the settlement the partnership assets were virtually worthless due to fraud committed by Merrill's co-general partner Bruce McNall, who was convicted of bank fraud).
- ***Nelson v. Nationwide***, July Term 1997, No. 00453 (Phila. C.C.P.). Mr.

Schwartz served as lead counsel on behalf of a certified class. After securing judgment as to liability in the trial court (34 Pa. D. & C. 4th 1 (1998)), and defeating Nationwide's Appeal before the Pennsylvania Superior Court, 924 PHL 1998 (Dec. 2, 1998), he negotiated a settlement whereby Nationwide agreed to pay class members approximately 130% of their bills.

Practice Areas:

- Securities Fraud
- Non-Listed REITs
- Corporate Mismanagement & Shareholder Derivative Action
- Mergers & Acquisitions

Education:

- Villanova University School of Law, J.D., 1999 - *cum laude*
- Boston University, B.A. Political Science, 1996

Memberships & Associations:

- Pennsylvania Bar Association
- Villanova Law School Alumni Association

Admissions:

- Pennsylvania Supreme Court
- New Jersey Supreme Court
- Third Circuit Court of Appeals
- District of New Jersey
- Eastern District of Pennsylvania

Honors:

- Pennsylvania SuperLawyer: 2013– Present
- Named Pennsylvania Rising Star by Super Lawyers: 2006-2012
- Sutton Who's Who in American Law

Kimberly Donaldson Smith



Kimberly Donaldson Smith is a partner in the Firm's Haverford Office. Kimberly has been counseling clients and prosecuting cases on complex issues involving securities, business transactions and other class actions for over 15 years.

Kimberly concentrates her practice in sophisticated securities class action litigation in federal courts throughout the country, and has served as lead or co-lead counsel in over a dozen class actions. She is very active in

investigating and initiating securities and shareholder class actions.

Kimberly is currently prosecuting federal securities claims on behalf of investors in numerous cases. Kimberly was instrumental in the outstanding settlements achieved for investors in:

- *W2007 Grace Acquisition I, Inc., Preferred Stockholder Litigation*, Civ. No. 2:13-cv-2777 (W.D. Tenn.)(a settlement valued at over \$76 million for current and former W2007 Grace preferred stockholders);
- *In re Empire State Realty Trust, Inc. Investor Litigation*, Case 650607/2012, NY Supreme Court (a \$55,000,000 cash settlement fund and \$100 million tax savings for the Empire investors);
- *CNL Hotels & Resorts Inc. Federal Securities Litigation*, Case No. 04-cv-1231 (M.D. Fla.)(a \$35,000,000 cash settlement fund and a \$225 million savings for the CNL shareholders);
- *Inland Western Retail Real Estate Trust, Inc., et al. Litigation*, Case 07 C 6174 (U.S.D.C. N.D. Ill) (a \$90 million savings for the Inland shareholders subjected to a self-dealing transaction); and
- *Wells REIT Securities Litigation*, Case 1:07-cv-00862/1:07-cv-02660 (U.S.D.C. N.D. GA)(a \$7 million cash settlement fund for the Wells REIT investors).

Notably, Kimberly was an integral member of the trial team that successfully litigated *the In re Real Estate Associates Limited Partnership Litigation*, No. CV 98-7035 DDP (CD. Cal.) through a six-week jury trial that resulted in a landmark \$184 million plaintiffs' verdict, which is one of the largest jury verdicts since the passage of the Private Securities Litigation Reform Act of 1995. The Real Estate Associates judgment was settled for \$83 million, which represented full recovery for the Class (and an amount in excess of the damages calculated by Plaintiffs' expert).

Kimberly's pro bono activities include serving as a volunteer attorney with the Support Center for Child Advocates, a Philadelphia-based, nonprofit organization that provides legal and social services to abused and neglected children. Since 2006, Kimberly has been recognized by

Law & Politics and the publishers of Philadelphia Magazine as a Pennsylvania Super Lawyer or Rising Star, as listed in the Super Lawyers' publications.

Practice Areas:

- Antitrust
- Corporate Mismanagement
- Consumer Fraud & Deceptive Products
- Securities Fraud Litigation

Education:

- Rutgers School of Law-Camden, J.D., 2003 - *with High Honors*
- Rutgers University-Camden, B.A., 2000 - *with Highest Honors*

Memberships & Associations:

- National Association of Shareholder and Consumer Attorneys (NASCAT) Amicus Committee Member
- Rutgers Journal of Law & Religion – Lead Marketing Editor (2002-2003)

Admissions:

- Pennsylvania
- New Jersey
- Eastern District of Pennsylvania
- District of New Jersey
- United States Court of Appeals for the First Circuit
- United States Court of Appeals for the Third Circuit
- United States Court of Appeals for the Fourth Circuit
- United States Court of Appeals for the Ninth Circuit
- United States Court of Appeals for the Eleventh Circuit

Honors:

- 2019-2021 Lawdragon 500 Leading Plaintiff Lawyer
- Super Lawyers 2019-2021
- Pennsylvania Super Lawyers Rising Star 2008, 2010, 2013-2014
- Rutgers Law Legal Writing Award 2003

Timothy N. Mathews



Tim Mathews is a partner in the firm's Haverford office. He has been described as "among the most capable and experienced lawyers in the country" in consumer class action litigation. *Chambers v. Whirlpool*, 214 F. Supp 3d 877 (C.D.Cal. 2016). He is also an experienced appellate attorney in the United States Courts of Appeals for the Third, Fourth, Ninth, and Eleventh Circuits, as well as the Supreme Court of California. Representative cases in which Mr. Mathews has held a lead

role include:

- *Suarez v. Nissan North America* (M.D.Tenn.) – over \$50 million settlement providing reimbursements, free repairs, and extended warranty for Nissan Altima headlamps;
- *Rodman v. Safeway, Inc.* (N.D.Cal.) – \$42 million judgment against Safeway, Inc., representing 100% of damages plus interest for grocery delivery overcharges;
- *Ardon v. City of Los Angeles* (Superior Court, County of Los Angeles) – \$92.5 million tax refund settlement with the City of Los Angeles after winning landmark decision in the Supreme Court of California securing the rights of taxpayers to file class-wide tax refund claims under the CA Government Code;
- *McWilliams v. City of Long Beach* (Superior Court, County of Los Angeles) - \$16.6 million telephone tax refund settlement;
- *Granados v. County of Los Angeles* - \$16.9 million telephone tax refund settlement;
- *In re 24 Hour Fitness Prepaid Memberships. Litig.* (N.D.Cal.) - Full-relief settlement providing over \$8 million in refunds and an estimated minimum of \$16 million in future rate reductions, for class of consumers who purchased prepaid gym memberships;
- *Chambers v. Whirlpool Corp.* (C.D.Cal.) – Settlement providing 100% of repair costs and other benefits for up to 24 million dishwashers that have an alleged propensity to catch fire due to a control board defect;
- *Livingston v. Trane U.S. Inc.* (D.N.J.) – multimillion-dollar settlement providing repair reimbursements, extended warranty coverage, and free service for owners of defective air conditioners;
- *In re Apple iPhone Warranty Litig.* (N.D.Cal.) – \$53 million settlement in case alleging improper iPhone warranty denials; class members received on average 118% of their damages;
- *In re Colonial Bancgroup, Inc.* – Settlements totaling \$18.4 million for shareholders in securities lawsuit involving one of the largest U.S.

bank failures of all time;

- *International Fibercom* (D.Ariz.) – Represented plaintiff in insurance coverage actions against D&O carriers arising out of securities fraud claims; achieved a near-full recovery for the plaintiff; and
- *In re Mutual Funds Investment Litigation*, MDL 1586 (D.Md.) – Lead Fund Derivative Counsel in the multidistrict litigation arising out of the market timing and late trading scandal of 2003, which involved seventeen mutual fund families and hundreds of parties, and resulted in over \$250 million in settlements.

Mr. Mathews graduated from Rutgers School of Law-Camden with high honors, where he served as Lead Marketing Editor for the Rutgers Journal of Law & Religion, served as a teaching assistant for the Legal Research and Writing Program, received the 1L legal Writing Award, and received a Dean's Merit Scholarship and the Hamerling Merit Scholarship. He received his B.A. from Rutgers University-Camden in 2000 with highest honors, where he was inducted into the Athenaeum honor society.

Mr. Mathews also serves as Co-Chair of the Planning Commission for the township of Lower Merion. His pro bono work has included representation of the Holmesburg Fish and Game Protective Association in Philadelphia. He also served on the Amicus Committee for the National Association of Shareholder and Consumer Attorneys (NASCAT) for over ten years.

Practice areas:

- Corporate Mismanagement and Shareholder Derivative Actions
- Mergers and Acquisitions

Education:

- SUNY Cortland, B.S., 2002, *cum laude*
- Syracuse University College of Law, 2006, J.D., *cum laude*
- Whitman School of Management at Syracuse University, 2006, M.B.A

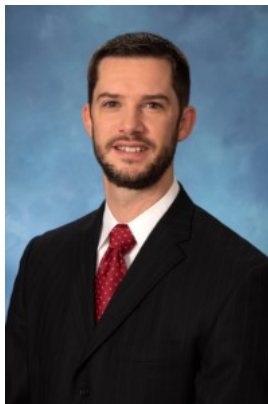
Admissions:

- Supreme Court of Delaware
- Supreme Court of Connecticut
- District of Colorado
- District of Delaware
- Third Circuit Court of Appeals

Honors:

- Named a 2016, 2017, 2018, and 2019 Delaware "Rising Star"
- Martindale Hubbell-Distinguished rated
- 2015–2017 Secretary of the Board of Bar Examiners of the Supreme Court of the State of Delaware
- 2013 – 2015 Assistant Secretary of the Board of Bar Examiners of the Supreme Court of the State of Delaware
- 2010 – 2013 Associate Member of the Board of Bar Examiners of the Supreme Court of the State of Delaware
- Member, Richard S. Rodney Inn of Court

Scott M. Tucker



Scott M. Tucker is a Partner in the Firm's Wilmington Office. Mr. Tucker is a member of the Firm's Mergers & Acquisitions and Corporate Mismanagement and Shareholder Derivative Action practice areas. Together with the Firm's Partners, Mr. Tucker assisted in the prosecution of the following actions:

- *In re Kinder Morgan, Inc. Shareholders Litigation*, Consol. C.A. No. 06-C-801 (Kan.) (action challenging the management led buyout of Kinder Morgan Inc., which settled for \$200 million).
- *In re J.Crew Group, Inc., Shareholders Litigation*. C.A. No. 6043-CS (Del. Ch.) (action that challenged the fairness of a going private acquisition of J.Crew by TPG and members of J.Crew's management which resulted in a settlement fund of \$16 million and structural changes to the go-shop process, including an extension of the go-shop process, elimination of the buyer's informational and matching rights and requirement that the transaction be approved by a majority of the unaffiliated shareholders).
- *In re Genentech, Inc. Shareholder Litigation*, C.A. No. 3911-VCS (Del. Ch.) (action challenging the attempt by Genentech's controlling stockholder to take Genentech private which resulted in a \$4 billion increase in the offer).
- *City of Roseville Employees' Retirement System, et al. v. Ellison, et al.*, C.A. No. 6900-VCP (Del. Ch.) (action challenging the acquisition by Oracle Corporation of Pillar Data Systems, Inc., a company majority-owned and controlled by Larry Ellison, the Chief Executive Officer and controlling shareholder of Oracle, which led to a settlement valued at \$440 million, one of the larger derivative settlements in the history of the Court of Chancery).
- *In re Sanchez Derivative Litigation*, C.A. No. 9132-VCG (Del. Ch.) (action challenging a related party transaction between Sanchez Energy Inc. and Sanchez Resources, LLC a privately held company, which settled for roughly \$30 million in cash and assets)

Mr. Tucker is a Member of the Richard S. Rodney Inn of Court. While attending law school, Mr. Tucker was a member of the Securities Arbitration Clinic and received a Corporate Counsel Certificate from the Center for Law and Business Enterprise.

Practice Areas:

- Consumer Protection and Defective Products
- Data Breach
- ERISA
- Securities Fraud
- Corporate Mismanagement and Shareholder Derivative Action
- Other Complex Litigation

Education:

- Widener University Delaware Law School, J.D., 1998
- Pennsylvania State University, B.A., 1995

Memberships and Associations:

- The Sedona Conference, Working Group 1
- American Bar Association (ABA), Litigation Section:
 - 2023 Co-Chair Diverse Trial Lawyer Academy
 - 2022-2024 Diverse Leaders Academy
 - Class and Derivative Suits Committee
- Complex Litigation e-Discovery Forum (CLEF)
- American Association of Justice (AAJ)
- Philadelphia Bar Association
- South Asian Bar Association, Philadelphia Chapter

Admissions:

- Pennsylvania
- District of Columbia
- Third Circuit Court of Appeals
- Eastern District of Pennsylvania
- Western District of Pennsylvania
- Middle District of Pennsylvania
- Eastern District of Michigan

Speaking Engagements and Publications:

- The Sedona Conference, WG1 Drafting Committee on Unique eDiscovery Challenges in Multidistrict Litigation
- ABA Litigation Section Annual 2023, The Great Tuna Debate
- CLEF Annual 2023, What's New in Defendants' Playbook

Beena M. McDonald



Beena Mallya McDonald is a Partner in the Firm's Haverford office. She is an experienced federal and state trial attorney, having first-chaired numerous civil and criminal jury trials, hundreds of bench trials, and innumerable arbitrations, motions, and depositions. She has also successfully argued before the Judicial Panel on Multidistrict Litigation for centralization of large-scale nationwide class actions.

Beena focuses her practice on complex litigation including consumer protection,

ERISA, and securities fraud cases. She manages cases that demand significant motion practice, massive e-discovery, and numerous depositions of Fortune 500 corporate 30(b)(6) witnesses and fiduciaries, product design and development engineers, marketing heads, investment company executives, and liability and damages experts. She also serves as part of the firm's Client Business Development group, responsible for overseeing client portfolio monitoring, evaluation, and litigation, and maintaining client relationships.

Prior to joining the firm Beena served as a Special Assistant U.S. Attorney in the Southern District of California where she prosecuted major corruption, drug importation and immigration cases. Upon initially receiving her law degree, she rose through the ranks at the Defender Association of Philadelphia. She also served as lead counsel in cases throughout the Philadelphia area while in-house at Allstate Insurance Company.

Beena's extensive trial experience is also bolstered by her business management experience working for a Fortune 200 company, allowing her to bring this business acumen to her current practice representing defrauded consumers and investors.

- *In re Phillips Recalled CPAP, Bi-Level PAP, and Mechanical Ventilator Products Liability Litigation* (MDL No. 3014) (W.D. Pa.) (successfully argued before the Judicial Panel on Multidistrict Litigation for centralization of more than 100 class action and personal injury cases to the Western District of Pennsylvania, arising out of Philips' recall of certain Continuous Positive Airway Pressure (CPAP), Bi-Level Positive Airway Pressure (Bi-Level PAP), and mechanical ventilator devices, due to the potential that its polyester-based polyurethane (PE-PUR) sound abatement foam may degrade into particles or off-gas volatile organic compounds that may then be ingested or inhaled by the user, causing injury);
- *In re MacBook Keyboard Litig.*, No: 5:18-cv-02813-EJD (N.D. Cal.) (class action lawsuit alleging that Apple sold MacBook, MacBook Pro, and MacBook Air butterfly keyboard laptops from 2015 – 2020 with a known defect of allowing dust and debris to disrupt the keyboard use; after prevailing in two rounds of motions to dismiss, and having plaintiffs' motion for class certification granted, this case has been settled for a \$50 million common fund);
- *In re Chevy Bolt EV Battery Litigation*, No. 2:21-cv-13256-TGB-CI (E.D. Mich.) (argued before the Judicial Panel on Multidistrict

Litigation, that was ultimately centralized in the Eastern District of Michigan, in this class action against General Motors LLC and various LG entities alleging that the Chevy Bolt EV is defective, causing its electric battery to overheat when charged to full or nearly full capacity, which has resulted in devastating fires and created an unreasonable safety risk to these vehicle owners. The operative complaint covers all Model Year 2020 – 2022 Chevy Bolts EVs and asserts that the defendants, as claimed by both GM and LG, were “strategic partners” in researching, developing, and manufacturing the Bolt EV and its critical components, including the defective electric battery cells and pack);

- *In re Nexus 6P Prods. Liab. Litig.*, No. 5:17-cv-02185-BLF (N.D. Cal.) (class action lawsuit alleging that smartphones manufactured by Google and Huawei contain defects that cause the phones to “bootloop” and experience sudden battery drain; after overcoming a motion to dismiss, a \$9.75 million settlement was reached, which Judge Beth Labson Freeman described as “substantial” and an “excellent resolution of the case.”);
- *Weeks v. Google LLC*, No. 5:18-cv-00801-NC (N.D. Cal.) (consumer class action against Google relating to Pixel smartphones, alleging that Google sold these phones with a known microphone defect; after defeating a motion to dismiss, a \$7.25 million settlement was reached, which Magistrate Judge Nathanael M. Cousins described as being an “excellent result.”);
- *Gordon v. Chipotle Mexican Grill, Inc.*, No. 1:17-cv-01415- CMA (D. Colo.) (class action relating to a data breach suffered by Chipotle that allegedly exposed consumers’ payment card data to hackers, in which a \$1.6 million settlement was reached);
- *Christofferson v. Creation Entertainment, Inc.*, No. 19STCV11000 (Sup. Ct. CA). (class action relating to a data breach suffered by Creation Entertainment that allegedly exposed consumers’ payment card data to hackers, in which a \$950,000 settlement was reached);
- *Turner v. Sony Interactive Entertainment LLC*, No. 4:21-cv-02454-DMR (N.D. Cal.) (class action lawsuit alleging that Sony’s PlayStation 5 DualSense Controller suffers from a “drift defect” that results in character or gameplay moving on the screen without user command or manual operation of the controller thereby compromising its core functionality);
- *Davis v. Washington University*, No. 4:17-cv-01641-RLW (E.D. Missouri) (ERISA class action lawsuit alleging breach of fiduciary duties in managing the Washington University in St. Louis Retirement Plan – one of the largest university retirement plans in the country with \$5.8 billion in assets and more than 27,000 participants – causing it to incur unreasonable and excessive recordkeeping fees; Judge White approved a \$7.5 million settlement on behalf of the class);
- *Spitzley v. Mercedes-Benz U.S. Int’l, Inc.*, 7:21-cv-00074-RDP (N.D. Ala.) (ERISA class action lawsuit alleging breach of fiduciary duties in managing the Mercedes-Benz International Retirement and Savings Plan – a \$934 million plan with more than 4,400 participants – causing it to incur unreasonable and excessive fees for retirement plan services);
- *Mator v. Wesco Distribution, Inc.*, No. 2:21-cv-00403-MJH (W.D. Pa.) (ERISA class action lawsuit alleging breach of fiduciary duties by imprudently allowing the Wesco Distribution, Inc. Retirement Savings

Plan – a \$837 million plan with more than 8,200 participants – to pay unreasonable recordkeeping and administrative expenses and retain higher-cost share classes of funds when lower-cost funds were available);

- *Hummel v. East Penn Mfg. Co., Inc.*, No. 5:21-cv-01652 (E.D. Pa.) - (ERISA class action lawsuit alleging breach of fiduciary duties in managing the East Penn Manufacturing Co., Inc. Profit Sharing & 401(k) Savings Plan – with \$279 million in assets and over 10,000 participants – by imprudently failing to monitor recordkeeping fees and determine the reasonableness of those fees);
- *Cunningham v. USI Ins. Services LLC*, No. 7:21-cv-01819-NSR (S.D.N.Y.) (ERISA class action lawsuit alleging breach of fiduciary duties in managing the USI 401(k) Plan – a \$848 million plan with over 9,800 participants – by paying unreasonable and excessive retirement plan services fees);
- *Westmoreland County v. Inventure Foods*, No. CV2016-002718 (Super Ct. Ariz.) (state securities shareholder class action filed against Inventure Foods., Inc., after identifying that the company’s stock price had suffered a precipitous decline due to troubles at a manufacturing facility, including a major food recall. After mediation, a preliminary settlement was reached that recovers over 35% of damages for investors.); and
- *Orrstown Financial Services, Inc., et al., Securities Litig.*, No. 12-cv-00793 (USDC M.D. Pa.) (federal securities class action lawsuit by large transportation authority institutional investor client, named sole lead plaintiff, challenging false and misleading statements made by Orrstown to investors about its internal controls and financial condition; the court has preliminarily approved a \$15 million settlement).

Speaking Engagements and Publications:

Practice Areas:

- Antitrust
- Automotive Defects and False Advertising
- Defective Products and Consumer Protection
- Other Complex Litigation

Education:

- Villanova Law School, J.D. - *cum laude*
- ◇ *Villanova Law Review*, Associate Editor
- ◇ *Villanova Moot Court Board*
- ◇ Obert Corporation Law Prize
- University of Virginia, B.A., English literature

Memberships & Associations:

- Pennsylvania Bar Association
- Passe' International

Admissions:

- Pennsylvania
- Eastern District of Pennsylvania
- Federal Circuit

Anthony Allen Geyelin



Tony is Of Counsel to the firm at the Haverford office, where since 2001 he has used his extensive private and public sector corporate and regulatory experience to assist the firm in the effective representation of its many clients. Tony has previously worked as an associate in the business department of a major Philadelphia law firm; served as Chief Counsel and then Acting Insurance Commissioner with the Pennsylvania Insurance Department in Harrisburg; and represented publicly traded insurance companies based in Pennsylvania and Georgia

as their senior vice president, general counsel and corporate secretary.

Tony has represented the firm's clients in multiple significant litigations, including the DynCorp False Claim Act, Home Advisor, Orrstown, Anadarko (Chesapeake Energy), Ford Sync, Whirlpool Fire, Clear Channel, Carrier Air Conditioner, Cipro Antitrust, Phoenix Leasing and Reliance Insurance Company Insolvency Matters.

Outside of the office Tony's pro bono, professional and charitable activities have included volunteering as a Federal Public Defender; serving as a member and officer of White-Williams Scholars, the Schuylkill Canal Association, and the First Monday Business Club of Philadelphia organizations; and as a member of the National Association of Insurance Commissioners and the Radnor Township (PA) Planning Commission.

Practice Areas:

- Automobile Defects and False Advertising
- Defective Products and Consumer Protection
- Other Complex Litigation
- Securities Fraud

Education:

- Villanova University School of Law, J.D., 2006
- ◇ Villanova Environmental Law Journal – managing editor of student works (2006), staff writer (2005)
- University of California, Los Angeles, B.A., 2003 – *cum laude*

Membership & Associations:

- Member, Philadelphia Bar Association

Admissions:

- Pennsylvania
- New Jersey
- Eastern District of Pennsylvania
- District of New Jersey
- District of Colorado

Honors:

- Pennsylvania Super Lawyers 2019-present
- Pennsylvania Super Lawyers Rising Star 2013-2016

Alison Gabe Gushue



Alison G. Gushue is Of-Counsel at the Firm's Haverford Office. Her practice is devoted to litigation, with an emphasis on consumer fraud, securities, and derivative cases. Ms. Gushue also provides assistance to the Firm's Institutional Client Services Group.

Prior to joining the firm, Ms. Gushue was counsel to the Pennsylvania Securities Commission in the Division of Corporation Finance. In this capacity, she was responsible for reviewing securities registration filings for compliance with state securities laws and for working with issuers and issuers' counsel to

bring noncompliant filings into compliance.

Together with the Partners, Ms. Gushue has provided substantial assistance in the prosecution of the following cases:

- *Lockabey et al. v. American Honda Motor Co., Inc.*, Case No. 37-2010-00087755-CU-BT (San Diego Super. Ct.) (settlement valued by court at \$170 million for a class of 460,000 purchasers and lessees of Honda Civic Hybrids to resolve claims that the vehicle was advertised with fuel economy representations it could not achieve under real-world driving conditions, and that a software update to the IMA system further decreased fuel economy and performance)
- *In re DVI Inc. Securities Litigation*, Case No. 2:03-cv-05336-LDD (over \$17m in settlements recovered for the shareholder class in lawsuit alleging that the company's officers and directors, in conjunction with its external auditors and outside counsel, violated the federal securities laws)
- *In re Sears, Roebuck & Co. Front-Loading Washer Prods. Liab. Litig.*, No. 06-cv-7023 (N.D. Ill.) & Case No. 09-wp-65003-CAB (N.D. Ohio) (MDL No. 2001)(settlement providing a "full-value, dollar-for-dollar recovery" that was "as good, if not a better, recovery for Class Members than could have been achieved at trial" in a lawsuit relating to defective central control units in front-load washers manufactured by Whirlpool and sold by Sears.) 2016 U.S. Dist. LEXIS 20290 at *35 (N.D. Ill. Feb. 29, 2016)
- *Orrstown Financial Services, Inc., et al., Securities Litig.*, No. 12-cv-00793 (M. D. Pa.) (pending federal securities lawsuit challenging false and misleading statements made by Orrstown Bank to investors about its internal controls and financial condition);

Ms. Gushue has also provided pro bono legal services to nonprofit organizations in Philadelphia such as the Philadelphia Bankruptcy Assistance Project, the Public Interest Law Center of Philadelphia, and the Community Legal Services of Philadelphia..

Practice Areas:

- Securities Fraud
- Corporate Mismanagement and Shareholder Derivative Action
- Defective Products and Consumer Protection
- Other Complex Litigation

Education:

- Drexel University Thomas R. Kline School of Law, J.D., 2015
- Drexel University, B.S. in Business Administration, 2005

Memberships and Associations:

- Member, Philadelphia Bar Association
- Member, Pennsylvania Bar Association

Admissions:

- Pennsylvania, 2015

Stephanie E. Saunders



Stephanie E. Saunders is an associate in the Firm's Haverford office. She focuses her practice on complex litigation including securities fraud, shareholder derivative, and consumer protection cases. She also provides assistance to the Firm's Client Development Group which is responsible for establishing and maintaining strong client relations.

Stephanie received her law degree from the Drexel University Thomas R. Kline School of

Law in 2015. Her law school career was marked by several academic honors which included being named the CALI Excellence for the Future Award[®] recipient in Legal Methods & Legal Writing for earning the highest grade in the class. While in law school, she clerked for the Firm and conducted her practice-intensive semester long co-op with the Firm during her second year of law school.

Upon graduating from Drexel University's LeBow College of Business in 2005, Stephanie began her professional career in marketing. She was an integrated marketing and promotions manager with Condé Nast Publications in Manhattan where she managed and executed print and digital advertising campaigns. Upon returning to the Philadelphia region, she joined PNC Wealth Management where she was the marketing segment manager of Hawthorn, an ultra-high net worth multi-family office, where she was responsible for the development of integrated marketing plans, advertising, and client events.

Practice Areas:

- Securities Fraud
- Corporate Mismanagement and Shareholder Derivative Action
- Defective Products and Consumer Protection
- Other Complex Litigation

Education:

- Michigan State University College of Law, J.D. *summa cum laude*, 2017
- Michigan State Law Review – managing editor (2016-2017), staff editor (2015-2016)
- York College of Pennsylvania, B.A. *magna cum laude*, 2013

Admissions:

- Pennsylvania
- Eastern District of Pennsylvania
- United States Court of Appeals for the Ninth Circuit

Honors:

- 2019-2021 Rising Star, Pennsylvania Super Lawyers

Zachary P. Beatty



Zachary P. Beatty is an associate in the Firm's Haverford office. He focuses his practice on complex litigation including securities fraud, shareholder derivative suits, and consumer protection class actions.

Zachary received his law degree from Michigan State University College of Law in 2017. While in law school, Zachary served as a managing editor for the Michigan State Law Review. His law school career was

marked by several academic honors including earning Jurisprudence Awards for receiving the highest grades in his Corporate Finance, Business Enterprises, Constitutional Law II, and Advocacy classes. Zachary clerked for a small central Pennsylvania law firm and clerked for the Honorable Carol K. McGinley in the Lehigh County Court of Common Pleas. He also clerked for the Firm's Haverford office. Zachary graduated from York College of Pennsylvania where he majored in history.

Zach has assisted in prosecuting the following matters, among others:

- *Oddo v. Arcoaire Air Conditioning & Heating*, No. 8:15-cv-01985-CAS-E (C.D. Cal.) (consumer class action against Carrier Corporation arising out of the sale of air conditioners that contained an unapproved rust inhibitor in the compressor, which causes widespread failures of thermostatic expansion valves. The plaintiffs allege that the unapproved rust inhibitor was present in virtually all Carrier-manufactured air conditioners from December 2013 through August 2014);
- *Livingston v. Trane U.S. Inc.*, No. 2:17-cv-06480-ES-MAH (D.N.J.) (consumer class action against Trane U.S. Inc. arising out of the sale of air conditioners that contained an unapproved rust inhibitor in the compressor, which causes widespread failures of thermostatic expansion valves);
- *In re MyFord Touch Consumer Litig.*, No. C-13-3072 EMC (N.D. Cal.) (consumer class action against Ford alleging flaws, bugs, and failures in certain Ford automobile infotainment systems. CSK&D is co-lead counsel in this certified class action);
- *Weeks v. Google LLC*, No. 5:18-cv-00801-NC (N.D. Cal.) (consumer class action against Google relating to Pixel smartphones alleging that Google sold these phones with a known defect);
- *In re Nexus 6P Prods. Liab. Litig.*, No. 5:17-cv-02185-BLF (N.D. Cal.) (class action lawsuit alleging that smartphones manufactured by Google and Huawei contain defects that cause the phones to "bootloop" and experience sudden battery drain; CSK&D has been

appointed interim co-lead class counsel;

- *Gordon v. Chipotle Mexican Grill, Inc.*, No. 1:17-cv-01415- CMA (D. Colo.) (class action relating to a data breach suffered by Chipotle that allegedly exposed consumers' payment card data to hackers, in which case CSK&D has been appointed interim co-lead counsel); and
- *Chambers v. Whirlpool Corp.*, No. 11-1773-0FMO (C.D. Cal.) (a national class action involving alleged defects resulting in fires in Whirlpool, Kenmore, and KitchenAid dishwashers. The district court approved a settlement which he negotiated that provides wide-ranging relief to owners of approximately 24 million implicated dishwashers, including a full recovery of out-of-pocket damages for costs to repair or replace dishwashers that suffered Overheating Events).

Practice Areas:

- Defective Products and Consumer Protection
- Securities Fraud Class Actions
- Other Complex Litigation

Education:

- University of Michigan Law School, J.D. cum laude, 2014
- The College of William & Mary, B.A. cum laude, 2011

Admissions:

- Pennsylvania
- New Jersey
- Western District of Pennsylvania
- Eastern District of Pennsylvania
- Middle District of Pennsylvania
- District of New Jersey
- Central District of Illinois
- Eastern District of Michigan

Honors:

- 2021 & 2022 Rising Star, Pennsylvania Super Lawyers

Alex M. Kashurba



Alex M. Kashurba is an associate in the Firm's Haverford office. He focuses his practice on complex litigation including securities, consumer protection, and data privacy class actions.

Alex received his law degree from the University of Michigan Law School. While in law school, he interned for the United States Attorney's Office for the Eastern District of Pennsylvania as well as the Office of General Counsel for the United States House of Representatives. Prior to joining

the Firm, Alex served as a law clerk in the United States District Court for the Western District of Pennsylvania, including for the Honorable Kim R. Gibson and the Honorable Nora Barry Fischer. Alex graduated from The College of William & Mary where he majored in Government.

Alex has assisted in prosecuting the following matters, among others:

- *In re Phillips Recalled CPAP, Bi-Level PAP, and Mechanical Ventilator Products Liability Litigation* (MDL No. 3014) (W.D. Pa.) (MDL of more than 100 class action and personal injury cases consolidated in the Western District of Pennsylvania, arising out of Philips' recall of certain Continuous Positive Airway Pressure (CPAP), Bi-Level Positive Airway Pressure (Bi-Level PAP), and mechanical ventilator devices, due to the potential that its polyester-based polyurethane (PE-PUR) sound abatement foam may degrade into particles or off-gas volatile organic compounds that may then be ingested or inhaled by the user, causing injury);
- *Suarez v. Nissan North America*, No. 3:21-cv-00393 (M.D. Tenn.) (appointed lead class counsel in a consumer class action alleging defective headlamps in Nissan Altima vehicles, a settlement valued at over \$50 million that provided reimbursements, free repairs, and an extended warranty received final approval from the Court);
- *Udeen, et al. v. Subaru of America, Inc.*, No. 1:18-cv-17334-RBK-JS (D.N.J.) (final approval granted of a settlement valued at \$6.25 million in this consumer class action involving defective infotainment systems in certain Subaru automobiles);
- *In re: MacBook Keyboard Litig.*, No. 5:18-cv-02813-EJD (N.D. Cal.) (class action lawsuit alleging that Apple sold 2015 and later MacBook and 2016 and later MacBook Pro laptops with a known defect plaguing the butterfly keyboards, and allowing dust and other debris to disrupt keyboard use; CSK&D is appointed interim co-lead counsel);
- *In re Nexus 6P Prods. Liab. Litig.*, No. 5:17-cv-02185-BLF (N.D. Cal.) (final approval of a \$9.75 million settlement granted in this class action lawsuit which alleged that Google smartphones contained a defect that caused "bootlooping" and sudden battery drain; CSK&D served as co-lead class counsel);
- *Weeks, et al. v. Google LLC*, 5:18-cv-00801-NC (N.D. Cal.) (final

approval of a \$7.25 million settlement granted in this consumer class action alleging that Google sold first-generation Pixel smartphones with a known microphone defect; CSK&DS was appointed co-lead class counsel);

- *Gordon, et al. v. Chipotle Mexican Grill, Inc.*, No. 1:17-cv-01415-CMA (D. Colo.) (final approval granted in class action relating to a data breach that allegedly exposed consumers' payment card data to hackers; CSK&D served as co-lead class counsel).

Admissions:

- Pennsylvania

Mariah Heinzerling



Mariah Heinzerling is an associate attorney in the Firm's Haverford office.

Mariah received her law degree from the Georgetown University Law Center in 2022. While in law school, Mariah served as the submissions editor and a staff editor for the Georgetown Environmental Law Review. She also worked as a student clinician for the Georgetown Environmental Law and Justice Clinic. While in law school, she interned for the New York State Attorney General as well as a regional environmental nonprofit. Mariah graduated from the

University of Rochester where she majored in Physics and Astronomy.

Education:

- University of Pennsylvania Carey Law School, LL.M., 2018
- Pontificia Universidade Catolica, Sao Paulo, Brazil, Specialization in Contract Law, 2011
- Universidade Presbiteriana Mackenzie, Brazil, JD equivalent, 2009

Admissions:

- Pennsylvania, 2019
- Brazil, Sao Paulo, 2010

Juliana Del Pesco



Juliana Del Pesco is an associate attorney in the Firm's Delaware office. She focuses her practice on corporate and fiduciary duty litigation.

Juliana received her LL.M. degree from the University of Pennsylvania Carey Law School in 2018. While in law school, Juliana served as an interpreter at the Transnational Legal Clinic. She also has a JD equivalent from the Universidade Presbiteriana Mackenzie, Brazil, in 2009. Prior to joining the firm Juliana worked at one of Brazil's most prestigious firms,

where she represented clients in complex litigation cases and cases involving contract disputes, class action lawsuits, consumer law, product liability, and environmental law. She also provided legal opinions addressing the applicability of Brazilian law to foreign clients.

Practice Areas

Health & Welfare Fund Assets

CSK&D Protects Clients' Health & Welfare Fund Assets Through Monitoring Services & Vigorously Pursuing Health & Welfare Litigation.

At no cost to the client, CSK&D seeks to protect its clients' health & welfare fund assets against fraud and other wrongdoing by monitoring the health & welfare fund's drug purchases, Pharmacy benefit Managers and other health service providers. In addition, CSK&D investigates potential claims and, on a fully-contingent basis, pursues legal action for the client on meritorious claims involving the clients' health & welfare funds. These claims could include: the recovery of excessive charges due to misconduct by health service providers; antitrust claims to recover excessive prescription drug charges and other costs due to corporate collusion and misconduct; and, cost-recovery claims where welfare funds have paid for health care treatment resulting from defective or dangerous drugs or medical devices.

Monitoring Financial Investments

CSK&D Protects Clients' Financial Investments Through Securities Fraud Monitoring Services.

Backed by extensive experience, knowledge of the law and successes in this field, CSK&D utilizes various information systems and resources (including forensic accountants, financial analysts, seasoned investigators, as well as technology and data collection specialists, who can cut to the core of complex financial and commercial documents and transactions) to provide our institutional clients with a means to actively protect the assets in their equity portfolios. As part of this no-cost service, for each equity portfolio, CSK&D monitors relevant financial and market data, pricing, trading, news and the portfolio's losses. CSK&D investigates and evaluates potential securities fraud claims and, after full consultation with the client and at the client's direction, CSK&D will, on a fully-contingent basis, pursue legal action for the client on meritorious securities fraud claims.

Corporate Transactional

CSK&D Protects Shareholders' Interest by Holding Directors Accountable for Breaches of Fiduciary Duties

Directors and officers of corporations are obligated by law to exercise good faith, loyalty, due care and complete candor in managing the business of the corporation. Their duty of loyalty to the corporation and its shareholders requires that they act in the best interests of the corporation at all times. Directors who breach any of these "fiduciary" duties are accountable to the stockholders and to the corporation itself for the harm caused by the breach. A substantial part of the practice of Chimicles Schwartz Kriner & Donaldson-Smith LLP involves representing shareholders in bringing suits for breach of fiduciary duty by corporate directors.

Practice Areas

Securities Fraud

CSK&D Protects and Recovers Clients' Assets Through the Vigorous Pursuit of Securities Fraud Litigation.

CSK&D has been responsible for recovering over \$1 billion for institutional and individual investors who have been victims of securities fraud. The prosecution of securities fraud often involves allegations that a publicly traded corporation and its affiliates and/or agents disseminated materially false and misleading statements to investors about the company's financial condition, thereby artificially inflating the price of that stock. Often, once the truth is revealed, those who invested at a time when the company's stock was artificially inflated incur a significant drop in the value of their stock. CSK&D's securities practice group comprises seasoned attorneys with extensive trial experience who have successfully litigated cases against some of the nation's largest corporations. This group is strengthened by its use of forensic accountants, financial analysts, and seasoned investigators.

Antitrust and Unfair Competition

CSK&D Enforces Clients' Rights Against Those Who Violated Antitrust Laws.

CSK&D successfully prosecutes an array of anticompetitive conduct, including price fixing, tying agreements, illegal boycotts and monopolization, anticompetitive reverse payment accords, and other conduct that improperly delays the market entry of less expensive generic drugs. As counsel in major litigation over anticompetitive conduct by the makers of brand-name prescription drugs, CSK&D has helped clients recover significant amounts of price overcharges for blockbuster drugs such as BuSpar, Coumadin, Cardizem, Flonase, Relafen, and Paxil, Toprol-XL, and TriCor.

Real Estate Investment Trusts

CSK&D is a Trail Blazer in Protecting Clients' Investments in Non-Listed Equities.

CSK&D represents limited partners and purchaser of stock in limited partnerships and real estate investment trusts (non-listed REITs) which are publicly-registered but not traded on a national stock exchange. These entities operate outside the realm of a public market that responds to market conditions and analysts' scrutiny, so the investors must rely entirely on the accuracy and completeness of the financial and other disclosures provided by the company about its business, its finances, and the value of its securities. CSK&D prosecutes: (a) securities law violations in the sale of the units or stock; (b) abusive management practices including self-dealing transactions and the payment of excessive fees; (c) unfair transactions involving sales of the entities' assets; and (d) buy-outs of the investors' interests.

Practice Areas

Shareholder Derivative Action

CSK&D is a Leading Advocate for Prosecuting and Protecting Shareholder Rights through Derivative Lawsuits and Class Actions.

CSK&D is at the forefront of persuading courts to recognize that actions taken by directors (or other fiduciaries) of corporations or associations must be in the best interests of the shareholders. Such persons have duties to the investors (and the corporation) to act in good faith and with loyalty, due care and complete candor. Where there is an indication that a director's actions are influenced by self-interest or considerations other than what is best for the shareholders, the director lacks the independence required of a fiduciary and, as a consequence, that director's decisions cannot be honored. A landmark decision by the Supreme Court of Delaware underscored the sanctity of this principal and represented a major victory for CSK&D's clients.

Corporate Mismanagement

CSK&D is a Principal Advocate for Sound Corporate Governance and Accountability.

CSK&D supports the critical role its investor clients serve as shareholders of publicly held companies. Settlements do not provide exclusively monetary benefits to our clients. In certain instances, they may include long term reforms by a corporate entity for the purpose of advancing the interests of the shareholders and protecting them from future wrongdoing by corporate officers and directors. On behalf of our clients, we take corporate directors' obligations seriously. It's a matter of justice. That's why CSK&D strives not to only obtain maximum financial recoveries, but also to effect fundamental changes in the way companies operate so that wrongdoing will not reoccur.

Defective Products and Consumer Protection

CSK&D Protects Consumers from Defective Products and Deceptive Conduct.

CSK&D frequently represents consumers who have been injured by false advertising, or by the sale of defective goods or services. The firm has achieved significant recoveries for its clients in such cases, particularly in those involving defectively designed automobiles and other consumer products. CSK&D has also successfully prosecuted actions against banks and other large institutions for engaging in allegedly deceptive conduct.

Practice Areas

Data Breaches

CSK&D Protects Consumers Affected by Data Breaches

CSK&D has significant experience in prosecuting class action lawsuits on behalf of consumers who have been victimized by massive payment card data breaches. Large-scale payment data breaches have been on the rise over the past couple years. These breaches occur when cybercriminals gain unauthorized access to a company's payment systems or computer servers. When they occur, consumers are forced to take significant precautionary measures such as cancelling other cards and accounts, obtaining replacement cards (often for a fee), purchasing credit monitoring and identity theft, and spending large amounts of time reviewing accounts and statements for incidences of fraud. Two recent examples of settlements that CSK&D has resolved are: *Crystal Bray v. GameStop Corp.*, No. 1:17-cv-01365 (D. Del.) and *Gordon, et al. v. Chipotle Mexican Grille, Inc.*, No. 1:17-cv-01415-CMA-SKC (D. Colo.).

Representative Cases

Securities Cases Involving Real Estate Investments

CNL Hotels & Resorts Inc. Securities Litigation, Case No. 6:04-CV-1231, United States District Court, Middle District of Florida.

CSK&D was Lead Litigation Counsel in CNL Hotels & Resorts Inc. Securities Litigation, representing a Michigan Retirement System, other named plaintiffs and over 100,000 investors in this federal securities law class action that was filed in August 2004 against the nation's second largest hotel real estate investment trust, CNL Hotels & Resorts, Inc. (f/k/a CNL Hospitality Properties, Inc.) ("CNL Hotels") and certain of its affiliates, officers and directors. CNL raised over \$3 billion from investors pursuant to what Plaintiffs alleged to be false and misleading offering materials. In addition, in June 2004 CNL proposed an affiliated-transaction that was set to cost the investors and the Company over \$300 million ("Merger").

The Action was filed on behalf of: (a) CNL Hotels shareholders entitled to vote on the proposals presented in CNL Hotels' proxy statement dated June 21, 2004 ("Proxy Class"); and (b) CNL Hotels' shareholders who acquired CNL Hotels shares pursuant to or by means of CNL Hotels' public offerings, registration statements and/or prospectuses between August 16, 2001 and August 16, 2004 ("Purchaser Class").

The Proxy Class claims were settled by (a) CNL Hotels having entered into an Amended Merger Agreement which significantly reduced the amount that CNL Hotels paid to acquire its Advisor, CNL Hospitality Corp., compared to the Original Merger Agreement approved by CNL Hotels' stockholders pursuant to the June 2004 Proxy; (b) CNL Hotels having entered into certain Advisor Fee Reduction Agreements, which significantly reduced certain historic, current, and future advisory fees that CNL Hotels paid its Advisor before the Merger; and (c) the adoption of certain corporate governance provisions by CNL Hotels' Board of Directors. **In approving the Settlement, the Court concluded that in settling the Proxy claims, "a substantial benefit [was] achieved (estimated at approximately \$225,000,000)" and "this lawsuit was clearly instrumental in achieving that result."** The Purchaser Class claims were settled by Settling Defendants' payment of **\$35,000,000**, payable in three annual installments (January 2007 to January 2009).

On August 1, 2006, the Federal District Court in Orlando, Florida granted final approval of the Settlement as fair, reasonable, and adequate, and in rendering its approval of an award of attorneys' fees and costs to Plaintiffs' Counsel, the Court noted that "Plaintiffs' counsel pursued this complex case diligently, competently and professionally" and "achieved a successful result." More than 100,000 class members received notice of the proposed settlement and no substantive objection to the settlement, plan of allocation or fee petition was voiced by any class member.

Representative Cases

Securities Cases Involving Real Estate Investments

In re Real Estate Associates Limited Partnership Litigation, Case No. CV 98-7035, United States District Court, Central District of California.

Chimicles Schwartz Kriner & Donaldson-Smith LLP achieved national recognition for obtaining, in a federal securities fraud action, the first successful plaintiffs' verdict under the PSLRA. Senior partner Nicholas E. Chimicles was Lead Trial Counsel in the six-week jury trial in federal court in Los Angeles, in October 2002. The jury verdict, in the amount of \$185 million (half in compensatory damages; half in punitive damages), was ranked among the top 10 verdicts in the nation for 2002. After the court reduced the punitive damage award because it exceeded California statutory limits, the case settled for \$83 million, representing full recovery for the losses of the class. At the final hearing, held in November 2003, the Court praised Counsel for achieving both a verdict and a settlement that "qualif[ied] as an exceptional result" in what the Judge regarded as "a very difficult case..." In addition, the Judge noted the case's "novelty and complexity...and the positive reaction of the class. Certainly, there have been no objections, and I think Plaintiffs' counsel has served the class very well."

Case Summary: In August of 1998, over 17,000 investors ("Investor Class") in 8 public Real Estate Associates Limited Partnerships ("REAL Partnerships") were solicited by their corporate managing general partner, defendant National Partnership Investments Corp. ("NAPICO"), and other Defendants via Consent Solicitations filed with the Securities and Exchange Commission ("SEC"), to vote in favor of the sale of the REAL Partnerships' interests in 98 limited partnerships ("Local Partnerships"). In a self-dealing and interested transaction, the Investor Class was asked to consent to the sale of these interests to NAPICO's affiliates ("REIT Transaction"). In short, Plaintiffs alleged that defendants structured and carried out this wrongful and self-dealing transaction based on false and misleading statements, and omissions in the Consent Solicitations, resulting in the Investor Class receiving grossly inadequate consideration for the sale of these interests. Plaintiffs' expert valued these interests to be worth a minimum of \$86,523,500 (which does not include additional consideration owed to the Investor Class), for which the Investor Class was paid only \$20,023,859.

Plaintiffs and the Certified Class asserted claims under Section 14 of the Securities Exchange Act of 1934 ("the Exchange Act"), alleging that the defendants caused the Consent Solicitations to contain false or misleading statements of material fact and omissions of material fact that made the statements false or misleading. In addition, Plaintiffs asserted that Defendants breached their fiduciary duties by using their positions of trust and authority for personal gain at the expense of the Limited Partners. Moreover, Plaintiffs sought equitable relief for the Limited Partners including, among other things, an injunction under Section 14 of the Exchange Act for violation of the "anti-bundling rules" of the SEC, a declaratory judgment decreeing that defendants were not entitled to indemnification from the REAL Partnerships.

Trial: This landmark case is the *first* Section 14 – proxy law- securities class action seeking damages, a significant monetary recovery, for investors that has been tried, and ultimately won, before a jury anywhere in the United States since the enactment of the Private Securities Litigation Reform Act of 1995 ("PSLRA"). Trial began on October 8, 2002 before a federal court jury in Los Angeles. The jury heard testimony from over 25 witnesses, and trial counsel moved into evidence approximately 4,810 exhibits; out of those 4,810 exhibits, witnesses were questioned about, or referred to, approximately 180 exhibits.

Representative Cases

Securities Cases Involving Real Estate Investments

On November 15, 2002, the ten-member jury, after more than four weeks of trial and six days of deliberation, unanimously found that Defendants knowingly violated the federal proxy laws and that NAPICO breached its fiduciary duties, and that such breach was committed with oppression, fraud and malice. The jury's unanimous verdict held defendants liable for compensatory damages of \$92.5 million in favor of the Investor Class. On November 19, 2002, a second phase of the trial was held to determine the amount of punitive damages to be assessed against NAPICO. The jury returned a verdict of \$92.5 million in punitive damages. In total, trial counsel secured a unanimous jury verdict of \$185 million on behalf of the Investor Class.

With this victory, Mr. Chimicles and the trial team secured the 10th largest verdict of 2002. (See, National Law Journal, "The Largest Verdicts of 2002", February 2, 2003; National Law Journal, "Jury Room Rage", Feb. 3, 2002). Subsequent to post-trial briefing and rulings, in which the court reduced the punitive damage award because it exceeded California statutory limits, the case settled for \$83 million. The settlement represented full recovery for the losses of the class.

Prosecuting and trying this Case required dedication, tenacity, and skill: This case involved an extremely complex transaction. As Lead Trial Counsel, CSK&D was faced with having to comprehensively and in an understandable way present complex law, facts, evidence and testimony to the jury, without having them become lost (and thus, indifferent and inattentive) in a myriad of complex terms, concepts, facts and law. The trial evidence in this case originated almost exclusively from the documents and testimony of Defendants and their agents. As Lead Trial Counsel, CSK&D was able, through strategic cross-examination of expert witnesses, to effectively stonewall defendants' damage analysis. In addition, CSK&D conducted thoughtful and strategic examination of defendants' witnesses, using defendants' own documents to belie their testimony.

The significance of the case: The significance of this trial and the result are magnified by the public justice served via this trial and the novelty of issues tried. This case involved a paradigm of corporate greed, and CSK&D sent a message to not only the Defendants in this Action, but to all corporate fiduciaries, officers, directors and partners, that it does not pay to steal, lie and cheat. There needs to be effective deterrents, so that "corporate greed" does not pay. The diligent and unrelenting prosecution and trial of this case by CSK&D sent that message.

Moreover, the issues involved were novel and invoked the application of developing case law that is not always uniformly applied by the federal circuit courts. In Count I, Plaintiffs alleged that defendants violated § 14 of the Exchange Act. Subsequent to the enactment of the PLSRA, the primary relief sought and accorded for violations of the proxy laws is a preliminary injunction. Here, the consummation of the REIT Transaction foreclosed that form of relief. Instead, Plaintiffs' Counsel sought significant monetary damages for the Investor Class on account of defendants' violations of the federal proxy laws. CSK&D prevailed in overcoming defendants' characterization of the measure of damages that the Investor Class was required to prove (defendants argued for a measure of damages equivalent to the difference in the value of the security prior to and subsequent to the dissemination of the Consent Solicitations), and instead, successfully recouped damages for the value of the interests and assets given up by the Investor Class. The case is important in the area of enforcement of fiduciary duties in public partnerships which are a fertile ground for unscrupulous general partners to cheat the public investors.

Representative Cases

Securities Cases Involving Real Estate Investments

Aetna Real Estate Associates LP

Nicholas Chimicles and Pamela Tikellis represented a Class of unitholders who sought dissolution of the partnership because the management fees paid to the general partners were excessive and depleted the value of the partnership. The Settlement, valued in excess of \$20 million, included the sale of partnership property to compensate the class members, a reduction of the management fees, and a special cash distribution to the class.

City of St. Clair Shores General Employees Retirement System, et al. v. Inland Western Retail Real Estate Trust, Inc., Case No. 07 C 6174, United States District Court, Northern District of Illinois .

CSK&D was principal litigation counsel for the plaintiff class of stockholders that challenged the accuracy of a proxy statement that was used to secure stockholder approval of a merger between an external advisor and property managers and the largest retail real estate trust in the country. In 2010, in a settlement negotiation lead by the Firm, we succeeded in having \$90 million of a stock, or 25% of the merger consideration, paid back to the REIT.

Wells and Piedmont Real Estate Investment Trust, Inc., Securities Litigation, Case Nos. 1:07-cv-00862, 02660, United States District Court, Northern District of Georgia.

CSK&D served as co-lead counsel in this federal securities class action on behalf of Wells REIT/Piedmont shareholders. Filed in 2007, this lawsuit charged Wells REIT, certain of its directors and officers, and their affiliates, with violations of the federal securities laws for their conducting an improper, self-dealing transaction and recommending that shareholders reject a mid-2007 tender offer made for the shareholders' stock. On the verge of trial, the Cases settled for \$7.5 million and the Settlement was approved in 2013.

In re Cole Credit Property Trust III, Inc. Derivative and Class Litigation, Case No. 24-C-13-001563, Circuit Court for Baltimore City.

In this Action filed in 2013, CSK&D, as chair of the executive committee of interim class counsel, represents Cole Credit Property Trust III ("CCPT III") investors, who were, without their consent, required to give Christopher Cole (CCPT III's founder and president) hundreds of millions of dollars' worth of consideration for a business that plaintiffs allege was worth far less. The Action also alleges that, in breach of their fiduciary obligations to CCPT III investors, CCPT III's Board of Directors pressed forward with this wrongful self-dealing transaction rebuffing an offer from a third party that proposed to acquire the investors' shares in a \$9 billion dollar deal. Defendants have moved to dismiss the complaint, and plaintiffs have filed papers vigorously opposing the motion.

Representative Cases

Securities Cases Involving Real Estate Investments

Roth v. The Phoenix Companies, Inc. and U.S. Bank National Association, in its capacity as Indenture Trustee, Index No. 650634/2016 (N.Y. Sup. Ct.).

CSK&D served as lead counsel in this action on behalf of bondholders in connection with a 2015 going-private merger. In early 2016, Phoenix sought Bondholder's consent to amend the Company's Indenture to severely limit Bondholder's access to financial information and to allow the Trustee to waive certain of its oversight responsibilities. CSK&D promptly filed a complaint seeking injunctive relief, and within seven days, CSK&D secured material benefits for Bondholders, including, most significantly, ongoing access to material financial and corporate information which increased the value of the Bonds by \$17.5 million and secured ongoing liquidity for the Bonds. In approving the settlement, the Court stated that "I think the plaintiffs were successful in getting everything they could have gotten I think it's a great settlement."

Gamburg, et al., v. Hines Real Estate Investment Trust, Inc., et al, Case No. 24C16004496 (Cir. Ct. Baltimore City, MD).

CSK&D served as co-lead counsel in this direct and derivative action filed in 2016 on behalf of Hines REIT and its stockholders which challenges various self-dealing conduct by the managers and directors of Hines REIT. The action alleged, among other things, that \$15 million in fees were paid to affiliates in violation of contractual and fiduciary duties. Defendants moved to dismiss the action, and the Court held a hearing in December 2015. In an expedited partial ruling on an issue of first impression, the Court held that plaintiffs were entitled to proceed with their derivative claims even subsequent to the then-impending liquidation – a crucial initial decision in favor of the stockholders that preserved rights that could have otherwise been extinguished upon the liquidation. While the Court's ruling on the remaining issues raised in Defendants' motion was pending, the parties reached a settlement in January 2018. On June 6, 2018 the court granted final approval of the Settlement which provides for the cash payment of \$3.25 million, which represents a recovery of over 20% of the fees paid to affiliates.

In re Empire State Realty Trust, Inc. Investor Litigation, Case 650607/2012, New York Supreme Court.

In this action filed in 2012, CSK&D represents investors who own the Empire State Building, as well as several other Manhattan properties, whose interests and assets are proposed to be consolidated into a new entity called Empire State Realty Trust Inc. The investors filed an action against the transaction's chief proponents, members of the Malkin family, certain Malkin-controlled companies, and the estate of Leona Helmsley, claiming breaches of fiduciary for, among other things, such proponents being disproportionately favored in the transaction. A Settlement of the Litigation has been reached and was approved in full by the Court. The Settlement consists of: a cash settlement fund of \$55 million, modifications to the transaction that result in an over \$100 million tax deferral benefit to the investors, and defendants will provide additional material information to investors about the transaction.

Representative Cases

Securities Cases Involving Real Estate Investments

***Delaware County Employees Retirement Fund v. Barry M. Portnoy, et al.*, Case No. 1:13-cv-10405, United States District Court, District Court of Massachusetts.**

CSK&D is lead counsel in an action pending in federal court in Boston filed on behalf of Massachusetts-based Commonwealth REIT (“CWH”) and its shareholders against CWH’s co-founder Barry Portnoy and his son Adam Portnoy (“Portnoys”), and their wholly-owned entity Reit Management & Research, LLC (“RMR”), and certain other former and current officers and trustees of CWH (collectively, “Defendants”). The Action alleges a long history of management abuse, self-dealing, and waste by Defendants, which conduct constitutes violations of the federal securities laws and fiduciary duties owed by Defendants to CWH and its shareholders. Plaintiff seeks damages and to enjoin Defendants from any further self-dealing and mismanagement. The Defendants sought to compel the Plaintiff to arbitrate the claims, and Plaintiff has vigorously opposed such efforts on several grounds including that CWH and its shareholders did not consent to arbitration and the arbitration clause is facially oppressive and illegal. The parties are awaiting the Court’s ruling on that matter.

Representative Cases

Securities Cases (Non-Real Estate)

Westmoreland County v. Inventure Foods, Case No. CV2016-002718 (Super. Ct. Ariz.)

In this securities shareholder class action, CSK&D served as Lead Counsel against Inventure Foods, and certain of its officers and underwriters, arising out of the company's secondary stock offering held in September 2014. As portfolio monitoring counsel for Westmoreland, CSK&D first identified that the company's stock price had suffered a precipitous decline, rather soon after the offering, due to troubles at the Company's manufacturing facility, including a major food recall. Before filing a complaint, CSK&D investigated the potential causes of the problems – including securing documents from the FDA and GA Department of Agriculture, talking to former employees and engaging a listeria expert. Subsequent to the investigation, CSK&D filed the first complaint alleging that the Defendants violated the Securities Act of 1933 by issuing a false and misleading Registration Statement and Prospectus in connection with the stock offering. In a pair of rulings entered on February 24, 2017, and August 4, 2017, the Court rejected defendants' motions to dismiss the action. The parties proceeded with Mediation and reached a proposed Settlement which was preliminarily approved by the court on June 6, 2018. On November 2, 2018 the court granted final approval of the settlement which recovers over 35% of damages for investors (which percentage even assumes all offering shares were damaged).

Orrstown Financial Services, Inc., et al, Securities Litigation, Case No. 12-cv-00793 United States District Court, Middle District of Pennsylvania.

In this federal securities fraud class action filed in 2012, CSK&D serves as Lead Counsel on behalf of Lead Plaintiff Southeastern Pennsylvania Transportation Authority (SEPTA). The action alleges that Orrstown bank, its holding company, and certain of its officers, violated the Securities Exchange Act by misleading investors concerning material information about Orrstown's loan portfolio, underwriting practices, and internal controls. CSK&D investigated the cause of the decline which included reviewing Orrstown's filings with the SEC, making FOIA requests on the Federal Reserve Bank of Philadelphia and the PA Department of Banking, and interviewing former employees of Orrstown. The Court denied in large part Defendants' motions to dismiss, and the parties are currently engaged in discovery. This case demonstrates CSK&D's ability to identify potential claims, fully investigate them, bring litigation on behalf of a pension fund, secure appointment of lead plaintiff for its client and then vigorously prosecute the case.

ML-Lee Litigation, ML Lee Acquisition Fund L.P. and ML-Lee Acquisition Fund II L.P. and ML-Lee Acquisition Fund (Retirement Accounts), (C.A. Nos. 92-60, 93-494, 94-422, and 95-724), United States District Court, District of Delaware.

CSK&D represented three classes of investors who purchased units in two investment companies, ML-Lee Funds (that were jointly created by Merrill Lynch and Thomas H. Lee). The suits alleged breaches of the federal securities laws, based on the omission of material information and the inclusion of material misrepresentations in the written materials provided to the investors, as well as breaches of fiduciary duty and common law by the general partners in regard to conduct that benefited them at the expense of the limited partners. The complaint included claims under the often-ignored Investment Company Act of 1940, and the case witnessed numerous opinions that are considered seminal under the ICA. The six-year litigation resulted in **\$32 million** in cash and other benefits to the investors.

Representative Cases

Securities Cases (Non-Real Estate)

***In re Colonial BancGroup, Inc. Securities Litigation*, Case No. 09-CV-00104, United States District Court, Middle District of Alabama.**

CSK&D is actively involved in prosecuting this securities class action arising out of the 2009 failure of Colonial Bank, in which Norfolk County Retirement System, State-Boston Retirement System, City of Brockton Retirement System, and Arkansas Teacher Retirement System are the Court-appointed lead plaintiffs. The failure of Colonial Bank was well-publicized and ultimately resulted in several criminal trials and convictions of Colonial officers and third parties involved in a massive fraud in Colonial's mortgage warehouse lending division. The pending securities lawsuit includes allegations arising out of the mortgage warehouse lending division fraud, as well as allegations that Colonial misled investors concerning its operations in connection with two public offerings of shares and bonds in early 2008, shortly before the Bank's collapse. In April 2012, the Court approved a \$10.5 million settlement of Plaintiffs' claims against certain of Colonial's directors and officers. Plaintiffs' claims against Colonial's auditor, PwC, and the underwriters of the 2008 offerings are ongoing.

***Continental Illinois Corporation Securities Litigation*, Civil Action No. 82 C 4712, United States District Court, Northern District of Illinois.**

Nicholas Chimicles served as lead counsel for the shareholder class in this action alleging federal securities fraud. Filed in the federal district court in Chicago, the case arose from the 1982 oil and gas loan debacle that ultimately resulted in the Bank being taken over by the FDIC. The case involved a twenty-week jury trial conducted by Mr. Chimicles in 1987. Ultimately, the Class recovered nearly \$40 million.

***PaineWebber Limited Partnerships Litigation*, 94 Civ. 8547, United States District Court, Southern District of New York .**

The Firm was chair of the plaintiffs' executive committee in a case brought on behalf of tens of thousands of investors in approximately 65 limited partnerships that were organized or sponsored by PaineWebber. In a landmark settlement, investors were able to recover \$200 million in cash and additional economic benefits following the prosecution of securities law and RICO (Racketeer Influenced and Corrupt Organizations Act) claims.

Representative Cases

Delaware and Other Merger and Acquisition Suits

In re: Starz Shareholder Litigation, Cons. C.A. No. 12584-VCG (Del. Ct. Ch.)

In this stockholder class action, CSK&D served as co-lead counsel in this stockholder class action lawsuit against Starz, its controlling stockholder, John C. Malone (“Malone”), and certain of its officers and directors, arising out of the acquisition of Starz by Lions Gate Entertainment Corp. (“Lions Gate”) (the “Merger”). Pursuant to the Merger, Malone who is also a director of Lions Gate, was to receive superior consideration, including voting rights in Lions Gate, while the remaining Starz stockholders would receive less valuable consideration and lose their voting rights. The Action alleges that the process undertaken by the Starz’s board of directors in connection with the Merger was orchestrated by Malone and tainted by multiple conflicts. The Complaint also alleges that the consideration proposed is unfair and represents an effort by Malone to enlarge his already-massive media empire and to ensure his control position, to the detriment of Starz’s minority stockholders. On August 16, 2016, the Court appointed Norfolk County as Co-Lead Plaintiff and CSK&D, specifically Robert Kriner, as Co-Lead Counsel. After a 2-day mediation session in August 2018, the parties have reached a proposed settlement of a \$92.5 million payment to former shareholder of Starz. The Settlement Agreement and supporting papers were filed with the court on October 9, 2018, and the court has scheduled the settlement hearing for December 10, 2018.

In re Sanchez Energy Derivative Litigation, C.A. No. 9132-VCG (Del. Ch.)

In this derivative action, CSK&D served as co-lead counsel for plaintiffs in this derivative action which challenged the acquisition by Sanchez Energy Corporation of assets in the Tuscaloosa Marine Shale from Sanchez Resources LLC, an affiliate of Sanchez Energy’s CEO, Tony Sanchez, III, and Executive Chairman Tony Sanchez, Jr. The case alleged wrongful self-dealing in the acquisition in which Sanchez Energy paid the affiliate acreage prices which far exceeded prices paid in comparable transactions. On November 6, 2017, the Delaware Court of Chancery approved a Settlement valued at more than \$30 million. In approving the Settlement, the Court characterized it as a very good result in CSK&D having obtained a substantial portion of the home-run damages available at trial.

In re Freeport-McMoran Sulphur, Inc. Shareholder Litigation, C.A. No. 16729, Delaware Court of Chancery.

In this shareholder class action, CSK&D served as Lead Plaintiffs’ Counsel representing investors in a stock-for-stock merger of two widely held public companies, seeking to remedy the inadequate consideration the stockholders of Sulphur received as part of the merger. In June 2005, the Court of Chancery denied defendants’ motions for summary judgment, allowing Plaintiffs to try each and every breach of fiduciary duty claim asserted in the Action. In denying defendants’ motions for summary judgment the Court held there were material issues of fact regarding certain board member’s control over the Board including the Special Committee members and the fairness of the process employed by the Special Committee implicating the duty of entire fairness and raising issues regarding the validity of the Board action authorizing the merger. The decision has broken new ground in the field of corporate litigation in Delaware. Before the trial commenced, Plaintiffs and Defendants agreed in principle to settle the case. The settlement, which was approved in April 2006, provides for a cash fund of \$17,500,000.

Representative Cases

Delaware and Other Merger and Acquisition Suits

In re Genentech, Inc. Shareholders Litigation, C.A. No. 3911-VCS, Delaware Court of Chancery.

In this shareholder class action, CSK&D served as Co-Lead Counsel representing minority stockholders of Genentech, Inc. in an action challenging actions taken by Roche Holdings, Inc. ("Roche") to acquire the remaining approximately 44% of the outstanding common stock of Genentech, Inc. ("Genentech") that Roche did not already own. In particular, Plaintiffs challenged that Roche's conduct toward the minority was unfair and violated pre-existing governance agreements between Roche and Genentech. During the course of the litigation, Roche increased its offer from \$86.50 per share to \$95 per share, a \$4 billion increase in value for Genentech's minority shareholders. That increase and other protections for the minority provided the bases for the settlement of the action, which was approved by the Court of chancery on July 9, 2009.

In re Kinder Morgan Shareholder Litigation, C.A. No. 06-c-801, District Court of Shawnee County, Kansas

In this shareholder class action, CSK&D served as Co-Lead Counsel representing former stockholders of Kinder Morgan, Inc. (KMI) in an action challenging the acquisition of Kinder Morgan by a buyout group lead by KMI's largest stockholder and Chairman, Richard Kinder. Plaintiffs alleged that Mr. Kinder and a buyout group of investment banks and private equity firms leveraged Mr. Kinder's knowledge and control of KMI to acquire KMI for less than fair value. As a result of the litigation, Defendants agreed to pay \$200 million into a settlement fund, believed to be the largest of its kind in any buyout-related litigation. The district Court of Shawnee County, Kansas approved the settlement on November 19, 2010.

In re Chiron Shareholder Deal Litigation, Case No. RG05-230567 (Cal. Super.) & In re Chiron Corporation Shareholder Litigation, C.A. No. 1602-N, Delaware Court of Chancery

CSK&D represents stockholders of Chiron Corporation in an action which challenged the proposed acquisition of Chiron Corporation by its 42% stockholder, Novartis AG. Novartis announced a \$40 per share merger proposal on September 1, 2005, which was rejected by Chiron on September 5, 2005. On October 31, Chiron announced an agreement to merge with Novartis at a price of \$45 per share. CSK&D was co-lead counsel in the consolidated action brought in the Delaware Court of Chancery. Other similar actions were brought by other Chiron shareholders in the Superior Court of California, Alameda City. The claims in the Delaware and California actions were prosecuted jointly in the Superior Court of California. CSK&D, together with the other counsel for the stockholders, obtained an order from the California Court granting expedited proceedings in connection with a motion preliminary to enjoin the proposed merger. Following extensive expedited discovery in March and April, 2006, and briefing on the stockholders' motion for injunctive relief, and just days prior to the scheduled hearing on the motion for injunctive relief, CSK&D, together with Co-lead counsel in the California actions, negotiated an agreement to settle the claims which included, among other things, a further increase in the merger price to \$48 per share, or an additional \$330 million for the public stockholders of Chiron. On July 25, 2006, the Superior Court of California, Alameda County, granted final approval to the settlement of the litigation.

Representative Cases

Delaware and Other Merger and Acquisition Suits

Gelfman v. Weeden Investors, L.P., Civ. Action No. 18519-NC, Delaware Court of Chancery

Chimicles Schwartz Kriner & Donaldson-Smith LLP served as class counsel, along with other plaintiffs' firms, in this action against the Weeden Partnership, its General Partner and various individual defendants filed in the Court of Chancery in the State of Delaware. In this Class Action, Plaintiffs alleged that Defendants breached their fiduciary duties to the investors and breached the Partnership Agreement. The Delaware Chancery Court conducted a trial in this action which was concluded in December 2003. Following the trial, the Chancery Court received extensive briefing from the parties and heard oral argument. On June 14, 2004, the Chancery Court issued a memorandum opinion, which was subsequently modified, finding that the Defendants breached their fiduciary duties and the terms of the Partnership Agreement, with respect to the investors, and that Defendants acted in bad faith ("Opinion"). This Opinion from the Chancery Court directed an award of damages to the classes of investors, in addition to other relief. In July 2004, Class Counsel determined that it was in the best interests of the investors to settle the Action for over 90% of the value of the monetary award under the Opinion (over \$8 million).

I.G. Holdings Inc., et al. v. Hallwood Realty, LLC, et al., C.A. No. 20283, Delaware Court of Chancery.

In the Delaware Court of Chancery, C& T represented the public unitholders of Hallwood Realty L.P. The action challenged the general partner's refusal to redeem the Partnership's rights plan or to sell the Partnership to maximize value for the public unitholders. Prior to the filing of the action, the Partnership paid no distributions and Units of the Partnership normally traded in the range of \$65 to \$85 per unit. The prosecution of the action by CSK&D caused the sale of the Partnership, ultimately yielding approximately \$137 per Unit for the unitholders plus payment of the attorneys' fees of the Class.

Representative Cases

Delaware and Other Merger and Acquisition Suits

Southeastern Pennsylvania Transportation Authority v. Josey, et. al., C.A. No. 5427, Delaware Court of Chancery.

Chimicles Schwartz Kriner & Donaldson-Smith served as class counsel in this action challenging the acquisition of Mariner Energy, Inc. by Apache Corporation. Following expedited discovery, CSK&D negotiated a settlement which led to the unprecedented complete elimination of the termination fee from the merger agreement and supplemental disclosures regarding the merger. On March 15, 2011, the Delaware Court of Chancery granted final approval to the settlement of the litigation.

In re Pepsi Bottling Group, Inc. Shareholders Litigation, C.A. No. 4526, Delaware Court of Chancery.

The Firm served as class counsel, along with several other firms challenging PepsiCo's buyout of Pepsi Bottling Group, Inc. CSK&D's efforts prompted PepsiCo to raise its buyout offer for Pepsi Bottling Group, Inc. by approximately \$1 billion and take other steps to improve the buyout on behalf of public stockholders.

In re Atlas Energy Resources LLC, Unitholder Litigation, Consol C.A. No. 4589, Delaware Court of Chancery.

The Firm was co-lead counsel in an action challenging the fairness of the acquisition of Atlas Energy Resources LLC by its controlling shareholder, Atlas America, Inc. After over two-years of complex litigation, the Firm negotiated a \$20 million cash settlement, which was finally approved by the court on May 14, 2012.

In re J. Crew Group, Inc. S'holders Litigation, C.A. No. 6043, Delaware Court of Chancery.

The Firm was co-lead counsel challenging the fairness of a going private acquisition of J.Crew by TPG and members of J.Crew's management. After hard-fought litigation, the action resulted in a settlement fund of \$16 million and structural changes to the go-shop process, including an extension of the go-shop process, elimination of the buyer's informational and matching rights and requirement that the transaction to be approved by a majority of the unaffiliated shareholders. The settlement was finally approved on December 16, 2011.

Representative Cases

Delaware and Other Merger and Acquisition Suits

In re McKesson Derivative Litigation, Saito, et al. v. McCall, et al., C.A. No. 17132, Delaware Court of Chancery.

As Lead Counsel in this stockholder derivative action, CSK&D challenged the actions of the officers, directors and advisors of McKesson and HBOC in proceeding with the merger of the two companies when their managements were allegedly aware of material accounting improprieties at HBOC. In addition, CSK&D also brought (under Section 220 of the Delaware Code) a books and records case to discover information about the underlying events. CSK&D successfully argued in the Delaware Courts for the production of the company's books and records which were used in the preparation of an amended derivative complaint in the derivative case against McKesson and its directors. Seminal opinions have issued from both the Delaware Supreme Court and Chancery Court about Section 220 actions and derivative suits as a result of this lawsuit. Plaintiffs agreed to a settlement of the derivative litigation subject to approval by the Delaware Court of Chancery, pursuant to which the Individual Defendants' insurers will pay \$30,000,000 to the Company. In addition, a claims committee comprised of independent directors has been established to prosecute certain of Plaintiffs' claims that will not be released in connection with the proposed settlement. Further, the Company will maintain important governance provisions among other things ensuring the independence of the Board of Directors from management. On February 21, 2006, the Court of Chancery approved the Settlement and signed the Final Judgment and Order and Realignment Order.

Barnes & Noble Inc., C.A. No. 4813, Delaware Court of Chancery.

CSK&D served as Co-Lead Counsel in a shareholder lawsuit brought derivatively on behalf of Barnes & Noble ("B&N") alleging wrongdoing by the B&N directors for recklessly causing B&N to acquire Barnes & Noble College Booksellers, Inc. ("College Books") the "Transaction") from B&N's founder, Chairman and controlling stockholder, Leonard Riggio ("Riggio") at a grossly excessive price, subjecting B&N to excessive risk. The case settled for nearly \$30 million and finally approved by the court on September 4, 2012.

Sample v. Morgan, et. al., C.A. No. 1214-VCS, Delaware Court of Chancery.

Action alleging that members of the board of directors of Randall Bearings, Inc. breached their fiduciary duties to the company and its stockholders and committed corporate waste. The action resulted in an eve-of-trial settlement including revocation of stock issued to insiders, a substantial cash payment to the corporation and reformation of the Company's corporate governance. The Court finally approved the settlement on August 5, 2008.

Manson v. Northern Plain Natural Gas Co., LLC, et. al., C.A. No. 1973-N, Delaware Court of Chancery.

Chimicles Schwartz Kriner & Donaldson-Smith served as counsel in a class and derivative action asserting contract and fiduciary duty claims stemming from dropdown asset transactions to a partnership from an affiliate of its general partner. The case settled for a substantial adjustment (valued by Plaintiff's expert to be worth more than \$100 million) to the economic terms of units issued by the partnership in exchange for the assets. The settlement was finally approved by the Court on January 18, 2007.

Representative Cases

Consumer Cases

***Lockabey v. American Honda Motors Co., Inc.*, Case No. 37-2010-00087755-CU-BT-CTL, San Diego County Superior Court**

Mr. Chimicles is co-lead counsel in a nationwide class action involving fuel economy problems encountered by purchasers of Honda Civic Hybrids ("HCH"). *Lockabey v. American Honda Motors Co., Inc.*, Case No. 37-2010-00087755-CU-BT-CTL (Super. Ct. San Diego). After nearly five years of litigation in both the federal and state courts in California, a settlement benefiting nearly 450,000 consumers who had leased or owned HCH vehicles from model years 2003 through 2009. Following unprecedented media scrutiny and review by the attorneys general of each state as well as major consumer protection groups, the settlement was approved on March 16, 2012 in a 40 page opinion by the Honorable Timothy B. Taylor of the San Diego County (CA) Superior Court in which the Court stated:

The court views this as a case which was difficult and risky... The court also views this as a case with significant public value which merited the 'sunlight' which Class Counsel have facilitated..

Depending on the number of claims that are filed (deadline will not expire until 6 months after a pending single appeal is resolved), the Class will garner benefits ranging from \$100 million to \$300 million.

***In re Pennsylvania Baycol: Third-Party Payor Litigation*, Case No. 001874, Court of Common Pleas, Philadelphia County.**

In connection with the withdrawal by Bayer of its anti-cholesterol drug Baycol, CSK&D represents various Health and Welfare Funds, including the Pennsylvania Employees Benefit Trust Fund, and a certified national class of "third party payors" seeking damages for the sums paid to purchase Baycol for their members/insureds and to pay for the costs of switching their members/insureds from Baycol to another cholesterol-lowering drug. The Philadelphia Court of Common Pleas granted plaintiffs' motion for summary judgment as to liability; this is the first and only judgment that has been entered against Bayer anywhere in the United States in connection with the withdrawal of Baycol. The Court subsequently certified a national class, and the parties reached a settlement (recently approved by the court) in which Bayer agreed to pay class members a net recovery that approximates the maximum damages (including pre-judgment interest) suffered by class members. The class settlement negotiated by CSK&D represents a net recovery for third party payors that is between double and triple the net recovery pursuant to a non-litigated settlement negotiated by lawyers representing third party payors such as AETNA and CIGNA that was made available to and accepted by numerous other third party payors (including the TRS). CSK&D had advised its clients to reject that offer and remain in the now settled class action. On June 15, 2006 the court granted final approval of the settlement.

Representative Cases

Consumer Cases

Shared Medical Systems 1998 Incentive Compensation Plan Litigation, Philadelphia County Court of Common Pleas, Commerce Program, No. 0885.

Chimicles Schwartz Kriner & Donaldson-Smith LLP is lead counsel in this action brought in 2003 in the Philadelphia County Court of Common Pleas. The case was brought on behalf of approximately 1,300 persons who were employees of Defendant Siemens Medical Solutions Health Services Corporation (formerly Shared Medical Systems, Inc.) who had their 1998 incentive compensation plan ("ICP") compensation reduced 30% even though the employees had completed their performance under the 1998 ICP contracts and had earned their incentive compensation based on the targets, goals and quotas in the ICPs. The Court had scheduled trial to begin on February 4, 2005. On the eve of trial, the Court granted Plaintiffs' motion for summary judgment as to liability on their breach of contract claim. With the rendering of that summary judgment opinion on liability in favor of Plaintiffs, the parties reached a settlement in which class members will receive a net recovery of the full amount of the amount that their 1998 ICP compensation was reduced. On May 5, 2005, the Court approved the settlement, stating that the case "should restore anyone's faith in class actions as a reasonable way of proceeding on reasonable cases."

Wong v. T-Mobile USA, Inc., Case No. CV 05-cv-73922-NGE-VMM, United States District Court, Eastern District of Michigan.

Chimicles Schwartz Kriner & Donaldson-Smith LLP and the Miller Law Firm P.C. filed a complaint alleging that defendant T-Mobile overcharged its subscribers by billing them for data access services even though T-Mobile's subscribers had already paid a flat rate monthly fee of \$5 or \$10 to receive unlimited access to those various data services. The data services include Unlimited T-Zones, Any 400 Messages, T-Mobile Web, 1000 Text Messages, Unlimited Mobile to Mobile, Unlimited Messages, T-Mobile Internet, T-Mobile Internet with corporate My E-mail, and T-Mobile Unlimited Internet and Hotspot. Chimicles Schwartz Kriner & Donaldson-Smith LLP and the Miller Law Firm defeated a motion by T-Mobile to force resolution of these claims via arbitration and successfully convinced the Court to strike down as unconscionable a provision in T-Mobile's subscription contract prohibiting subscribers from bringing class actions. After that victory, the parties reached a settlement requiring T-Mobile to provide class members with a net recovery of the full amount of the un-refunded overcharges with all costs for notice, claims administration, and counsel fees paid in addition to class members' 100% net recovery. The gross amount of the overcharges, which occurred from April 2003 through June 2006, is approximately \$6.7 million. To date, T-Mobile has refunded approximately \$4.5 million of those overcharges. A significant portion of those refunds were the result of new policies T-Mobile instituted after the filing of the Complaint. Pursuant to the Settlement, T-Mobile will refund the remaining \$2.2 million of un-refunded overcharges.

In re Checking Account Overdraft Litig., No. 1:09-MD-02036-JLK, United States District Court, Southern District of Florida.

These Multidistrict Litigation proceedings involve allegations that dozens of banks reorder and manipulate the posting order of consumer debit transactions to maximize their revenue from overdraft fees. Settlements in excess of \$1 billion have been reached with several banks. CSK&D was active in the overall prosecution of these proceedings, and was specifically responsible for prosecuting actions against US Bank (pending \$55 million settlement) and Comerica Bank (pending \$14.5 million settlement).

Representative Cases

Consumer Cases

***In re Apple iPhone/iPod Warranty Litig.*, No. 10-CV-01610, United States District Court, Northern District of California .**

CSK&D is interim co-lead counsel in this case brought by consumers who allege that Apple improperly denied warranty coverage for their iPhone and iPod Touch devices based on external “Liquid Submersion Indicators” (LSIs). LSIs are small paper-and-ink laminates, akin to litmus paper, which are designed to turn red upon exposure to liquid. Plaintiffs alleged that external LSIs are not a reliable indicator of liquid damage or abuse and, therefore, Apple should have provided warranty coverage. The district court recently granted preliminary approval to a settlement pursuant to which Apple has agreed to pay \$53 million to settle these claims.

***Henderson v. Volvo Cars of North America LLC, et al.*, No. 2:09-CV-04146-CCC-JAD, United States District Court, District of New Jersey.**

CSK&D was lead counsel in this class action lawsuit brought behalf of approximately 90,000 purchasers and lessees of Volvo vehicles that contained allegedly defective automatic transmissions. After the plaintiffs largely prevailed on a motion to dismiss, the district court granted final approval to a nationwide settlement in March 2013.

***In re Philips/Magnavox Television Litig.*, No. 2:09-cv-03072-CCC-JAD, United States District Court, District of New Jersey.**

This class action was brought by consumers who alleged that a defective electrical component was predisposed to overheating, causing their televisions to fail prematurely. After the motion to dismiss was denied in large part, the parties reached a settlement in excess of \$4 million.

***Physicians of Winter Haven LLC, d/b/a Day Surgery Center v. STERIS Corporation*, No. 1:10-cv-00264-CAB, United States District Court, Northern District of Ohio.**

This case was brought on behalf of a class of hospitals and surgery centers that purchased a sterilization device that allegedly did not receive the required pre-sale authorization from the FDA. The case settled for approximately \$20 million worth of benefits to class members. CSK&D, which represented an outpatient surgical center, was the sole lead counsel in this case.

***Smith v. Gaiam, Inc.*, No. 09-cv-02545-WYD-BNB, United States District Court, District of Colorado.**

CSK&D was co-lead counsel in this consumer case in which a settlement that provided full recovery to approximately 930,000 class members was achieved.

***In re CertainTeed Corp. Roofing Shingle Products Liability Litigation*, No. 07-MDL-1817-LP, United States District Court, Eastern District of Pennsylvania.**

This was a consumer class action involving allegations that CertainTeed sold defective roofing shingles. The parties reached a settlement which was approved and valued by the Court at between \$687 to \$815 million.

Representative Cases

Antitrust Cases

***In re TriCor Indirect Purchasers Antitrust Litig.*, No. 05-360-SLR, United States District Court, District of Delaware.**

CSK&D was liaison counsel in this indirect purchaser case which resulted in a \$65.7 million settlement. The plaintiffs alleged that manufacturers of a cholesterol drug engaged in anticompetitive conduct, such as making unnecessary changes to the formulation of the drug, which was designed to keep generic versions off of the market.

***In re Flonase Antitrust Litig.*, No. 2:08-cv-3301, United States District Court, Eastern District of Pennsylvania.**

CSK&D was liaison counsel and trial counsel on behalf of indirect purchaser plaintiffs in this pending antitrust case. The plaintiffs allege that the manufacturer of Flonase engaged in campaign of filing groundless citizens petitions with the Food and Drug Administration which was designed to delay entry of cheaper, generic versions of the drug. The court has granted class certification, and denied motions to dismiss and for summary judgment filed by the defendant. A \$46 million settlement was reached on behalf of all indirect purchasers a few months before trial was to commence.

***In re In re Metoprolol Succinate End-Payor Antitrust Litig.*, No. 1:06-cv-00071, United States District Court, District of Delaware.**

CSK&D was liaison counsel for the indirect purchaser plaintiffs in this case, which involved allegations that AstraZeneca filed baseless patent infringement lawsuits in an effort to delay the market entry of generic versions of the drug Toprol-XL. After the plaintiffs defeated a motion to dismiss, the indirect purchaser case settled for \$11 million.

***In re Insurance Brokerage Antitrust Litigation*, No. 2:04-cv-05184-GEB-PS, United States District Court, District of New Jersey.**

This case involves allegations of bid rigging and steering against numerous insurance brokers and insurers. The district court has granted final approval to settlements valued at approximately \$218 million.