

**SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF NEW YORK: COMMERCIAL DIVISION**

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ERIE COUNTY EMPLOYEES' RETIREMENT SYSTEM, Individually and on Behalf of All Others Similarly Situated,	)	Index No. 656462/2019
	)	(Borrok, J.)
Plaintiff,	)	Part 53
vs.	)	Motion Sequence No. 6
	)	
NN, INC., RICHARD D. HOLDER, THOMAS C. BURWELL, JR., ROBERT E. BRUNNER, WILLIAM DRIES, DAVID K. FLOYD, DAVID L. PUGH, STEVEN T. WARSHAW, J.P. MORGAN SECURITIES LLC, ROBERT W. BAIRD & CO. INCORPORATED, KEYBANC CAPITAL MARKETS INC., SUNTRUST ROBINSON HUMPHREY, INC., LAKE STREET CAPITAL MARKETS, LLC, STEPHENS INC., WILLIAM BLAIR & COMPANY, L.L.C., CJS SECURITIES, INC., and REGIONS SECURITIES LLC,	)	
Defendants.	)	

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**STIPULATION OF SETTLEMENT**

This Stipulation of Settlement, dated July 25, 2022 (the “Stipulation”), is made and entered into by and among: (i) Plaintiff Erie County Employees’ Retirement System, on behalf of itself and the Settlement Class (“Plaintiff”); (ii) Defendants NN, Inc. (“NN”), Richard D. Holder, Thomas C. Burwell, Jr., Robert E. Brunner, William Dries, David K. Floyd, David L. Pugh, and Steven T. Warshaw (collectively, the “Individual Defendants” and together, with NN, the “NN Defendants”); and (iii) J.P. Morgan Securities LLC, Robert W. Baird & Co. Incorporated, KeyBanc Capital Markets Inc., Truist Securities, Inc., f/k/a Suntrust Robinson Humphrey, Inc., Lake Street Capital Markets, LLC, Stephens Inc., William Blair & Company, L.L.C., CJS Securities, Inc., and Regions Securities LLC (collectively, the “Underwriter Defendants” and together, with the NN Defendants, “Defendants”) by and through their counsel of record in the Litigation.<sup>1</sup> This Stipulation is intended by Plaintiff and Defendants (collectively, the “Settling Parties”) to fully, finally, and forever resolve, discharge, and settle the Litigation and the Released Claims, as defined below, upon and subject to the terms and conditions hereof, subject to the approval of this Court pursuant to Article 9 of the New York Civil Practice Law and Rules (the “CPLR”).

#### **TERMS OF THE STIPULATION AND AGREEMENT OF SETTLEMENT**

Without any admission or concession on the part of Plaintiff of any lack of merit of the Litigation whatsoever and without any admission or concession of any liability or wrongdoing or lack of merit in the defenses whatsoever by Defendants, IT IS HEREBY STIPULATED AND AGREED by and among Plaintiff (on behalf of itself and the Settlement Class) and Defendants, by and through their counsel, that, subject to the approval of the Court pursuant to Article 9 of the CPLR, in consideration of the benefits flowing to the Settling Parties hereto from the Settlement,

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<sup>1</sup> All capitalized terms not otherwise defined shall have the meanings ascribed to them in §1 herein.

that the Litigation and the Released Claims, as against the Released Defendant Parties, and all of the Released Defendants' Claims, as against the Released Plaintiff Parties, shall be finally and fully compromised, settled, and released, and the Litigation shall be dismissed with prejudice, upon and subject to the terms and conditions of this Stipulation, as follows:

**1. Certain Definitions**

As used in this Stipulation, the following terms when capitalized, have the meanings specified below:

1.1. "Authorized Claimant" means any Settlement Class Member who submits a valid Claim to the Claims Administrator that is accepted for payment.

1.2. "Claim(s)" means a paper claim submitted on a Proof of Claim and Release form or an electronic claim that is submitted to the Claims Administrator.

1.3. "Claims Administrator" means the firm of Kroll Settlement Administration.

1.4. "Defendants" collectively means NN, the Individual Defendants, and the Underwriter Defendants.

1.5. "Defendants' Counsel" collectively means Simpson Thacher & Bartlett LLP and Sullivan & Cromwell LLP.

1.6. "Effective Date," or the date upon which the Settlement becomes "Effective," means the first date by which all of the events and conditions specified in ¶7.1 of this Stipulation have been met, have occurred, or have been waived.

1.7. "Escrow Account" means an interest-bearing escrow account established by the Escrow Agent pursuant to ¶2.2 of this Stipulation to receive the Settlement Amount.

1.8. "Escrow Agent" means Huntington National Bank.

1.9. "Fee and Expense Award" means any attorneys' fees and expenses awarded by the Court, as described in ¶6.1.

1.10. “Final” means, with respect to the Judgment: (a) if no appeal therefrom has been filed, the time has passed for any notice of appeal to be timely filed therefrom; or (b) if an appeal has been filed either (i) the Judgment has been finally affirmed or (ii) the appeal from the Judgment has been dismissed and the time for any reconsideration or further appellate review has passed. For purposes of this paragraph, an “appeal” shall include any motion for reconsideration or petition for a writ of *certiorari* or other writ that may be filed in connection with approval or disapproval of the Settlement. Any appeal or proceeding seeking subsequent judicial review pertaining solely to an order issued with respect to: (a) attorneys’ fees, costs, or expenses; (b) the Plan of Allocation (as submitted or subsequently modified); or (c) the procedures for determining Authorized Claimants’ recognized Claims shall not in any way delay, affect, or preclude the Judgment from becoming Final.

1.11. “Investment Vehicle(s)” means any investment company, or pooled investment fund, including, but not limited to, mutual fund families, exchange traded funds, funds of funds, and hedge funds in which Defendants, or any of them, have, has, or may have a direct or indirect interest, or as to which its affiliates may act as an investment advisor, but in which any Defendant alone or together, with its, his, or her respective affiliates, is not a majority owner or does not hold a majority beneficial interest.

1.12. “Judgment” means the Final Judgment and Order of Dismissal with Prejudice to be rendered by the Court, substantially in the form attached hereto as Exhibit B, as well as any form of final judgment that may be entered by the Court in a form other than the form attached hereto as Exhibit B, and where none of the Settling Parties elects to terminate the Settlement by reason of such variance, consistent with the terms of this Stipulation.

1.13. “Plaintiff’s Counsel” means the law firm of Scott+Scott Attorneys at Law LLP.

1.14. “Plaintiff” means Erie County Employees’ Retirement System.

1.15. “Litigation” means the action captioned *Erie County Employees’ Retirement System v. NN, Inc., et al.*, Index No. 656462/2019, pending in the Supreme Court of the State of New York, County of New York.

1.16. “Net Settlement Fund” means the Settlement Fund less: (a) any Court-awarded attorneys’ fees, expenses, and interest thereon; (b) any Court-awarded sum to the Plaintiff for its time and expense incurred in connection with its representation of the Settlement Class; (c) reasonable costs and expenses actually incurred in connection with providing Notice of the Settlement to the Settlement Class by mail, publication, and other means, locating Settlement Class Members, assisting with the submission of Claims, processing Proof of Claim and Release forms, administering the Settlement, and paying escrow taxes, fees, and costs, if any (“Notice and Administration Expenses”); (d) taxes and expenses and costs incurred in connection with the operation and implementation of ¶2.11 (including, without limitation, expenses of tax attorneys and/or accountants and mailing and distribution costs and expenses relating to filing (or failing to file) the returns described in ¶2.11) (“Tax Expenses”); and (e) other Court-approved deductions.

1.17. “Notice” means the Notice of Proposed Settlement of Class Action, which is to be sent to Members of the Settlement Class, substantially in the form attached hereto as Exhibit A-1.

1.18. “Person(s)” means an individual, corporation (including all divisions and subsidiaries), limited liability corporation, professional corporation, partnership, limited partnership, limited liability partnership, limited liability company, joint venture, association, joint stock company, estate, legal representative, trust, unincorporated association, government or any political subdivision or agency thereof, and any business or legal entity and all of their respective

spouses, heirs, beneficiaries, executors, administrators, predecessors, successors, representatives, or assignees.

1.19. “Plan of Allocation” means the plan described in the Notice or any alternate plan approved by the Court whereby the Net Settlement Fund shall be distributed to Authorized Claimants. Any Plan of Allocation is not part of this Stipulation and neither Defendants nor their Related Parties shall have any responsibility or liability with respect thereto.

1.20. “Proof of Claim and Release” means the Proof of Claim and Release form for submitting a Claim, which, subject to approval of the Court, shall be substantially in the form attached hereto as Exhibit A-2, and that a Settlement Class Member must complete and submit should that Settlement Class Member seek to share in a distribution of the Net Settlement Fund.

1.21. “Related Parties” means, as applicable, each Plaintiff’s, Settlement Class Member’s, Plaintiff’s Counsel’s, Defendant or Defendant’s Counsel’s respective former, present, or future parents, subsidiaries, divisions, controlling persons, associates, and affiliates and each and all of their respective present and former employees, members, partners, principals, officers, directors, controlling shareholders, agents, attorneys, advisors (including financial or investment advisors), accountants, auditors, consultants, underwriters, investment bankers, commercial bankers, entities providing fairness opinions, general or limited partners or partnerships, limited liability companies, members, joint ventures and insurers and reinsurers of each of them, and the predecessors, successors, estates, immediate family members, spouses, heirs, executors, trusts, trustees, administrators, agents, legal or personal representatives, assigns, and assignees of each of them, in their capacity as such.

1.22. “Released Claims” means any and all claims, demands, losses, rights, and causes of action of every nature and description, whether asserted or unasserted, including both known

claims and Unknown Claims, whether arising under federal, state, common, or foreign law, by Released Plaintiff Parties, whether brought directly or indirectly against any of the Released Defendant Parties, that have been or could have been asserted in the Litigation or could in the future be asserted in any forum, whether foreign or domestic, and which arise out of or relate in any way, to: (a) any of the allegations, transactions, events, disclosures, statements, acts, or omissions that were asserted, involved, set forth, asserted, or referred to, or could have been asserted, by a Released Plaintiff Party in the Litigation; and (b) arise out of, are based upon, or relate in any way, directly or indirectly, to the purchase, acquisition, holding, sale, or disposition of NN common stock issued in NN's September 14, 2018 Secondary Public Offering. "Released Claims" do not include claims to enforce the Settlement, or the claims of any Person that submits a request for exclusion that is accepted by the Court. "Released Claims" includes "Unknown Claims," as defined in ¶1.35 hereof.

1.23. "Released Defendant Party" or "Released Defendant Parties" mean Defendants, Defendants' Counsel, and their Related Parties.

1.24. "Released Defendants' Claims" means any and all claims and causes of action of every nature and description whatsoever, including both known claims and Unknown Claims, as defined in ¶1.35 hereof, against Released Plaintiff Parties that arise out of or relate in any way to the institution, prosecution, or settlement of the claims against Defendants in the Litigation, except for claims relating to the enforcement of the Settlement. "Released Defendants' Claims" do not include claims between or among Defendants or any combination of Defendants, including claims for indemnification.

1.25. "Released Plaintiff Party" or "Released Plaintiff Parties" mean each and every Settlement Class Member, Plaintiff, Plaintiff's Counsel, and their Related Parties.

1.26. “Settlement” means the resolution of the Litigation in accordance with the terms and provisions of this Stipulation.

1.27. “Settlement Amount” means nine million, five hundred thousand U.S. dollars (\$9,500,000.00) to be paid by check or wire transfer to the Escrow Agent pursuant to ¶2.2 of this Stipulation.

1.28. “Settlement Class” means all persons and entities who purchased or otherwise acquired NN, Inc.’s common stock in the Company’s September 14, 2018 Secondary Public Offering. Excluded from the Settlement Class are: (a) Defendants; (b) members of the immediate families of each Individual Defendant; (c) the respective parents and subsidiaries of NN and the Underwriter Defendants; (d) the officers and directors of NN; (e) any entity in which any such excluded party has a direct or indirect majority ownership interest; and (f) the legal representatives, heirs, successors, or assigns of any such excluded party. Notwithstanding any aforementioned exclusions from the definition of “Settlement Class,” Investment Vehicles shall not be excluded from the Settlement Class. Also excluded from the Settlement Class is any Person who would otherwise be a Member of the Settlement Class, but who validly and timely requests exclusion in accordance with the requirements set by the Court.

1.29. “Settlement Class Member” or “Member of the Settlement Class” mean a Person who falls within the definition of the Settlement Class, as set forth in ¶1.28 above.

1.30. “Settlement Fund” means the Settlement Amount plus all interest and accretions thereto.

1.31. “Settlement Hearing” means the hearing set by the Court to consider whether the Settlement should be approved as fair, reasonable, and adequate within the meaning of Article 9 of the CPLR.



1.32. “Settling Parties” collectively means Defendants and Plaintiff, on behalf of itself and the Settlement Class.

1.33. “Summary Notice” means the summary notice of proposed Settlement and hearing for publication, substantially in the form attached hereto as Exhibit A-3.

1.34. “Tax” or “Taxes” means any and all taxes, fees, levies, duties, tariffs, imposts, and other charges of any kind (together with any and all interest, penalties, additions to tax, and additional amounts imposed with respect thereto) imposed by any governmental authority, including, but not limited to, any local, state, and federal taxes.

1.35. “Unknown Claims” means (a) any and all Released Claims that any of the Released Plaintiff Parties do not know or suspect to exist in his, her, or its favor at the time of the release of the Released Defendant Parties, which, if known by him, her, or it, might have affected his, her, or its settlement with and release of the Released Defendant Parties, or might have affected his, her, or its decision(s) with respect to the Settlement, including, but not limited to, whether or not to object to the Settlement or seek exclusion from the Settlement Class; and (b) any and all Released Defendants’ Claims that any of the Released Defendant Parties do not know or suspect to exist in his, her, or its favor at the time of the release of the Released Plaintiff Parties that, if known by him, her, or it, might have affected his, her, or its settlement and release of the Released Plaintiff Parties. With respect to (a) any and all Released Claims against the Released Defendant Parties and (b) any and all Released Defendants’ Claims against the Released Plaintiff Parties, the Settling Parties stipulate and agree that, upon the Effective Date, the Settling Parties shall expressly waive, and each Released Plaintiff Party and Released Defendant Party shall be deemed to have, and by operation of the Judgment shall have expressly waived, the provisions, rights, and benefits of 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;**

and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to Cal. Civ. Code §1542. The Released Plaintiff Parties and Released Defendant Parties acknowledge that they may hereafter discover facts, legal theories, or authorities in addition to or different from those that he, she, it, or their counsel now knows or believes to be true with respect to the subject matter of the Released Claims or Released Defendants' Claims, but (a) the Released Plaintiff Parties shall expressly, fully, finally, and forever waive, compromise, settle, discharge, extinguish, and release, and each Released Plaintiff Party shall be deemed to have waived, compromised, settled, discharged, extinguished, and released, and upon the Effective Date, and by operation of the Judgment, shall have waived, compromised, settled, discharged, extinguished, and released, fully, finally, and forever, any and all Released Claims against the Released Defendant Parties, known or unknown, suspected or unsuspected, contingent or non-contingent, accrued or unaccrued, whether or not concealed or hidden, which now exist, or heretofore have existed, or may hereafter exist, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, intentional, with or without malice, or a breach of any duty, law, or rule, without regard to the subsequent discovery or existence of such different or additional facts, legal theories, or authorities; and (b) the Released Defendant Parties shall expressly fully, finally, and forever waive, compromise, settle, discharge, extinguish, and release, and each Released Defendant Party shall be deemed to have waived, compromised, settled, discharged, extinguished, and released, and upon the Effective Date, and by operation of the Judgment, shall have waived, compromised, settled, discharged, extinguished, and released, fully,

finally, and forever, any and all Released Defendants' Claims against the Released Plaintiff Parties, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, intentional, with or without malice, or a breach of any duty, law, or rule, without regard to the subsequent discovery or existence of such different or additional facts, legal theories, or authorities. The Settling Parties acknowledge, and the Released Plaintiff Parties and Released Defendant Parties shall be deemed, by operation of the Judgment, to have acknowledged that the foregoing waiver was separately bargained for and is an essential element of the Settlement of which this release is a part.

## **2. The Settlement**

2.1. The obligations incurred pursuant to this Stipulation are: (a) subject to approval by the Court and the Judgment, reflecting such approval, becoming Final; and (b) full and final disposition of the Litigation and any and all Released Claims, as against all Released Defendant Parties and Released Defendants' Claims, as against all Released Plaintiff Parties, upon and subject to the terms and conditions set forth herein.

### **a. The Settlement Amount**

2.2. In full and final settlement of the claims asserted in the Litigation, and in consideration of the releases specified in ¶¶4.1-4.3 herein, NN and/or its insurance carriers, on behalf of all Defendants, shall pay or shall cause the Settlement Amount to be paid into the Escrow Account by check or wire transfer on or before 25 calendar days after the later to occur of: (a) entry of an order substantially in the form of Exhibit A attached hereto (the "Preliminary Approval Order"); or (b) the Escrow Agent providing to Defendants' Counsel all information necessary to effectuate a transfer of funds to the Escrow Account, including, without limitation, (i) wire transfer

instructions (including bank name and ABA routing number, address, account name, and number); (ii) payment address; and (iii) a complete and executed Form W-9 for the Settlement Fund that reflects a valid tax identification number. The Escrow Agent shall deposit the Settlement Amount plus any accrued interest in a segregated Escrow Account maintained by the Escrow Agent.

2.3. The Underwriter Defendants shall not be required to make any payments under the Settlement.

2.4. If the entire Settlement Amount is not timely paid to the Escrow Agent, Plaintiff may terminate the Settlement, but only if: (a) Plaintiff's Counsel has notified Defendants' Counsel in writing of Plaintiff's intention to terminate the Settlement; and (b) the entire Settlement Amount is not transferred to the Escrow Account within ten business days after Plaintiff's Counsel has provided such written notice.

2.5. Other than the obligation to pay or cause to be paid the Settlement Amount into the Settlement Fund, as set forth in ¶2.2 herein, the Released Defendant Parties shall have no responsibility for, interest in, or liability whatsoever with respect to the administration of the Settlement or the actions or decisions of the Claims Administrator and shall have no liability whatsoever to the Released Plaintiff Parties in connection with such administration, including, but not limited to: (a) any act, omission, or determination by Plaintiff's Counsel, the Escrow Agent, and/or the Claims Administrator, or any of their respective designees or agents, in connection with the administration of the Settlement or otherwise; (b) the management, investment, or distribution of the Settlement Fund; (c) the Plan of Allocation; (d) the determination, administration, calculation, or payment of any Claims asserted against the Settlement Fund; (e) any loss suffered by, or fluctuation in value of, the Settlement Fund; or (e) the payment or withholding of any taxes, expenses, and/or costs incurred in connection with the taxation of the Settlement Fund,

distributions, or other payments from the Escrow Account, or the filing of any federal, state, or local returns.

2.6. Other than the obligation to cause the payment of the Settlement Amount in accordance with the terms of ¶2.2 herein, Defendants shall have no obligation to make any other payments pursuant to this Stipulation.

**b. The Escrow Agent**

2.7. The Escrow Agent shall invest the Settlement Amount deposited pursuant to ¶2.2 hereof in United States Agency or Treasury Securities or other instruments backed by the Full Faith & Credit of the United States government or an agency thereof, or fully insured by the United States government or an agency thereof, and shall reinvest the proceeds of these instruments as they mature in similar instruments at their then-current market rates. All risks related to the investment of the Settlement Fund in accordance with the investment guidelines set forth in this paragraph shall be borne by the Settlement Fund, and the Released Defendant Parties shall have no responsibility for, interest in, or liability whatsoever with respect to investment decisions or the actions of the Escrow Agent, or any transactions executed by the Escrow Agent.

2.8. The Settlement Fund, net of any taxes, shall be used to pay: (a) the Notice and Administration Expenses of the Settlement referred to in ¶1.16 hereof; (b) any award made by the Court pursuant to the Fee and Expense Application, as defined in ¶6.1 hereof; and (c) any other fees, payments, or awards subsequently approved by the Court. The balance of the Settlement Fund after the above payments shall be the Net Settlement Fund, which shall be distributed to the Authorized Claimants, as provided in ¶¶5.2-5.11 hereof. The Settlement Fund held by the Escrow Agent shall be deemed to be in the custody of the Court and shall remain subject to the jurisdiction of the Court until such time as the Net Settlement Fund shall be distributed to Authorized Claimants or returned pursuant to this Stipulation and/or further order of the Court. The Escrow

Agent shall not disburse the Settlement Fund except as provided in this Stipulation, by an order of the Court, or with the prior written agreement of Defendants' Counsel.

2.9. Notwithstanding the fact that the Effective Date of the Settlement has not yet occurred, Plaintiff's Counsel may pay from the Settlement Fund, without further approval from Defendants and/or order of the Court, Notice and Administration Expenses up to the sum of \$130,000. Prior to the Effective Date, all such Notice and Administration Expenses in excess of \$130,000 shall be paid from the Settlement Fund subject to prior approval of the Court. After the Effective Date, Notice and Administration Expenses may be paid as incurred, without approval of Defendants or further order of the Court.

2.10. The Claims Administrator shall disseminate the Notice, substantially in the form of Exhibit A-1 attached hereto, Proof of Claim and Release, substantially in the form of Exhibit A-2 attached hereto, and Summary Notice, substantially in the form of Exhibit A-3 attached hereto, to the Settlement Class in accordance with this Stipulation and as ordered by the Court. To the extent there are updates or modifications to the Notice, Proof of Claim and Release, and Summary Notice to the Settlement Class, such updates will be reflected on a class action website to be maintained by the Claims Administrator. The Released Defendant Parties shall have no responsibility for, or liability whatsoever with respect to, the Notice and Administration Expenses, nor shall they have any responsibility or liability whatsoever for any claims with respect thereto.

**c. Taxes**

2.11. The Settling Parties agree as follows:

(a) The Settling Parties and the Escrow Agent agree to treat the Settlement Fund as being, at all times, a "qualified settlement fund" within the meaning of Treas. Reg. §1.468B-1, and the regulations promulgated thereunder. The Settling Parties and the Escrow Agent further agree that the Settlement Fund shall be established pursuant to the

Court's subject matter jurisdiction within the meaning of Treas. Reg. §1.468B-1(c)(1). In addition, the Escrow Agent shall timely make such elections, as necessary or advisable, to carry out the provisions of this ¶2.11, including the "relation-back election" (as defined in Treas. Reg. §1.468B-1) back to the earliest permitted date. Such elections shall be made in compliance with the procedures and requirements contained in such regulations. It shall be the responsibility of the Escrow Agent to timely and properly prepare and deliver the necessary documentation for signature by all necessary parties and thereafter to cause the appropriate filing to occur.

(b) For the purpose of §1.468B of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder, the "administrator" (as defined in Treas. Reg. §1.468B-2(k)(3)) shall be the Escrow Agent. The Escrow Agent shall timely and properly file all informational and other federal, state, or local tax returns necessary or advisable with respect to the earnings on the Settlement Fund (including, without limitation, the returns described in Treas. Reg. §1.468B-2(k)). Such returns (as well as the elections described in ¶2.11(a) hereof) shall be consistent with this ¶2.11 and, in all events, shall reflect that all taxes (including any estimated taxes, interest, or penalties) on the income earned by the Settlement Fund shall be paid out of the Settlement Fund as provided in ¶2.11(c) hereof.

(c) All (i) taxes (including any estimated taxes, interest, or penalties) arising with respect to the income earned by the Settlement Fund, including any taxes or tax detriments that may be imposed upon the Released Defendant Parties or their counsel with respect to any income earned by the Settlement Fund for any period, after the deposit of the Settlement Amount, during which the Settlement Fund does not qualify as a "qualified

settlement fund” for federal or state income tax purposes; and (ii) Tax Expenses shall be paid out of the Settlement Fund by the Escrow Agent; in all events the Released Defendant Parties and their counsel shall have no liability or responsibility whatsoever for the taxes or the Tax Expenses. Further, taxes and Tax Expenses shall be treated as, and considered to be, a cost of administration of the Settlement Fund and shall be timely paid by the Escrow Agent out of the Settlement Fund, without prior order from the Court, and the Escrow Agent shall also be obligated to withhold, and shall be responsible for withholding, from distribution to Authorized Claimants any funds necessary to pay such amounts, including the establishment of adequate reserves for any taxes and Tax Expenses (as well as any amounts that may be required to be withheld under Treas. Reg. §1.468B-2(l)(2)). Neither the Settling Parties nor their counsel are responsible nor shall they have any liability for any taxes or Tax Expenses. The Settling Parties hereto agree to cooperate with the Escrow Agent, each other, and their tax attorneys and accountants to the extent reasonably necessary to carry out the provisions of this ¶2.11.

2.12. This is not a claims-made settlement. As of the Effective Date, the Released Defendant Parties, and/or any other Person funding the Settlement on their behalf, shall not have any right to the return of the Settlement Fund or any portion thereof for any reason, and shall not have liability should Claims made exceed the amount available in the Settlement Fund for payment of such Claims. The Released Defendant Parties shall not be liable for the loss of any portion of the Settlement Fund, nor have any liability, obligation, or responsibility for the payment of Claims, taxes, legal fees, or any other expenses payable from the Settlement Fund.

**d. Termination of Settlement**

2.13. In the event that this Stipulation or the Settlement is not approved, or is terminated, canceled, or the Effective Date otherwise fails to occur for any reason, including, without



limitation, in the event the Judgment is reversed, vacated, or altered following any appeal taken therefrom, or is successfully collaterally attacked, the Settlement Fund, less Notice and Administration Expenses, taxes, or Tax Expenses paid, incurred, or due and owing pursuant to ¶¶2.9 and 2.11 hereof in connection with the Settlement provided for herein, shall be refunded pursuant to written instructions from Defendants' Counsel in accordance with ¶7.5 herein.

### **3. Preliminary Approval Order and Settlement Hearing**

3.1. Immediately following execution of this Stipulation, Plaintiff's Counsel shall submit this Stipulation, together with its exhibits, to the Court and shall apply for entry of the Preliminary Approval Order, substantially in the form of Exhibit A attached hereto, requesting, *inter alia*, the preliminary approval of the Settlement set forth in this Stipulation and approval for the mailing of the Notice and publication of the Summary Notice, substantially in the forms of Exhibits A-1 and A-3 attached hereto, and the scheduling of the Settlement Hearing at which the Court will consider whether to certify the Settlement Class, grant Final approval of the Settlement, approve the Plan of Allocation, and award attorneys' fees and expenses to Plaintiff's Counsel. The Notice shall include the general terms of the Settlement set forth in this Stipulation, the proposed Plan of Allocation, the general terms of the Fee and Expense Application, as defined in ¶6.1 hereof, and the date of the Settlement Hearing.

3.2. NN shall provide the Claims Administrator, at no cost to Plaintiff or the Settlement Class, reasonably available transfer records in electronic searchable form, such as Excel, containing the names and addresses of registered owners of NN common stock. The Underwriter Defendants shall not be obligated to provide any records or information to Plaintiff or the Settlement Class. The Claims Administrator shall disseminate the Notice and Summary Notice to the Settlement Class in accordance with this Stipulation and as ordered by the Court.

3.3. Any Settlement Class Member who wishes to opt-out of the Settlement Class must submit a timely written request for exclusion on or before the opt-out date in the manner specified in the Court's Preliminary Approval Order. A request for exclusion is valid only if it is signed by the Settlement Class Member. Group opt-outs, including "mass" or "class" opt-outs, are not permitted. Any Settlement Class Member who does not submit a timely written request for exclusion will be bound by all proceedings, orders, and judgments in the Litigation, whether or not he, she, or it timely submits a Proof of Claim and Release.

3.4. Any Settlement Class Member who wishes to object to the fairness, reasonableness, or adequacy of the Settlement or to any aspect of the Fee and Expense Application must do so in the manner specified and within the deadlines specified in the Preliminary Approval Order and the Notice.

#### **4. Mutual Releases**

4.1. Upon the Effective Date, as defined in ¶1.6 hereof, Plaintiff shall, and each and every Released Plaintiff Party shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever waived, released, relinquished, discharged, and dismissed each and every one of the Released Claims against each and every one of the Released Defendant Parties. Upon the Effective Date, the Released Plaintiff Parties will be forever be barred and enjoined from commencing, instituting, prosecuting, or maintaining any action or other proceeding in any court of law or equity, arbitration tribunal, or administrative or other forum, foreign or domestic, asserting the Released Claims against any and all of the Released Defendant Parties, whether or not such Released Plaintiff Party executes and delivers the Proof of Claim and Release or shares in the Net Settlement Fund. Claims to enforce the terms of this Stipulation are not released.

4.2. Any Proof of Claim and Release that is executed by a Settlement Class Member shall release all Released Claims against the Released Defendant Parties and shall be substantially in the form contained in Exhibit A-2 attached hereto.

4.3. Upon the Effective Date, each of the Released Defendant Parties shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released, relinquished, and discharged all Released Defendants' Claims against the Released Plaintiff Parties. Claims to enforce the terms of this Stipulation are not released. Notwithstanding the foregoing, nothing in this Stipulation or its exhibits shall be construed as limiting, modifying, or otherwise affecting any insurance coverage or policies that may be available to any of the Released Defendant Parties.

**5. Administration and Calculation of Claims, Final Awards, and Supervision and Distribution of the Settlement Fund**

5.1. The Claims Administrator, subject to such supervision and direction of the Court, as may be necessary or as circumstances may require, shall administer and calculate the Claims submitted by Settlement Class Members and shall oversee distribution of the Net Settlement Fund to Authorized Claimants. As provided in ¶2.5 above, other than NN's obligation to provide its securities holders' records as provided in ¶3.2 above, the Released Defendant Parties and Defendants' Counsel shall have no responsibility whatsoever for, or interest in, the administration of the Settlement or the actions or decisions of the Claims Administrator. The Released Plaintiff Parties release the Released Defendant Parties from any and all liability and claims arising from, or with respect to, the administration, investment, or distribution of the Settlement Fund.

5.2. The Settlement Fund shall be applied as follows:

- (a) to pay all Notice and Administration Expenses;
- (b) to pay the taxes and Tax Expenses;

(c) to pay the Fee and Expense Award, consisting of Plaintiff's Counsel's attorneys' fees and expenses and reimbursement of Plaintiff's costs and expenses, and to pay any award to Plaintiff for its reasonable costs and expenses (including lost wages), if and to the extent allowed by the Court; and

(d) after the Effective Date, to distribute the Net Settlement Fund to Authorized Claimants, as provided by this Stipulation, the Plan of Allocation, or the orders of the Court.

5.3. Within 90 calendar days after the mailing of the Notice, or such other time as may be set by the Court, each person claiming to be an Authorized Claimant shall be required to submit to the Claims Administrator a completed Proof of Claim and Release, substantially in the form of Exhibit A-2 attached hereto, signed under penalty of perjury and supported by such documents as specified in the Proof of Claim and Release and as are reasonably available to the Authorized Claimant.

5.4. Except as otherwise ordered by the Court, all Settlement Class Members who fail to timely submit a valid Proof of Claim and Release within such period, or such other period as may be ordered by the Court, or otherwise allowed, and have not requested to be excluded from the Settlement Class, shall be forever barred from receiving any payments pursuant to this Stipulation and the Settlement set forth herein, but will, in all other respects, be subject to and bound by the provisions of this Stipulation, the releases contained herein, and the Judgment and will be barred from bringing any action against the Released Defendant Parties concerning the Released Claims. Notwithstanding the foregoing, the Claims Administrator shall have the discretion (but not an obligation) to accept late-submitted Claims for processing, so long as the distribution of the Net Settlement Fund to Authorized Claimants is not materially delayed thereby.

The Claims Administrator shall also have the right, but not the obligation, to waive what it deems to be *de minimis* or formal or technical defects in any Proof of Claim and Release submitted. No Person shall have any claim against Plaintiff, Plaintiff's Counsel, the Claims Administrator, or any Settlement Class Member by reason of the exercise or non-exercise of such discretion.

5.5. Each Proof of Claim and Release shall be submitted to and reviewed by the Claims Administrator, who shall determine, in accordance with this Stipulation and the approved Plan of Allocation, the extent, if any, to which each Claim shall be allowed, subject to review by the Court pursuant to ¶5.7 below.

5.6. Proof of Claim and Release forms that do not meet the submission requirements may be rejected. Prior to rejecting a Proof of Claim and Release, in whole or in part, the Claims Administrator shall communicate with the claimant in writing to give the claimant the chance to remedy any curable deficiencies in the Proof of Claim and Release submitted. The Claims Administrator, shall notify, in a timely fashion and in writing, all claimants whose Claims the Claims Administrator proposes to reject, in whole or in part, for curable deficiencies, setting forth the reasons therefor, and shall indicate in such notice that the claimant whose Claim is to be rejected has the right to a review by the Court if the claimant so desires and complies with the requirements of ¶5.7 below.

5.7. If any claimant whose timely Claim has been rejected, in whole or in part, for curable deficiency desires to contest such rejection, the claimant must, within 20 calendar days after the date of mailing of the Notice required in ¶5.6 above, or a lesser period of time if the Claim was untimely, serve upon the Claims Administrator a notice and statement of reasons indicating the claimant's grounds for contesting the rejection, along with any supporting documentation, and requesting a review thereof by the Court. If a dispute concerning a Claim cannot be otherwise

resolved, the Claims Administrator shall thereafter present the claimant's request for review to the Court.

5.8. Each claimant who declines to be excluded from the Settlement Class shall be deemed to have submitted to the jurisdiction of the Court, with respect to the claimant's Claim, including, but not limited to, all releases provided for herein and in the Judgment, and the Claim will be subject to investigation and discovery under the CPLR, provided that such investigation and discovery shall be limited to the claimant's status as a Settlement Class Member and the validity and amount of the claimant's Claim. In connection with processing the Proofs of Claim and Release, no discovery shall be allowed on the merits of the Litigation or the Settlement. All proceedings with respect to the administration, processing, and determination of Claims and the determination of all controversies relating thereto, including disputed questions of law and fact with respect to the validity of Claims, shall be subject to the jurisdiction of the Court, but shall not, in any event, delay or affect the finality of the Judgment. All Settlement Class Members, other claimants, and parties to the Settlement expressly waive trial by jury (to the extent any such right may exist) and any right of appeal or review with respect to such determinations.

5.9. No distributions will be made to Authorized Claimants who would otherwise receive a distribution of less than \$10.00. If there is any balance remaining in the Net Settlement Fund, after a reasonable period of time after the date of the distribution of the Net Settlement Fund, the Claims Administrator shall, if feasible, reallocate such balance among Authorized Claimants who negotiated the checks sent in the initial distribution and who would receive a minimum of \$10.00. These redistributions shall be repeated until the balance remaining in the Net Settlement Fund is *de minimis*. Subject to the Court's approval, any *de minimis* balance that still remains in the Net Settlement Fund after such reallocation(s) and payments, which are not feasible or

economical to reallocate, shall be donated to The Legal Aid Society, a 501(c)(3), non-profit charitable organization that has no affiliation or financial relationship with Plaintiff's Counsel, Plaintiff, Defendants, the Related Parties, or Defendants' Counsel.

5.10. No Person shall have any claim against the Released Defendant Parties, the Released Plaintiff Parties, or the Claims Administrator based on determinations or distributions made substantially in accordance with this Stipulation and the Settlement contained herein, the Plan of Allocation, or further order(s) of the Court.

5.11. It is understood and agreed by the Settling Parties that any proposed Plan of Allocation of the Net Settlement Fund, including, but not limited to, any adjustments to an Authorized Claimant's Claim set forth therein, is not a part of this Stipulation and is to be considered by the Court separately from the Court's consideration of the fairness, reasonableness, and adequacy of the Settlement set forth in this Stipulation, and any order or proceeding relating to the Plan of Allocation shall not operate to terminate or cancel this Stipulation or affect the finality of the Court's Judgment approving this Stipulation and the Settlement set forth herein, or any other orders entered pursuant to this Stipulation.

## **6. Fee and Expense Application**

6.1. Plaintiff's Counsel may submit an application or applications to the Court for an award from the Settlement Fund of: attorneys' fees and payment of expenses incurred in connection with prosecuting the Litigation, plus interest earned on such attorneys' fees and expenses at the same rate and for the same periods as earned by the Settlement Fund (until paid) as may be awarded by the Court (the "Fee and Expense Application"). The Fee and Expense Application may include a request for reimbursement of Plaintiff's reasonable costs and expenses in connection with its representation of the Settlement Class. Plaintiff's Counsel reserves the right to make additional applications for fees and expenses incurred.

6.2. The amount of attorneys' fees and expenses awarded by the Court is within the sole discretion of the Court. Any fees and expenses, as awarded by the Court, shall be paid to Plaintiff's Counsel from the Settlement Fund, as ordered, immediately upon entry of the Judgment and an order awarding such fees and expenses, notwithstanding the existence of any timely filed objections thereto or to the Settlement, or potential for appeal therefrom, or collateral attack on the Settlement or any part thereof.

6.3. In the event that the Effective Date does not occur, or the Judgment or order granting (in whole or in part) the Fee and Expense Award is reversed or modified, or this Stipulation is canceled or terminated for any other reason and such reversal, modification, cancellation, or termination becomes Final and not subject to review, then, to the extent that the Fee and Expense Award has been paid, Plaintiff's Counsel, who have received any portion of the Fee and Expense Award, shall, within ten business days from receiving notice from Defendants' Counsel or from a court of appropriate jurisdiction, refund to the Settlement Fund such fees and expenses previously paid to them from the Settlement Fund, plus interest thereon, at the same rate as earned on the Settlement Fund in an amount consistent with such reversal, modification, cancellation, or termination.

6.4. The Fee and Expense Application shall be considered by the Court separately from the Court's consideration of the fairness, reasonableness, and adequacy of the Settlement, as set forth in this Stipulation, and shall have no effect on the terms of this Stipulation or the validity or enforceability of the Settlement. The approval of the Settlement, and it becoming Final, shall not be contingent on the Fee and Expense Award, any award to Plaintiff's Counsel or Plaintiff, nor any appeals from such awards. Any order or proceeding relating to the Fee and Expense Application, or any appeal from any order relating thereto or reversal or modification thereof, shall



not operate to terminate or cancel this Stipulation, or affect or delay the finality of the Judgment approving this Stipulation and the Settlement of the Litigation set forth therein.

6.5. Any fees and/or expenses awarded by the Court shall be paid solely from the Settlement Fund. The Released Defendant Parties shall have no responsibility for, and no liability whatsoever with respect to, any payment of attorneys' fees or expenses (including taxes) to Plaintiff's Counsel or any other Person who receives payment from the Net Settlement Fund.

6.6. The Released Defendant Parties shall have no responsibility for, and no liability whatsoever with respect to, the allocation among Plaintiff's Counsel or any other Person who may assert some claim thereto of any Fee and Expense Award that the Court may make in the Litigation.

**7. Conditions of Settlement, Effect of Disapproval, Cancellation, or Termination**

7.1. The Effective Date of the Settlement shall be conditioned on the occurrence of all of the following events:

- (a) certification, solely for the purposes of effectuating the Settlement set forth in this Stipulation, of the Settlement Class;
- (b) the Court has entered the Preliminary Approval Order directing notice to the Settlement Class, as required by ¶3.1 hereof;
- (c) the Settlement Amount has been deposited into the Escrow Account;
- (d) Defendants have not exercised their option to terminate this Stipulation pursuant to ¶7.3 hereof;
- (e) the Court has entered the Judgment, or a judgment substantially in the form of Exhibit B attached hereto; and
- (f) the Judgment has become Final, as defined in ¶1.10 hereof.

7.2. Upon the Effective Date, any and all remaining interest or right of the Defendants in or to the Settlement Fund, if any, shall be absolutely and forever extinguished. If the conditions

specified in ¶7.1 hereof are not met, then the Settlement shall be canceled and terminated subject to ¶¶7.5-7.7 hereof unless Plaintiff's Counsel and Defendants' Counsel mutually agree in writing to proceed with the Settlement.

7.3. Defendants shall have the right to terminate the Settlement and render it null and void in the event that Settlement Class Members, who purchased or otherwise acquired more than a certain percentage of NN common stock subject to the Settlement, exclude themselves from the Settlement Class, as set forth in a separate agreement (the "Supplemental Agreement") executed between Plaintiff and Defendants, by and through their counsel. The Settling Parties agree to maintain the confidentiality of the Supplemental Agreement, which is being executed concurrently herewith. The Supplemental Agreement shall not be filed with the Court unless and until the Court requires the Settling Parties to file the Supplemental Agreement or disclose its terms. If submission of the Supplemental Agreement is ordered by the Court, the Settling Parties will seek to have the Supplemental Agreement submitted to the Court *in camera* or filed under seal, but such disclosure shall be carried out to the fullest extent possible in accordance with the practices of the Court, so as to preserve the confidentiality of the Supplemental Agreement, particularly the threshold aggregate number of shares. Notwithstanding the foregoing, Defendants may include a redacted copy of the Supplemental Agreement with any notice provided pursuant to Article 9 of the CPLR.

7.4. Plaintiff and Defendants shall each have the right to terminate the Settlement and this Stipulation by providing written notice of their election to do so ("Termination Notice") to all other parties hereto within 30 calendar days of: (a) the Court's refusal to enter the Preliminary Approval Order; (b) the Court's refusal to approve this Stipulation; (c) the Court's refusal to enter the Judgment; (d) the date upon which the Judgment is reversed, vacated, or altered following any appeal taken therefrom, or is successfully collaterally attacked; or (e) the failure of the Effective

Date to occur for any reason. For avoidance of doubt, no order of the Court or modification or reversal on appeal of any order of the Court concerning the Plan of Allocation or the amount of any attorneys' fees, expenses, and interest awarded by the Court to Plaintiff's Counsel or expenses to Plaintiff shall operate to terminate or cancel this Stipulation or constitute grounds for cancellation or termination of this Stipulation.

7.5. Unless otherwise ordered by the Court, in the event this Stipulation is not approved, or this Stipulation or the Settlement is terminated, canceled, or the Effective Date otherwise fails to occur for any reason, including, without limitation, in the event the Judgment is reversed or vacated or altered following any appeal taken therefrom, or is successfully collaterally attacked, within ten business days after written notification of such event is sent by Defendants' Counsel or Plaintiff's Counsel to the Escrow Agent, the Settlement Fund, less taxes, Tax Expenses, and Notice and Administration Expenses, which have either been disbursed pursuant to ¶¶2.9 and/or 2.11 hereof or are chargeable to the Settlement Fund pursuant to ¶¶2.9 and/or 2.11 hereof, shall be refunded by the Escrow Agent to the Persons who contributed to the Settlement Fund in proportion to their respective contribution. The Escrow Agent or its designee shall apply for any tax refund owed on the Settlement Amount and pay the proceeds, after deduction of any fees or expenses incurred in connection with such application(s) for refund, to the same Persons in the same manner as the Settlement Fund described in this ¶7.5. Payments pursuant to this paragraph shall be pursuant to written instructions from Defendants' Counsel.

7.6. In the event that this Stipulation is not approved, or this Stipulation or the Settlement is terminated, canceled, or the Effective Date otherwise fails to occur for any reason, the Settling Parties shall be restored to their respective positions in the Litigation as of June 21, 2022. In such event, the terms and provisions of this Stipulation, with the exception of ¶¶1.1-1.35,

2.7-2.9, 2.11-2.13, 6.3-6.4, 7.4-7.7, and 10.6 hereof, shall have no further force and effect with respect to the Settling Parties and shall not be used in the Litigation or in any other proceeding for any purpose, and any judgment or order entered by the Court in accordance with the terms of this Stipulation shall be treated as vacated, *nunc pro tunc*. No order of the Court or modification or reversal on appeal of any order of the Court concerning the Plan of Allocation or any Fee and Expense Award shall operate to terminate or cancel this Stipulation or constitute grounds for cancellation or termination of this Stipulation.

7.7. If the Effective Date does not occur, or if this Stipulation is terminated pursuant to its terms, neither Plaintiff nor Plaintiff's Counsel shall have any obligation to repay any amounts disbursed pursuant to ¶¶2.9 or 2.11. In addition, any amounts already incurred pursuant to ¶¶2.9 or 2.11 hereof at the time of such termination or cancellation, but which have not been paid, shall be paid by the Escrow Agent in accordance with the terms of this Stipulation prior to the balance being refunded in accordance with ¶¶2.13 and 7.5 hereof.

7.8. In the event of a final order of a court of competent jurisdiction, not subject to any further proceedings, determining the transfer of the Settlement Amount to the Settlement Fund, or any portion thereof, by NN or its insurers to be a voidable preference, voidable transfer, fraudulent transfer, or similar transaction under Title 11 of the United States Code (Bankruptcy), or applicable state law, and any portion thereof is required to be refunded, then the Settling Parties shall jointly move the Court to vacate and set aside the releases given and Judgment entered in favor of the Defendants, the Settling Parties shall be restored to their litigation positions as of June 21, 2022, and the Settlement Fund (less any amounts disbursed pursuant to ¶¶5.1-5.11) shall be promptly returned.

## **8. No Admission of Wrongdoing**

8.1. Neither the Settlement, this Stipulation (whether or not consummated), including the exhibits hereto and the Plan of Allocation contained therein (or any other plan of allocation that may be approved by the Court), the negotiations leading to the execution of this Stipulation and the Settlement, nor any proceedings taken pursuant to or in connection with this Stipulation, and/or approval of the Settlement (including any arguments proffered in connection therewith):

(a) is, may be deemed to be, or shall be offered as an admission of, or evidence of, the validity of any Released Claim as against a Released Defendant Party or a Released Defendant Claim as against a Released Plaintiff Party;

(b) shall be offered or received against any Defendant as evidence of, or construed as or deemed to be evidence of, any presumption, concession, or admission by any Defendant of the truth of any allegations by Plaintiff or any Member of the Settlement Class or the validity of any claim that has been, or could have been, asserted in the Litigation, or the 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 of any liability, negligence, fault, or wrongdoing of any kind of any of the Defendants or in any way referred to for any other reason as against any of the Defendants, in any civil, criminal, or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of this Stipulation;

(c) shall be offered or received against any Defendant as evidence of a presumption, concession, or admission 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 Settlement Class, as evidence of any infirmity in the claims of Plaintiff and the Settlement Class;

(d) shall be offered or received against any Defendant as evidence of a presumption, concession, or admission of any liability, negligence, fault, or wrongdoing, or in any way referred to for any other reason, as against any of the parties to this Stipulation, in any other civil, criminal, or administrative action or proceeding; provided, however, that if this Stipulation is approved by the Court, Defendants and their Related Parties may refer to it to effectuate the release granted them hereunder; or

(e) shall be construed against Defendants, Plaintiff, or the Settlement Class as evidence of a presumption, concession, or admission that the consideration to be given hereunder represents the amount that could be, or would have been, recovered after trial or in any proceeding other than the Settlement.

## **9. Class Certification**

9.1. The Settling Parties hereby stipulate, for purposes of the Settlement only, to certification of the Litigation as a class action pursuant to CPLR §§901 and 902. In the event that the Judgment, if applicable, does not become Final or the Settlement fails to become effective for any reason, the Settling Parties reserve all their rights on all issues. In such an event, Defendants reserve all rights to object to and oppose class certification or challenge the standing of Plaintiff or any other intervening plaintiff, and this Stipulation shall not be offered as evidence of any agreement, admission, or concession that any class should be or remain certified in the Litigation or that any plaintiff has standing.

## **10. Miscellaneous Provisions**

10.1. The Settling Parties: (a) acknowledge that it is their intent to consummate this agreement; and (b) agree to cooperate to the extent reasonably necessary to effectuate and implement all terms and conditions of this Stipulation and to exercise their best efforts to accomplish the foregoing terms and conditions of this Stipulation.

10.2. The Settling Parties intend the Settlement to be a final and complete resolution of all disputes between them with respect to the Litigation. The Settlement compromises all claims that were or are contested and shall not be deemed an admission by any Settling Party, as to the merits of any claim or defense. The Judgment will contain a finding that, during the course of the Litigation, the Settling Parties and their respective counsel at all times complied with the requirements of 22 New York Code, Rules and Regulations Part 130. The Settling Parties agree that the Settlement Amount and other terms of the Settlement were negotiated in good faith by the Settling Parties and reflect a settlement that was reached voluntarily after consultation with competent legal counsel.

10.3. The Settling Parties and their counsel agree not to assert in any statement made to any media representative (whether or not for attribution) that the Litigation was commenced or prosecuted by Plaintiff or defended by Defendants in bad faith or without a reasonable basis, nor will they deny that the Litigation was commenced and prosecuted and defended in good faith and is being settled voluntarily after consultation with competent legal counsel. In all events, Settling Parties and their counsel shall not make any accusations of wrongful or actionable conduct by any party concerning the prosecution, defenses, and resolution of the Litigation and shall not otherwise suggest that the Settlement constitutes an admission of any claim or defense alleged. The Settling Parties reserve their right to rebut, in a manner that such party determines to be appropriate, any contention made in any public forum regarding the Litigation, including that the Litigation was brought or defended in bad faith or without a reasonable basis.

10.4. Defendants and/or the Released Defendant Parties may file this Stipulation and/or the Judgment from the Litigation in any other action that may be brought against them in order to support a defense or counterclaim based on principles of *res judicata*, collateral estoppel, release,

statute of limitations, statute of repose, good faith settlement, judgment bar or reduction, or any theory of claim preclusion or issue preclusion or similar defense or counterclaim, or to effectuate any liability protection under any applicable insurance policy. The Settling Parties may file this Stipulation and/or the Judgment in any action that may be brought to enforce the terms of this Stipulation and/or Judgment. All Settling Parties submit to the jurisdiction of the Court for purposes of implementing and enforcing the Settlement.

10.5. All agreements made and orders entered during the course of the Litigation relating to the confidentiality of information shall survive this Stipulation.

10.6. All of the exhibits to this Stipulation and the Supplemental Agreement are material and integral parts hereof and are fully incorporated herein by this reference.

10.7. This Stipulation, along with its exhibits and the Supplemental Agreement, may be amended or modified only by a written instrument signed by or on behalf of all Settling Parties or their respective successors-in-interest.

10.8. This Stipulation and the exhibits attached hereto, together with the Supplemental Agreement, constitute the entire agreement among the Settling Parties hereto, as to the subject matter hereof, and supersede any prior or contemporaneous written or oral agreements or understandings between the Settling Parties. No representations, warranties, or inducements have been made to any party concerning this Stipulation, its exhibits, or the Supplemental Agreement, other than the representations, warranties, and covenants contained and memorialized in such documents.

10.9. Except as otherwise provided herein, each party shall bear his, her, or its own fees and costs.



10.10. Plaintiff's Counsel, on behalf of the Settlement Class, is expressly authorized by Plaintiff to take all appropriate actions required or permitted to be taken by the Settlement Class pursuant to this Stipulation to effectuate its terms and also is expressly authorized to enter into any modifications or amendments to this Stipulation on behalf of the Settlement Class that it deems appropriate.

10.11. Each counsel or other Person executing this Stipulation, its exhibits, the Supplemental Agreement, or any related Settlement document, on behalf of any party hereto, hereby warrants that such Person has the full authority to do so and that they have the authority to take appropriate action required or permitted to be taken pursuant to this Stipulation to effectuate its terms, without requiring additional consent, approval, or authorization of any other Person, board, entity, tribunal, or other regulatory or governmental authority.

10.12. This Stipulation may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument. A complete set of executed counterparts shall be filed with the Court. Signatures sent by facsimile or PDF documents via e-mail shall be deemed originals.

10.13. All notices, requests, demands, claims, and other communications hereunder shall be in writing and shall be deemed duly given (a) when delivered personally to the recipient; (b) one business day after being sent to the recipient by reputable overnight courier service (charges prepaid); or (c) seven business days after being mailed to the recipient by certified or registered mail, return receipt requested and postage prepaid, and addressed to the intended recipient, as set forth below:

***If to Plaintiff or to Plaintiff's Counsel:***

SCOTT+SCOTT ATTORNEYS AT LAW LLP  
DEBORAH CLARK-WEINTRAUB

AMANDA F. LAWRENCE  
JEFFREY P. JACOBSON  
The Helmsley Building  
230 Park Avenue, 17th Floor  
New York, NY 10169

***If to NN or Individual Defendants or to their Counsel:***

SIMPSON THACHER & BARTLETT LLP  
CRAIG WALDMAN  
KAREN PORTER  
JACOB LUNDQVIST  
425 Lexington Avenue  
New York, NY 10017

***If to the Underwriter Defendants or to their Counsel:***

SULLIVAN & CROMWELL LLP  
SHARON L. NELLES  
ANDREW J. FINN  
DANIEL J. LASKO  
125 Broad Street  
New York, NY 10004

10.14. This Stipulation shall be binding upon, and inure to the benefit of, the successors and assigns of the Settling Parties.

10.15. The Court shall retain jurisdiction with respect to implementation and enforcement of the terms of this Stipulation, and all Settling Parties submit to the jurisdiction of the Court for purposes of implementing and enforcing the Settlement embodied in this Stipulation and matters related to the Settlement.

10.16. The waiver by one Settling Party of any breach of this Stipulation by any other party shall not be deemed a waiver by any other Settling Party or a waiver of any other prior or subsequent breach of this Stipulation.

10.17. Pending approval of the Court of this Stipulation and its exhibits, all proceedings in the Litigation shall be stayed and all Members of the Settlement Class shall be barred and

enjoined from prosecuting any of the Released Claims against any of the Released Defendant Parties.

10.18. This Stipulation, its exhibits, and the Supplemental Agreement shall be considered to have been negotiated, executed, and delivered, and to be wholly performed, in the State of New York, and the rights and obligations of the parties to this Stipulation shall be construed and enforced in accordance with, and governed by, the internal substantive laws of New York without giving effect to its choice-of-law principles, except to the extent that federal law requires that federal law govern.

10.19. The headings herein are used for the purpose of convenience only and are not meant to have legal effect.

10.20. This Stipulation shall not be construed more strictly against one party than another merely by virtue of the fact that it, or any part of it, may have been prepared by counsel for one of the Settling Parties, it being recognized that it is the result of arm's-length negotiations between the Settling Parties, and the Settling Parties have contributed substantially and materially to the preparation of this Stipulation.

10.21. Nothing in this Stipulation, or the negotiations relating thereto, is intended to or shall be deemed to constitute a waiver of any applicable privilege or immunity, including, without limitation, attorney-client privilege, joint defense privilege, or work product protection.

10.22. Unless otherwise provided, the Settling Parties may agree to reasonable extensions of time to carry out any of the provisions of this Stipulation without further order of the Court.

IN WITNESS THEREOF, the parties hereto have caused this Stipulation to be executed by their duly authorized attorneys, dated July 25, 2022.

[SIGNATURES TO FOLLOW]

**SCOTT+SCOTT  
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LLC, Stephens Inc., William Blair & Company,  
L.L.C., CJS Securities, Inc., and Regions  
Securities LLC*

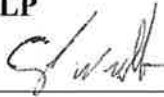
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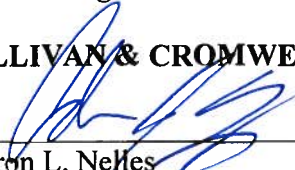
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